

West Devon Hub Committee



West Devon
Borough
Council

Title:	Agenda								
Date:	Tuesday, 1st February, 2022								
Time:	2.00 pm								
Venue:	Chamber - Kilworthy Park								
Full Members:	<p style="text-align: center;">Chairman Cllr Jory</p> <p style="text-align: center;">Vice Chairman Cllr Cheadle</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Edmonds</td> <td style="width: 33%;">Cllr Crozier</td> </tr> <tr> <td>Cllr Mott</td> <td>Cllr Daniel</td> </tr> <tr> <td>Cllr Leech</td> <td>Cllr Ratcliffe</td> </tr> <tr> <td>Cllr Pearce</td> <td></td> </tr> </table>	Cllr Edmonds	Cllr Crozier	Cllr Mott	Cllr Daniel	Cllr Leech	Cllr Ratcliffe	Cllr Pearce	
Cllr Edmonds	Cllr Crozier								
Cllr Mott	Cllr Daniel								
Cllr Leech	Cllr Ratcliffe								
Cllr Pearce									
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.								
Committee administrator:	Democratic.Services@swdevon.gov.uk								

1. Apologies for absence

2. Declarations of Interest

Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting.

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

3. Items Requiring Urgent Attention

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

4. Confirmation of Minutes

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Minutes of meeting held 7 December 2021

5. Public Questions - a period of up to 15 minutes is available to deal with issues raised by the public

6. Hub Committee Forward Plan

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7. Draft Revenue and Capital Budget Proposals 2022/23 to 2024/25

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8. Public Consultation Homelessness Strategy 2022/27

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9. Quarter 3 Integrated Performance Management Report

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10. Fusion Lifestyle -Leisure Contract Support Update

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11. Natural Woodland Regeneration at Council Sites

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12. Request for Statutory Designation of land and a new Long Lease - Milton Abbot Allotments

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13. Local Government Act 1972 section 109 - Kelly Parish

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Meeting

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Agenda Item 4

At a Meeting of the **HUB COMMITTEE** held in the **Council Chamber, Kilworthy Park, Tavistock** on **TUESDAY** the 7th day of **December 2021** at **2:00 pm**

Present: Cllr N Jory – Chairman
Cllr R Cheadle – Vice Chairman

Cllr P Crozier	Cllr L Daniel
Cllr C Edmonds	Cllr A Leech
Cllr C Mott	Cllr B Ratcliffe

In attendance: Chief Executive
Monitoring Officer
Section 151 Officer
Director of Strategy and Governance
Director of Place and Enterprise
Democratic Services Manager
Head of Development Management
Deputy Section 151 Officer
Head of Housing
Senior Specialist – Housing
Senior Specialist – Place Making
Senior Specialist – Climate Change

Other Members also in attendance in a non-voting capacity:
Cllrs Ball, Pearce (remotely), Renders and Yelland

***HC 44/21 APOLOGIES**

There was an apology for absence received for this Meeting from Cllr T G Pearce.

***HC 45/21 DECLARATIONS OF INTEREST**

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

***HC 46/21 MINUTES**

The Minutes of the Hub Committee meeting held on 2 November 2021 were confirmed as a correct record.

***HC 47/21 PUBLIC QUESTION TIME**

It was noted that no Public Questions had been received in accordance with the Hub Committee Procedure Rules.

***HC 48/21 HUB COMMITTEE FORWARD PLAN**

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

In discussion, it was agreed that the Leader would discuss with officers the need to schedule in further reviews of the thematic delivery plans that would underpin the recently adopted 'Plan for West Devon' and that this would be reflected in the next published iteration of the Forward Plan.

HC 49/21 **PLANNING IMPROVEMENT PLAN – PHASE 3 CASE MANAGEMENT RESOURCES AND ENFORCEMENT**

Consideration was given to a report that sought to provide a further update on progress against the Planning Improvement Plan. In particular, the report requested consideration of the need for additional administrative / business support (case management) for the service and management arrangements to deliver the best outcomes and service performance.

In debate, a number of Members provided examples of demonstrable improvements in the Planning Enforcement service and wished to put on record their thanks to those responsible officers. In recognition of the success of the enforcement meetings with local Ward Members, a commitment was given to schedule in a forward programme of additional meetings to continue the dialogue on local cases.

It was then **RESOLVED** that:

1. the changes proposed within Administration / Business Support (Case Management) for Development Control and the progress that had been made within the Planning Enforcement service be noted;
2. Council be **RECOMMENDED** to delegate authority to the Head of Paid Service, in consultation with the lead Hub Committee Member for Adapting Our Built Environment and the Director of Strategic Finance, to recruit additional staffing where there is a clear and demonstrable increase in planning applications and/or demand on the service, provided that the increase in staffing can be adequately covered by the additional income generated.

HC 50/21 **MONTH 7 REVENUE BUDGET MONITORING 2021/2022**

A report was considered that enabled Members to monitor income and expenditure variations against the approved Budget for 2021/22 and provided a forecast for the year-end position.

In discussion, reference was made to:-

- (a) the annual staff pay award. It was confirmed that, whilst the pay award was still subject to negotiations, provision had been set aside as part of the Budget Setting process;
- (b) the reduced car parking income. The lead Member confirmed that the reduced income had been largely attributed to the months of April 2021 and May 2021;
- (c) the gratitude of Members being extended to the Section 151 Officer and Finance Team for producing such a comprehensive report.

It was then **RESOLVED** that:

1. the forecast income and expenditure variations for the 2021/22 Financial Year and the overall projected deficit of £33,000 (0.5% of the Total Budget of £7.302 million) (which is very close to a break-even position) be noted; and

2. Council be **RECOMMENDED** to apply up to £80,000 from the Salary Savings Earmarked Reserve in 2021/22 to support additional salary costs in 2021/22 (as set out in section 3.3 of the published agenda report).

***HC 51/21 CAPITAL BUDGET MONITORING 2021/22**

For the purposes of budget monitoring, consideration was given to a report that advised Members of the Capital Budget financial position as at 31 October 2021.

In debate, the following points were raised:-

- (a) With regard to the moveable floor at Parklands Leisure Centre, Okehampton, whilst the solution was welcomed to what had been a longstanding issue, the Section 151 Officer was of the view that it was currently prudent to retain the monies within the Capital Programme;
- (b) With regard to only £622,526 of the profiled Capital Budget having been spent to date for 2021/22, officers advised that this was largely attributed to the initial slow take up of Disabled Facilities Grants during the COVID-19 Pandemic and supplier chain issues associated with the Green Homes Grant;
- (c) Given that increased energy prices could result in more and more residents entering fuel poverty, the potential for Green Homes Grants and similar support schemes to help households was noted. For clarity, officers advised that there was no deadline, at this stage, before which these Grant monies had to be spent.

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

HC 52/21 REVENUE AND CAPITAL BUDGET PROPOSALS FOR 2022/23 TO 2024/25

Consideration was given to a report that outlined the draft revenue and capital budget proposals for 2022/23 to 2024/25.

It was then **RESOLVED** that:

1. the forecast budget gap for 2022/23 of £40,296 (0.6% of the Net Budget of 2021/22 of £7.3 million) and the position for future years be noted;
2. the timescales be noted for closing the budget gap in 2022/23 and future years to achieve long-term financial sustainability;
3. the current level of Unearmarked and Earmarked Reserves (as set out in Section C of the presented agenda report) be noted;
4. the forecast Capital Programme Proposals for 2022/23 of £780,000 and the proposed financing of the Capital Programme (as set out in Appendix D of the presented agenda report) be noted;
5. the views of the Committee be requested on the draft Revenue Budget Proposals and the draft Capital Budget Proposals for 2022/23;

6. the views of the Overview and Scrutiny Committee be sought on the draft Revenue Budget Proposals and the draft Capital Budget Proposals for 2022/23 at the 18 January 2022 meeting;
7. Council be **RECOMMENDED** to continue to be part of the Devon Business Rates Pool for 2022/23, subject to there being no announcements within the Finance Settlement (expected to be announced in mid-December), which in the opinion of the Section 151 Officer (in consultation with the Leader of the Council and the Hub Committee Member for Finance), would change this recommendation.

***HC 53/21 WEST DEVON HOUSING CHALLENGES**

The Committee considered a report that set out a series of issues that related to the housing challenges currently facing the West Devon Borough area.

In discussion, the following points were raised:-

- (a) Officers confirmed that, as part of the upcoming Joint Local Plan (JLP) review, the matter of the current JLP affordable housing threshold would be included. Furthermore, some Members believed that the actual definition of 'affordable' should also be revisited;
- (b) It was noted that a further contributory factor to the housing challenges in the Borough that was not referenced in the published agenda report were the increased numbers of Air bnb properties in West Devon;
- (c) Members were of the view that the Housing crisis in the Borough was currently the single biggest challenge facing the Council. In particular, the need for good quality rental accommodation and intermediate affordable products was recognised;
- (d) Members acknowledged the excellent work of the outreach officer, who had been tasked with homelessness and rough sleeper prevention and intervention and welcomed that this role had recently become a permanent member of staff;
- (e) In respect of Section 106 agreements, some Members made the point that off-site contributions were often a locally emotive subject that required careful messaging.

It was then **RESOLVED** that:

1. the amendments to the Tenants Incentive Downsizing Scheme (as set out at Appendix 1) be approved;
2. the Director of Place and Enterprise be asked to write to the Secretary of State for Levelling Up, Housing and Communities to lobby for the changes to the broad market areas; the second homes business rate loophole; and supported exempt accommodation regulations (as identified in the presented agenda report);
3. the work of the five-year Housing Strategy be supported and the importance of partnership working be reinforced;

4. agreement be given to commencing preparation of a new South Hams and West Devon Homeless Strategy for 2022-27;
5. the new Homelessness Strategy be focused on four specific client groups:
 - single households;
 - families;
 - households with additional needs; and
 - rough sleepers; and
6. the proposed consultation approach be approved in addition to the adopted Consultation and Engagement Strategy.

***HC 54/21 CLIMATE CHANGE AND BIODIVERSITY ACTION PLAN UPDATE**

The Committee considered a report that provided the second update on progress against the Climate Change and Biodiversity Action Plan since its adoption.

In discussion, the following points were raised:

- (a) For future iterations of the Action Plan, Members requested that the colour coding was defined;
- (b) A Member questioned the stringent requirements for private landlords in relation to rental properties being let no more than a 'Class C' in terms of heating and insulation that was to come into effect in the next few years. In reply, officers highlighted section 4.3(a) of the published agenda report that referenced the fact that the Council had benefited from a funding opportunity to either initiate or enhance enforcement procedures in association with the Minimum Energy Efficiency Standard (MEES) regulations;
- (c) It was highlighted that there was growing evidence that heat pumps were both less energy efficient than gas boilers and were not a cost effective solution. In response, it was acknowledged that this was a particularly complex area of work and there were a number of alternative options (e.g. neighbourhood heating systems) that required consideration;
- (d) Some Members stated that the Council should not make progress against its Action Plan at the expense of marginalising or alienating its residents. As a consequence, there was a need for both strong leadership and a good Communications Strategy that Members, officers and the local community could adhere to;
- (e) In the future, it was intended that the Action Plan reviews would be incorporated within the wider Natural Environment Thematic Delivery Plan reviews. Moreover, it was noted that the Natural Environment Hub Advisory Group would have a key role to play in this regard and reviewing the feedback from the Citizens Panel.

It was then **RESOLVED** that the updated Climate Change and Biodiversity Action Plan (as set out in Appendix A of the presented agenda report) be approved.

(The meeting terminated at 3.10 pm)

Chairman

(NOTE: THESE DECISIONS WILL BECOME EFFECTIVE FROM THURSDAY, 16 DECEMBER 2021, WITH THE EXCEPTION OF MINUTES HC 49/21 PART 2, HC 50/21 PART 2, HC 52/21 PART 7 WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 15 FEBRUARY 2022, UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18)

Hub Committee Forward Plan

About the Forward Plan

This is the provisional forward plan for at least four months starting February 2022. It provides an indicative date for matters to be considered by the Hub Committee. Where possible, the Hub Committee will keep to the dates shown in the plan. However, it may be necessary for some items to be rescheduled and other items added.

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

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

About the Hub Committee

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

- Leader of the Council – Cllr N Jory
- Deputy Leader of the Council, with specific responsibility for Enabling Inclusive and Accessible Services – Cllr R Cheadle
- Lead Hub Member for the Economy - Cllr P Crozier
- Lead Hub Member for the Natural Environment - Cllr L Daniel
- Lead Hub Member for Resources and Performance - Cllr C Edmonds
- Lead Hub Member for Leisure, Health and Wellbeing - Cllr A F Leech
- Lead Hub Member for the Built Environment - Cllr C Mott
- Lead Hub Member for Communities - Cllr T Pearce
- Lead Hub Member for Housing – Cllr B Ratcliffe

Further information on the workings of the Hub Committee, including latest information on agenda items, can be obtained by contacting Democratic Services on 01803 861105 or by e-mail to democratic.services@swdevon.gov.uk

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



Forward Plan from February 2022

Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Leader	<p>Title: Draft Revenue and Capital Budget Proposals 2022/23</p> <p>Purpose: To recommend to Full Council for adoption a draft Revenue and Capital Budget for 2022/23</p>	Cllr Jory / Lisa Buckle	Report of Section 151 Officer	1 February 2022	
Leisure, Health and Wellbeing	<p>Title: Leisure Update</p> <p>Purpose: To consider a follow-up report that seeks to present a Leisure Update to the Committee.</p>	Cllr Leech / Chris Brook	Report of Director of Place and Enterprise	1 February 2022	
Homes	<p>Title: Draft Homeless Strategy</p> <p>Purpose: To consider a report that presents the draft Homeless Strategy for public consultation.</p>	Cllr Ratcliffe / Issy Blake	Report of Head of Housing	1 February 2022	
Natural Environment	<p>Title: Woodlands by Natural Regeneration at two Borough Council Owned Sites</p> <p>Purpose: To consider a report that presents an opportunity for natural regeneration at two Borough Council owned sites</p>	Cllr Daniel / Rob Sekula	Report of Senior Specialist – Natural Resources and Green Infrastructure	1 February 2022	
Council	<p>Title: Quarter 3 Integrated Performance Management Report</p> <p>Purpose: To consider the integrated performance management report for the Quarter 3 period of 2021/22.</p>	Cllr Jory / Neil Hawke	Report of Head of Strategy and Projects	1 February 2022	
Council	<p>Title: Local Government Act 1972 section 109 -Kelly Parish Meeting</p>	Cllr Jory / David Fairbairn	Report of the Monitoring Officer	1 February 2022	



Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
	<p>Purpose: To seek the Committee to recommend to Council that the Monitoring Officer is authorised to make an order under section 109 of the Local Government Act 1972 granting Kelly Parish Meeting, the power to consent under section 61F of the Town and Country Planning Act 1990.</p>				
Natural Environment	<p>Title: Milton Abbot Allotment Site</p> <p>Purpose: To consider a report that provides an update on the Milton Abbot Allotment Site.</p>	Cllr Daniel / Rob Sekula	Report of Senior Specialist – Natural Resources and Green Infrastructure	1 February 2022	
Council	<p>Title: Revenue Budget Monitoring Report to Month 10</p> <p>Purpose: To consider a report that presents the Revenue Budget Monitoring Report to Month 10.</p>	Cllr Edmonds / Lisa Buckle	Report of Section 151 Officer	8 March 2022	
Economy	<p>Title: Regeneration and Investment Strategy</p> <p>Purpose: To consider a report that presents a draft Regeneration and Investment Strategy.</p>	Cllr Crozier / Chris Brook	Report of Director of Place and Enterprise	8 March 2022	
Council	<p>Title: Capital Programme Monitoring Report to Month 10</p> <p>Purpose: To consider a report that presents the Capital Programme Monitoring Report to Month 10.</p>	Cllr Edmonds / Pauline Henstock	Report of Head of Finance	8 March 2022	



Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Council	<p>Title: Quarter 4 Integrated Performance Management Report</p> <p>Purpose: To consider the integrated performance management report for the Quarter 4 period of 2021/22.</p>	Cllr Jory / Neil Hawke	Report of Head of Strategy and Projects	12 April 2022	
Homes	<p>Title: Housing Strategy Year 2 Action Plan and Draft Homeless Strategy</p> <p>Purpose: To consider a report that presents the Housing Strategy Year 2 Action Plan and the Draft Homeless Strategy for adoption.</p>	Cllr Ratcliffe / Issy Blake	Report of Head of Housing	12 April 2022	

Report to: **Hub Committee**

Date: **1st February 2022**

Title: **Revenue and Capital Budget Proposals for 2022/23**

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

Wards Affected: **All**

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

Author: **Lisa Buckle** Role: **Corporate Director for Strategic Finance**

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

RECOMMENDATIONS:

That the Hub Committee resolves to recommend to Council:

- i) To increase Council Tax for 2022/23 by £5 (Band D of £246.63 for 2022/23 – an increase of 10 pence per week or £5 per year – equates to a 2.07% increase);
- ii) The financial pressures shown in Appendix A of £689,000;
- iii) The net contributions to Earmarked Reserves of £209,350 as shown in Appendix A, including the proposed use of £75,000 from the Business Rates Retention Earmarked Reserve as set out in 3.21 of the report;
- iv) That the Council transfers £162,850 into a Financial Stability Earmarked Reserve in 2022/23, to be available for any future financial pressures from future local government funding reforms and any other budget pressures;
- v) To use £150,000 of New Homes Bonus funding in 2022/23 to fund the Revenue Base Budget as set out in 3.30 of the report

- vi) That £172,084 of the New Homes Bonus grant allocation for 2022/23 is allocated to an Affordable Housing Earmarked Reserve as a one-of contribution for 2022/23 as set out in 3.30 to 3.31.
- vii) The savings of £221,000 as shown in Appendix A; and
- viii) That the Council should set its Total Net Expenditure for 2022/23 as shown in Appendix B as £7,769,695.
- ix) The proposed Capital Programme Proposals for 2022/23 of £835,000 and the proposed financing of the Capital Programme as set out in Appendix D.
- x) That Unearmarked Reserves should continue to have a minimum level of £900,000 (as set in the Medium Term Financial Strategy in September 2021), but an operating level of a minimum of £1.25million.
- xi) That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates be noted. This is a requirement of Part 2 of the Local Government Act 2003.
- xii) That it is noted that West Devon Borough Council will continue to be part of the Business Rates Pool for 2022/23 as per 3.23

1. Executive summary

- 1.1 The Council's Medium Term Financial Strategy (MTFS) is based on a financial forecast over a rolling three year timeframe to 2024/25. The Council has chosen a three year timeframe for its MTFS, as this dovetails to the timescales of the Corporate Strategy, 'A Plan for West Devon'.
- 1.2 The Council, along with other local authorities, has faced unprecedented reductions in Government funding. Between 2009/10 and 2020/21, 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.
- 1.3 West Devon has continued to work in partnership with South Hams District Council which has allowed West Devon 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 per annum. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending.

- 1.4 It is important to note that this Medium Term Financial Strategy (MTFS) sets out the budget strategy for the Council for the next three years, with regular reviews (at least annually) and updates when items are further known or are announced by the Government.
- 1.5 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, planning income and council tax and business rates income.
- 1.6 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.
- 1.7 The key assumptions within this Budget Report are as below, alongside the announcements from the draft Local Government Finance settlement (announced by the Secretary of State for Levelling Up, Housing and Communities by a written statement to Parliament on Local Government Finance on 16th December 21). Each of these is described in more detail in Section 3.
- The finance settlement is for a single year only and there will be further details on proposed funding reforms and consultations in the New Year. Priority in the finance settlement is "stability in the immediate term", with a more fundamental review of local government funding starting in 2022
 - The business rates baseline reset will be deferred until 2023/24 (with no negative Revenue Support Grant in 2022/23)
 - It is assumed there will be a phasing in of negative Revenue Support Grant (RSG) in 2023/24 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 Referendum limits have been confirmed for District Councils to be the higher of £5 or 1.99% for 2022/23
 - New Homes Bonus has been 'rolled over' for another year, with legacy payments being honoured.
 - A business rates pooling gain of £200,000 has been modelled for 2022/23 with reduced gains for 2023/24 onwards.
 - The Council tax collection rate has been assumed to be 97%
 - Rural Services Delivery Grant will continue at the same level for 2022/23 (£487,296 for WDBC)
 - No permanent reductions to the Council's income streams (such as car parking income etc. as a result of the Covid pandemic) have been built into the Base Budget for 2022/23. This will be regularly monitored over the next few months.
 - A 2% pay increase has been modelled from 2022/23 onwards (2% equates to £90,000).

- 1.8 The report sets out proposals for the Council to achieve a balanced budget for 2022/23, as shown in Appendix B. The Council is currently forecasting a £450,496 budget gap by the following year, 2023/24. The cumulative aggregated Budget Gap by 2024/25 is £0.97million, if no action has been taken in each individual year to close the budget gap annually. The 2023/24 budget gap is largely attributable to the fact that negative RSG (Revenue Support Grant) of £182,000 is predicted to be applied in 23/24, as well as the loss of the New Services Grant of £113,606 (which is only a one-off grant for 22/23). Also the amount of New Homes Bonus funding the revenue base budget is forecast to reduce by £73,000 in 2023/24.

Budget Gaps	2022/23 £	2023/24 £	2024/25 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	Nil	450,496	67,071	517,567
*Cumulative Budget Gap	Nil	450,496	517,567	968,063

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

- 1.9 The Draft Revenue Budget Proposals report to the Hub Committee on 7th December 2021 identified a budget gap of £40,296 for 2022/23. The table below sets out the changes in this report from the previous report, following the announcement of the Draft Local Government Finance Settlement on 16th December. A balanced budget is shown for 2022/23 following the announcement.

	£
<i>Budget gap for 22/23 reported in the Hub Committee report on 7th December 2021 (Draft Revenue Budget Proposals for 2022/23)</i>	40,296
<i>Increase in income or funding modelled</i>	
New 2022/23 Services Grant for 2022/23 of £113,606 (see 3.25)	(113,606)
Increase in Lower Tier Services Grant – The December 21 budget report predicted an amount of £35,000 for the LTS Grant. The actual amount has been announced in the finance settlement as £73,923 – an increase of £38,923.	(38,923)

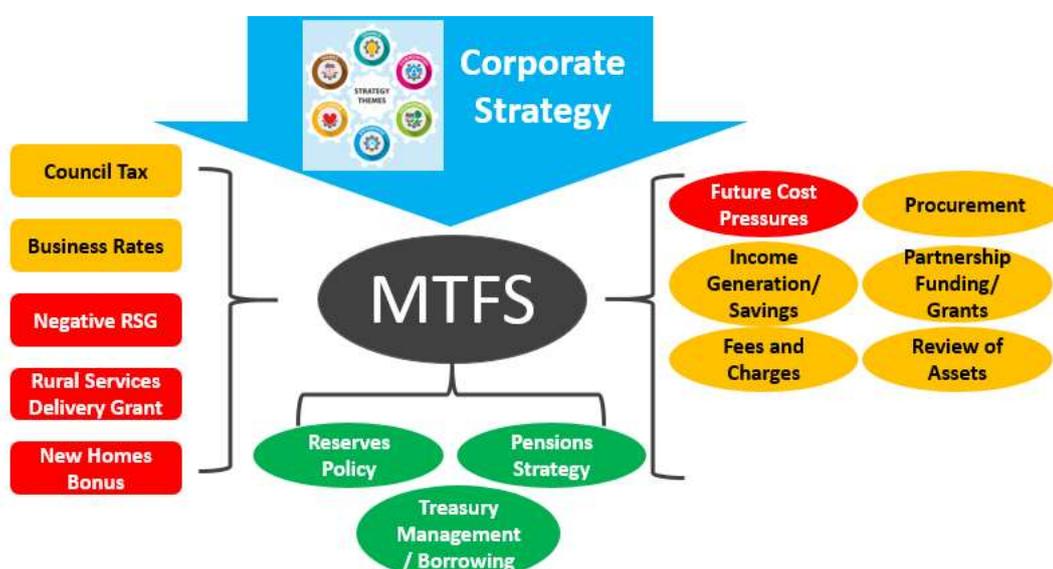
	£
Increase in Council TaxBase – The December 21 budget report estimated the Council TaxBase to be 20,259.51. The final TaxBase for 22/23 has been calculated at 20,687.75 Band D equivalent properties, resulting in an increase of council tax income of £105,617.	(105,617)
<i>Reduction in income modelled or increase in cost pressures</i>	
Rough Sleeper outreach worker post – to make this post a permanent post on the establishment, shared with South Hams. Total cost of £40,000 (wdbc 40% share £16,000).	16,000
To fund the rough sleeper outreach post from homelessness government grant income annually.	(16,000)
IT Support contracts cost pressure – Add an additional cost pressure for £30,000 for the increased number of users on the network, acquiring remote diagnostics software for the increase in remote working, further IT for Disability Access legislation (monitoring compliance and enhancing access online). This was identified as a cost pressure in the latest budget monitoring report to the Hub Committee on 7.12.21.	30,000
Joint Local Plan cost pressure – an element of staff costs of the JLP team were previously funded from the JLP Earmarked Reserve which has now been depleted – recommend to make a contribution to the reserve of £25,000 per annum.	25,000
Contribution to Financial Stability Earmarked Reserve (one-off for 2022-23)	162,850
<i>Revised Budget gap for 2022/23 as set out in this report (as at January 2022)</i>	Nil – (A balanced budget position is presented)

- 1.10 The Draft Revenue Budget Proposals for 2022/23 were considered by the Overview and Scrutiny Committee on 18th January 2022. The minutes from the Overview and Scrutiny Committee meeting are consistent with the recommendations in this budget report.

2 COMPONENTS OF THE MEDIUM TERM FINANCIAL STRATEGY

2.1 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.

2021/22 Net Budget £7.3 million



2.2 The key assumptions within the Draft Revenue Budget Proposals report for 2022/23 are set out in 1.7.

OVERALL POSITION – BUDGET GAP

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

2.4 **Appendix A** to the Medium Term Financial Strategy sets out the Budget Pressures forecast for the next three years and the additional savings and income forecast. **Appendix B** illustrates the overall financial forecast for the forthcoming three years. The Council's Net Budget is £7.3 million in 2021/22.

- 2.5 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).
- 2.6 The report sets out proposals for the Council to achieve a balanced budget for 2022/23, as shown in Appendix B. The Council is currently forecasting a £450,496 budget gap by the following year, 2023/24. The cumulative aggregated Budget Gap by 2024/25 is £0.97million, if no action has been taken in each individual year to close the budget gap annually. The 2023/24 budget gap is largely attributable to the fact that negative RSG (Revenue Support Grant) of £182,000 is predicted to be applied in 23/24, as well as the loss of the New Services Grant of £113,606 (which is only a one-off grant for 22/23). Also the amount of New Homes Bonus funding the revenue base budget is forecast to reduce by £73,000 in 2022/23.

Budget Gaps	2022/23 £	2023/24 £	2024/25 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	Nil	450,496	67,071	517,567
*Cumulative Budget Gap	Nil	450,496	517,567	968,063

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

3 ANNOUNCEMENTS FROM THE DRAFT LOCAL GOVERNMENT FINANCE SETTLEMENT

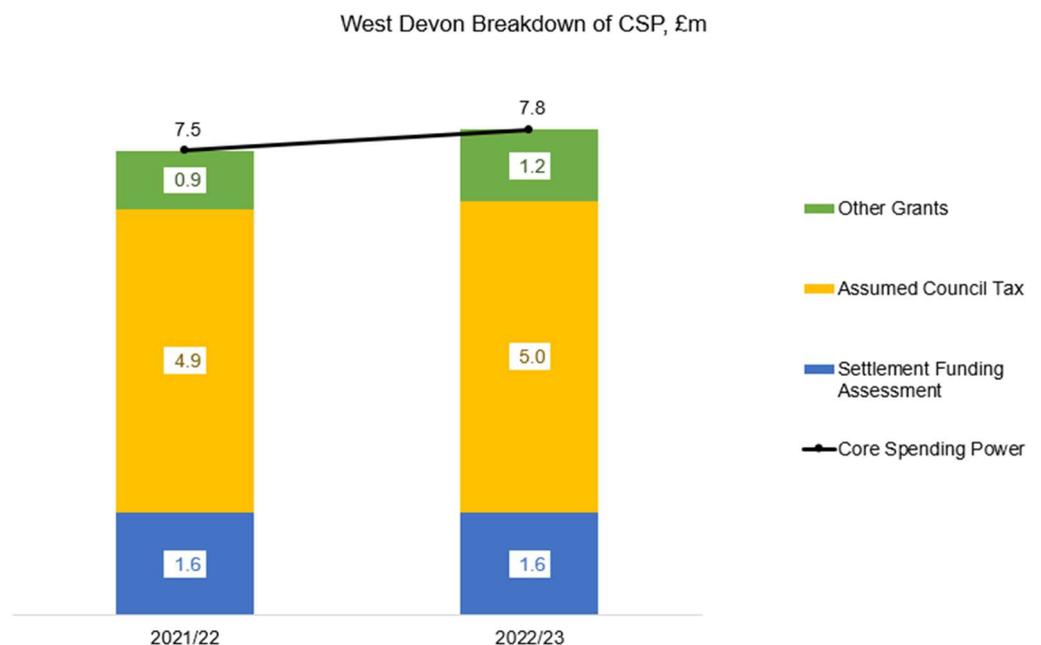
- 3.1 On 16th December, the Secretary of State for Levelling Up, Housing and Communities made a written statement to Parliament on Local Government Finance. The one year finance settlement for 2022/23 was issued for consultation. The full announcement is set out on the following link (Consultation responses are due by 13th January 2022):

<https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2022-to-2023>

- 3.2 The 'Core Spending Power' is a headline figure used by the Government to represent the key revenue resources available to local authorities, including an estimate of actual and potential council tax, as below. The Council now receives no main Government grant (Revenue Support Grant).

3.3 **Core Spending Power (which is a measure of how much extra funding a Council has received for next year) has increased by 4.6% for 2022/23.** 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 4.6% is mainly coming from assumed Council Tax increases in 2022/23.

3.4 However this calculation of Core Spending Power already assumes that a Council will increase its council tax up to the maximum allowed under the referendum limits for 2022/23 – so for WDBC a £5 council tax increase (10pence per week) for 2022/23 is included within this 4.6% increase in funding. New Homes Bonus is also included in the measure of Core Spending Power in ‘Other Grants’. Core Spending Power has increased from £7.5m in 2021/22 to £7.8m in 2022/23 as shown below. Nationally, Core Spending Power has increased by 4.4% (factoring in council tax increases).



Council Tax

3.5 The Council Tax Referendum limits for District Councils for 2022/23 have been announced in the finance settlement as the higher of 1.99% or £5. An increase in council tax of £5 for the next three years has been modelled for council tax purposes. This would equate to a Band D council tax for West Devon of £246.63 in 2022/23 as shown in Appendix B (an increase of £5 for the year (10 pence per week) which equates to a 2.07% increase. The council tax for 2022/23, the WDBC share, will be set at the Council meeting on 15th February 2022. (A 1% increase in council tax generates £50,000 of extra council tax income).

Council agreed on 28 September 21 to set the strategic intention to raise council tax by the maximum allowed in any given year, without triggering a council tax referendum, to endeavour to continue to deliver services. The actual council tax for any given year will be decided by Council in the preceding February.

Council Tax legislation sets out that Council Tax is partly a form of general taxation on a property and partly a tax on the people living in a property. Council Tax funds essential services in an area and the cost of public services is spread across all tax payers in the same way, regardless of which services they use or receive. Council Tax is a form of general taxation rather than a service charge.

- 3.6 The table below shows how an average Band D council bill is made up for West Devon Borough Council for 2021/22, compared to 2020/21. Of an average Band D Council Tax within the Borough of £2,166.58, an amount of £241.63 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.

Precepting Authority	Band D 2020/21	Band D 2021/22	£ Increase	% Increase	Date Approved
West Devon Borough Council	£236.63	£241.63	£5.00	2.11%	16 Feb 2021
Devon County Council	£1,439.46	£1,511.28	£71.82	4.99%	18 Feb 2021
Police & Crime Commissioner	£221.64	£236.56	£14.92	6.73%	5 Feb 2021
Fire & Rescue	£88.24	£90.00	£1.76	1.99%	19 Feb 2021
Average Parishes/Towns	£80.90	£87.11	£6.21	7.68%	
TOTAL	£2,066.87	£2,166.58	£99.71	4.82%	

The largest Parish Precepts in 2021/22 are North Tawton (£193.45), Tavistock (£181.24) and Okehampton Town (£133.93), with the smallest precepts being Bondleigh (£3.40) and Gidleigh (Nil) for a Band D property.

- 3.7 A council tax collection rate of 97% has been assumed for 2022/23. This may need to be revisited in future budget reports depending on the payment profiles being experienced for next year.

- 3.8 The District Council is responsible for collecting all the Council Tax debt of approximately £43m as West Devon BC is the Billing Authority. After keeping 11% of the council tax collected to run the Council's services, the rest is paid over to Devon County Council, the Police, the Fire and Town and Parish Councils.
- 3.9 On 17th December 2021, the Senior Leadership Team approved the calculation of the Council Tax Base for 2022/23 of 20,687.75. This is an increase of 448.24 Band D equivalent properties in comparison to 2021/22. The increase is attributable to nearly 245 extra properties, a reduction in Council Tax Support eligibility (110 properties) and an increase of 93 Band D equivalents in the TaxBase due to increasing the council tax collection rate from 96.5% in 21/22 to 97% in 22/23 in the 22/23 tax base calculation.
- 3.10 The Government is proposing to set no council tax referendum principles for Town and Parish Councils for 2022/23. There is a new £5 maximum precept increase for the lowest-funded fire authorities (with a 1.99% maximum increase for other fire authorities). Upper Tiers such as DCC can add an additional 1% social care precept (so DCC can increase their council tax Band D by 2.99%). Police will be subject to a £10 referendum limit.

Collection Fund Surplus for 2022/23

- 3.11 On an annual basis, the Council calculates the Collection Fund surplus or deficit on the Collection Fund. The Collection Fund is a Statutory Statement that forms part of the Annual Accounts each year and collates the position in terms of Income from Council Tax (actual amounts of council tax collected from council taxpayers) and the payments made to precepting authorities (DCC, Police, Fire, WDBC) and calculates an annual surplus or deficit after some adjustments for items such as write offs and bad debts. The annual surplus/deficit is distributed on an annual basis to precepting authorities.
- 3.12 Due to the pandemic in 2021/22 a small collection fund deficit was distributed to precepting authorities (WDBC share of the deficit was £9,771). Council Tax collection rates held up well in 2020/21 with 97.33% being collected in West Devon, which was 1.63% higher than the national average of 95.7%. A collection fund surplus of £1million has been calculated to be distributed for 2022/23 (with a WDBC share of the collection fund surplus of £152,000).

Business Rates and Negative Revenue Support Grant (RSG)

- 3.13 Ministers will be re-starting the local government funding reforms in the Spring. This means that the Fair Funding Review and the Business Rates Baseline Reset are both going to be under consideration again, for possible implementation in 2023-24.

- 3.14 The business rates baseline reset will be deferred until at least 2023/24 (with no negative Revenue Support Grant in 2022/23). This means the Council wouldn't have to forego some of its business rates income (£182,000) by paying some of it back to Government in the form of 'negative government grant' in 2022/23. Negative RSG is effectively the Council's further predicted funding cuts.
- 3.15 It is anticipated there will be a phasing in of negative RSG as part of the business rates baseline reset in 2023/24, with a transition period over three years, to avoid Local Authorities losing/gaining too much in one go. The modelling assumes negative RSG of £182,000 in 2023/24 and £227,500 in 2024/25. Some of the negative RSG could be offset by growth.
- 3.16 Estimates have been made of the business rates baseline funding levels for 2022/23 onwards and the relative deductions for negative RSG. For example in 2022/23, the £1.7m 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).
- 3.17 **Volatility of Business Rates income – Business Rates Retention Reserve**
- 3.18 The Business Rates Retention (BRR) Earmarked Reserve was set up in 2013/2014 to cover any possible funding issues from the accounting arrangements of the localisation of business rates and to smooth the volatility from business rates income over a period of years.
- 3.19 In 2017/18 the Business Rates Retention Reserve had a balance of £509,550 and this has increased to £1.26million at 31.3.2021. A sum of £0.5m needs to be retained in the reserve to manage the cost of appeals, arrears, write offs and general fluctuations in business rates income.
- 3.20 It is recommended that the Council uses funding from the Business Rates Retention Earmarked Reserve to smooth the volatility in business rates income over the next three years.
- 3.21 Council on 28 September 2021 approved the use of funding from the Business Rates Retention Earmarked Reserve to smooth the volatility in business rates income over the next three years. The volatility is due to the business rates baseline reset anticipated in 2023/24 (this will mean the Council will have negative revenue support grant in 23/24) and the predicted reduction in business rates pooling gains at the same time in 23/24.
The table below shows that it is modelled to take £75,000 funding from this reserve in 22/23 to 24/25. This would reduce the business rates retention reserve by £225,000 over the next 3 years.

The table below shows how funding held in the Business Rates Retention Reserve will be retained for the purpose of smoothing out the business rates volatility/negative revenue support grant.

Business Rates Income	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)
		Baseline Reset	
Business Rates Income	1.70	1.707	1.75
Less: Negative Revenue Support Grant (RSG)		(0.182)	(0.228)
Anticipated Pooling Gain	0.200	0.175	0.150
Funding proposed from the Business Rates Retention Reserve to smooth the volatility in business rates income	0.075	0.075	0.075
Total Business Rates Income	1.975	1.775	1.747

- 3.22 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. The 2020/21 collection rate for West Devon for business rates was 91.53%. The national average was 93%.

Devon Business Rates Pool

- 3.23 At the Hub Committee meeting on 7th December 2021 (Minute HC 52/21), it was recommended to Council to continue to be part of the Devon Business Rates Pool for 2022/23, subject to there being no announcements within the Finance Settlement, which in the opinion of the Section 151 Officer (in consultation with the Leader of the Council and the Hub Committee Member for Finance), would change this recommendation. The finance settlement has been announced and further modelling as been undertaken by the Pool to inform the recommendation for West Devon Borough Council to continue to be part of the Pool for 2022/23. A business rates pooling gain of £200,000 has been modelled for 2022/23 with lower gains for 2023/24 onwards when the baseline reset is scheduled to happen.

Rural Services Delivery Grant

- 3.24 Rural Services Delivery Grant will continue for 2022/23 onwards at previous levels (£85m nationally – WDBC share of £487,296). The Council will continue to lobby on the basis that the £85m should be increased, at least by inflation. This is Government grant to recognise the additional cost of delivering services in rural areas.

A new 2022/23 Services Grant

- 3.25 This is a new one-off grant just for 22/23 and is to partly offset the cost of the 1.25% increase in National Insurance social care levy. It is also to fund general responsibilities. WDBC will receive £113,606 for 2022/23. The cost of the 1.25% increase in National Insurance social care levy is estimated to cost £30,000 per annum.

Lower Tier Services Grant

- 3.26 The Lower Tier Services Grant will be £73,923 for 2022-23 (the December budget report had assumed this would be halved, so this is a higher allocation that has been announced in the draft finance settlement).

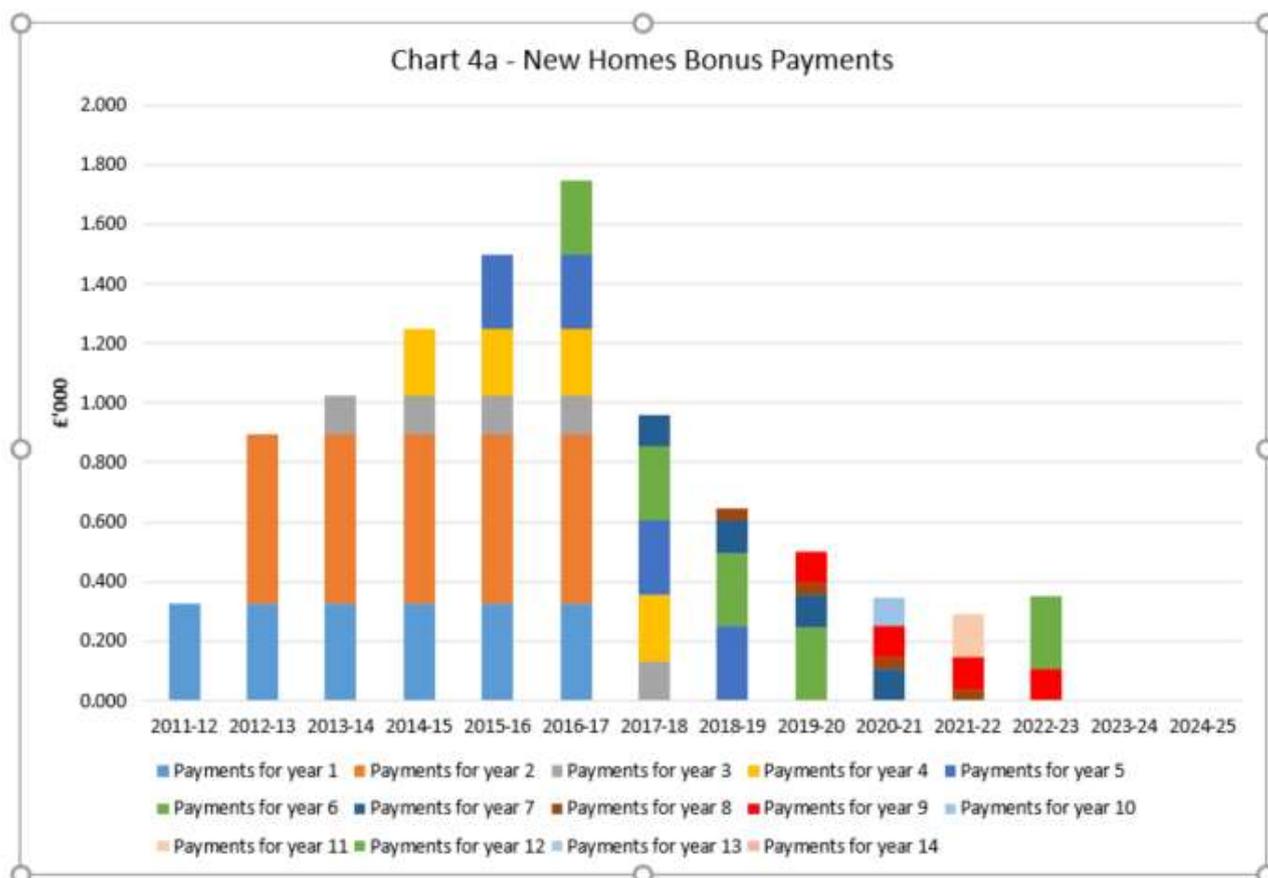
New Homes Bonus (NHB)

- 3.27 The New Homes Bonus (NHB) scheme has been rolled over into 2022-23 for one more year. It had previously been announced by the Government that it was being phased out. A consultation on a replacement scheme for New Homes Bonus is expected in the New Year. It is not known how a replacement scheme will operate.

- 3.28 The Council's provisional allocation of New Homes Bonus payments announced in the draft finance settlement is **an allocation of £352,084** for 2022-23. This is made up of an allocation of £245,000 for housing growth for 22/23 (based on the Council Tax Base 1 Form at October 2021) and a further £107,000 of legacy payments from Year 9 (19/20). The £245,000 is based on property additions of 253 Band D equivalent properties and a baseline of 0.4% (100 properties is deducted). Therefore 153 properties are paid at £1,515 plus 43 affordable housing units at £280.

The table below shows the NHB allocations received to date. Up until Year 9, payments were made for 4 years e.g. the £107,000 earned in 19/20 for housing growth has been paid in 19/20, 20/21, 21/22 and 22/23. From years 20/21 onwards, only one year of growth is paid, but the legacy payment from Year 9 (19/20) of £107,000 has been honoured by the Government and will be paid in 22/23.

	2018/19 (£)	2019/20 (£)	2020/21 (£)	2021/22 (£)	2022/23 (£)
Year 5 (15/16)	249,000				
Year 6 (16/17)	248,000	248,000	-	-	-
Year 7 (17/18)	109,000	109,000	109,000	-	-
Year 8 (18/19)	38,000	38,000	38,000	38,000	-
Year 9 (19/20)		107,000	107,000	107,000	107,000
Year 10 (20/21)			94,000	-	-
Year 11 (21/22)				148,000	-
Year 12 (22/23)					245,000
NHB allocation	£0.643m	£0.501m	£0.348m	£0.293m	£0.352m



3.29 The Draft Budget proposals in this report assumes that funding of £150,000 from NHB in 2022/23 will fund the revenue base budget and that £30,000 of NHB will fund the capital programme in Appendix D in 2022/23. Although the NHB scheme is due to be replaced, it is assumed that a successor scheme will be implemented that will also be based on housing growth.

3.30 The table below shows the proposed allocation of New Homes Bonus for 2022/23. It is proposed to allocate £172,084 of the remaining NHB into an affordable housing earmarked reserve as a one-off contribution for 2022/23.

New Homes Bonus (NHB)	Amount (£)
New Homes Bonus 2022/23 allocation	£352,084
Current proposed allocation:-	
To fund the Revenue Base Budget	(150,000)
To fund the Capital Programme (Appendix D)	(30,000)
A one-off contribution into an Affordable Housing Earmarked Reserve for 2022/23	(172,084)
Amount remaining unallocated	Nil

- 3.31 The £172,084 is additional funding to address the housing crisis and would be allocated by the Hub Committee in response to this. The funding will be used for discrete housing project work, for instance, to bring forward affordable homes.

Other assumptions within the Medium Term Financial Strategy (MTFS)

- 3.32 A 2% pay increase has been modelled from 2021/22 onwards (2% equates to £90,000). 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.
- 3.33 The Consumer Prices Index (CPI) was 4.2% in October 2021. RPI was 6.0%. The budget report includes cost pressures for inflation and increases on goods and services.
- 3.34 The predicted interest rate forecast from our treasury management advisors, Link Services, is that interest rates (Bank Base rate) are predicted to increase to 0.5% in June 2022, 0.75% in March 2023, 1% in March 2024 and 1.25% by March 2025.

‘A PLAN FOR WEST DEVON’

- 3.35 ‘A Plan for West Devon’, the Council’s strategic vision, sets out projects and schemes that the Borough Council think will help our communities to thrive. There is a separate report on this Hub Committee agenda. The Strategy sets out our longer term ambition. To support this ambition, the Council has developed delivery plans which set out the priorities for each of the next three years. This will enable the Council to ensure its resources are aligned to supporting Members’ priorities. The delivery plans have been developed by Lead Members in consultation with officers from across the Council.
- 3.36 The majority of activities set out in the delivery plans can be delivered through refocusing and reprioritisation of existing resources however, in order to realise the ambition set out in the strategy, some of the activities will require additional resources. The cost pressures identified in the ‘A Plan for West Devon’ report (Council 28 September 2021) are £122,000 for 2022/23 and £168,000 for 2023/24. This has been built into the cost pressures in this budget report.

OTHER BUDGET ITEMS

- 3.37 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. A further report is on this Hub Committee agenda for Members’ consideration.

3.38 The Planning Improvement Plan report (Hub Committee 2.11.21) recommended increasing the staffing budget for four planning specialists and two legal specialists (shared with SHDC) by £71,000, to be financed by extra planning income. This has been built into the budget report. The Council will be reviewing core service delivery through on-going service reviews and will bring reports back to Members at the appropriate point, linking back to the corporate strategy.

3.39 Several other cost pressures have been included within the budget report and these are set out in detail in 1.9 of the Executive Summary. The latest budget monitoring report to the Hub Committee on 7 December 2021 identified some of these cost pressures. These are in summary:-

- Rough Sleeper outreach worker post – to make this a permanent post on the establishment, wdbc cost of £16,000, to be funded by homelessness government grant income.
- IT support contracts cost pressure £30,000
- Joint Local Plan cost pressure for staffing costs £25,000

4. Treasury Management and Borrowing Strategy

4.1 The Council has previously 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 and it is not proposed to change this limit at present. In 2020/21 the long term borrowing of the Council decreased from £28,944,000 (19/20) to £28,342,000. Short term borrowing increased from £590,000 to £603,000.

5 FEES AND CHARGES

5.1 During the 2022/23 Budget setting process (Hub Committee, 2nd February 2021), Members approved the following:

‘delegated authority be given to the relevant Head of Practice, in consultation with the relevant lead Hub Committee Member, to adjust Fees and Charges within their service area by inflation at suitable periodic intervals, with reports being presented to the Hub Committee as appropriate’.

The Head of Finance will co-ordinate this work with the relevant Extended Leadership Team (ELT) leads and the relevant Hub Committee Members for inflationary increases.

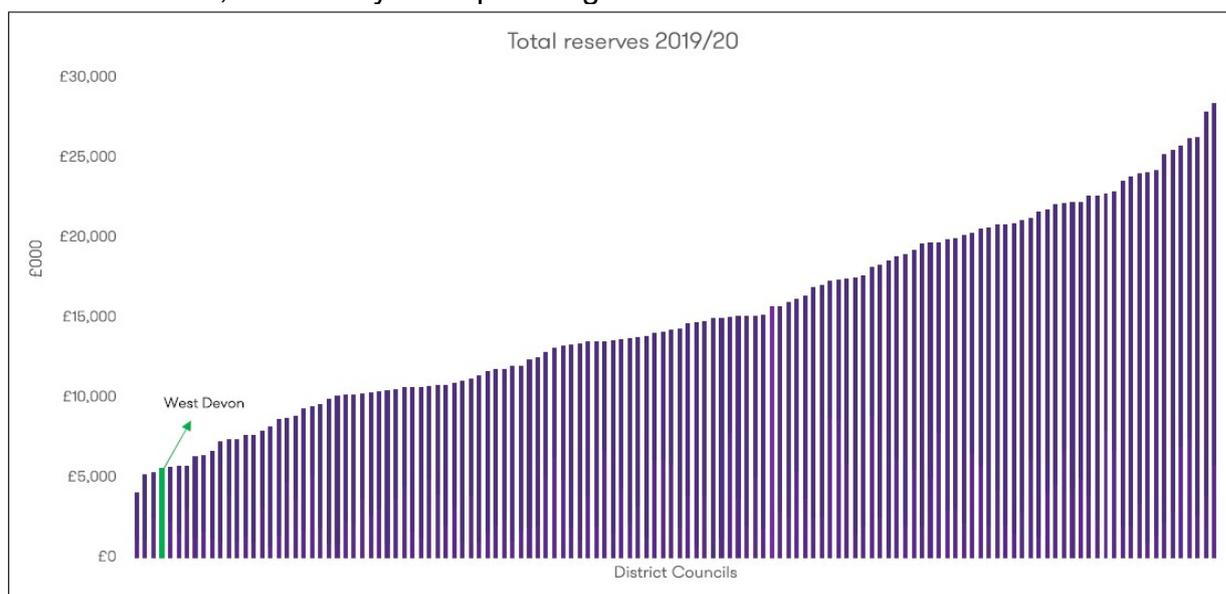
- 5.2 No permanent reductions to the Council's income streams (such as car parking income) as a result of the Covid pandemic, have been built into the Base Budget for 2022/23. The budgeted income targets for these income streams are still the same level as they were in 2019/20 (prior to the pandemic).
- 5.3 This will be regularly monitored over the next few months. The Revenue Budget Monitoring report shows that the net loss on car parking income is predicted to be £69,000 for 2021/22 (after claiming Government compensation for lost income of £46,000 through the sales, fees and charges compensation scheme). Planning income is predicted to be above the budgeted level by £30,000.

6 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING

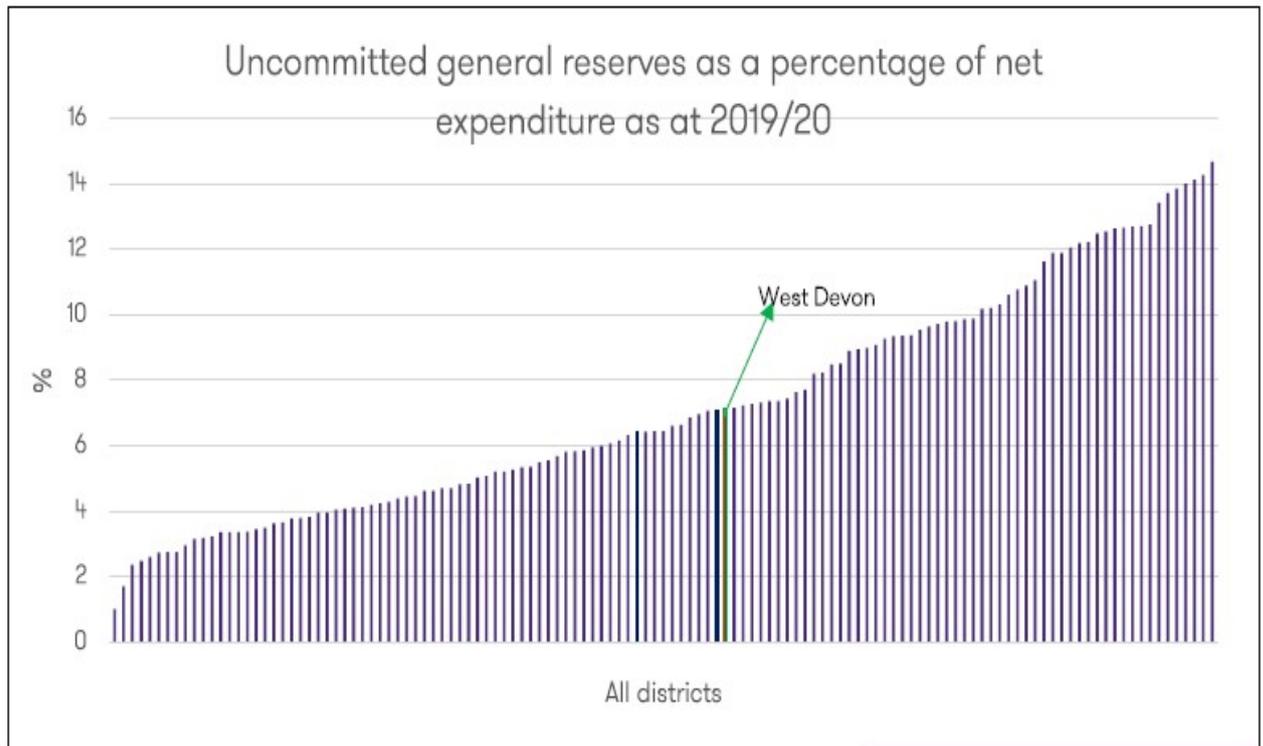
- 6.1 The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing. The Head of Finance invited capital bids from the Extended Leadership Team. The Capital Budget Proposals for 2022/23 are attached in Appendix D.
- 6.2 Capital projects have been assessed on the following criteria:
- Health and Safety compliance
 - Essential to keep operational assets open
 - Fit with the Council's Delivery Plans for 'A Plan for West Devon'
 - To rationalise service delivery or service improvement
 - To generate income, capital value or to reduce revenue costs
- 6.3 The Draft Capital Budget Proposals for 2022/23 total £835,000. The projects are set out in Appendix D alongside the suggested financing proposals of the Capital Programme.
- 6.4 **Investment Property Strategy** – The Council has agreed an Investment Property strategy. To date, Investment Properties have a value of £19.83 million in aggregate as at 31.3.2021.
- 6.5 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 2021/22 Base Budget.
- 6.6 The Council's Asset Base is £46 million at 31 March 2021. The Council will continually review and challenge its asset base in order to deliver the optimum value for money from the Council's Assets.

7 Earmarked and Unearmarked Reserves Policy

- 7.1 Unearmarked Reserves have increased by £75,000 in 2020/21 and total £1.294 million at 31 March 2021.
- 7.2 Earmarked Reserves have increased by £3.957 million in 2020/21 and total £8.941 million at 31 March 2021. This is mainly due to the new Earmarked Reserve set up in 2020/21 to hold the S31 Business Rates compensation grants (£2.609m) which will be released to the Collection Fund to smooth the impact of the Business Rates deficit over the next 3 years. Therefore this is not money which is available for the Council to spend. A schedule of Earmarked Reserves is attached at Appendix C.
- 7.3 Reserve levels will be kept under constant review and will be reviewed throughout the budget setting process to consider commitments against Earmarked Reserves (set out in Appendix C), their unallocated balance and the contributions to/from Earmarked Reserves for 2022/23 (set out in Appendix A).
- 7.4 At the Audit Committee meeting on 2nd November 2021, Grant Thornton presented their Annual Audit report for 2020/21. As part of their annual audit, Grant Thornton have benchmarked the Council's total reserves against all other District Councils, based on the 2019/20 Outturn data. These charts demonstrate that the Council is at the lower end of District Councils, which may be expected given the relative size of the Council.



- 7.5 At Council on 16.2.21, Members have set a minimum balance for Unearmarked Reserves of £900,000, based on a risk assessment basis and a sensitivity analysis. The current level of £1.294m is still above the minimum level set of £900,000. Grant Thornton also benchmarked the level of the Council's Unearmarked Reserves against all other District Councils. West Devon is in line with the midpoint as shown below.



- 7.6 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. This was recommended at £900,000 being the minimum level. 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. The latest risk assessment and sensitivity analysis on the level of reserves will form part of the report to the Hub Committee on 1st February 2022.
- 7.7 The recommendation of the s151 Officer is for the Council to continue to have a minimum level of unearmarked reserves of £900,000 (as set out in the Medium Term Financial Strategy in September 2021), but to have an operating level of a minimum of £1.25million for unearmarked reserves. The Council should be operating at a level of £0.35m above the minimum level on a day to day basis.
- 7.8 The Council's latest revenue budget monitoring report for Month 7 (end of October) shows a predicted deficit of £33,000 for the 2021/22 year. This would be deducted from Unearmarked Reserves as per standard accounting practice. The predicted year end balance of Unearmarked Reserves at 31.3.22 is therefore £1.261m.

8 FINANCIAL SUSTAINABILITY AND TIMESCALES

- 8.1 The local government finance settlement for 2022/23 is essentially a 'one year roll-over' budget for just one year, with a great deal of financial uncertainty to come in future years with funding reforms. The Government is committed to updating the needs and resources that the finance settlement is based on, which means an individual Council's share of the 'cake' (in terms of funding) will be updated and there will be winners and losers in any new funding reform. Below is the statement from the Government announced on 16th December:

'Government is committed to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources. The data used to assess this has not been updated in a number of years, dating from 2013-14 to a large degree, and even as far back as 2000. Over the coming months, we will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the sector before consulting on any potential changes.'

- 8.2 The Council will continue to assess various options for closing the budget gap for 2023/24 onwards, and in the longer term, to achieve long term financial sustainability and further reports will be presented to Members.
- 8.3 Making the best use of our resources and setting a balanced budget annually is within the 'Delivering Quality Services' Delivery Plan of the Council's long term strategic vision, 'A Plan for West Devon'.

9 NEXT STEPS AND PROPOSED WAY FORWARD

- 9.1 The Medium Term Financial Strategy (Hub Committee 21st September 2021) is the starting point for developing a meaningful three year strategy that sets out the strategic intention for different strands of funding available to the Council.
- 9.2 Officers will continue to work with the Hub Committee and the results of this will be incorporated into future Budget reports. An all Member Budget Workshop took place on Tuesday 16th November. For Members' information, a 'Glossary of Terms' used in Local Government Budgeting is attached at Appendix F.

9.3 The table below shows the budget timetable for the budget meetings for the 2022/23 Budget.

18 January 2022	Overview & Scrutiny Committee - To consider draft proposals for the Revenue and Capital Budget for 2022/23.
1 February 2022	Hub Committee – To recommend Final Budget Proposals to Council for 2022/23
10th February 2022 (9am)	Date which Council Procedure Rule 16 applies
15th February 2022	Full Council – To approve Final Budget Proposals for 2022/23 and set the WDBC share of the Council Tax
22 February 2022	Council Tax Resolution Panel – to agree the Council Tax Resolution for 2022/23 (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 10th February 2022.

10. 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. It is the role of the Overview and Scrutiny Committee to scrutinise the Budget proposals being proposed by the Council on an annual basis. In accordance with the Financial Procedure Rules, Council must decide the general level of Reserves and the use of Earmarked Reserves.</p> <p>The views of the Overview and Scrutiny Committee were 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 of whether 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>The report sets out proposals for the Council to achieve a balanced budget for 2022/23, as shown in Appendix B. The Council is currently forecasting a £450,496 budget gap by the following year, 2023/24. The cumulative aggregated Budget Gap by 2024/25 is £0.97million, if no action has been taken in each individual year to close the budget gap annually</p> <p>As part of Grant Thornton’s external audit of the Statement of Accounts for 2020/2021, they have concluded that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.</p>
Risk		<p>Each of the budget options taken forward by Members will consider the risks of the option.</p>

Supporting Corporate Strategy		The cost pressures identified in the 'A Plan for West Devon' report (Council 28 September 2021) are £122,000 for 2022/23 and £168,000 for 2023/24. This has been built into the cost pressures in this budget report (Appendix A).
Consultation and Engagement Strategy		External consultation on the Council's Budget Proposals will be undertaken prior to the Budget being agreed by Council in February 2022. The Budget supports all of the Thematic Delivery Plans within the Council's strategic vision, 'A Plan for West Devon'. There was a public consultation on the Plan during the Summer.
Climate Change - Carbon / Biodiversity Impact		A report was presented to Council on 8 th December 2020 'Climate Change and Biodiversity Strategy and Action Plan update'. In March 2021, Council approved to set up an Earmarked Reserve for £200,000 for the Recovery Plan and Corporate Strategy. Further detail is set out in the Council's 'A Plan for West Devon' strategic vision.
Comprehensive Impact Assessment Implications		
Equality and Diversity		Equality Impact Assessments are completed for the budget proposals.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

Supporting Information

Appendices:

Appendix A – Budget pressures and savings

Appendix B – Modelling of the Budget Position

Appendix C - Schedule of Earmarked Reserves

Appendix D – Capital Programme Proposals for 2022/23

Appendix E – Revenue Budget Summary 2022-23

Appendix F – Glossary of Terms in Local Government Finance

Background Papers:

Members' Budget Workshop presentation slides – dated Tuesday 16th November 2021

Approval and clearance of report

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

WEST DEVON BOROUGH COUNCIL

BUDGET PRESSURES

	BASE 2021/22 £	Yr 1 2022/23 £	Yr 2 2023/24 £	Yr 3 2024/25 £
Waste collection, recycling and cleansing contract (estimate)	80,000	80,000	80,000	80,000
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)	0	0	75,000	0
Inflation on goods and services	70,000	70,000	70,000	70,000
Increase in salaries - increments and pay and grading	40,000	50,000	50,000	50,000
Salaries - provision for pay award at 2% (£90,000) from 2022/23 onwards, total pay of £4.5m	79,000	90,000	90,000	90,000
Increase the staffing budget for four planning specialists and two legal specialists (Planning Improvement Plan) Posts are shared with South Hams District Council, to be financed by extra planning income (Hub Committee 2 November 2021)	0	71,000	0	0
A Plan for West Devon - Council 28.9.21 -£122,000 cost pressure for 22/23 and £168,000 for 2023/24	0	122,000	46,000	(168,000)
Reduction in Housing Benefit administration subsidy	10,000	10,000	10,000	10,000
National Insurance and National Living Wage (social care levy of 1.25% and NLW increases)	20,000	60,000	60,000	60,000
IT Support contracts - increased number of users on the network, increase in remote working, Disability Access legislation and above inflationary increases on IT support contracts	0	30,000	0	0
Rough sleeper outreach worker (WDBC share of the cost is 40%), to be funded from Government Homelessness grant		16,000		
Reduction in treasury management income	0	80,000	0	0
Community composting groups	0	10,000	0	0
SLT/ELT Restructure - redundancy/pension strain costs	0	0	(25,000)	0
Housing Benefit overpayment recoveries	135,000	0	0	0
TOTAL IDENTIFIED BUDGET PRESSURES	434,000	689,000	456,000	192,000

WEST DEVON BOROUGH COUNCIL

**Contribution to Earmarked Reserves
(This line shows the annual contributions into the Reserve)**

	BASE 2021/22 £	Yr 1 2022/23 £	Yr 2 2023/24 £	Yr 3 2024/25 £
Contribution to IT Development Reserve (£50K per annum)	25,000	50,000	50,000	50,000
Contribution to Planning Reserve (£25K per annum)	0	25,000	25,000	25,000
Contribution to Elections Reserve (20K per annum)	0	20,000	20,000	20,000
Contribution from Business Rates Retention Reserve to smooth the volatility in business rates income from the baseline reset		(75,000)	(75,000)	(75,000)
Contribution from the Flexible Homeless Government Grant for three housing posts (wdbc share of costs) and the rough sleeper outreach post	(32,500)	(48,500)	(32,500)	(32,500)
Contribution to Vehicles Replacement Reserve (£50K per annum) - Minute CM42	50,000	50,000	50,000	50,000
Contribution to Joint Local Plan Earmarked Reserve	0	25,000	25,000	25,000
Contribution to Financial Stability Earmarked Reserve (one-off in 2022-23)		162,850		
Total Contribution to Earmarked Reserves	42,500	209,350	62,500	62,500

SAVINGS AND INCOME GENERATION IDENTIFIED

	BASE 2021/22 £	Yr 1 2022/23 £	Yr 2 2023/24 £	Yr 3 2024/25 £
Income from Investment properties (£300,000 is in the Base Budget for 2021/22)	20,000	0	0	0
Re-procurement of contracts (e.g. savings from Leisure contract)	117,000	0	TBA	TBA
IT FIT Project - software savings	0	70,000	10,000	0
Efficiencies gained from IT and digital communications	0	20,000	100,000	
Extra recycling income	0	60,000	0	0
Extra planning income (to fund four planning specialists and two legal specialists) - Planning Improvement plan - Hub Committee 2 November 2021	0	71,000	0	0
Income from three weekly trials (Hub Committee 15th September 2020)	50,000	(50,000)	0	0
Increase in Garden Waste income	40,000	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)	80,000	0	0	0
Public Conveniences (£18K business rates savings in 2021/22)	18,000	0	0	0
Kilworthy Park - reduction in operating costs	10,000	0	0	0
Senior Leadership Team - Interim arrangement (£34,000) - Restructure (£60,000) as per July 2019 Council report	0	0	0	0
Additional Employments estates income	0	50,000	0	0
Reduction in ICT contracts	8,000	0	0	0
E-billing for Council Tax	1,200			
TOTAL SAVINGS AND INCOME GENERATION	344,200	221,000	110,000	0

Figures shown in Grey are those which have changed since the Draft Budget Proposals report to the Hub Committee on 7th December 2021

Modelling assumptions: Assumes Council Tax is increased by £5 annually	BASE	Yr 1	Yr 2	Yr 3
Modelling for the financial years 2022/23 onwards	2021/22 £	2022/23	2023/24 £	2024/25 £
Base budget brought forward	7,211,895	7,301,695	7,769,695	7,665,199
Budget pressures (as per Appendix A)	434,000	689,000	456,000	192,000
Predicted one-off shortfall from the 2020-21 Amended Budget in 2020-21				
Savings already identified (as per Appendix A)	(344,200)	(221,000)	(110,000)	0
Projected Net Expenditure:	7,301,695	7,769,695	8,115,695	7,857,199
Funded By:-				
Council Tax income - Modelling a £5 increase in council tax each year (Taxbase 22/23 = 20,687.75 Band D Equivalent properties) - assumes a 1% reduction in council tax collection rates	4,890,473	5,102,220	5,243,403	5,386,086
Collection Fund (Deficit)/Surplus	(9,771)	152,000	150,000	150,000
Localised Business Rates	1,673,223	1,700,000	1,707,000	1,750,000
Business Rates Tariff/Top Up Adjustment amount (Negative Revenue Support Grant change to baseline need assumed to start in 2023/24)	0	0	(182,000)	(227,500)
Business Rates Pooling Gain	40,000	200,000	175,000	150,000
Funding from Rural Services Delivery Grant	487,296	487,296	487,296	497,042
Funding from New Homes Bonus	192,772	150,000	77,000	77,000
Funding from Lower Tier Services Grant	70,202	73,923	70,000	70,000
Funding from New 2022/23 Services Grant	0	113,606	0	0
Less: Contribution to Earmarked Reserves	(42,500)	(209,350)	(62,500)	(62,500)
Total Projected Funding Sources	7,301,695	7,769,695	7,665,199	7,790,128
Budget gap/(surplus) per year (Projected Expenditure line 4 - Projected Funding line 15)	0	0	450,496	67,071
Actual Predicted Cumulative Budget Gap	0	0	450,496	517,567
Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)	0	0	450,496	968,063
Figures shown in Grey are those which have changed since the Draft Budget Proposals report to the Hub Committee on 7th December 2021				
Modelling Assumptions: (Assumes an increase in Band D Equivalent properties of 150 per annum)				
Council Tax (Band D) (an increase of £5 per annum has been modelled)	241.63	246.63	251.63	256.63
Council TaxBase	20,239.51	20,687.75	20,837.75	20,987.75

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RESERVES - PROJECTED BALANCES						APPENDIX C
	Cost Centre	Opening Balance to Reserve 01.04.2021 £000's	Additions to Reserve 2021/22 £000's	Predicted Spend 2021/22 £000's	Projected Balance 31.03.2022 £000's	Comments
EARMARKED RESERVES						
Specific Reserves - General Fund						
2016/17 Budget Surplus Contingency	W0848	86	0	(51)	35	This is the Budget Surplus from 2016/17 which was put into an Earmarked Reserve. Commitments mainly relate to the Capital Programme £50k
Broadband Community Support	W0932	50	50		100	As per the report to the Hub Committee on 1st December 2020, Council approved the creation of a Broadband Community Support Earmarked Reserve, to be financed by transferring £50k from the existing Business Rates Retention Earmarked Reserve in 2020/21 and a further £50k from the Business Rates Discretionary fund (Additional Restrictions Grants, ARG Scheme) in 2021/22
Car Parking Maintenance	W0833	484	0	(158)	326	The commitments include Brook Street Car Park
COVID-19 Losses	W0930	221	281	(190)	312	On 16th February 2021 Council approved to transfer the COVID-19 LA Support Grant (4th tranche of £151K and the bank reconciliation adjustment of £69K) into a COVID Earmarked Reserve. In addition it was recommended to transfer the fifth tranche of COVID funding of £281,404 into this Reserve in 2021/22. HC 28/21 (Month 4 Revenue Budget Monitoring report), Council approved to use funding of £190,000 from the COVID-Losses Earmarked Reserve in 2021/22, to fund COVID-19 expenditure in 2021/22 and the projected net losses on car parking income in 2021/22
Economic Grant Initiatives	W0914	26	0	(4)	22	
Elections	W0903	20	20	0	40	
Environmental Health Initiatives	W0857	20	0	0	20	
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 is unlikely to happen until 2023/24).
Flood Works	W0915	15	0	0	15	
Grounds Maintenance	W0901	48	0	(26)	22	The commitment relates to an Electric ride on mower
Homelessness Prevention	W0924	173	0	(35)	138	This reserve has been created following underspends on Homelessness Prevention Costs in previous years. Commitment of £30k re Corporate Strategy, Improving Homes Delivery of needs assessment
ICT Development	W0836	39	25	(41)	23	Commitments mainly relate to the New IT Procurement, Hub Cttee Jan 20 Min Ref HC73 (£65k)
Innovation Fund (Invest to Earn)	W0850	399	0	(267)	132	Commitments mainly relate to the upgrading of Hayedown Depot and £85k in respect of detailed design, specification and tendering of the Brentor Community Housing Scheme (Hub Committee 16/3/21). This reserve originated from New Homes Bonus funding.
Leisure Services	W0855	58		(44)	14	Commitments relate to Capital Programme Funding.
Maintenance Fund (Estates)	W0927	242	0	0	242	
Management, Maintenance & Risk Management	W0861	302	118	0	420	This is a relatively new reserve set up to manage the ongoing maintenance costs of the Council's Investment Property Portfolio. The contributions to the reserve equate to 10% of the rental income on an annual basis.
New Homes Bonus (NHB)	W0804	452	293	(375)	370	The NHB is used to support the funding of the revenue budget and the Capital Programme. The commitments relate to £192,772 to fund the 2021/22 revenue budget and £182,000 to fund the capital programme.
Outdoor Sports & Recreation Grants	W0852	16	0	0	16	
Planning Policy and Major Developments	W0840	147	0	0	147	This reserve is for all planning matters and is also to meet appeal costs.
Recovery Plan and Corporate Strategy	W0864	200	0	(190)	10	Hub Committee 21.9.21 - Use of £190,000 of this Reserve for 'A Plan for West Devon'.
Revenue Grants	W0821	912	0	(33)	879	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.
Salary Savings	W0863	80		(80)	0	This is a new reserve set up to hold salary savings from 2020/21 to be ringfenced to support salary costs in 2021/22. (Hub 16/3/21). Some work had to be postponed in 2020/21 due to the extra work pressures of the pandemic and this work will need to be carried out in 2021/22 to maintain and enhance service delivery and address recommendations from internal audit reports.
Support Services Trading Opportunities	W0856	31	0	(16)	15	This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme.
Strategic Change (T18)	W0925	67	0	(10)	57	The commitments are £10,000 for Kilworthy Park marketing.
Vehicle Replacement	W0931	298	50	(251)	97	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	176	0	(6)	170	
Other Reserves below £15,000 (combined)		56	0	(3)	53	
Sub Total excluding the Business Rates Reserves		5,072	837	(1,780)	4,129	
Business Rates Retention	W0824	1,260		(89)	1,171	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 the Town Centre Support Initiative and £30,000 for the Audio Visual Equipment in the Guildhall, Tavistock (Hub Committee 8/12/20)
S.31 Compensation Grant (Business Rates)	W0866	2,609		(2,523)	86	This is a new reserve set up to hold the business rates S31 grants received in 2020/21 to offset the business rate reliefs given to businesses during lockdown. Under current Collection Fund accounting rules, the S31 grants received in 2020/21 will not be discharged against the Collection Fund deficit until 2021/22 onwards.
TOTAL EARMARKED RESERVES		8,941	837	(4,392)	5,386	
TOTAL UNEARMARKED RESERVES	W0950	1,294	0	(33)	1,261	Note: This Unearmarked Reserve has a minimum balance of £900,000 (set by Members as part of the Budget Process). The projected deficit for 2021/22 of £37,000 (as set out in this report) would be funded from this Unearmarked Reserve.
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)		10,235	837	(4,425)	6,647	

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Appendix D

Proposed Capital Projects 2022/23					
Priority Criteria					
Statutory Obligations	1	Compliance, H&S, DDA			
	2	Essential to keep Operational Assets open			
Strategic Plan	3	Fit with the Council's Delivery Plans for 'A Plan for West Devon'			
Good Asset Management	4	Rationalise service delivery or service improvement			
	5	Generate income, capital value or reduce revenue costs			
Service	Site	Project	Lead officer	Proposed 2022/23 £'000	Priority code / notes
Place Making	Community Project Grants		RS	30	1,3,4
Affordable Housing			AR	50	3,4,5
Commercial Services		Waste Fleet Replacement	SM	50	1,2,3,4
IT		New IT equipment for the Council Chamber	NH	70	2, 3, 4
IT	IT Server Room	Hardware to upgrade the Council's Disaster Recovery capability (This cost is shared with SHDC - £55K is WDBC's 50% share)	MW	55	1,2,3,4
Public Sector Renewals (inc Disabled Facility Grants)			IL	580	1, 3
Totals				835	

TO BE FINANCED BY:-		
New Homes Bonus funding (from the 2022/23 allocation) - to fund community project grants	30	
Revenue Grants Earmarked Reserve (Homelessness Revenue Grant)	50	
Revenue contribution from the Vehicles and Plant Earmarked Reserve (see Appendix A)	50	
Revenue Grants Earmarked Reserve (New Burdens funding for the administration of the Covid Business Grants)	125	
Better Care funding (Government grant scheme)	580	
Total financing for the Capital Programme	835	

		(1)	(2)	(1)+(2)= 2a	(3)	(4)	(5)	(2a)+(3)+(4)+(5)
Service Group		21/22 Base Net Budget	21/22 Virements	21/22 Revised Net Budget	22/23 Pressures/ (Savings)	22/23 Budget Preparation Virements	22/23 Salary Estimate Virements	22/23 Final Base Budget
		£'s	£'s	£'s	£'s	£'s	£'s	£'s
a)	Customer Service & Delivery	5,898,878	27,500	5,926,378	346,600	0	(54,000)	6,218,978
b)	Place & Enterprise	(1,114,258)	0	(1,114,258)	38,700	0	1,700	(1,073,858)
c)	Governance & Assurance	2,659,021	(27,500)	2,631,521	82,700	0	(21,400)	2,692,821
d)	Strategic Finance	412,242	0	412,242	0	0	73,700	485,942
Total		7,855,883	0	7,855,883	468,000	0	0	8,323,883
Reversal of Depreciation		(554,188)						(554,188)
Net Budget Total		7,301,695						7,769,695
Funded by:								
Localised Business Rates		1,673,223						1,700,000
Business Rates Pooling Gain		40,000						200,000
New Homes Bonus		192,772						150,000
Council Tax (modelling an increase of £5 in 22/23)		4,890,473						5,102,220
Collection Fund (Deficit)/Surplus		(9,771)						152,000
Rural Services Delivery Grant		487,296						487,296
Lower Tier Services Grant		70,202						73,923
Services Grant (22/23 only)		0						113,606
Contributions (to)/from Earmarked Reserves		(42,500)						(209,350)
Total		7,301,695						7,769,695

		(1)	(2)	(1)+(2)= 2a	(3)	(4)	(5)	(2a)+(3)+(4)+(5)
a) Customer Service & Delivery		21/22 Base Net Budget	21/22 Virements	21/22 Revised Net Budget	22/23 Pressures/ (Savings)	22/23 Budget Preparation Virements	22/23 Salary Estimate Virements	22/23 Final Base Budget
		£'s	£'s	£'s	£'s	£'s	£'s	£'s
W1010	Customer Contact Centre	153,900	0	153,900	5,300	0	9,600	168,800
W1020	Planning Applications and Advice	(369,795)	0	(369,795)	(71,000)	0	0	(440,795)
W1040	Local Land Charges	(73,806)	0	(73,806)	0	0	0	(73,806)
W1304	Grounds Maintenance	107,927	0	107,927	1,500	0	1,100	110,527
W1501	General Health	14,170	0	14,170	0	0	0	14,170
W1531	Licensing	(90,551)	0	(90,551)	0	0	0	(90,551)
W1533	Pest Control	15,493	0	15,493	800	0	0	16,293
W1534	Pollution Control	(2,671)	0	(2,671)	600	0	0	(2,071)
W1535	Food Safety	698	0	698	0	0	0	698
W1536	Health & Safety at Work	1,500	0	1,500	0	0	0	1,500
W1544	Community Safety	6,500	0	6,500	0	0	0	6,500
W1545	Emergency Planning	5,370	0	5,370	0	0	0	5,370
W1551	Homelessness	136,877	0	136,877	900	0	0	137,777
W1552	Housing Advice	1,200	0	1,200	0	0	0	1,200
W1555	Private Sector Housing Renewal	31,595	0	31,595	0	0	0	31,595
W1565	Housing Benefit Payments	185,953	0	185,953	0	0	0	185,953
W1568	Housing Benefit Administration	(111,187)	0	(111,187)	10,000	0	0	(101,187)
W1571	Council Tax Collection	(201,694)	0	(201,694)	0	0	0	(201,694)
W1574	Council Tax Support	(56,000)	0	(56,000)	0	0	0	(56,000)
W1998	Case Management Customer Service & Delivery	1,289,600	0	1,289,600	67,900	0	(57,100)	1,300,400
W1999	Specialists Customer Service & Delivery	1,180,000	0	1,180,000	173,600	0	(37,700)	1,315,900
W4001	Senior Leadership Team	287,325	0	287,325	12,500	0	3,200	303,025
W4002	Extended Leadership Team	487,700	0	487,700	26,400	0	(2,200)	511,900
W4004	Corporate Training & Occupational Health	18,183	0	18,183	0	0	0	18,183
W4005	Case Management Service Based Training	11,700	0	11,700	0	0	0	11,700
W4015	Specialists Service Based Training	12,400	0	12,400	0	0	0	12,400
W4041	Internal Audit	36,500	0	36,500	700	0	(800)	36,400
W4082	Landline Telephones	21,000	0	21,000	0	0	0	21,000
W4084	ICT Support Contracts	498,384	0	498,384	(15,100)	0	0	483,284
W4085	Mobile Phones	14,000	0	14,000	0	0	0	14,000
W4086	ICT Hardware Replacement	42,084	0	42,084	0	0	0	42,084
W4087	Photocopiers/MFD's	10,000	0	10,000	0	0	0	10,000
W4100	Specialists Human Resources CoP	39,840	0	39,840	1,100	0	200	41,140
W4101	Specialists Legal CoP	120,200	0	120,200	28,900	0	11,800	160,900
W4102	Specialists Design CoP	33,500	0	33,500	1,100	0	(6,300)	28,300
W4103	Specialists Finance CoP	153,363	0	153,363	5,300	0	14,500	173,163
W4104	Specialists ICT CoP	259,479	0	259,479	9,100	0	(15,700)	252,879
W4150	Case Management Support Services	195,100	0	195,100	(10,700)	0	(700)	183,700
W4155	Case Management Digital Mail Room	79,100	0	79,100	1,300	0	2,100	82,500
W4160	Corporate Management	101,345	0	101,345	14,000	0	0	115,345
W4196	ICT Customer Support	42,200	0	42,200	2,400	0	24,000	68,600
W4199	Central Service Overheads	17,642	0	17,642	0	0	0	17,642
W6040	Borrowing Costs	1,298,075	27,500	1,325,575	0	0	0	1,325,575
W6050	Interest & Investment Income	(105,321)	0	(105,321)	80,000	0	0	(25,321)
		5,898,878	27,500	5,926,378	346,600	0	(54,000)	6,218,978

		(1)	(2)	(1)+(2)= 2a	(3)	(4)	(5)	(2a)+(3)+(4)+(5)
b) Place & Enterprise		21/22 Base Net Budget	21/22 Virements	21/22 Revised Net Budget	22/23 Pressures/ (Savings)	22/23 Budget Preparation Virements	22/23 Salary Estimate Virements	22/23 Final Base Budget
		£'s	£'s	£'s	£'s	£'s	£'s	£'s
W1030	Economic Development	59,291	0	59,291	30,400	0	0	89,691
W1060	Community Development	42,500	0	42,500	10,000	0	0	52,500
W1102	Tamar Valley Trust	58,982	0	58,982	3,500	0	0	62,482
W1104	Land & Investment Properties	(1,081,600)	0	(1,081,600)	0	0	0	(1,081,600)
W1161	Kilworthy Park Offices	249,392	0	249,392	15,200	0	400	264,992
W1200	Public Transport Assistance	13,185	0	13,185	0	0	0	13,185
W1306	Countryside Recreation	10,080	0	10,080	0	0	0	10,080
W1309	Tree Maintenance	20,000	0	20,000	0	0	0	20,000
W1311	Outdoor Sports & Recreation	12,810	0	12,810	0	0	0	12,810
W1400	Employment Estates	(50,731)	0	(50,731)	(39,800)	0	0	(90,531)
W1553	Housing Enabling	240	0	240	0	0	0	240
W2101	Car & Boat Parking	(618,929)	0	(618,929)	12,100	0	1,300	(605,529)
W2310	Dog Warden Service	3,322	0	3,322	100	0	0	3,422
W2400	Public Conveniences	111,899	0	111,899	6,400	0	0	118,299
W2721	Waste Depots	55,301	0	55,301	800	0	0	56,101

		(1)	(2)	(1)+(2)= 2a	(3)	(4)	(5)	(2a)+(3)+(4)+(5)
		21/22 Base Net Budget	21/22 Virements	21/22 Revised Net Budget	22/23 Pressures/ (Savings)	22/23 Budget Preparation Virements	22/23 Salary Estimate Virements	22/23 Final Base Budget
		£'s	£'s	£'s	£'s	£'s	£'s	£'s
		(1,114,258)	0	(1,114,258)	38,700	0	1,700	(1,073,858)
c)	Governance & Assurance							
W1310	Leisure Centres	26,077	(27,500)	(1,423)	0	0	0	(1,423)
W2017	Street and Beach Cleaning	485,945	0	485,945	16,200	0	0	502,145
W2701	Waste & Recycling Collection Contract	1,532,539	0	1,532,539	61,000	0	0	1,593,539
W2713	Trade Waste Services	(13,300)	0	(13,300)	0	0	0	(13,300)
W2715	Garden Waste Collection	14,500	0	14,500	0	0	0	14,500
W3001	Electoral Registration	97,245	0	97,245	2,000	0	(7,100)	92,145
W3030	Staff Forum	5,000	0	5,000	0	0	0	5,000
W3041	Communications & Media	38,430	0	38,430	900	0	7,400	46,730
W3050	Democratic Representation & Management	246,035	0	246,035	0	0	0	246,035
W3051	Member Support & Democratic Services	104,850	0	104,850	2,600	0	(21,700)	85,750
W4200	Insurance	83,231	0	83,231	0	0	0	83,231
W4511	Building Control Services	38,469	0	38,469	0	0	0	38,469
		2,659,021	(27,500)	2,631,521	82,700	0	(21,400)	2,692,821
d)	Strategic Finance							
W4009	Non Distributed Costs	452,242	0	452,242	0	0	73,700	525,942
W6101	Business Rates Income	(40,000)	0	(40,000)	0	0	0	(40,000)
		412,242	0	412,242	0	0	73,700	485,942

Glossary of terms – Local Government Budgeting

Balances - the cash which the authority uses in the normal course of its business to aid cash management and meet contingencies not otherwise provided for. These are also known as Reserves.

Base Budget - the budget from the previous year is taken forward to create the initial budget for the next year before inflation and other adjustments such as budget pressures and savings are added/deducted.

Billing Authorities - the tier of local authority who are responsible for the billing and collection of 'Council Tax' and 'Business Rates' in its local area. In two-tier areas this is the District Council. West Devon Borough Council is a Billing Authority.

Budget - The Council's aims and policies set out in financial terms, against which performance is measured. Both capital and revenue budgets are prepared each financial year.

Budget Gap - where the estimated expenditure is higher than the estimated income in a budget, there is said to be a 'budget gap'. A **Cumulative Budget Gap** assumes annual new budget gaps have not been addressed and is used purely for modelling the overall budget position.

Business Rates – National Non-Domestic Rates ('NNDR') – the tax raised on non-domestic properties, based each year on a 'Business Rates Multiplier' applied to an assessment of the value of the property. This is the means by which local businesses contribute to the cost of local services. The level of business rates is set by the Government. Business rates are collected by District Councils (such as WDBC) and a proportion is paid over to Central Government, with the remainder retained locally and shared between the District Councils and the County Council. WDBC is also part of a Business Rates pool so business rates are pooled with all Devon Councils.

Business Rates Baseline Funding Level – the amount of 'Business Rates' income the Government believes a local authority needs to deliver local services. This is the Council's share of the 'Business Rates' income.

Business Rates Reset – this is the mechanism used by Government to redistribute the 'Business Rates' growth retained by some councils back into the Business Rates system. This could have a significant impact on the business rates retained by the District Council. The Business Rates Reset has been delayed twice and the current budget modelling has assumed that it will be delayed until at least 2023/24.

Business Rates Retention - the system under which the Council is able to keep a proportion of the 'Business Rates' raised in any year in excess of a baseline measure.

Business Rates Tariff - a local authority must pay a levy (tariff) if its individual 'Business Rates Baseline' is greater than its baseline funding level. Conversely a local authority will receive a **Business Rates Top-Up** if its baseline funding level is greater than its 'Business Rates Baseline'. District Councils such as WDBC are normally 'Tariff Authorities' and County Councils such as DCC are 'Top-Up' Authorities.

Business Rates Multiplier - the annual amount established by central government used in the calculation of the 'Business Rates' bill. This amount is multiplied by the businesses rateable value to derive the size of the 'Business Rates' bill for the year. For 2022-23 the small business multiplier will remain at 49.9 pence.

Business Rates Pool - an agreement between neighbouring councils to add together to combine their 'Business Rates' activities in a pool. This is designed to maximise the ability for councils to retain 'Business Rates' locally. West Devon Borough Council is part of the Devon Business Rates Pool. It is recommended that WDBC continues to be part of the Devonwide Business Rates Pool for 2022/23. A 'Business Rates' pooling gain of £200,000 has been modelled for 2022/23 with lower gains predicted for 2023/24 onwards when the 'Business Rates Reset' is scheduled to happen.

Capital Expenditure - expenditure either on the acquisition of a fixed asset (e.g. land, buildings, vehicles), or expenditure which adds to and not merely maintains the value of an existing fixed asset.

Capital Financing - the Council's arrangement for meeting the cost of 'Capital Expenditure' covering grants, 'Capital Receipts' and charges to revenue over the period that will benefit from the expenditure. Capital Financing includes borrowing to fund the Capital Programme, made up of principal repayments and interest (similar to a mortgage). Borrowing can only be used to fund capital expenditure, borrowing cannot fund revenue expenditure.

Capital Programme – this provides details on the planned expenditure on capital projects over a period of years, and the resources available to fund those schemes.

Capital Receipts - the proceeds of sale from the disposal of assets such as land and buildings. They can be used to finance new capital expenditure, but not revenue.

Capping - Government power to limit an authority's budget requirement and hence the 'Council Tax' that it sets. This terminology has been superseded by council tax referendum criteria.

CIPFA - The Chartered Institute of Public Finance and Accountancy - the accountancy body primarily concerned with public services that issues guidance on accounts preparation for local authorities.

Collection Fund - a separate, statutory, account maintained by 'Billing Authorities' such as WDBC into which 'Council Tax' receipts are paid, and from which 'Precepting Authorities' are paid. A Collection Fund is also maintained for the collection and re-distribution of 'Business Rates'.

Core Spending Power – this is the term the Government use to say how much money Councils have to run their services. It's a headline figure used by the Government to represent the key revenue resources available to local authorities, including an estimate of actual and potential 'Council Tax'.

Council Tax - a local tax on domestic properties set by local authorities and based on the value of the property within eight bands, A to H. The 'Council Tax' value of each band is expressed as a proportion of band D.

Council Tax Base - the number of properties in a local authority area from which it is estimated 'Council Tax' will be collected, expressed as the number of equivalent band D properties using pre-set ratios. The tax base can increased by building new homes as well as by increasing the 'Council Tax' Band D amount itself.

Council Tax/Collection Fund Surplus or Deficit - a surplus/deficit arising from either more or less 'Council Tax' being collected than expected by District Councils. This would be as a consequence of variations in collection rate or variations to the estimated increase in the number of properties. The annual surplus/deficit is distributed on an annual basis to 'Precepting Authorities'.

Council Tax Requirement - the amount of funding required to be raised from 'Council Tax' to meet the expenditure plans of the authority after taking into account all other funding sources such as business rates income.

Earmarked Reserves – these are amounts of money which have been set aside for a specific purpose to meet future spending plans or contingencies.

Fees and Charges - income raised by charging users of services directly for services used e.g. car parking income, planning income.

General Fund the council's main revenue account which includes day to day income and expenditure on the provision of services.

General Fund Balance – also known as '**Unearmarked Reserves**' - the surplus or deficit on the 'General Fund' at a particular date arising from all transactions up to that date, showing the ability of the Council to fund future revenue expenditure (surplus) or the requirement to make savings or raise additional income (deficit). At Council on 16 February 2021, Members have set a minimum balance for Unearmarked Reserves of £900,000, based on a risk assessment basis and a sensitivity analysis.

Gross Expenditure - the total cost of providing services before the deduction of government grants or other income.

Local Government Finance Settlement - the annual announcement by Government of the amount of grant funding to be provided for the forthcoming year.

Lower Tier Authorities - Shire District Councils in a two-tier area, who act as 'Billing Authorities' such as West Devon Borough Council.

Lower Tier Services Grant - this is a new grant introduced in 2021/22 provided specifically to lower tier authorities. This grant will continue for 2022/23.

Medium Term Financial Strategy (MTFS) - this sets out the budget strategy for the Council for the next three years. The Council has chosen a three year timeframe for its MTFS, as this dovetails to the timescales of the Corporate Strategy, 'A Plan for West Devon'. The Council will then be able to rely on this to inform future decisions.

Negative RSG – Negative Revenue Support Grant – This is effectively negative government grant, the Council's further predicted funding cuts. The Council would have to make a payment to Government of some of its business rates income, hence the term 'negative'. The latest budget modelling assumes negative RSG of £182,000 in 2023/24 and £227,500 in 2024/25. Some of the negative RSG could be offset by growth. It has been confirmed in the finance settlement that negative RSG will not be implemented in 2022/23.

Net Expenditure - the cost of providing a service after the deduction of specific government grants and other sources of income but excluding the use of reserves.

NNDR – National Non-Domestic Rates – see **Business Rates**

New Homes Bonus - The New Homes Bonus (NHB) scheme was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas. The aim of the NHB was to provide a financial incentive to reward and encourage local authorities to help facilitate housing growth. The Council receives 80% of the average national council tax (£1,898) for each property growth over the baseline, this equates to £1,515 per property. The NHB is being phased-out. Although the NHB scheme is due to be replaced, it is assumed in the latest budget modelling that a successor scheme will be implemented that will also be based on housing growth.

Precept – the levy made by 'Precepting Authorities' including the County Council on 'Billing Authorities' (West Devon Borough Council), requiring it to collect the required income from Council Tax payers on their behalf.

Precepting Authorities – these bodies do not collect 'Council Tax' directly but instruct 'Billing Authorities' such as WDBC to do it on their behalf. For West Devon Borough the Major Precepting Authorities for 'Council Tax' are Devon County Council, Devon & Cornwall Police & Crime Commissioner and Devon & Somerset Fire Authority. The Local Precepting Authorities are Town and Parish Councils.

Prudential Code - this is a code of practice agreed between Government and CIPFA that regulates local council capital spending and financing. The Code allows local authorities to set their own borrowing limits based upon affordability, sustainability and prudence.

PWLB - Public Works Loans Board - a statutory body operating within the United Kingdom Debt Management Office, which is an Executive Agency of HM Treasury. Its function is to lend money from the National Loans Fund to local authorities and other prescribed bodies, and to collect the repayments.

Reserves - amounts of money put aside to meet certain categories of expenditure. Reserves can be 'Earmarked' and 'Unearmarked'.

Revenue Expenditure - comprises the day to day costs associated with running the Council's services and financing the Council's outstanding debt. The costs such as staff salaries, contract expenditure and general running expenses (heat, light and utilities) are financed from income.

Revenue Support Grant (RSG) - the main grant paid to councils by the Government. The amount of this grant has been severely reduced since 2010 and the Council no longer receives any RSG. Between 2009/10 and 2020/21, the Council's Core Government funding has reduced by £3 million. The Council now receives no main Government Grant (Revenue Support Grant) – see **Negative Revenue Support Grant**.

Rural Services Delivery Grant - This is Government grant introduced to recognise the additional cost of delivering services in rural areas. Rural Services Delivery Grant will continue for 2022/23 onwards at previous levels (£85m nationally – West Devon Borough Council share of £487,296)

Settlement Funding Assessment (SFA) - this is essentially the 'Business Rates Baseline' and is the amount of money the Council retains from its share of the 'Business Rates' income. In the 'Medium Term Financial Strategy' it has been assumed that the Settlement Funding Assessment (SFA) will increase in line with inflation.

Section 151 Officer (S151 Officer) – the responsible financial officer. Every council, by law will designate an individual officer as having legal responsibility over providing effective financial management and advice across the Council. The post holder must be a qualified member of one of the main accountancy bodies in the UK. This is currently Lisa Buckle.

Unearmarked Reserves – see **General Fund Balance**

Upper Tier Authorities – in two-tier areas, this is the County Council (This is Devon County Council in the WDBC area).

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Report to: **Hub Committee**

Date: **1st February 2022**

Title: **Public Consultation Homeless Strategy 2022- 2027**

Portfolio Area: **Homes – Cllr Barry Ratcliffe**

Wards Affected: **all**

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

Date next steps can be taken:

Author: **Sophie Cobbledick** Role: **Senior Housing Specialist**

Contact: **email: Sophie.cobbledick@swdevon.gov.uk**

Recommendations:

1. That the Hub agree to commence public consultation on the draft Homeless Strategy 2022-2027

1. Executive summary

- 1.1 Members received an update on the proposed direction of the next 5 year homeless strategy in the housing challenges report of the 7th December 2022
- 1.2 As a result of the review 4 key areas of housing need were identified.
 - i. Single Households
 - ii. Families
 - iii. Households with additional needs
 - iv. Rough Sleepers
- 1.3 It is proposed to commence public consultation on a draft strategy in line with the adopted consultation and engagement strategy which will commence after the call in period for this report.
- 1.4 On review of comments and suggestions, a final draft will be presented to the Hub, with a recommendation to Council

to adopt the new strategy. This is not likely to be before the 24th May meeting, although the recommendation will suggest retrospective adoption from the 1st April 2022

1.5 The draft strategy is attached at appendix 1

2. Background

- 2.1 The Homelessness Act 2002 places a duty on local authorities to review homelessness and the influencing factors that cause homelessness and to develop a strategy that addresses the findings of the review.
- 2.2 The current strategy is shortly at the end of its 5 year life span. The review of the achievements of this strategy were presented to Members at the Hub meeting of the 7th December 2021 (ref HC 53/21) which included current and likely future needs and trends.
- 2.3 As of the 10th of January actions under this strategy has resulted in the prevention of homelessness for 1017 households in West Devon, and a further 1450 households in South Hams, with whom this strategy is shared.
- 2.4 The draft strategy is person focused rather than theme focused as its predecessor was, instead focusing on actions around different client groups As listed in section 1.2
- 2.5 The impact of the pandemic on local housing need has been significant, and the new strategy comes at an opportune time to address the additional challenges our residents face.
- 2.6 On the 11th January Members attended a workshop on the new strategy where there was support for the approach
- 2.7 Public consultation will begin shortly after the call in period for this report and this will also include a stakeholder event with our statutory and voluntary partners.

3. Outcomes/outputs

- 3.1 If Members agree to commence public consultation it will ensure we are able to bring forward a new homeless strategy that residents and stakeholders have had an opportunity for input. Public consultation will be conducted in a number of ways:
 - Using the Council's website and Survey Monkey
 - A stakeholders strategy consultation event
 - Consultation with targeted service users and groups

4. Alternative Options Considered and Rejected

- 4.1 Public consultation, whilst not a legal requirement of a Homeless Strategy is a priority in West Devon and engaging with our residents is aligned with our adopted corporate engagement strategy

5. Proposed Way Forward

5.1 That the Hub Committee agree to commence public consultation on the draft Homeless Strategy 2022-2027

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	It is not a legal requirement to consult It is a legal requirement to have a homeless strategy (Homeless Act 2002)
Financial implications to include reference to value for money		Consultation Activity will be met through existing budgets
Risk	Y	There is reputational risk if the Hub chose not to publically consult as there is an adopted corporate engagement strategy
Supporting A Plan for West Devon	Y	Homes & Wellbeing
Consultation and Engagement Undertaken or Proposed	Y	Using the Council's website and Survey Monkey. A stakeholder's strategy consultation event. Consultation with targeted service users and groups
Climate Change - Carbon / Biodiversity Impact		No direct impacts of this report
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	A equality impact assessment will be completed as part of the new strategy prior to adoption
Safeguarding	Y	No direct implications as a result of this report, but the strategy itself contains various activity to support vulnerable households.

Community Safety, Crime and Disorder	Y	No direct implications, although we will be consulting with the community safety partnership and inviting them to comment
Health, Safety and Wellbeing	Y	No direct implications as a result of this report but the strategy itself contains various activity to promote wellbeing
Other implications		

Supporting Information

Appendices:

Appendix 1 – Draft Homeless Strategy 2022-2027

Background Papers:

Homeless strategy 2017-2022

Homelessness Act 2002

.

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes
SLT Rep briefed/sign off	Yes
Relevant Heads of Practice sign off (draft)	Yes
Data protection issues considered	Yes
Need for a Communications Plan?	Yes
Accessibility checked	Yes

Contents

- Foreword
- Introduction
- The Strategic Context
- The Regional Picture
- The Local Picture
- Our Vision and Objectives
- Key Priority Groups
- How the Homeless strategy and Delivery Plan will be monitored
- The Review of 2017-22 Strategy Objectives and outcomes.

FOREWORD

Introduction

For many people the term 'homelessness' evokes images of the 'rough sleeper', however, homelessness and the services provided by the Local Authority are far more complex and widespread than this. This can include people living in insecure, unsuitable or unaffordable housing as well as those required to leave their existing housing, often through no fault of their own.

The Homelessness Act 2002 places a duty on local authorities to review homelessness, and the influencing factors that cause homelessness in their area, and to develop a strategy which addresses the findings of the review.

The Homelessness Strategy is required to:

- Address the levels of homelessness now, and the factors likely to impact on future levels of homelessness, through accurate profiling of the area
- Ensure that there is sufficient accommodation available for people who are, or may become, homeless
- Provide services that help to prevent people from becoming homeless.
- This will include a review of their effectiveness and the identification of new opportunities to support prevention of homelessness
- Ensure that through effective partnership, working support services can be accessed for those people who are, or who may become, homeless – or who need support to prevent them from becoming homeless again
- Promote a cultural change so that homelessness is viewed in a wider context than just lack of accommodation

This strategy aims to build on the achievements from our 2017-22 Joint Homelessness Strategy as well as to address the changing landscape of homelessness and housing need across our area. It has been developed at a time of considerable uncertainty, with the impacts of the Covid-19 pandemic on our communities still not fully understood the strategy has been designed to respond flexibly to the changing housing landscape.

The powerful community response to the pandemic brought with it stronger professional relationships and increased focus on the importance of partnership working. Whilst the responsibility for the Homelessness Strategy rests with South Hams District and West Devon Borough Council, it also aims to bring together all partner agencies to ensure a holistic approach toward addressing homelessness.

The areas of South Hams and West Devon are among some of the most beautiful in the country. Featuring areas of outstanding natural beauty and large swathes of Dartmoor, both areas are highly sought after for those wishing to live in and enjoy the beautiful surroundings. Much of our industry is centred on tourism and we have high proportions of holiday and second home accommodations in many of our towns and villages. Whilst this has always been the case, the Covid 19 pandemic has brought with it increased interest in the area for stay-cation holidays, second home ownership and permanent relocation from cities; with the new opportunities

presented by home working. The result has been a sharp increase in house prices and in properties being used as holiday rentals rather than as long term rented housing.

ONS data revealed that in the 12 months leading up to December 2021 the south west experienced the highest rental increases along with West Midlands of 3.1%. In the three months to August 2021, RICS reported that tenant demand was accelerating while landlord instructions remained in decline.

The fall in supply of lettings was most widespread in the Midlands, the East of England and the South West (ONS).

The increase in rental prices and property prices has priced many low income families out of both the homeownership and the private rented market. The South Hams and West Devon Housing strategy 2021 -2026 identifies in details the ways in which South Hams and West Devon will work towards increasing property across all markets.

The pandemic also had significant financial impacts including decreased income under the furlough scheme and changes to benefits that has impacted on people's ability to manage their finances.

This has sharply emphasised the challenges for many people across our area and may lead to further increases in homelessness in our area.

The Strategic Context

The South Hams and West Devon Homelessness Strategy has been developed in response to a number of legal duties and powers and with regard to a both national and local policy. It has also been important to recognise the impact of Covid and the UK's exit from the European Union; which has been significant in the area and will continue to impact on people's lives over the coming five years.

Legal Framework

- Housing Act 1996 (as amended) - Part 7 of the 1996 Housing Act is still the overarching piece of legislation used by councils in determining the way in which they respond to homelessness. The Act has been amended by:
 - The Homelessness Act 2002, which has included notable changes in the way Councils use temporary accommodation, with greater emphasis on the role of prevention.
 - The Homelessness Reduction Act 2018 which imposed new legal duties on councils so that everyone who is homeless or at risk of homelessness will have access to support, irrespective of their priority need status, as long as they are eligible for assistance.
- The Care Act 2014 - The Care Act set a strong expectation that agencies would work together to protect children, young adults and people with care and support needs,
- Rough Sleeper Strategy 2018- This new requirement made it a statutory duty to review and publish a plan designed specifically to meet the needs of Rough Sleepers.
- Domestic Abuse Act 2021 – designed to address the needs of victims of domestic abuse, the act imposes a duty on upper tier local authorities to provide support in safe accommodation.
- Warm Homes and Energy Conservation Act 2000 (as amended) – secondary legislation; Fuel Poverty (England) Regulations 2014 set out a fuel poverty target – to ensure as many

fuel poor homes as is reasonably practicable achieve a minimum energy rating of Band C by 2030.

Regional Picture

South Hams and West Devon

- South Hams District Council Corporate Strategy – Better Lives For All 2021-2041
- West Devon Borough Council Corporate Strategy – A Plan for West Devon 2021-2041
- Joint Local Plan 2014-2034
- Better Homes, Better Lives - South Hams and West Devon Housing Strategy 2021-2026
- South Hams and West Devon Tenancy Strategy 2021

The two corporate strategies, Better Lives for All and A Plan for West Devon address the distinct needs of both authorities and frame the council's vision for both areas and for the Council as an organisation. Both strategies include Homes as a key priority, with the delivery of these priorities being further developed within the South Hams and West Devon Housing Strategy. The key themes for the South Hams and West Devon Housing strategy are:

- Housing for Place – Driving the delivery of new homes that people can afford and meeting the different needs of our communities
- Housing For People – Ensure the best use and improved quality of existing housing.

Devon County

- Happy and Healthy Communities, Devon's Joint Health and Wellbeing Strategy 2020-25
- Promoting Independence in Devon, 5 Year Plan for Adult Social Care 2018-23
- Children's Services Improvement Plan 2020
- Healthy Lives, Vibrant Communities, Housing Choices, a Joint Strategic Approach to Supporting People to Live Independently in Devon 2020-25
- Domestic Abuse Support in Safe Accommodation in Devon (in consultation)

The importance of collaborative working practices has been a priority for many years, with the Covid-19 pandemic highlighting this further. Inequalities across the county have been accentuated further by the pandemic, with households in rural locations struggling to access services. The commitment to partnership working is central to the success of this Strategy and issues around housing and wellbeing remain central to both Devon County and 2nd tier local authority policy design and delivery.

Devon & Cornwall Housing Options Partnership

All Devon and Cornwall Authorities are committed to working together to improve the consistency and quality of housing options and advice services across the two counties. Held up nationally as an example of good partnership working, the partnership has enabled shared policy and practice development, while also yielding opportunities for Government funding in the form of grants for rough sleeping, debt advice, youth homelessness and working with the private sector.

Devon Homelessness Prevention Panel

All eight local authorities work alongside Devon County Children's Services to address the needs of young people entering and leaving the care system. Through our collaborative work we have developed a number of Joint Working Protocols to ensure best outcomes for young people facing homelessness.

The Local Picture

As of October 2021 there were 45,606 properties in South Hams and 26,297 in West Devon. Of the number in South Hams 3,455 were recorded as second homes and 46 empty for over 2 years. A further 73 are uninhabitable. In West Devon there are 538 second homes and 33 properties that have been empty for over 2 years. A further 27 are recorded as uninhabitable. (Source CTB1 October 2021)

In the three years to 2020 the population of South Hams increased by 2606 due to internal migrations with West Devon's population increasing by 810. Demographic projections suggest a 5% increase in population for the South Hams and 4% increase in West Devon. However these figures have not been updated since the pandemic (Source Devon County Council)

In the years 2016- 2021, the number of affordable homes delivered in South Hams was 615, and in West Devon this was 149

Average house price in South Hams is £440,139; a 25% increase since 2016 (Sept 2016 - £331,625) and the average house price in West Devon is £306,203; a 22% increase (Sept 2016 - £239,160) (Source - Land Registry 2020)

Average salary in South Hams £30,160 in 2020, an increase of 9% since 2016. In West Devon the average salary is 22,048, an increase of 11% since 2016. (Source: ONS 2020)

- Work in partnership with support services and achieve high referral rates between organisations to identify and address issues impacting on home management.
- Provide: to improve access to a range of accommodation and support options suitable for household needs.
 - Expand the existing portfolio of homes rented through SeaMoor Lettings
 - Develop housing management and development options to increase availability of housing.

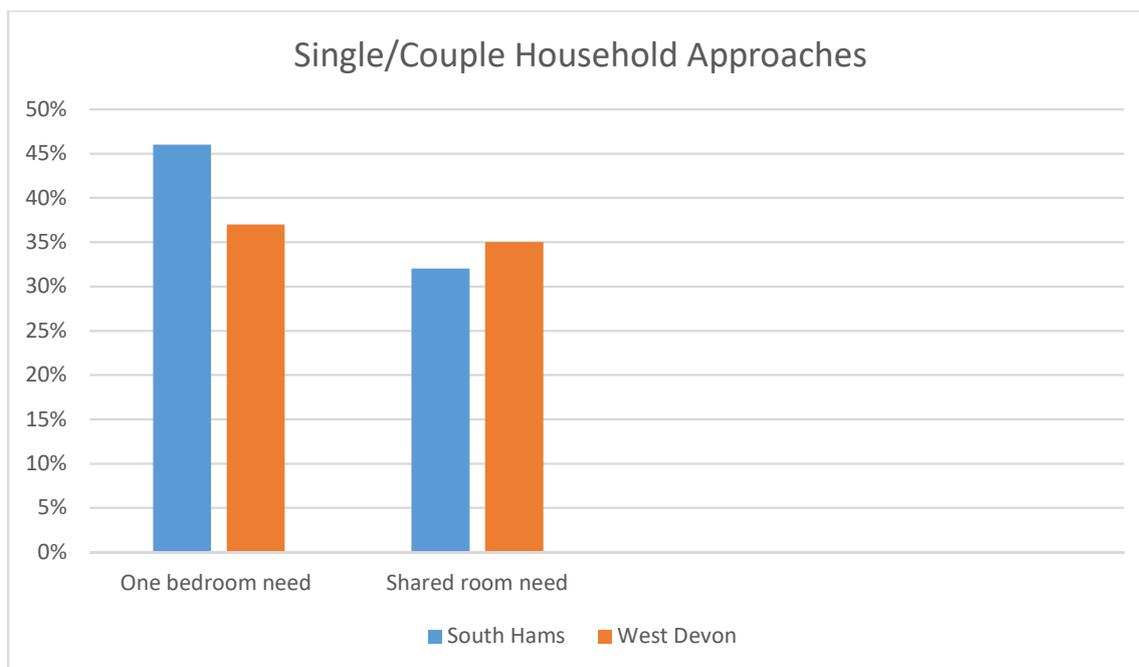
Key priority groups

To achieve our objectives we have recognised that housing and support options need to reflect the needs of the household to ensure positive outcomes are achieved and repeat homelessness is minimised. The review of homelessness in South Hams and West Devon has identified that four key groups of people for whom the experience of homelessness and the contributing factors are both complex and unique.

- Single households
- Families
- Households with additional needs
- Rough Sleepers

Whilst the experiences and causes of homelessness across these groups is known to overlap, in order to continue to build on the proven track record of prevention work; it is essential that we look to examine and understand the barriers each group experiences when facing a housing need, to ensure best outcomes. Working proactively with our partners we can ensure we are able to offer advice and services that are tailored to the needs of those approaching us.

Group 1: Singles and Couples requiring one bedroom or shared accommodation.



Of the 1914 approaches in South Hams and the 1159 approaches in West Devon between 2017-21; 78% and 75% respectively have been from households requiring one bedroom or shared accommodation.

For those requiring one bedroom accommodation the average case duration was 82 days.

Within the same time period 32% of approaches made to South Hams have been from those aged 18-34 years old; for whom the shared accommodation rate applies. In West Devon this figure was 38%. The main reason for approach within this age group was 'Asked to leave by friends or family' and 'Sofa Surfing'.

43% of one bedroom households in the South Hams secured housing outside the district. In West Devon 33% of one bed households were housed outside the borough. Of those single households who were housed in shared accommodation only 35% were able to source shared accommodation within the South Hams, with 59% successfully securing shared accommodation in West Devon.

To meet the needs of the people in this group we will:

Prevent - Ensure we increase awareness of services available to people looking to move on from or maintain existing accommodation; to include a provision designed for young people at risk of eviction from the family home.

Relieve - Work with partner agencies to deliver services which support young people facing homelessness

Sustain - Ensure access to good quality financial and independent living advice and support to ensure people are empowered to sustain their tenancies.

Provide - Work with landlords to increase the supply of shared and one bedroom affordable accommodation access the area. Develop a management service offer to increase provision of HMO accommodation across both areas.

Group 2: Families

Homeless children are more likely to experience stress and anxiety, resulting in depression and behavioural issues. There is evidence that the impact of homelessness on a child's health and development extends beyond the period of homelessness. (Crisis 2011)

Between 2017-21; in South Hams 427 families approached for assistance and 291 in West Devon. The primary reason for approach across both local authorities for families was 'receipt of a Section 21 notice' with the second most common reason being 'fleeing domestic abuse'.

On average it has taken more than 4 weeks longer to secure housing for families (average 113 days) than for those requiring one bedroom accommodation.

In the South Hams 76% of families successfully secured housing within the district of South Hams. In West Devon 63% families were housed within the borough.

To meet the needs of this group we will:

Prevent - Work with registered providers and private landlords to enable early identification of families at risk of homelessness to enable provision of appropriate support.

Relieve - Ensure our internal working practices and relationships with partner agencies are robust and that we collaborate effectively to support those facing homelessness and/or in temporary accommodation.

Sustain - Work proactively with landlords in both the private and social rented sector to ensure early identification of tenancy sustainment issues including financial issues.

Provide – using the Council's resources, increase the number of affordable private rented and council owned properties available to families, to include quality temporary housing. Maximise the number of properties made available as a result of successful downsizing in the social rented sector.

Group 3 Additional Needs

Many single homeless people experience support needs in addition to their immediate need for housing, including: physical ill health, mental health problems, drug and alcohol issues and multiple and complex needs (Crisis 2011)

Mental Health needs accounted for 54% of those identifying as having additional needs in South Hams and 50% in West Devon. 45% of households in South Hams identified a physical disability support need and 39% in West Devon. Other support needs identified include Drug and/or alcohol misuse, feeling abuse of violence and being a care leaver or young person made homeless.

99 households across the two areas identified themselves as having 3 or more support needs.

The Disabled facilities grants have successfully supported 334 households in South Hams and 182 households in West Devon to remain in their own home through provision of adaptations.

Since the establishment of the Disabled Adapted Panel has supported 50 households to secure appropriate adapted accommodation through targeted work with RP's on their housing stock as it becomes available.

As of September 2021 23 households in South Hams and 21 households in West Devon people still remain on the housing list in need of wheelchair adapted accommodation. A new project has commenced to identify and target those households with a need for other adaptations or specific accommodation types.

Over the three years to 2021 31% of households approaching in South Hams identified themselves as having additional support needs. In West Devon it was 29%.

To meet the needs of this group we will:

Prevent – work closely with partner agencies to ensure those in housing need are identified and referred to us quickly to enable early intervention measures can be put in place; including support to downsize or move to more suitable accommodation.

Relieve – ensure provision of quality temporary housing and access to support services to holistically address the needs of those facing homelessness

Sustain – Deliver an adaptation service to include grant and self funded support aids are made accessible for all. Ensure relevant services are identified and referred to for those requiring additional support to sustain their homes.

Provide – work with Devon County Council to support the delivery of housing for those with support needs through a property management service offer with intensive housing support.

Group 4 Rough sleepers

Qualitative research has shown that many single homeless people face significant challenges, which often involve adverse childhood experiences such as trauma, neglect and poverty. (Crisis)

Rough Sleepers

In South Hams 86 rough sleepers were worked with by South Hams, of these 60 identified as having rough slept previously and 9 individuals have had repeat cases with us. In West Devon there were 36 rough sleepers with 27 of these stating they had been homeless before and 4 individuals have had repeat cases.

Successful outcomes were recorded for 37 rough sleepers in the South Hams and for in 16 rough sleepers in West Devon.

Of the 86 rough sleepers approaching South Hams 54% identified themselves as having support needs with 36% identifying mental health as a specific need. In West Devon 40% of rough sleepers identified as having support needs with 27% specifying a physical disability as a support need.

In 2017 the government announced their target to halve rough sleeping by 2022 and ensure that no one has to sleep rough by 2024. This government target aligned with the local authorities commitment to work towards ending rough sleeping across both areas.

The council often has no legal duty to many of the people sleeping rough in the area and where a legal duty has existed due to either not meeting the vulnerability criteria required by the legislation or because they are deemed under law to be intentionally homeless. Historically this has limited the level of work and investment made in this cohort. Conversely living on the streets can create and exacerbate people’s vulnerabilities making investment in this cohort more essential:

Issue	Rough Sleepers	General Population
Life expectancy	Age 47	Age 77
Physical Health	78%	37%
Mental Health	44%	23%
Addiction	41%	Not shown

(Crisis)

Over the last 5 years we have seen a significant reduction in people sleeping rough in both South Hams and West Devon. However, in order to keep these numbers consistently low moving forward we need build on what we have achieved.

To meet the needs of this group we will:

Prevent - Work with partners to ensure early identification of Rough Sleepers or people at risk of rough sleeping.

Relieve - Continue our commitment to holistic outreach work and the No Second Night Out ethos.

Sustain - Provide intensive support both in house and with our partners for rough sleepers in accommodation to enable them to manage long term accommodation expectations.

Provide - Develop a range of accommodation and support options for people rough sleeping or at risk of rough sleeping to make long term accommodation sustainment realistic.

How the Homeless strategy and Delivery Plan will be monitored

The life of this homeless strategy is intended to be five years.

Annually we will publish our progress to date and a refreshed Action Plan. The development of each annual action plan shall include consultation with members and stakeholders to ensure that the strategy is kept relevant and that all partner agencies and local people, through their elected representatives, have the opportunity to help to develop and influence a holistic approach to tackling homelessness across the area.

The delivery of the Action Plan will rely on the resources of both Councils and their partners, working together to achieve positive outcomes, for people in South Hams and West Devon.

The Review of the 2017-22 Joint Homelessness Strategy Objectives and Outcomes

The 2017-22 Joint Homelessness Strategy set out the priorities for tackling homelessness in South Hams & West Devon. The strategy was framed around four themes:

- Understanding the true cost of homelessness
- Access to services
- Access to housing
- Health and wellbeing

A review of the progress made against these priorities has been conducted to support the development of the 2022-27 Homelessness Strategy.

Priority 1: Understanding the True Cost of Homelessness

Objectives	Outcomes
Ensure we establish a solid evidence base which informs practice across all sectors and clearly illustrates the true cost of homelessness in South Hams and West Devon.	<ul style="list-style-type: none"> • Implemented a new bespoke housing system which enables cross examination of data collected from homeless applicants. • Data sharing agreements established with Children’s services and improved referral routes and working practices established to better track trends and identify need among care leavers and families.
Monitor the impact of welfare reform, and ensure that this informs future strategic priorities	<ul style="list-style-type: none"> • Use of food banks has shown a steady rise in demand – referral routes established with food banks to ensure support services can be identified and offered to address the root causes of food poverty. • Support service provision increased to address the changing needs of those on low incomes in the face of the pandemic and furlough schemes.
Recognise the continuing pressures on the Councils’ budgets and how best to target resources in the most meaningful way	<ul style="list-style-type: none"> • Targeted partnership working practices with social landlords to ensure tenants with rent arrears are identified at an early stage and supported and homelessness prevented. • Bespoke financial advice service in place to ensure customers receive tailored advice and are supported to access services • Tenants incentive Scheme revised and regularly promoted to ensure best use of existing stock

Ensure partnerships with other agencies demonstrate value for money	<ul style="list-style-type: none"> • Ongoing review with DCC regarding the supported Living contract. • Joint bid with TDC to secure funds for rough sleepers and 3 joint posts to ensure best Value for money
Ensure access to good quality financial advice to help tackle poverty, poor quality housing and homelessness	<ul style="list-style-type: none"> • Procured a new contract with Homemaker to deliver Income Maximisation, budgeting, benefits and debt advice • Extended the contract to 5 days a week in response to the Covid Impact on people's finances.

Priority 2: Access to Services

Objectives	Outcomes
Offer advice and assistance in a range of formats, so the customer can choose how they communicate with their Council	<ul style="list-style-type: none"> • Implemented bespoke online portal account system to facilitate communication and document sharing. • Expanded offer of telephone assessment services to ensure customers in remote locations are not required to travel to access services. • Updated and maintained web pages to ensure information is available in plain English and includes links to additional support resources • Worked closely with the Devon Home Choice partnership to enable more effective access to the Devon Home Choice system via an app designed specifically for phone us.
Ensure our most vulnerable customers are able to access advice services effectively	<ul style="list-style-type: none"> • Developed close relationships with support services to ensure vulnerable customers are able to access support with making homeless applications. • Communication software technology ensure that calls and assessments with customers can include support workers or family members in the same call.
Work with partners to ensure that we are able to offer services at the time and place our customers need them most	<ul style="list-style-type: none"> • Communication software technology ensure that calls and assessments with customers can occur at a time and location that best suits the customer and their support network. • Training delivered to multiple partner agencies to ensure a good basic understanding of housing and homelessness exists across a wide range of agencies. Enabling basic advice and

	information to be sourced from a wide range of places and to ensure excellent referral routes where additional support and advice is needed.
Readily and regularly consult with our customers and stakeholders to make sure we get our services right	<ul style="list-style-type: none"> • Regularly attending community groups including Caring Town, The Hub and ROOF. • Consult yearly with stakeholders on the progress of the strategy and the future needs for local housing. • Introduced a G&T Forum to engage with the Traveller communities to find out their needs and we can do to meet these.

Priority 3: Access to Housing

Objectives	Outcomes
Increase the supply, standard and options for people who face homelessness within our area	<ul style="list-style-type: none"> • Increased promotion and communications program to support the recruitment of local landlords to the Seamoor property scheme. • Capital grant funding secured to enable purchase of 4 one bedroom homes to improve housing options for single homeless rough sleeping or at risk of. • Established Disabled Adaptation Panel which has been instrumental in securing the most appropriate housing options for those in need of adapted housing for XX households • Developed a bespoke website to advertise rented accommodation options through SeaMoor and part ownership housing options available locally. • Appointed a project officer to • Established a perpetrator housing programme to support victims of domestic abuse to remain in their own home and alternate housing be sought for the perpetrator.
Develop innovative options for our Rough Sleeper Community	<ul style="list-style-type: none"> • Joint bid with TDC to secure Outreach workers, personal budgets and housing first options. • Successfully implemented the TAS worker to help support rough sleepers with moving on • Successfully bid for funding for an additional support worker for the Leap Pad project

	<ul style="list-style-type: none"> • Successfully bid for £250K toward the purchase of 4 units of Leap Pad accommodation. • Improved communication and partnership working with Local Charities and 3rd sector organisations to ensure that a holistic approach is taken to meeting Rough Sleepers support and engagement needs.
Continue the downward use of temporary accommodation for homeless households	<p>The use of temporary accommodation has fluctuated throughout the 5 year strategy. Various elements have impacted on the success of this aim including:</p> <ul style="list-style-type: none"> • Funding was secured in 2019 for 2 temporary accommodation support (TAS) workers. The role was a success resulting in a reduction in temp costs of £28,900 • Funding ended for these roles in 2020 • The Covid pandemic has impacted on the availability of accommodation for applicants to move to resulting in longer stays in temp. This has been caused by a combination of: <ul style="list-style-type: none"> ○ Delays in building development due to lockdown measures ○ Reduction in movement across the social and private housing sector due to a stay in evictions and a limitation on movements. ○ Demand for holiday accommodation in the district has led to an increase in use of rental accommodation for holiday use.

Priority 4: Health and Wellbeing

Objectives	Outcomes
Work in partnership with our voluntary and statutory sectors to holistically address people's needs as fully as possible.	<ul style="list-style-type: none"> • Appointed a dedicated Vulnerable Person's Officer and • Appointed 2 Rough sleeper outreach workers to work alongside our housing advice officers to facilitate excellent links to partner agencies to include joint working on homeless cases.
Ensure we adequately protect and safeguard the most vulnerable members of our community	<ul style="list-style-type: none"> • Reviewed internal Safeguarding procedures and rolled out training to ensure safeguarding is 'Everyone's responsibility' • Developed good working relationships with Hospital discharge coordinators, prison release

	<p>officers, probation, domestic abuse, adult and children's social work and mental health.</p> <ul style="list-style-type: none"> • Engaged closely with children's services and contributed to the development of joint working protocols to ensure quality joint working. • Seconded a senior specialist on behalf of all Devon 2nd Tier local authorities to deliver targeted training and support to the Children's services' MASH team over the period of one year.
<p>Enable early help, to avoid crisis and tackle homelessness at its root cause.</p>	<p>Developed referral routes and delivered training in homelessness to ensure early identification of housing needs and risk of homelessness to:</p> <ul style="list-style-type: none"> • Hospital discharge coordinators, • prison release officers, • probation, • domestic abuse support services, • Adult and children's social work • Mental health social care, • Police • Registered providers

Rough Sleeper Strategy Review

Objectives	Outcomes
<p>Increase our knowledge of the number of people sleeping rough by building on the annually required rough sleepers estimate by introducing a quarterly rough sleeper estimate. This will ensure that the service delivery can respond more quickly to need.</p>	<ul style="list-style-type: none"> • Introduced monthly rough sleeper counts/estimates • Introduced a next working day response to reports of people sleeping rough wherever possible.
<p>The very nature of homelessness means a large proportion of the people requiring housing advice and homeless services will be vulnerable and may need additional support to enable them to access services.</p>	<ul style="list-style-type: none"> • Introduced TAS worker • Introduced Outreach workers • Introduced specialist Drug and Alcohol Outreach workers • Introduced a multiagency hub, m
<p>Housing options for those with a history of rough sleeping need to be innovative and reflect the needs of the individual. The Local Authority seeks to achieve this</p>	<ul style="list-style-type: none"> • Introduced the Leap Pad (Housing First) accommodation model • Worked with Private Landlords to encourage them to accept tenants with a history of chaotic behaviour and rough sleeping

<p>through the provision of multiple housing options which will be tailored to meet the needs of the individual.</p>	<ul style="list-style-type: none"> • Worked with Social Landlords in line with the Where's Cathy ethos to encourage them to accept tenants with a history of chaotic behaviour and rough sleeping •
<p>Tackling homelessness takes more than just the provision of a house, if we are to maximise the opportunities for our most vulnerable people. Often, poor health, addictions and unhealthy lifestyles mean that people are unable to secure, and maintain, accommodation for themselves or their families.</p>	<ul style="list-style-type: none"> • Developed a multi-agency hub in partnership with TDC comprised of outreach workers, a hub coordinator, drug and alcohol support services, MH services, probation and adult social care to ensure that all potential solutions are considered around the clients support needs and to ensure a client centred approach to developing those plans.

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Report to: **Hub**

Date: **1st February 2022**

Title: **Quarter 3 Integrated Performance Management Report**

Portfolio Area: **Cllr Neil Jory
Leader of the Council**

Wards Affected: **All**

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

Date next steps can be taken:

Author: **Neil Hawke** Role: **Head of Strategy**

Contact: **01803 861323** Neil.Hawke@swdevon.gov.uk

RECOMMENDATIONS

1. That the Hub Committee note the progress the Council has made in delivering against the Year 1 Plan for West Devon Thematic Delivery Plan, the programmes financial performance and the current strategic risk profile of the Council

1. Executive summary

- 1.1 In September 2021, the Council adopted its Plan for West Devon, Thematic Delivery Plans and Performance Management Framework.
- 1.2 This report sets out the first Integrated Performance Management report of the new framework, covering progress in Quarter 3 (October 2021 to December 2021).
- 1.3 Good progress has been made across all themes within the plan and the significant majority of actions are on track to deliver as planned.

2. Proposed Way Forward

- 2.1 The Quarter 3 Integrated Performance Management Report is set out at Appendix A to this report. Implementing quarterly

reporting of delivering against our corporate ambitions is a positive step in enabling the Hub Committee to consider our overall progress and increasing transparency for our communities.

- 2.2 It is the first such report considered by the Hub and may be refined over time. It does not currently include reporting on Key Performance Indicators.
- 2.3 Work is underway to develop new, more customer focused Key Performance Indicators to replace the current indicators. The proposed revised suite of measures will be set out in the Quarter 4 2022 report and, if agreed, will become the new KPI's for monitoring our performance from 1st April 2022.
- 2.4 Hub Committee members are asked to consider the performance against Thematic Delivery Plans as set out in Appendix A.

3. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Providing performance updates in respect of our strategic priorities contributes to Principle F of the CIPFA Delivering Good Governance in Local Government Framework. This principle is about managing risks and performance through robust internal control and strong public financial management.</p> <p>Implementation of a Quarterly report is a significant step forward in increasing transparency of the work of the Council and in enabling the Hub Committee to monitor the progress of or strategic plan.</p>
Financial implications to include reference to value for money		This report does not include any financial implications however it does provide a high level overview of the financial performance of the Plan for West Devon programme.
Risk		This report sets out the current strategic risk profile of the Council.
Supporting Better Homes better Lives		All
Consultation and Engagement Undertaken or Proposed		This report provides our communities with a clear overview of how we are performing against our ambitions for West Devon.
Climate Change - Carbon /		<ul style="list-style-type: none"> • No direct impact

Biodiversity Impact		
Comprehensive Impact Assessment Implications		
Equality and Diversity		No direct impacts
Safeguarding		No direct impacts
Community Safety, Crime and Disorder		No direct impacts
Health, Safety and Wellbeing		No direct impacts
Other implications		No direct impacts

Supporting Information

Appendices:

Appendix A – Q3 Integrated Performance Management Report

Background Papers:

None

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes/No
SLT Rep briefed/sign off	Yes/No
Relevant Heads of Practice sign off (draft)	Yes/No
Data protection issues considered	Yes/No
Need for a Communications Plan?	Yes/No
Accessibility checked	Yes/No

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Integrated Performance Management Report

Quarter 3 2021/22 (Oct – Dec 2021)



*A Plan for
West Devon*

Integrated Performance Management Report (IPMR)

Page 3 – Introduction from Leader

Page 4 – Performance on a Page



Page 14 - Strategy Project Spend

Page 15 – Key Performance Indicators



Page 5 – Our Performance by Theme

- Page 6 – Communities
- Page 7 – Community Wellbeing
- Page 8 – Homes
- Page 9 – Economy
- Page 10 – Natural Environment
- Page 11 - Built Environment
- Page 12 – Inclusive Services
- Page 13 - Resources



Page 16 – Strategic Risk Assessment

Page 18 – Next Steps



West Devon Borough Council



A plan for West Devon

Introduction

Our Plan for West Devon was adopted in September 2021 and already we are making good progress against the specific actions which will contribute towards our longer term vision for the area.



This report sets out our performance for the period October – December 2021 and on the whole demonstrates that each priority theme is making good progress against its adopted aims.

The report also highlights key risks and issues that may prevent us from delivering against our plan. We continue to manage risks arising as a result of the ongoing Covid-19 Pandemic and others that may, if left unchecked, prevent us from delivering on our plans, and I am reassured to see that the overall risk profile of the Council has remained stable over the last quarter.

We are of course disappointed that our bid for funding for an Eco-Museum and Okehampton Transport Hub were not successful but remain fully committed to progressing these plans when possible and are actively working with Government to understand how we can work to successfully bid to future funding rounds.

Cllr Neil Jory

Cllr Neil Jory
Leader West Devon Borough Council

During this reporting period we have:-



Promoted a new marketing campaign to encourage people to shop local and visit local attractions

Seen an increase in usage of our Leisure Centres.



Obtained planning permission for 11 new temporary accommodation units in Tavistock

Adopted a Planning Service improvement plan to improve the service residents receive



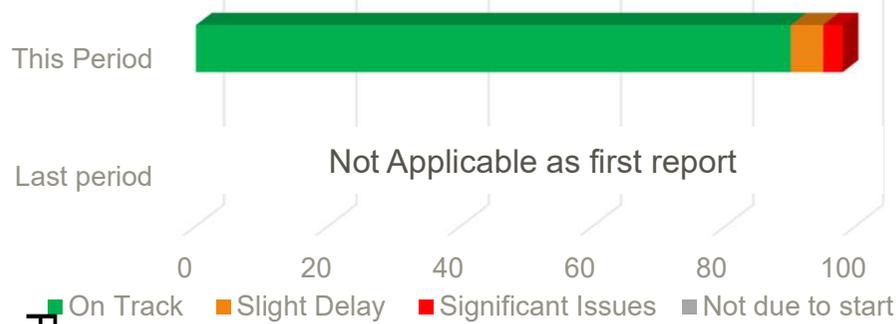
West Devon
Borough Council



A plan for West Devon

Section 1 – Performance on a page

Status of specific actions in A Plan for West Devon



There are a total of 98 actions to be delivered within the 2021/22 delivery plan. Good progress has been made with the majority on track to deliver as planned.



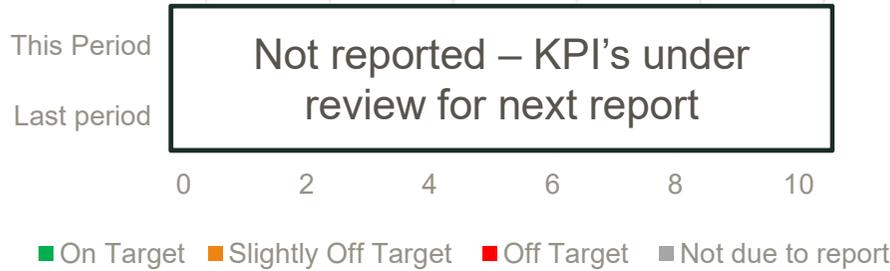
Spend against approved strategy programme 2021/22

Agreed Strategy Budget 2021/22	£235,500
Spend to Date	£87,660
Forecast to year end	£158,526
Forecast Variance	(£76,974)

Overall we are on track with delivering our priorities within the agreed budget for the year. There is an underspend primarily due to delays in on-boarding new employees and maximising government grants instead of using Council reserves.



Performance against Key Performance Indicators – number of KPI's by status



Risk Management Profile – Average Risk Score across Strategic Risks

Average Strategic Risk Score <u>last</u> Period	Average Strategic Risk Score <u>this</u> period
12	12

The average risk score for our strategic risk register has remained the same for this period. Risks continue to be managed in line with the agreed strategy



Section 2 – Performance against the Council’s Priorities

Delivering on our Plan for West Devon

This section of the report sets out the performance under each of the Council’s theme areas. The themes underpin our overall ambition for West Devon.

Each year for the next three years, we have set out a number of specific deliverables in our Thematic Delivery Plan.

The table to the right sets out how many of those are currently on track, how many are slightly off track and how many are at risk of not being delivered as planned.

More detail per theme can be seen on the following pages.

Overall Performance Against Actions				
Status		Total Actions Within Category	% of overall actions	Compared to previous Quarter
	This action is on track with good progress being made. There are no significant risks which require action and we are on track to deliver as planned	90	92%	NA/ First report
	There are some issues or risks which are requiring management but a plan is in place to bring back on track	5	5%	NA/ First report
	There is a significant risk that we cannot deliver this activity as planned. Regular monitoring and support from Lead Member and Senior Leadership Team is required	3	3%	NA/ First report
	This activity is not yet due to start in the current year	0		NA/ First report
Totals		98	100%	





Our communities and the voluntary sector have all continued to work together on supporting each other through the ongoing pandemic. While our teams continue to support this effort, I am pleased that we have continued to make good progress in delivering our plans for 2021/22 including:-

- Doubling the Community Capital Grants Budget to £30,000 for the current financial year
- Supported Tavistock Heritage Festival and Dickensian evening with financial and staff resource to contribute to the smooth running of the events
- Held the first 'Links' meeting with our Parish Councils to set out the Plan for West Devon and for DCC to set out the current priorities for them
- Temporary resource appointed to Localities with a specific focus on supporting the safe operating of events and high streets through the ongoing pandemic – this 1 FTE will be in place until 31st March 2022



Cllr Terry Pearce

Lead Member for strengthening communities



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Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Empowering our communities to enhance their area	11	11			
Supporting the voluntary sector in responding to community needs	4	4			

Key Risks / Issues

- We have noticed a slight decrease in the number of supporters of the Seamoor Lotto (17 players less at the end of this reporting period). We will be developing our marketing campaign for the lotto before the end of March to encourage more supporters
- While all Town and Parish Councils were asked for their thoughts on frequency of Links meetings in the future, no responses have been received – we will therefore proceed as planned

Focus for next Quarter

- Develop and launch Seamoor Lotto Marketing campaign
- Begin the process of reviewing our funding to key partners (current three year funding arrangement set to end in March 2023)
- Relaunch Links meetings to continue our close working with Town and Parish Councils and ensure a unified approach to resolving local issues.
- Develop the criteria and process for the Community Event Fund – due to launch in April 2022



West Devon Borough Council



A plan for West Devon



Many of the actions within the wellbeing plan require us to work closely with partners such as Public Health, Citizens Advice, Devon County Council and others. It is pleasing that during this period we have continued to build effective working relationships across these groups with some of the key activities delivered in the past quarter being:-

- Developing and launching a £30,000 grant scheme for voluntary sector groups supporting Health and Wellbeing of our residents
- Undertaken a consultation on our new Playing Pitch Strategy (a joint plan setting out the facilities that we feel are needed across the Borough over the next 13 years).
- Continued to work with Devon County Council and NHS colleagues to understand the current Mental Health referral process and the NHS plans for reviewing and improving access to mental health services.
- Met with Citizens Advice to understand from their perspective the key issues for our residents
- Launched an online wellbeing support directory for our residents <https://www.westdevon.gov.uk/support-directory>



Cllr Tony Leech

Lead Member for enhancing community wellbeing



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Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Reducing Health Inequalities & rural poverty	3	2	1 (CW1.2)		
Leisure provision that meets residents needs	5	5			
Mental Health and Wellbeing	3	3			

Key Risks / Issues

- It is pleasing to see a slight increase in leisure participation levels at Fusion centres however we should be cautious as we have yet to understand the impact that the Omicron variant of Covid will have on peoples willingness to participate in sport and leisure. An update will be provided to Hub.
- CW1.2 – Slight delays to launch of the Community Wellbeing Grant scheme due to DCC considering launching a Devon wide scheme but this hasn't now happened and so we will launch our local scheme in January. On the positive, we have been able to increase the funding available by £10,000 to £30,000

Focus for next Quarter

- Evaluate and award funding for Health and Wellbeing grants
- Receive report on the mental health and wellbeing for young people delivered during the summer and work with partners to consider the plan for the coming financial year
- Work with the Community Mental Health Framework (CMHF) to assist design and implementation of services and ensure we understand how the Council services can fit
- Work with partners at Public Health to identify an appropriate location for a pilot rural poverty scheme



West Devon
Borough Council



A plan for West Devon



This has been a busy quarter and much focus of the Council has been on our response to the concerns about availability of housing within the borough. During this period we have:-

- Commenced work on developing our new 5 year homelessness strategy, with a draft that will be considered by the Advisory Group in January 2022.
- Progressed plans to deliver 11 new homes to be used as temporary accommodation in Tavistock (Spring Hill) and secured planning permission for these. The homes will meet the acute need for safe, comfortable and modern temporary accommodation for local people
- Made good progress in enhancing our understanding of current housing issues – and appointed an analyst to support this work.
- Commenced Housing Needs surveys in Lamerton and Brentor – currently awaiting results
- Adopted a new Tenancy Strategy for the borough
- We have adopted an enhanced tenants incentive scheme – offering up to £5,000 for people willing to downsize
- Council’s application to the Private Rented Sector Minimum Energy Efficiency Standard (MEES) Compliance and Enforcement Competition was successful and we (WDBC &SHDC combined) received a grant allocation of £44,331



Cllr Barry Ratcliffe
Lead Member
for improving
homes



Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Housing for Place	3	3			
Housing for People	6	6			

Key Risks / Issues

- While not a significant issue, it is worth just highlighting that our delivery plan set out that we would recruit an officer to support MEES activities however we have identified a more effective way and have commissioned this support from Local Energy Advisors

Focus for next Quarter

- Adoption of our homelessness strategy for the next 5 years
- Refining the business case for Spring Hill and seeking member approval
- Further developing our intelligence to inform future policy and decision making
- Scope and schedule housing needs surveys for Princetown and North Tawton for 2022





The past quarter has continued to be challenging for many businesses within the Borough and shortly before Christmas Government announced additional grant schemes to support those hit hardest. That said, while taking steps to ensure we can efficiently deliver these grants to businesses, we've made good progress against our delivery plan including:-

- Using EU funding (Welcome Back Fund), we have launched a #myplace marketing campaign – a co-ordinated online, print and programme of vacant shop window dressing in our towns in addition to funding radio advertising, printed media adverts and town centre banners for Tavistock and Okehampton.
- Launched a Community Recovery Grant Scheme with a key focus on supporting existing business growth and development in the Borough. Applications are currently being considered.

Unfortunately we were notified that our bids to the Government Levelling Up Fund for Okehampton Transport Hub and to the Community Renewal Fund for an Eco-Museum were unsuccessful however we continue to engage with Government and to develop local plans



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Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Promote Destination West Devon	8	7		1 (TE1.4)	
Helping West Devon Towns and Businesses thrive	7	7			
Respond to opportunities to enhance the economy	2	1		1 (TE1.11)	

Key Risks / Issues

- The processing of Government business grants has taken a considerable resource over the past 18 months. We are now responding to the new grants launched in response to the Omicron variant and this could slow some progress on other areas. We will look to allocate resource from a range of services to ensuring these grants are processed quickly and efficiently so support reaches those businesses that need it.
- TE1.4 & TE1.11 - Setbacks to our plans in respect of Okehampton Transport Hub and an Eco-Museum however we are engaging with Government to understand why and to consider opportunities for future fundina rounds

Focus for next Quarter

- Delivering on additional Government Business Grants
- Deliver on enhancements to Okehampton, North Tawton and Tavistock Towns funded through EU funding
- Continue to roll out our #myplace campaign to encourage people to shop local





Good progress is being made on delivery of the specific actions within the year one delivery plan for Natural Environment (in addition to all of the actions within our specific Climate and Biodiversity Action Plan). During this period we have:-

- Completed carbon literacy training for the Senior and Extended Leadership Teams and other key officers to embed the importance of our response to the climate emergency across the Council.
- Commenced discussion with other Councils about potential joint approaches to conversion of our environmental fleet to a greener fleet
- Commissioned a study into solar capacity for some of our car parks – officers are now considering next steps.
- Promoted a Shop4Good campaign with our partner CarbonSavvy linking in to COP26
- Supported Tamar Energy Fest in Tavistock



Cllr Lynn Daniel
Lead Member
for growing
our natural
environment



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Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Working towards net zero	4	3	1 (NE1.1)		
Making the best use of our incredible natural environment	6	6			

Key Risks / Issues

NE1.1 - Work progresses on the EV fleet replacement but a lack of existing EV charging infrastructure, limited range of some EV's and the large area covered by some vehicles represents a challenge in terms of ensuring that service delivery remains efficient with an EV fleet. The lead officer has also been required to support another key area of the Council and as such we are recruiting (via secondment) a replacement.

Focus for next Quarter

- Detailed scoping of Fleet replacement project
- Promotion of the Garden Waste Collection service renewals
- Report to Hub in February regarding Woodland Regeneration Sites
- Continue work in supporting nature mapping to support the development of Nature Recovery Strategies



West Devon
Borough Council



A plan for West Devon



During this quarter, we've spent much time considering how we can improve our Council Planning Service to better support the built environment in to the future. This has consisted of the Planning Advisory Service working with our officers to recommend and implement changes to our processes and already increasing our planning officer capacity by recruiting additional staff which will ultimately improve our customer experience.

- Supported the making and adoption of Bridestowe and Sourton Neighbourhood Plan with 94.8% of people voting in the referendum in support of the plan
- Review of current Conservation Area Management Plans has commenced
- Worked with Tavistock Bid and Tavistock Heritage Trust to support Tavistock Heritage Festival and later in September, Heritage Food Festival – events which encouraged visitors to explore Tavistock's history.



Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Celebrating our heritage and ensuring its protected	4	4			
Planning infrastructure for the future	4	3		1 (BE1.8)	

Key Risks / Issues

- Currently we're in a period where staycations continue to be on the rise due to Covid uncertainties. There is uncertainty as to whether we will continue to see this increase in visitors and therefore will develop plans to encourage visitors to the area beyond the pandemic
- BE1.8 – Ability to deliver on Okehampton Transport Hub is an issue due to unsuccessful outcome of bid submission. There are however future funding rounds and we are pleased to have secured a meeting with Government to understand why our initial bid was not accepted.

Focus for next Quarter

- Progress Milton Abbot, Chillaton and Kelly Neighbourhood Plan Referendums – ready to be delivered from February subject to Elections Team scheduling
- Recruitment of officers to support Conservation Area Appraisals
- Conducting Okehampton Business Surveys in February 2022 – to inform how we support businesses in future
- Conduct Okehampton Business Survey to give us insight on how to engage with our businesses in the future – scheduled for February 2022





Over the past couple of years, how our customers access our services has changed (much of which was forced by Covid-19 restrictions closing our receptions). Ensuring that our services remain accessible is important to the Council. We need to retain the positives from how our customers engaged with us through the pandemic while ensuring that those that cannot access services online receive an equally good level of service. During the last quarter we have:-

- Amended our committee report template so that all Officers are required to consider how we will engage with our residents in respect of proposals
- Commenced a review of the Contact Centre (including receptions) to consider how best to meet customer needs in the future
- Begun work to develop a framework for our future customer access strategy



Cllr Ric Cheadle
Lead Member for delivering inclusive and accessible services



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Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Being a listening and accessible Council	10	9	1 (IA1.2)		

Key Risks / Issues

Action IA1.2 – Work is underway to develop an engagement activity for the Customer Access Strategy however the original plan set out that this would be delivered by Nov 2021 – while slightly delayed, a revised plan is to be discussed with the Advisory Group in January.

Focus for next Quarter

- Develop a customer engagement activity to seek views of customers to help shape our future Customer Access Strategy – with outline strategy principles being considered by Hub in March 2022
- Consider the outcome of the customer contact review and recommendations from that.
- Scope out the Residents Satisfaction Survey that is due to be rolled out in Summer 2022



West Devon
Borough Council



A plan for West Devon



Work has continued on delivering our ambitions for enabling our residents to do as much as possible online and to ensure that all of our staff are supported to deliver the best possible service to our residents. During this quarter we have:-

- Implemented technology to allow our customer services team to quickly see all contact from a customer quickly – enabling them to provide a better service and to update customers on their case
- Started the process of setting clear objectives for all staff aligned to our new priorities
- Adopted an improvement plan for our Planning Service – focusing on enabling the team to process applications quicker
- Carried out all of the preparation for a balanced budget for 2022/23
- Commenced a review of our property assets within the Tavistock area to ensure we maximise their use
- We have also taken steps to begin a review of our customer contact options which will help to inform the Customer Access Strategy (an action in our inclusive services theme)



Cllr Chris Edmonds
Lead Member for maximising our resources



Focus Area	Total Actions 2021/22	On Track	Slightly off track but plan in place	Risk that unable to deliver on time	Not yet due to commence
Value for money of existing services	5	4	1 (R1.1)		
Finance fit for the future	13	12	1 (R1.6)		

Key Risks / Issues

- Action R1.1 - There have been delays to the go-live of our new planning portal and back office system. We have mitigated this by extending the current contract with our current provider by 12 months. This has been funded from the project contingency budget.
- Action R1.6 - We had anticipated that the Government would give Local Government a 3 year finance settlement however this has not been the case and so uncertainty remains about funding beyond next financial year.

Focus for next Quarter

- Develop a customer engagement activity to seek views of customers to help shape our future Customer Access Strategy – with outline strategy principles being considered by Hub in March 2022
- Seeking agreement from Council on the 2022/23 budget
- Finalising new KPI's for managing service performance for April 2022



Section 3 – Programme Spend

Ensuring that we make the best use of the funding available to us

Alongside the adoption of our Plan for West Devon, we have developed a Thematic Delivery Plan which includes resourcing requirements over and above our business as usual services. This section sets out the financial performance against the agreed Strategy budgets.

Theme	Agreed Budget 2021/22	Spend to Date	Forecast spend to year end	Notes
Communities	£0	£0	£0	
Community Wellbeing	£10,000	£11,102	£11,102	Mental Health Support for young people during August / Sept 2021 – awaiting impact report. Slight overspend but covered within existing budgets.
Homes	£30,000	£3,118.50	£7,306.00	Delays in recruiting officer however this is reserve funded and therefore can be carried forward with no impact on Council 'bottom line'
Economy	£152,000	£51,589	£116,617	Currently forecasting an underspend due to utilising the increased funding received through the Governments Welcome Back Fund & delays in on-boarding staff resource.
Natural Environment	£27,500	£5,850	£7,500	Feasibility study (APSE) of renewable energy on Council land. £20,000 of this budget was unearmarked for specific purposes and can carry forward)
Built Environment	£0	£0	£0	
Inclusive Services	£0	£0	£0	
Resources	£16,000	£16,000	£16,000	Cost for implementation of new HR /Payroll system –work underway. Note that this is only the element of funding identified within the strategy – additional capital funding is secured within existing years budget.

While we're forecasting an underspend against programme activities, this funding is in reserves and so there will be no impact on the Councils bottom line.



Section 4 – Key Service Performance

Ensuring that our services meet the needs of our residents and businesses



The following section sets out how we are performing in some of our key service areas. These measures are deemed to be important in supporting our delivery of key activities within A Plan for West Devon.

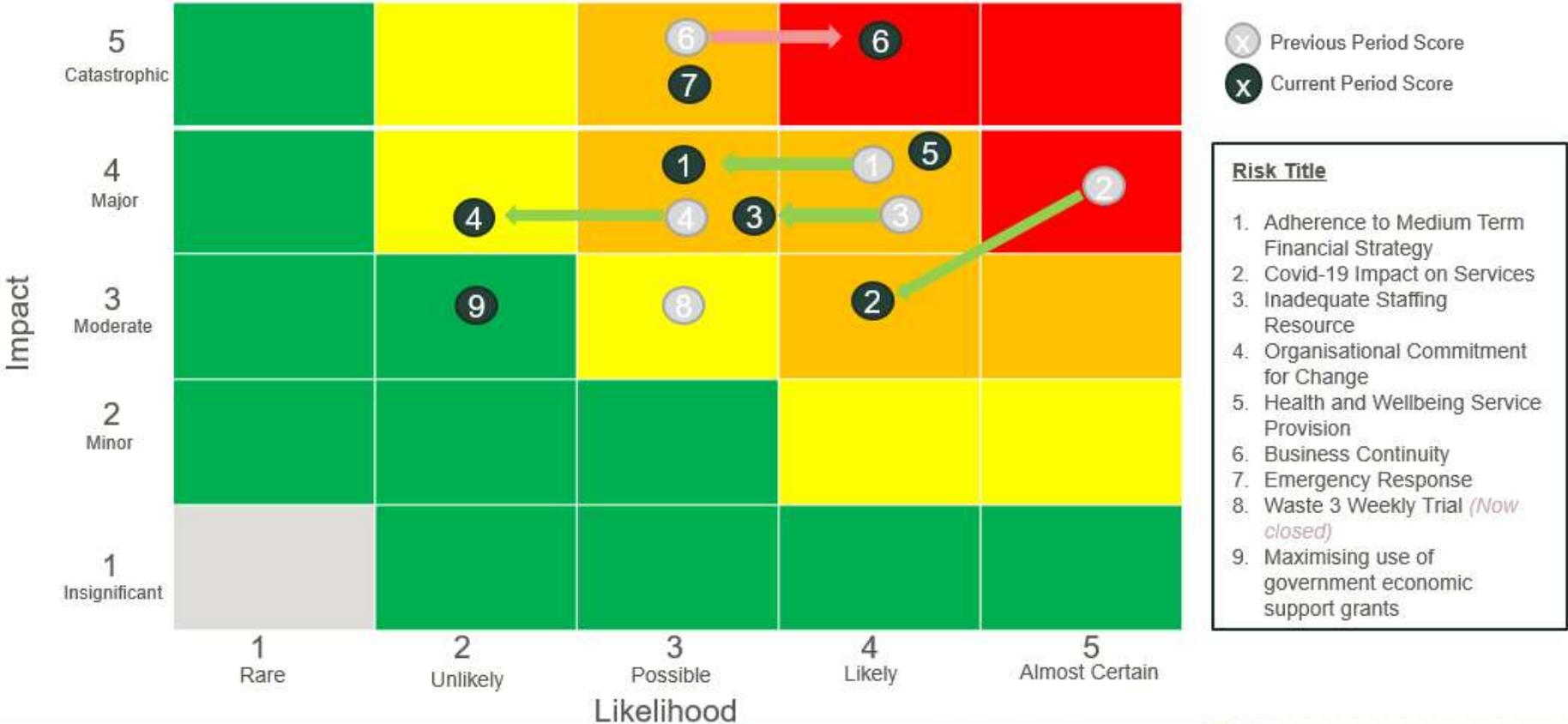
We are currently reviewing the KPI's with a revised set being considered by Hub alongside the Q4 Integrated Performance Management Report in April 2022



Section 5 - Strategic Risks December 2021

The following section sets out an overview of the current strategic risks and on the following pages we provide detail for those that are within the 'Red' scoring. Each Council service area has their own risk register and where a risk reaches a level that it can no longer be managed by that service area alone, it escalates to the Strategic Risk Register.

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Risk Title: **Business Continuity**



Overall Scoring

What is the risk?
 The risk is that we do not develop and keep maintained robust processes to ensure business continuity in the event of a significant event occurring, e.g. Failure to ensure the continuous availability of critical IT systems leading to inability to deliver key council services.

Risk Score (Current)

20

Likelihood 4 x Impact 5

What is causing the risk?
 Developing and maintaining robust Business Continuity Plans requires significant and sustained focus. During Covid-19 response, the Councils risk profile has changed as we have relied much heavier on working in different ways (for example more staff working from home the majority of time) and with significant pressures being placed on some of our key delivery partners/ contractors. Work is required to update our BCP's to the changing environment that we are operating in. We are also entering a period where extreme weather events increase the risk of a business continuity event triggering.

What is the level of risk?

Likelihood of risk occurring	4 (<i>Likely</i>)	<p>What are we doing to reduce the risk?</p> <ul style="list-style-type: none"> Having two HQ locations is main mitigating factor - however an outage of power/ICT at either location would lead to a serious disruption of service. Agile working further reduces reliance on two office buildings. Locality workers can be despatched more easily to ensure customer engagement can be maintained during any incident. Business Continuity plans have been updated - priority areas - ICT Networking - Payroll & Creditors Payments; other plans need to be made more robust – further work underway for the new year 	
Impact	Financial		5 (<i>Catastrophic</i>)
	Service Quality		5 (<i>Catastrophic</i>)
	Reputation		4 (<i>Major</i>)
	Legal / Regulatory		2 (<i>Minor</i>)
	Health and Safety		3 (<i>Moderate</i>)
	Morale / Staffing		3 (<i>Moderate</i>)



Current Update (November 2021)

While we still find ourselves in the 'response' phase of the pandemic however focus is now changing to refining our broader business continuity plans to cover other scenarios. Our ability to work online is fundamental to our ongoing delivery of services and this is therefore a key focus for our Business Continuity Planning. We are aware of rising incidents of cyber attacks on local authorities and are monitoring their learning closely in order to refine our own response plans. Where cyber attacks on those have been successful (i.e. not prevented by their systems and processes) they have been without core operating systems for many months and with the cost of recovery being in the several millions of pounds. As a result of this learning we have increased the financial impact score to 5. Additionally, our Waste collection service continues to be impacted by the national HGV driver shortages and while out of our control, does represent an increase in the risk of further impacts to delivery of that service (particularly as we get in to the typical flu season and with added Covid risk). We have commissioned external advice to support us in updating our ICT Business Continuity Plans with this work aiming to complete in January 2022. Following this we can update our other service business continuity plans. A group of core officers will be recommending a dedicated work stream to reduce this risk to acceptable levels

Risk Direction

Next Steps

January	February	March	April	May	June
<p> 6thth Jan Resources Advisory Group</p> <p> 10th Jan Environment Advisory Group</p> <p> 11th Jan Homes Advisory Group</p> <p> 18th Jan Built Env Advisory Group</p> <p> 25th Jan Inclusive Services AG</p>	<p> 1st Feb Quarter 3 Integrated Performance Management Report (Oct/Nov/Dec)</p> <p> 1st Feb – Wellbeing AG</p> <p> 8th Feb – Community AG</p> <p> 15th Feb Wellbeing Thematic Update</p> <p> Environment Thematic Update</p> <p>O&S</p>	<p>Audit Plan for West Devon Strategic Risk Update</p> <p> 8th March Economy Advisory Group</p> <p> 22nd March Economy Thematic Update</p> <p>O&S</p>	<p> 12th April Quarter 4 Integrated Performance Management Report (Jan-March)</p> <p> March Homes Advisory Group</p> <p> 26th April Homes Thematic Update</p> <p>O&S</p>		<p> Annual Report of Achievements 2021/22</p> <p>Hub</p> <p> Inclusive Services Advisory Group</p> <p> Inclusive Services Thematic Update</p> <p>O&S</p>
July	August	September	October	November	December
<p> Quarter 1 Integrated Performance Management Report (Apr-Jun)</p> <p>Hub</p> <p> Built Env Advisory Group</p> <p> Built Env' Thematic Update</p> <p>O&S</p>	<p>Advisory Group workshops - Refine 2022/23 Delivery Plans</p>	<p>Audit Plan for West Devon Strategic Risk Update</p>	<p> Community Advisory Group</p> <p> Community Thematic Update</p> <p>O&S</p>	<p> Quarter 2 Integrated Performance Management Report (Jul-Sept)</p> <p>Hub</p> <p> Efficient Services Advisory Group</p> <p> Efficient Services Thematic Update</p> <p>O&S</p>	<p> Environment Advisory Group</p> <p> Environment Thematic Update</p>

NOT FOR PUBLICATION

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

Report to: **Hub Committee**

Date: **1st February 2021**

Title: **Fusion Lifestyle –Leisure Contract Support Update**

Portfolio Area: **Health and Wellbeing – Cllr Leech**

Wards Affected: **All**

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

Author: **Chris Brook** Role: **Director Place and Enterprise**
Lisa Buckle **Director Strategic Finance**

Contact: Chris.Brook@swdevon.gov.uk
Lisa.Buckle@swdevon.gov.uk

Recommendations

That the Hub Committee :

1. Note the performance of the Fusion contract to date, wider market trends and the financial information on Fusion's performance in 2021 as first reported at its 2nd November 2021 meeting.
2. Recommend to Council the contract variation and changes to the management fee profile as set out in Appendix A (Table 1).
3. Recommend to Council to fund the £58,639 shortfall in income of the management fee in 2021-22, from the COVID Losses Earmarked Reserve in 2021-22.

1. Executive summary

- 1.1. The Covid-19 pandemic continues to impact the current use and recovery of leisure centres across the country with challenging conditions still affecting Fusion Lifestyle, the Council's operator, following the reopening of the facilities in April 2021.

- 1.2. In a report published in September 2021 on 'Securing the future of public sport and leisure services' by the LGA and APSE, highlights the devastating impact of Covid-19 on public leisure with the loss of income due to facility closures, higher operational costs and Councils providing additional funding support to keep them open.
- 1.3. Access to leisure services and the health and wellbeing of the community are clearly linked; there is a connection between low levels of physical activity and an increased occurrence of certain health issues. There are other important reasons why higher levels of physical activity will have a positive effect on the overall health and wellbeing of a community. Sport England reports that increased opportunities for physical activity, and access to leisure and sporting facilities can help to reduce anxiety, stress or depression; improve levels of confidence and self-esteem and can help bring together people from diverse backgrounds.
- 1.4. This report provides an update on current performance levels, the recovery and business impact within the Contract and proposed contract variations so as to mitigate those impacts.
- 1.5. It recommends the future management fee profile is adjusted to reflect the impact of the pandemic. These changes do not vary the total management fee due over the contract period, which remains the same. So the impact is one of timing, cashflow and revenue income from the management fee payable.
- 1.6. An independent consultant was commissioned to report on the proposals and provide a view as to their relative merits, the state of the market and the bigger picture strategy options. The report is included in the appendices.
- 1.7. Investing and supporting public leisure facilities is an investment in ill-health prevention and leisure centres are essential community hubs, significantly contributing to improving people's health and wellbeing.
- 1.8. Appendix A sets out the new proposed management fee. There would be a £58,639 shortfall in income of the management fee in 2021-22. It is recommended to fund this shortfall from the COVID Losses Earmarked Reserve in 2021-22. From 2022-23 onwards, the proposed management fee income would be in excess of the current budgeted income level, as detailed in Appendix A.
- 1.9. Information on operational cleaning and testing matters are also included following a request for further information from HUB committee Nov 2nd 2021.

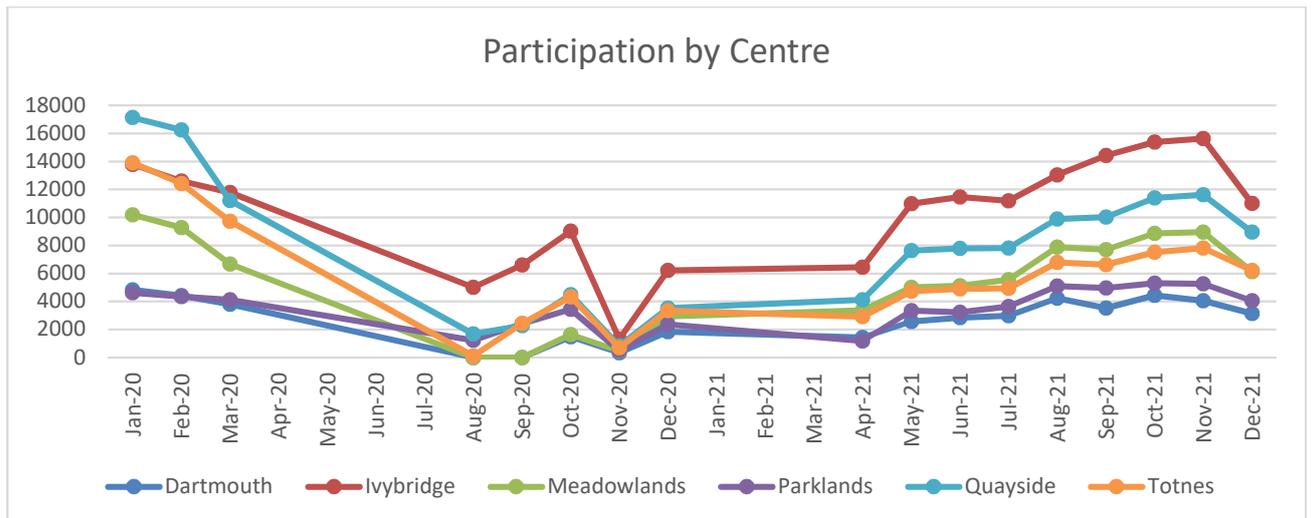
2. Background

- 2.1. In 2016, the Council signed a Design Build Maintain and Operate (DBOM) contract with Fusion for the two leisure centres in West Devon. The contract is for 25 years and allows the Council to bring in private sector expertise and experience in managing a discretionary service for public leisure centres.

- 2.2. This report follows the extensive update given at Full Council last year on 22nd September 2020 (Minute CM13), where the Council agreed to continue with the Fusion Contract ('Strategic Options Appraisal') as being the most appropriate means of supporting Health and Wellbeing objectives within the West Devon Borough area.
- 2.3. It sets out how the Council supported the leisure contract with significant funding for £435,000 to allow its centres to remain open through to March 2021. This was approved at Council on 28th April 2020, 29th July 2020 and on 22nd September 2020 (Minute Ref CM13).
- 2.4. A further report on 30th March 2021 (Minute CM43) outlined additional support being made to Fusion through the National Leisure Recovery Fund for £85,493. This enabled Fusion to meet the costs of preparing and carrying out the re-opening of leisure centres from 12th April 2021 onwards following the last lockdown.
- 2.5. At the March 2021 meeting, it was highlighted that a further report would be brought back after the summer to provide an update on the leisure centres since their re-opening and Fusion's performance.
- 2.6. Finally this report was first considered at Hub on 2nd November, 2021 and resolved to provide another update with the benefit of additional usage information and additionally, to detail centre operational matters around water quality and air handling units.

3. Leisure Centre reopening and usage update

- 3.1. The key re-opening dates for the leisure centres were recently outlined in Fusion's first Quarterly Review of this year 2021/22.
- 3.2. All Centres successfully re-opened from 12th April 2021 in line with Covid-19 restrictions and from 19th July 2021 more activities and usage could take place with the easing of the restrictions.
- 3.3. Centre participation across all 6 leisure centres in West Devon and South Hams has increased since re-opening from c19,500 to c53,350 in November 2021. For December 2021, usage decreased to 39,525 which was expected at this time of year.
- 3.4. This figure (c53,350) compared to November 2019 of c62,900 represents 85%. Whereas for December the comparison to the 2019 figure is 83%.



3.5. Key points to note in leisure activities, memberships and usage are as follows:

Overall centre memberships in December '21 are at 76%; 5,149 against 6,764 in March '20 and this being at 76% compared to December '21 memberships.

Total	March 2020	December 2021	%
Dartmouth	560	443	79%
Ivybridge	1,665	1,309	79%
Quayside (Kingsbridge)	1,523	1,163	76%
Totnes	1,117	748	67%
Meadowlands (Tavistock)	1,075	890	83%
Parklands (Okehampton)	824	596	72%
Total	6,764	5,149	76%

3.6. A detailed performance update was provided in November as part of a Members Bulletin which highlighted the following key points:

- Swim school has been in very high demand and overall memberships are at 89% compared to March '20.
- Casual public swims have been very popular, also fitness classes have seen increased usage. The gym usage has been slower to recover.
- Increases in centre programming and extended opening hours where demand and revenue growth has allowed.
- A comprehensive marketing and promotions campaign with local direction and management, including the use of discounts and unique offers to encourage customers to use the Centres.

3.7. In regards to water and air quality, as well as cleaning for centre operations, key points to note:

- Air Handling Units are part of the regular planned maintenance programmes and are being set at 100% fresh air.
- Opening of windows and use of fans to circulate air where possible.
- Water testing across swimming pools and other areas is undertaken regularly (at least 4 times) during the day across all centres, including flushing of all water outlets. This covers alkalinity, chlorine and total dissolved solid levels. An external supplier completes additional monthly visits for bacteria testing of all water outlets and any remedial works are undertaken as required.
- All Centres have regular cleaning schedules, including high contact areas which are disinfected after group activities and customer use, frequently (at least every 2hrs) during the day. Specific cleaning tasks are assigned for each area across the centres. Recent deep cleans have taken place across all the sites and monthly contract cleaning support is being developed.
- These areas are covered in the Quest Assessment process that all Centres will be undertaking, as well as having internal and external centre audits along with mystery customer and manager visits.

3.8. UKActive highlighted last year that from the most recent data the number of positive Covid-19 cases from people visiting leisure centres, pools and health clubs in the UK is extremely low. Figures from 12th April, when centres/gyms re-opened to 21st Nov, an overall rate of 0.83 cases per 100,000 visits were recorded.

4. National Leisure Overview

4.1. As part of the National Leisure Recovery Fund, performance and usage data for leisure centres is being tracked through 'Moving Communities.'

4.2. This research reveals that while public leisure centres have shown a steady rate of recovery since reopening in March, there are still former participants that have not returned, with recovery rates settling at just above 70%. This current data is being compared to 2019 figures in the same period.

4.3. Activities have recovered at different rates as well with Swimming at 78% and Group Exercise at 62%. Also recovery rates in the rural areas were below the national average at around 65%. This may reflect an older age group as more urban areas with a younger population are returning at a faster rate.

4.4. In a report published by the LGA and APSE in September regarding the 'Future of Public Sport and Leisure Services', it highlights that the pandemic has hit the leisure sector hard, compounding existing challenges, including ageing leisure centres and a lack of strategic coordination between health and leisure at a national level.

- 4.5. The District Council Network reported in May 2021 that more than 100 leisure centres could be at risk of closing due to the pandemic and additional Government is needed to support the leisure sector.
- 4.6. Recent leisure procurements have indicated that it is challenging for bids to return best value and competitive tenders. Several areas, such as Plymouth and Exeter, have decided to return their leisure service to a local provision. However other Councils (including South Somerset DC) have successfully completed a procurement exercise with significant improvements in the financial proposals and investment in facilities, albeit the improvement is generally coming after the first 18 – 24 months of the contract to allow for Covid recovery.
- 4.7. Councils are still continuing to invest in their local facilities, such as Exeter with a new energy efficient leisure complex opening shortly and in North Devon with the build of its new centre in Barnstaple this summer. Most operators in the market are forecasting a return to pre Covid level during 2022/23 financial year.

Financial Considerations

- 4.8. Appendix A sets out a financial overview on various aspects of the Leisure Contract.
- 4.9. Appendix B1 & B2 set out the latest set of accounts and a financial year outlook for 2021.
- 4.10. From the previous Hub meeting when this item was discussed, both Councils commissioned a strategic financial report from an independent local government advisor to provide an appraisal and overview of our current Fusion contract and the financial support being provided by both SHDC and WDBC.
- 4.11. The report is contained in Appendix C and the conclusion of that report is set out in full below for convenience.

"Conclusions.

The proposed amended way forward for the operation of Leisure Services via Fusion represents a sound proposition for South Hams and West Devon.

A renegotiated arrangement with the existing supplier is in line with LGA guidance and is likely to be the least risky solution, protecting services and value for money compared to the alternatives available.

In my experience, many other Councils would be pleased to have an offer of this nature on the table.

The future is inevitably risky, but there are approaches to mitigating some of these risk as outlined in section 7."

- 4.12. The report also pulls out some key areas of focus going forward in the conversation and partnership with Fusion. These are already items that get considered as a matter of course, but are set out in full below to recognise their importance and will continue to be reported against in future Hub reports.

- *Requiring Fusion to provide frequent management accounts, detailed consideration of which forms a part of the overall contract monitoring.*

- *Requiring Fusion to produce long term forecasts that are scrutinised and assessed, possibly using an external leisure industry specialist. Chris West Consultancy Services Ltd. Co. No. 10567173 6*
- *Liaising with the client local authorities across Fusion's business base to monitor its wider trading position.*
- *Being prepared to act individually or collectively to support Fusion again as a last resort, should circumstances justify it.*
- *Supporting Fusion to market and develop its business in South Hams and West Devon, using the Councils communications and networking capabilities.*
- *Consider ways in which the Council may assist in securing further business for Fusion eg through public health strategies in Devon to improve physical activity and mental health*

5. 'A Plan for West Devon' – Thematic Delivery Plan

- 5.1 Strengthening Community Wellbeing, a high level theme within 'A Plan for West Devon', identifies 'ensuring leisure provision meets the needs of residents' as a focus area. A key action within the Thematic Delivery Plan is to secure the provision of high quality and accessible leisure services.

6. Proposed Way Forward

- 6.1 It is recommended that the Hub Committee:
- Note the performance of the Fusion contract to date, wider market trends and the financial information on Fusion's performance in 2021.
 - Recommend to Council the contract variation and changes to the management fee profile as set out in Appendix A (Table 1).
 - Recommend to Council to fund the £58,639 shortfall in income of the management fee in 2021-22, from the COVID Losses Earmarked Reserve in 2021-22.

7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Officers have taken legal advice during 2020 on the impact the Government's decision has on the contract and therefore the Council.</p> <p>The contract contains a change in law clause which has been triggered by the Government's actions and as such, it is a requirement under the contract for the Council to provide support during the forced closure period. The Council has provided this support.</p> <p>The Appendices A to C to this report are exempt from publication because they contain information about financial and business affairs of the Council and third parties as defined in Paragraph 3 of Schedule 12A to the Local Government Act 1972. The public interest test has been applied and it is considered that the public interest lies in not disclosing these Appendices at this time because they contain financial and commercially sensitive information which could prejudice the third party if such information was disclosed at this time.</p>
Financial implications to include reference to value for money		<p>Appendix A sets out the new proposed management fee. There would be a £58,639 shortfall in income of the management fee in 2021-22.</p> <p>It is recommended to fund this shortfall (£58,639) from the COVID Losses Earmarked Reserve in 2021-22, which has a remaining uncommitted balance of £312,000.</p> <p>From 2022-23 onwards, the proposed management fee income would be in excess of the current budgeted income level, as detailed in Appendix A.</p>
Risk		<p>The risks of the Leisure service were set out in Section 4 of the report to Council on 22 September 2020.</p>
Climate Change		<p>Contract targets to reduce energy usage</p>
Comprehensive Impact Assessment Implications		

Supporting Corporate Strategy		Health and Wellbeing – see Section 6
Equality and Diversity		Whilst private sector facilities are available within the area, opportunities for equality and diversity are improved through the re-opening of public sector leisure centres.
Safeguarding		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		<p>One of the Council’s adopted strategic priorities is Health and Wellbeing and it has a history of providing these services, which is why it has entered into a long term contract to do so.</p> <p>It is not the case that the Council’s leisure centres are the only services available in the area.</p> <p>However they are the biggest and most complete in the offer that they provide. This includes, swimming (casual, club and swim school), gym & personal training and group fitness classes.</p>
Other implications		

Appendices

EXEMPT Appendix A – Financial Information relating to the Leisure contract

EXEMPT Appendix B – Fusion Lifestyle Accounts – year ended 31 December 2020

EXEMPT Appendix C – Independent Report on Fusion Contract Proposals

Background Information

None

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

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Report to: **Hub Committee**
Date: **1st Feb 2022**
Title: **Natural woodland regeneration at Council sites**
Portfolio Area: **Lead Member for Natural Environment – Cllr Lynn Daniel**

Wards Affected: **Burrator and Buckland Monachorum**

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

Date next steps can be taken: After call in period

Author: **Rob Sekula** Role: **Senior Specialist – Natural Resources and Green Infrastructure**

Contact: **Rob.sekula@swdevon.gov.uk**

Recommendations:

1. Members note the proposed way forward to deliver natural woodland regeneration at Council owned sites at Harrowbeer Lane, Yelverton, and Bedford Bridge near Horrabridge.

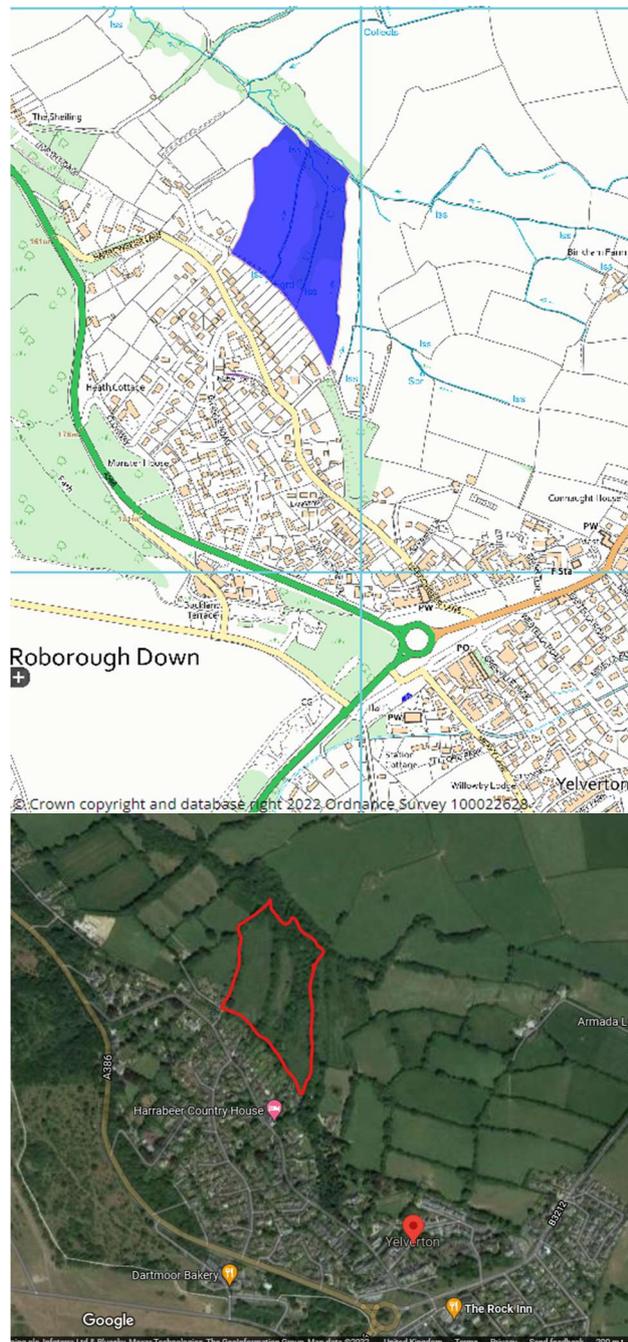
1. Executive summary

- 1.1 The purpose of this report is to provide Members with an update on a key action in the Climate Change and Biodiversity Plan and Plan for West Devon, which seeks to deliver new woodland at two Council-owned sites.
- 1.2 The proposals set out to establish new woodland deliver against the following actions from The Plan for West Devon:
 - i. NE 1.5 - A 10% increase in biodiversity on Council land
 - ii. NE 1.7 - Support Nature recovery through larger wildlife habitats, wildlife corridors and Nature preservation schemes
 - iii. NE 1.9 - Work with partners to promote tree planting within the Borough

- 1.3 A total area of 8.2Ha across the two sites will benefit from the proposals and the limited cost of management is likely to be covered through grant funding via an application to English Woodland Creation Offer.
- 1.4 The Council will work in partnership the Woodland Trust and it is hoped that through this strategic partnership the resultant carbon credits can be registered.
- 1.5 The woodland regeneration will link adjacent habitat and are in a priority area for nature recovery. After 5 years both sites should have seen an increase in biodiversity of around 80%.
- 1.6 The Council will furthermore be contributing to the national target of 30% coverage for nature, set out in the Environment Act 2021.

2. Background

- 2.1 Most Council-owned green space takes the form of estate green spaces serving adjacent dwellings. The Council owns very limited 'significant' sized spaces, particularly with the potential to undertake meaningful interventions for the benefit of the natural environment. The exceptions to this are the two sites at Harrowbeer Lane, Yelverton and Bedford Bridge near Horrabridge.
- 2.2 The 4.7ha site off Harrowbeer Lane, Yelverton (in Buckland Monachorum Ward) was previously grazed, but has now been vacant for a few years following cessation of the previous arrangement. The location of the site is shown below.

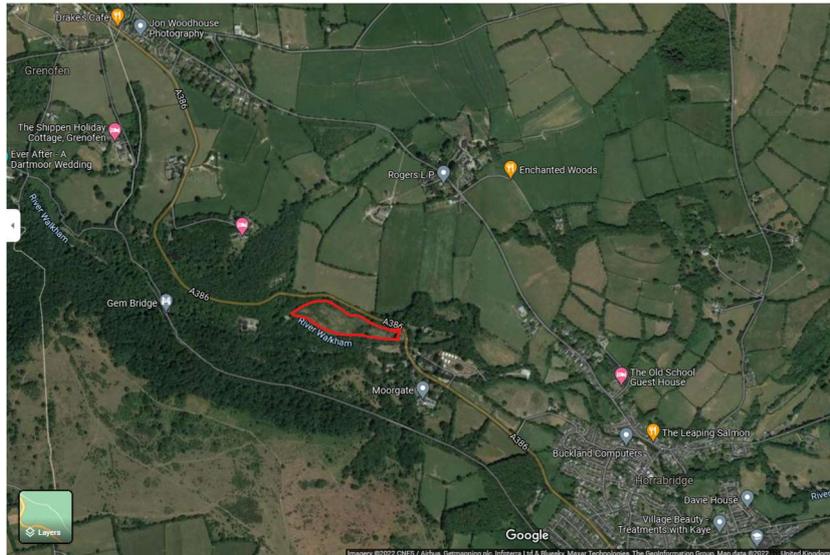


- 2.3 The site consists of three fields, with overgrown pasture, scrub, tree lined hedgerows and deciduous woodland. With the cessation of grazing, there is already evidence of 'rewilding' and natural regeneration, particularly adjacent to the wet woodland and tree line hedgerows with self-seeding of thorny plants in particular.



- 2.4 The fields do not lend themselves to public access, with access from a private driveway or an adjacent public right of way. The fields themselves being overgrown would not be favourable for the likes of dog walking or informal recreation without new infrastructure and creation of paths.
- 2.5 The 3.5ha site at Bedford Bridge, near Horrabridge (Burrator Ward) lies between the A386 and River Walkham and is grazed, with 12 months' notice having been served on the existing tenant in September 2021 and vacant possession will be obtained in September 2022. The location of the site is shown below.





- 2.6 The site consists of two fields bounded to the south by the tree lined River Walkham, and to the north by the tree line A386. The site is often damp, is well grazed and has some extensive areas of bracken.



- 2.7 Public access would not be possible at the site. Whilst there is a nearby carpark (to the north of Magpie Viaduct), the approach to the field access via the A386 over Bedford Bridge is not safe for pedestrians.

3. Outcomes/outputs

- 3.1 Both of these sites are within the Forestry Commission High Spatial Priority Area for Biodiversity – this being the Priority Habitat network layer for nature recovery that builds upon the adjacent areas of existing Deciduous Woodland (a Priority Habitat) – the easternmost of the three fields at Harrowbeer Lane already containing some of this existing woodland habitat layer.

- 3.2 Delivering woodland creation or enabling natural woodland regeneration at the sites could deliver multiple benefits including:
 - a. Creating new woodland habitat contributing to nature recovery
 - b. Reducing flood risk
 - c. Storing carbon and contributing to combatting climate change
- 3.3 This is consistent with Council priorities identified within the 'Plan for West Devon' (including supporting Nature recovery through larger wildlife habitats and woodland habitat corridors, and delivering biodiversity Net Gain on Council owned sites – actions NE1.5, NE1.7 and NE1.9), as well as within the 'Climate Change and Biodiversity Action Plan' to support tree planting/natural regeneration on Council owned sites and establish natural flood management approaches (action ID3.2 and ID3.7).
- 3.4 The proposal would also lead to a modest contribution to removing carbon dioxide from the atmosphere and mitigating the effects of climate change.
- 3.5 Considering the sites in the context of the Defra Biodiversity Metric calculator, woodland creation (including scrub as a successional habitat), could result in a 'biodiversity net gain' at the sites of around 80% after around 5 years through creation of new habitat.

4. Options available and consideration of risk

- 4.1 To create new woodland there are two main approaches, the most common of which typically comprising planting of small whips, each with a stake and plastic spiral tree guard. This carries some benefit in terms of more confidence in the scale of delivery, which can assist when signing up to the Woodland Carbon Code (in terms of forecasting the amount of carbon that the planted woodland would sequester).
- 4.2 Disadvantages include the disturbance of soil to ensure trees survive and grow well – this can release carbon, and taking time to overcome the initial carbon deficit. Plastic tree guards are becoming increasingly unpopular, as they are not biodegradable, and commonly end up littering the countryside. This approach also tends to require a commitment to maintenance, including replacing failed whips, re-staking/replacing tree guards, and control of competing vegetation.
- 4.3 Natural regeneration does not offer the same confidence in terms of forecasting carbon that a woodland would sequester, namely as the number of trees that will grow cannot be known at the outset, and there is generally an expectation that natural woodlands may take a long time to develop.
- 4.4 This approach is however popular in terms of a more natural approach, and for the first time is now rewarded through the

Forestry Commission's flagship English Woodland Creation Offer grant. The approach results in young trees of local provenance (from self-seeding) and well adapted to their natural environment, with trees succeeding where conditions suit them, and with better survival rates than planted trees.

- 4.5 In terms of delivery, the Council is able to apply for funding support through the English Woodland Creation Offer to prepare and maintain sites, and would be entitled to various contributions (e.g. with respect to nature recovery, flood risk reduction, being close to settlements). These would be expected to cover 100% of costs associated with the sites, regardless of whether a natural regeneration or tree planting approach was undertaken.
- 4.6 There is also potential to register the planting projects under the Woodland Carbon Code and to either sell carbon credits, or to claim these to offset the Council's own carbon deficit. It is noted that the administration costs associated with the formal Woodland Carbon Code validation and subsequent verification processes (potentially approximately £18,000 over the lifetime of a project) are such that they may outweigh the benefit of the claimable carbon credits from the planting project (it is estimated that such credits could be worth up to £6,000 per site). Effectively it would likely be more cost effective for the Council to purchase the comparable amount of carbon credits from the market avoiding the cost associated Woodland Carbon Code administration, but this will remain under review.
- 4.7 There is potential to work in partnership with the Woodland Trust, by which the Woodland Trust would arrange the registering and subsequent verifications of the project under the Woodland Carbon Code. The Woodland Trust would pay the Council for the anticipated carbon that would be captured, and would meet the administrative costs of the Woodland Carbon Code reporting themselves. Such an approach would mean that the Council could not register this carbon capture against its own carbon footprint, even if the carbon is still being captured and the management approach would be facilitating others to offset their carbon deficit.

5. Proposed Way Forward

- 5.1 It is proposed to apply to the English Woodland Creation Offer in 2022 for financial support to undertake natural woodland regeneration at both of these sites. It is estimated that this grant support may result in upfront payment of approximately £7,000 per site with ongoing annual maintenance payments from the Forestry Commission grant of approximately £500 a year for 10 years for each site.
- 5.2 Initial meetings with both the Forestry Commission and Woodland Trust about the sites have been positive, favouring a natural regeneration approach, taking into account the benefits of this approach for nature recovery, with suitable seed sources onsite and adjacent to the sites. In the case of the Harrowbeer

Lane site, it is evident that nature is already taking its course and some regeneration is already underway, and at Bedford Bridge there is an expectation that with the cessation of grazing natural regeneration will follow.

- 5.3 Specifics of the grant application will be informed by subsequent detailed discussion with the Forestry Commission, however it may be as straightforward as simply leaving the sites alone. Subject to advice, there may potentially be further items included in any grant application such as bracken control and temporary deer fencing, the grant scheme can cover 100% of the cost of such items.
- 5.4 It is proposed that an arrangement with the Woodland Trust be explored with respect to the Woodland Carbon Code, benefitting from some modest income to the Council, whilst eliminating administrative costs related to the Code.
- 5.5 The sites would be monitored, with the regeneration of the sites needing to meet a target in the case of the Woodland Creation Offer – 60% woody cover (which includes bramble and thorny scrub) and a minimum of 100 stems a hectare after 10 years. This target is modest when considered in the context of a minimum stocking density of planted broadleaves expected under the English Woodland Creation Offer of 1,100 trees a hectare.
- 5.6 There is a higher target under the Woodland Carbon Code, requiring 400 stems a hectare after 5 years. It is noted however that if natural regeneration fell short of this, supplementary planting could be undertaken to ensure this target was met (and there are sources of free trees that would enable this without cost).

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Council has a general power under the Local Government Act 1972 to maintain land that it owns either for the purpose of its functions or the benefit, improvement or development of the Council’s area.</p> <p>The Council also has a duty to have regard to conserving biodiversity as part of its policy and decision making under the Natural Environment and Rural Communities Act 2006.</p>
Financial implications to include reference		<p>There is negligible cost associated with the proposal. It is estimated that English Woodland Creation Offer grant support may result in upfront payment of c.£7,000 per site with ongoing annual</p>

<p>to value for money</p>	<p>maintenance grant payments of c.£500 per site each year for 10 years. Any additional capital costs (such as fencing) could be included in the grant application if needed, and 100% of this cost covered.</p> <p>The sites are located such that long term implications of tree management are unlikely to cause issues (i.e. the woodland will not border roads and have limited boundaries with residential dwellings). Public access will not be encouraged, and accordingly tree safety inspections would not be required.</p> <p>Estates officers have previously sought appraisals for the sites as part of the options appraisal previously undertaken. Based on agricultural values without any restrictions or obligations a guide price of £85-95,000 was given for the Harrowbeer Lane site, and £65-75,000 for the Bedford Bridge site.</p> <p>Disposal is deemed a poor use of the land when considered against the vision of the 'Plan for West Devon.'</p>
<p>Risk</p>	<p>Risk associated with the proposed way forward is limited. The sites are effectively being left alone with minimal intervention, allowing nature to take its course.</p> <p>The main identified risk to successful natural regeneration is deer grazing. It is noted that natural regeneration is already underway at the Harrowbeer Lane site following cessation of grazing a few years ago and there can be confidence that this will continue. At the Bedford Bridge site, the likelihood of success of is more of an unknown. The site will be discussed with the Forestry Commission, and options such as deer exclusion fencing can be included in the grant application if considered necessary.</p> <p>There is a risk that the trees per hectare may fall short of the 10 year target of the grant scheme and the 5 year target of the Woodland Carbon Code for natural regeneration. If this was the case, any natural regeneration would be supplemented with additional tree planting, the cost of which could be met by free tree schemes.</p> <p>It is considered likely that there will be broad support for the proposal. Officers have discussed the proposal with the Woodland Trust, Dartmoor</p>

		National Park Authority and the Forestry Commission and there has been no concern raised about the proposal.
Supporting Corporate Strategy		Plan for West Devon - Growing our natural environment Actions NE1.5 (increase in biodiversity on Council land) and NE1.7 (support nature recovery) and NE1.9 (support tree planting)
Climate Change - Carbon / Biodiversity Impact		The proposal would lead to nature recovery at the sites, with natural woodland regeneration ultimately extending the area of adjacent existing Priority Habitat into these high spatial priority areas Supports delivery against the Climate Change and Biodiversity Action Plan Action ID3.2 (support tree planting) and Action ID3.7 (natural flood management approaches)
Comprehensive Impact Assessment Implications		
Equality and Diversity	N/A	
Safeguarding	N/A	
Community Safety, Crime and Disorder	N/A	
Health, Safety and Wellbeing	N/A	
Other implications	N/A	

Supporting Information

Appendices:

None

Background Papers:

None

Approval and clearance of report

All reports must have Finance clearance from the s151 Officer and, Legal clearance from the Monitoring Officer. Your report will only receive clearance if the implications in Section 6 are considered by the Finance and Legal Services to be complete and accurate. Make sure you contact Finance and Legal officers early on for advice where there are potentially financial or legal implications. If there are other resource implications you must forward your report to the appropriate Head of Practice for clearance. If those clearing the report make amendments they will advise you of that fact and refer you to the relevant changes. As report author you are responsible for finalising the report and its content but you are required to have regard to the comments of the Finance and Legal Services and clear reasons for not following their advice.

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

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Report to: **Hub Committee**

Date: **1st Feb 2022**

Title: **Request for statutory designation of land and a new Long Lease – Milton Abbot allotments**

Portfolio Area: **Lead Member for Communities – Cllr Terry Pearce**

Wards Affected: **Milton Abbot**

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

Date next steps can be taken: After call in period

Author: **Rob Sekula** Role: **Senior Specialist (Assets – Natural Resources and Green Infrastructure)**

Contact: **Rob.Sekula@swdevon.gov.uk**

RECOMMENDATION:**That the Hub Committee**

Authorises the Head of Assets, in consultation with the Section 151 Officer and Leader of the Council:

- 1) to formally designate the land as statutory allotments; and
- 2) to progress and conclude detailed negotiations for a new lease to the Milton Abbot Allotments Association for a term in excess of 15 years.

1. Executive summary

- 1.1 The Milton Abbot Allotment Association has asked the Council to consider a long lease of 25 years for an area of underused Council owned land in Milton Abbot for the purpose of establishing an allotment site.
- 1.2 The current status of the land is not clear so authority is sought to formally designate the land as statutory allotments.
- 1.3 The Council has delegated power to the Corporate Property Officer (Head of Assets) to grant licences, periodic tenancies and leases up to a term not exceeding 15 years.

- 1.4 Accordingly, the Head of Assets seeks delegated authority to proceed with negotiations with the Milton Abbot Allotment Association with a view to agreeing a new lease for a term in excess of 15 years. Confirmation of the proposal to be agreed in consultation with the Section 151 officer and Leader of the Council.

2. Background

- 2.1 The Council owns an area of land between Fore St and Higher Edgcumbe Lane in Milton Abbot. The land is thought to have been previously used for allotments, with one allotment plot having been retained and tended by a neighbouring resident (for a period in excess of 10 years and paying a modest annual sum for use of an allotment plot). Other than this one plot, the land has not been actively managed for a decade and is covered in brambles.
- 2.2 The land is currently designated as housing land as is subject to a restrictive covenant for use in accordance with the Housing Acts imposed by the Duke of Bedford in 1952 when the Council purchase the land.
- 2.3 The Milton Abbot Allotment Association has approached the Council to seek to make better use of this underused land. They have proposed re-establishment of the entirety of the site for allotments, anticipating that the site may offer 6 large and 2 small plots, as well as accommodating a communal poly tunnel and 12 small raised beds for those with less time, energy or ability.
- 2.4 The Allotment Association have tested local appetite and consider there is need and demand for this use. They highlight the benefits of allotments to the community and natural environment, including mental and physical health and wellbeing, reduced food miles, community cohesion, and habitat for wildlife.
- 2.5 This in turn is consistent with the 'Strengthening Communities,' 'Enhancing Community Wellbeing' and 'Natural Environment' themes of the Plan for West Devon.
- 2.6 The long lease would give the Allotment Association the means to unlock external funding sources to meet the relatively modest start-up costs to prepare the site, and to give them the freedom and confidence to manage the site effectively and appropriately for their community.

3. Outcomes/outputs

- 3.1 To formally designate this land as statutory allotments.

- 3.2 To agree a new lease with the Milton Abbot Allotment Association, on terms that enable them to secure appropriate grant funding to make the site fit for the purpose of allotment provision and to realise its potential for the community.

4. Options available and consideration of risk

- 4.1 The site itself is restricted in terms of options open to the Council. There is a restrictive covenant upon the land, imposed when the Council bought the land in 1952 (relating to use for the purposes of the Housing Act 1936).
- 4.2 Notwithstanding practicalities (in terms of access), this restrictive covenant would prevent sale of the land for building of new housing (unless the previous landowner gave consent which is considered unlikely). The covenant is considered unlikely to restrict sale of the land to adjoining properties.
- 4.3 There is no formal designation of this site as allotments but there is evidence of historic use of the whole site for allotments and one plot has continued to be rented from the Council and for use as an allotment by a neighbouring resident for a period in excess of 10 years.
- 4.4 Designating land as statutory allotments does bring a high level of restriction and protection through Allotments Acts, and general planning laws, but it would enable Milton Abbot Allotment Association to apply for funding which they would otherwise not be able to access.
- 4.5 The Ward Member has been included in discussions to date about the proposed use of the site for allotments and is supportive of the proposal. This extends to a preference to seeing the site used for this purpose, and a conveyance of the importance to the community of seeing this aspiration realised.
- 4.6 Draft Heads of Terms have been circulated to the Milton Abbot Allotment Association and no concerns have been raised.
- 4.7 The Council placed a notice in the local press in mid-December advertising the intention to dispose of an interest by way of a 25 year lease of the parcel of land for use as allotments, with a 21 day period for submission of representations. No representations were received.

5. Proposed Way Forward

- 5.1 The Head of Assets seeks delegated authority to proceed with negotiations with the Milton Abbot Allotment Association to seek to agree a new lease for a term in excess of 15 years. Confirmation of the proposal to be agreed in consultation with the Section 151 officer and Leader of the Council.

- 5.2 The proposed way forward is consistent with the Council’s recently published ‘Plan for West Devon’ and makes best use of the land for the benefit of the local community, particularly in the context of the restrictive covenant upon the land. The long lease approach ‘empowering’ the local community and consistent with the highest level of community involvement highlighted in the Council’s Consultation and Engagement Strategy.
- 5.3 In recognition of the lack of existing cost to the Council incurred by the land (i.e. lack of annual management), and the community benefit the proposal will bring, it is proposed to waive any rent for the first year, with an annual rent of £100 thereafter.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>The Hub Committee has authority to approve the disposal of the Council’s assets (including leases). If approved, it will be necessary to use the provisionally agreed Heads of Terms as the basis of a new lease agreement, which will be prepared by the Council’s legal team.</p> <p>There is a restrictive covenant upon the land imposed when the Council bought the land from the Duke of Bedford in 1952. The covenant is ‘not to use the property hereby conveyed otherwise than for the purposes of the Housing Act 1936.’</p> <p>Subsequent Acts repealed the Housing Act 1936, finally consolidating provisions within the Housing Act 1985. Under the 1985 Act, the Council is able to dispose of land held for housing purposes with the Secretary of State’s consent. The Secretary of State has issued a general consent to all local authorities to dispose of vacant land at any price. For these purposes, ‘disposal’ includes the granting of a lease of any duration.</p> <p>Allotment sites owned by local authorities can be designated as ‘statutory’ or ‘temporary.’ Statutory sites are subject to protection under the Allotments Act 1925 and the subsequent use of the land is restricted. Temporary sites have no security beyond the usual planning system requirements.</p>

		The use of the site is at odds with its current designation as housing land. A grant of a lease for 25 years for use as allotments could not be considered temporary so it is not appropriate that this is deemed a 'temporary' site.
Financial implications to include reference to value for money		The site does not cost the Council financially, save for periodically (seemingly ever 5-10 years) the Council has instructed a Grounds Maintenance contractor to trim a strip around the boundary typically triggered by neighbour complaint about brambles. Whilst detailed negotiations are yet to commence, there is potential to reduce the Council's repairing obligations for this asset, thus possibly making savings from the Repairs and Maintenance budget.
Risk		The main risk in not approving this report will be that, as officers, delegated powers will limit any potential new lease term to a maximum of 15 years. From discussions with the Allotments Association this may preclude them from securing some external funding sources that require a longer lease under their eligibility conditions There is some potential for conflict with the proposed use of the land and neighbouring properties. To a degree this is mitigated by precedent, insomuch as the previous/current use of the land has been as allotments. The lease itself will require maintenance of the site by the Allotments Association at a good standard, and such standards would in turn be expected of allotment plot holders.
Supporting Corporate Strategy	Y	Strengthening communities Enhancing community wellbeing Growing our natural environment
Climate Change - Carbon / Biodiversity Impact	Y	The proposal will enable the site to offer a more biodiversity habitat. The proposal will reduce food miles for the local community. The site is central in the village with pedestrian access only.
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	The site is level access, and has potential to be an inclusive site.
Safeguarding	N/A	
Community Safety, Crime and Disorder	Y	The site would reduce the perception that the site is neglected, instead bringing the site back into active and managed use by the local community.

Health, Safety and Wellbeing	Y	The proposal would continue to enhancing local residents physical and mental health and wellbeing.
Other implications	N/A	

Supporting Information

Appendices:

None

Background Papers:

None

Report to: **Hub Committee**

Date: **1 February 2022**

Title: **Local Government Act 1972 section 109 - Kelly Parish Meeting**

Portfolio Area: **Leader of the Council – Cllr Jory**

Wards Affected: **Tamarside**

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

Date next steps can be taken:

Author: **David Fairbairn** Role: **Head of Legal Services and Monitoring Officer**

Contact: **01803 861359/email: David.Fairbairn@swdevon.gov.uk**

Recommendation:

1. That the Committee recommends to Council that the Head of Legal Services and Monitoring Officer is authorised to make an order under section 109 of the Local Government Act 1972 granting Kelly Parish Meeting, the power to consent under section 61F of the Town and Country Planning Act 1990 to the whole of its parish being included in the Milton Abbot, Chillaton and Kelly Neighbourhood Plan.

1. Executive summary

- 1.1 As the local planning authority, the Council is responsible for overseeing neighbourhood planning. This includes providing advice and assistance to qualifying bodies; and designating neighbourhood areas.
- 1.2 When the Council agreed to include Kelly parish in the Milton Abbot, Chillaton and Kelly neighbourhood plan in 2014, it appears that it was assumed that a parish meeting had the same powers as a parish council. The Council therefore agreed to the application by Milton Abbot Grouped Parish Council for a neighbourhood plan that included the whole of the Parish Council's land and Kelly parish. The Examiner considering the draft plan has raised a question with the Council about the powers of the parish meeting.

- 1.3 The Head of Legal Services and Monitoring Officer has confirmed that a parish meeting does not have the same powers as a parish council. A parish meeting cannot be a qualifying body nor can it give consent to the parish being included in a neighbourhood plan being prepared by a parish council.
- 1.4 To overcome this, the Head of Legal Services and Monitoring Officer has advised that section 109 of the Local Government Act 1972 gives the Council the power, on an application being made by a parish meeting, to make an order conferring on a parish meeting any functions of a parish council. It is therefore proposed that the Hub Committee recommends Council to authorise the Head of Legal Services and Monitoring Officer to make an order granting Kelly Parish Meeting the power under section 61F of the Town and Country Planning Act 1990 to consent to the whole of its parish being included in the Milton Abbot, Chillaton and Kelly Neighbourhood Plan.

2. Background

- 2.1 **The Facts.** Kelly parish does not have a parish council and has a Parish Meeting.
- 2.2 In August 2014, Milton Abbot Grouped Parish Council applied to the Council to be designated as the Qualifying Body for the purposes of making a neighbourhood plan that included land within both the Parish Council and Kelly Parish Meeting areas.
- 2.3 On 7 October 2014, the Council designated the Milton Abbot Grouped Parish Council as the Qualifying Body and the combined area as the neighbourhood area (Min RC17 refers). Work on the neighbourhood plan began shortly afterwards, and the draft plan has reached the point at which the Examiner is about to issue his recommendations to the Council. The Examiner has however, queried the inclusion of the Kelly Parish Meeting area as parish meetings lack neighbourhood planning powers
- 2.4 **The Law.** The plan-making body for a neighbourhood plan is the "Qualifying Body". In parished areas, the qualifying body is the town or parish council and in a parish, only the parish council can be the qualifying body for a neighbourhood plan. Also, a parish council can act in relation to a neighbourhood area if the area consists of all or part of the area of the parish council and, with the consent of the relevant parish council, in relation to a neighbourhood area that includes the whole or part of that parish council's area.
- 2.5 While parish meetings are recognised as local government bodies or public authorities for a number of statutory purposes, they are not parish councils. Parish meetings therefore do not have the same range of local authority functions as parish councils. Accordingly, a parish meeting cannot be a qualifying body in its

own right, nor can it consent to land in its area being included in the neighbourhood plan of an adjoining parish council.

2.6 Where a parish meeting wants to do something that a parish council might do, but because of its status as a parish meeting, lacks the necessary legal powers, it may ask the district council to make an order under section 109 of the Local Government Act 1972, granting it the relevant parish council powers.

2.7 **The Application.** Kelly Parish Meeting has asked the Council to make an order under section 109 of the Local Government Act 1972, so that Kelly Parish Meeting is given the power under section 61F of the Town and Country Planning Act 1990 to consent to the whole of the parish being included in the Milton Abbot, Chillaton and Kelly Neighbourhood Plan.

3. Proposed order

3.1 The Council has a wide discretion to make an order under section 109 of the Local Government Act 1972. The proposed order would allow the Kelly Parish Meeting to consent to the parish being included in the neighbourhood plan being prepared by Milton Abbot Grouped Parish Council.

4. Risks of failure to make the Order

4.1 If the Committee was not minded to make the recommendation to Council, that the Head of Legal Services and Monitoring Officer makes the proposed order, or if Council was not to agree to the recommendation, it is highly likely that the Examiner would find that the draft neighbourhood plan did not meet the basic conditions. The draft neighbourhood plan would not therefore be able to be made.

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	These are set out in the main body of the report.
Financial implications to include reference to value for money	N	There are no financial implications.
Risk	Y	Paragraph 4 of the main body of the report explains the risks

Supporting Corporate Strategy	Y	Neighbourhood plans empower communities to think about what is best for their areas and how they may be enhanced. Supporting the development and adoption of neighbourhood plans is one of the key actions. The proposed order will allow the Milton Abbot Chillaton and Kelly Neighbourhood Plan to progress to the next stage.
Climate Change - Carbon / Biodiversity Impact	N	There are no climate change or biodiversity impacts.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	There are no equality and diversity implications.
Safeguarding	N	There are no safeguarding implications.
Community Safety, Crime and Disorder	N	There are no crime and disorder implications.
Health, Safety and Wellbeing	N	There are no health, safety or wellbeing implications.
Other implications		There are none.

Supporting Information

Appendices:

There are none.

Background Papers:

Application from Kelly Parish Meeting for an order under section 109 of the Local Government Act 1972.