

# South Hams Executive



|  |   |
|--|---|
| <b>Title:</b>  | <b>Agenda</b>   |
| <b>Date:</b>   | <b>Thursday, 10th March, 2016</b>   |
| <b>Time:</b>   | <b>10.00 am</b>   |
| <b>Venue:</b>  | <b>Cary Room - Follaton House</b>   |
| <b>Full Members:</b>   | <p style="text-align: center;"><b>Chairman</b> Tucker</p> <p style="text-align: center;"><b>Vice Chairman</b> Ward</p> <p><i>Members:</i>                      Bastone                                      Hicks<br/>    Gilbert                                      Wright</p>   |
| <b>Substitutes:</b>  | Named substitutes are not appointed   |
| <b>Interests – Declaration and Restriction on Participation:</b> | Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest. |
| <b>Committee administrator:</b>                                  | Member.Services@swdevon.gov.uk  |

|  |                 |
|--|-----------------|
| <b>1. Minutes</b>  | <b>1 - 14</b>   |
| to approve as a correct record and authorise the Chairman to sign the minutes of the meeting of the Executive held on 4 February 2016 (previously circulated);                                 |                 |
| <b>2. Members in Attendance</b>  |                 |
| the Chairman is advised of non Executive Members wishing to speak;   |                 |
| <b>3. Urgent Business</b>  |                 |
| brought forward at the discretion of the Chairman;   |                 |
| <b>4. Division of Agenda</b>   |                 |
| to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information;  |                 |
| <b>5. Declarations of Interest</b>   |                 |
| 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; |                 |
| <b>6. Public Question Time</b>   | <b>15 - 16</b>  |
| a period of up to 15 minutes is available to deal with questions submitted to the Council in accordance with the Executive Procedure Rules;  |                 |
| <b>7. T18 Monitoring Report</b>  | <b>17 - 34</b>  |
| <b>8. Treasury Management and Annual Investment Strategy for 16/17</b>   | <b>35 - 62</b>  |
| <b>9. Revenue Budget Monitoring Report</b>   | <b>63 - 76</b>  |
| <b>10. Our Plan: South Hams - Progress Monitoring and Our Plan 16/17</b>   | <b>77 - 84</b>  |
| <b>11. Community Reinvestment Project Fund 2015/16 Grant Allocations</b>   | <b>85 - 94</b>  |
| <b>12. Procurement Strategy</b>  | <b>95 - 120</b> |

|   |                  |
|---|------------------|
| <b>13. Debt Recovery Policy</b>   | <b>121 - 134</b> |
| <b>14. Write Off Report</b>   | <b>135 - 144</b> |
| <b>15. The Future of the Devon Authorities Waste Reduction and Recycling Committee (DAWRRC)</b> | <b>145 - 154</b> |
| <b>16. Communications Policy and Protocol</b>   | <b>155 - 214</b> |

**This page is intentionally left blank**

**MINUTES OF A MEETING OF  
THE EXECUTIVE  
HELD AT FOLLATON HOUSE ON THURSDAY, 4 FEBRUARY 2016**

|                               |                  |   |                   |
|-------------------------------|------------------|---|-------------------|
| <b>Members in attendance:</b> |                  |   |                   |
| * Denotes attendance          |                  |   |                   |
| ∅ Denotes apologies           |                  |   |                   |
| *                             | Cllr H D Bastone | * | Cllr R J Tucker   |
| *                             | Cllr R D Gilbert | * | Cllr L A H Ward   |
| *                             | Cllr M J Hicks   | * | Cllr S A E Wright |

| <b>Also in attendance and participating</b>                                 |         |   |
|---|---------|---|
| Item 7  | E.58/15 | Cllrs Baldry, Barnes, Brazil, Cuthbert, Green, Hodgson, Pearce, Pennington, Saltern |
| Item 8  | E.59/15 | Cllrs Brazil, Green, Pearce   |
| Item 10   | E.61/15 | Cllrs Barnes, Brazil, Green, Hodgson, Pennington                                    |
| Item 11   | E.62/15 | Cllrs Brazil, Foss, Green, Hitchins, Hodgson, Holway, Pearce, Saltern               |
| Item 13   | E.64/15 | Cllrs Foss, Pearce, Vint  |
| Item 14   | E.65/15 | Cllr s Cuthbert, Foss, Hodgson, Holway  |
| <b>Also in attendance and not participating</b>                             |         |   |
| Cllrs Blackler, Bramble, Brown, Cane, May, Pringle, Rowe, Smerdon and Steer |         |   |

| <b>Officers in attendance and participating</b> |         |  |
|---|---------|--|
| All items                                       |         | Executive Director Service Delivery and Commercial Development (SD&CD) (SH) and Senior Case Manager (KT) |
| Item 7  | E.58/15 | COP Lead Finance (LB), Finance Business Partner (PH)   |
| Item 8  | E.59/15 | COP Lead Finance (LB), Finance Business Partner (PH)   |
| Item 9  | E.60/15 | COP Lead Finance (LB), Finance Business Partner (PH)   |
| Item 11   | E.62/15 | Ginette Beal of Grant Thornton   |
| Item 13   | E.64/15 | Lead Specialist – Place and Strategy   |
| Item 14   | E.65/15 | Lead Specialist – Housing, Revenues and Benefits   |

**E.55/15      MINUTES**

The minutes of the Executive meeting held on 10 December 2015 were confirmed as a true record and signed off by the Chairman.

**E.56/15      DECLARATIONS OF INTEREST**

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting and Cllr Ward declared a personal interest in Item 7: 'Revenue Budget Proposals 2016-17' (Minute E.58/15 below refers) by virtue of being a member of the management board of Citizens Advice.

**E.57/15 PUBLIC QUESTION TIME**

It was noted that the following questions had been tabled in line with Executive Procedure Rules:

**Question from Ms Barbara Smith to Cllr Tucker:**

1. 'Devolution: Could you please give a brief explanation of how it affects our area and let us know when the public will be fully informed about it, and when the public will be voting on it. Thank you'

In response, the Leader advised that Ms Smith was welcome to stay in the meeting as there was an agenda item later that would go into this matter in more detail. He also confirmed that there was no duty to keep residents informed and no voting mechanism.

Ms Smith asked a supplementary question as follows:

Do you feel the public are receiving sufficient information for such a major change?

In response, the Leader advised that if Ms Smith stayed and listened to the debate it would give a wider picture.

**Question from Mr Dennis Silverwood to Cllr Hicks:**

2. Given the intent of South Hams District Council to reflect cross boundary issues into their strategic plan under the 'Duty to Co-operate' and moreover to investigate the possibility of working with neighbouring authorities to produce a Joint Local Plan is it not now appropriate to refuse or defer applications which have substantial cross-boundary impacts and which are opposed by Plymouth City Council both on policy and practical grounds?

In response, Cllr Hicks stated that it is of course a requirement of all Local Planning Authorities (LPA) to consult with adjacent local authorities. This we have been doing for years and this cooperation includes West Devon Borough Council and the Dartmoor National Park as well as Plymouth City Council.

Part of our requirement to produce a new Local Plan includes the continuing need to take account of changes to planning guidance and regulation, and also the differing needs of the wider HMA.

In the interests of a more effective Local Plan, we have been discussing with the LPAs mentioned above, the possibility of planning comprehensively across the HMA through the production of a joint Local Plan. However, this does not mean that the participants will amalgamate into a single larger LPA. Each authority will still own their policies and decision making powers.

The issue of planning applications is a separate matter. The Council needs to consider and decide upon applications on their own merits and based on policies and guidance in force at the time. This Council will continue to consider and decide applications on this basis and has no remit to delay consideration of current applications. Indeed, all LPAs are under an obligation to deal with each application within specific timescales.

**Question from Mr Alan White to Cllr Ward:**

3. When LEP partners (Local Enterprise Partners) assist with development projects, where are these partnerships arrangements disclosed in planning applications in South Hams?

In response, Cllr Ward answered that the LEP is a high level strategic body and the business and governance of the LEP are open to public examination through their website. We are not aware of any mandatory requirement to automatically provide information in relation to LEP interest in a planning application. If asked about a specific application we would make enquiries.

Mr White asked a supplementary question in that he wanted to know if a two tier planning system would result whereby applications with LEP involvement would have priority.

In response, Cllr Ward advised that every application was considered on its merits and would go through due process. Applications would not be able to jump the system.

**Questions from Ms Georgina Allen to Cllr Hicks:**

4. In the Statement of Intent and the Devolution Bid, Totnes seems to have been picked out as a future growth hub. What does this mean and by what mandate does the LEP have any say in our future?

In response, Cllr Hicks advised that, having read the document attached to the Agenda Item 10 which was the up to date document, this question had caused some confusion as there was no reference to Totnes in it. Speaking generally, the LEP, which covered a large geographical area, was, as mentioned before, a high level strategic body whose powers were becoming more clearly defined as time passed. Different bodies had different involvements in our plans for the future.

5. Why have the new homes bonuses from developments in Totnes, not been spent to improve infrastructure in Totnes?

In response, Cllr Hicks advised that in February 2015, this Council made a corporate decision to allocate our New Homes Bonus in a certain way. This decision was taken in the knowledge that all our local communities have specific requirements. The allocations were:-

- £5,794 to DNP
- £10,000 CAB Outreach
- £153,900 community Reinvestment Project
- £464,000 Housing Capital Projects
- £100,728 Capital Programme Reserve

In March 2015, a Council decision was taken that part of the Community Reinvestment Project should be allocated as follows:

- Totnes Development Trust - £27,225
- Totnes Town Council - £26,821

6. Why does 'adverse impact on road conditions', by which various small developments have been rejected at planning, not seem to matter with large developments?

In response, Cllr Hicks advised that Devon County Highways are statutory consultees on most planning applications and the potential impact of any proposed development on the Highways network is assessed on a case-by-case basis. The comments and recommendations of the Highway Authority are taken into account by this Council when coming to a decision on a planning application. Larger sites allocated for development in Plan documents are most likely to have already been accepted in principle by the Highway Authority as part of the Plan preparation process. Smaller scale developments coming forward as windfalls could raise locally significant issues for example on grounds of safety. That could result in a recommendation of refusal from the Highway Authority.

7. In what ways are the council helping building in the South Hams to move from developer-led, to community-led builds?

In response, Cllr Hicks advised that SHDC recognises the benefits of community led and self and custom build housing.

There is however no Government requirement that would allow us to prioritise community led development over that from housebuilders. In order to build sufficient new homes in sustainable locations we need to ensure that a broad mix of housing is built and that clearly will include those built by developers as well as community groups. However, we do what we can, given the shortage of local government funding. In December last year we instigated the community housing fund. This fund is in the sum of £100,000 to assist in development costs of community housing projects. First payment from this fund is imminent and amounts to £25,000.

8. Taking into account that there are up to 1,000 new builds going up round Totnes and Dartington and that Bloor Homes is advertising Baltic .wharf in London, please can you explain why the reason still given for allowing planning permission is the need for houses in Totnes - Cocoa Nurseries?



In response, Cllr Hicks advised that SHDC as the local planning authority is obliged to consider all applications on their merits. The developments mentioned in the question are, with the exception of two, on the sites allocated in the LDF in existence at the present moment. For the record, the houses currently being built or recently completed total 628.

As a supplementary question, Ms Allen stated that she had other information relating to the number of houses built that gave different figures. What was the correct figure?

Cllr Hicks responded that this depended on how the question was phrased and suggested a separate meeting to deal with this matter.

E.58/15

## **REVENUE BUDGET PROPOSALS REPORT 2016-17**

The Executive considered a report that set out a series of recommendations for the revenue budget for 2016/17.

The Leader introduced the report and explained how the surplus predicted in the October 2015 Medium Term Financial Strategy report had reduced as a result of new regulations in respect of waste and recycling and the Government reducing Revenue Support Grant funding earlier than previously advised. He then took Members through the detail of each recommendation.

During discussion, the following points were raised:

- (a) The Portfolio Holder for Support Services requested inclusion of a further recommendation that would seek authorisation to support the waste review as detailed in paragraph 5.10 of the presented report. This was subsequently **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED**;
- (b) A Member sought approval of a token payment of £1000 to the Plymouth Citizens Advice to support the service for residents at the Western end of the district. Whilst Members agreed with and sympathised with the lack of a Citizens Advice service at the Western end of the district, it was not felt that a token payment would address matters and it was confirmed that a Task and Finish Group was currently looking at the working arrangements with all Partnerships and Citizens Advice and the CVS were included in this piece of work;
- (c) One Member put forward an alternative proposal for a number of strands of funding to be amalgamated and used as a starting point to address the issue of delivery of affordable homes for the benefit of the community. The Leader responded that the Council did contribute to housing and whilst he accepted that the New Homes Bonus funding could be used this year, if it were, then this would not assist in meeting budget gaps in future years;

- (d) One Member raised concerns that insufficient funding was being used for Disabled Facilities Grants and was concerned with how the Grants were allocated and that vulnerable people would have to wait longer for help. The Executive Director (SD&CD) agreed to look at this;
- (e) Following a number of comments in relation to the waste review, the Portfolio Holder for Commercial Services confirmed that the Task and Finish Group would report their findings in due course;

The COP Lead Finance responded to a number of detailed queries in respect of the presented agenda report.

It was then **RESOLVED** that Council be **RECOMMENDED**:

1. to increase Council Tax by 1.99% (which equates to a Band D council tax of £148.31 for 2016/17, an increase of £2.89 per year or 6 pence per week). This equates to a Council Tax requirement of £5,488,062 (as shown in Appendix B1 of the presented agenda report));
2. that the financial pressures in Appendix B1 of the presented agenda report of £1,690,000 be agreed;
3. that the £10,000 discretionary budget bid for the Citizens Advice service be agreed;
4. that the schedule of savings identified in Appendix B1 of the presented agenda report totalling £1,252,000 be agreed;
5. that the Collection Fund Surplus of £210,000 as shown in Appendix B1 of the presented agenda report be agreed ;
6. that the level of contributions to reserves to be included within the Authority's budget, as set out in Appendix C2 of the presented agenda report be agreed (this includes using £500,000 of New Homes Bonus funding to fund the 2016-17 Revenue Budget);
7. to transfer the budget surplus in 2016/17 of £297,240 into a Contingency Earmarked Reserve (see paragraph 1.6 and 1.7 of the presented agenda report);
8. that the allocation of Council Tax Support Grant for Town and Parish Councils be set at £101,658 in 2016/17, a reduction of 9.9 % (Appendix E of the presented agenda report refers);
9. that the Council should set its total net expenditure for 2016/17 as shown in Appendix B1 of the presented agenda report at £8,312,767. This is subject to final confirmation of Government funding which will be notified in February 2016. If the Government changes the funding, delegated authority is given to the S151 Officer in liaison with the Leader of the Council to identify an appropriate solution;

10. to allocate £153,900 of New Homes Bonus funding for 2016/17 to the Community Reinvestment Projects budget for 2016/17. Any under spend from the 2015/16 Community Reinvestment Projects budget of £153,900 is to be transferred into the Capital Programme Reserve;
11. that the Council transfers £24,606 of its allocation of the New Homes Bonus for 2016/17 to the Dartmoor National Park Sustainable Community Fund. The funds are awarded as a one off payment to Dartmoor National Park, to award projects on an application basis administered by Dartmoor National Park. The following conditions will apply;
  - A. decisions must be taken in consultation with the South Hams District Council local Ward Member(s);
  - B. funding can only be used for capital spending on projects in those parts of Dartmoor National Park which fall within the South Hams District Council Boundaries and enable the Dartmoor National Park to carry out its social economic responsibilities; and
  - C. Dartmoor National Park reports on the progress in the application of, and use of the funds to the Overview and Scrutiny Panel, in time for budget decisions to be made
12. that £464,000 of New Homes Bonus funding from the 2016/17 allocation is used to fund housing capital projects (Disabled Facilities Grants and Affordable Housing). (The Capital Programme is a separate report on this Executive agenda and the funding is set out in section 4 of that report);
13. to transfer £150,000 of New Homes Bonus funding for 2016-17 into an Earmarked Reserve for the one-off costs of the Local Authority Controlled Company (LACC – see Section 5.9 of the presented agenda report);
14. To transfer the unallocated New Homes Bonus of £777,402 into an Innovation Fund (Invest to Earn) Earmarked Reserve (as per paragraph 7.10 and 7.11 of the presented agenda report);
15. That the minimum level of the Unearmarked Revenue Reserves is maintained at £1,500,000 as per Section 9 of the presented agenda report;
16. That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates are noted. This is a requirement of Part 2 of the Local Government Act 2003;
17. That a waste round review be supported that considers a four day waste and recycling collection round.

E.59/15      **CAPITAL BUDGET PROPOSALS FOR 2016/17**

Members were asked to consider a report that set out the capital bids to the 2016/17 Capital Programme totalling £1,765,000 and a suggested way that these bids could be funded.

The Portfolio Holder for Support Services proposed an additional recommendation following receipt of a tender for solar panels on the roofs of employment units at Burke Road. This additional recommendation was necessary as the tender was over budget. In discussion, Members expressed their support for this additional recommendation.

Following a brief discussion, it was then:

**RESOLVED**

That Council be **RECOMMENDED**:

- i) To approve the Capital Programme Proposals for 2016/17 totalling £1,765,000 as per Appendix A of the presented agenda report;
- ii) That the views of the Overview and Scrutiny Panel on the Capital Budget Proposals be endorsed, namely that an Options Appraisal is required with Member involvement for the Follaton House boilers (see paragraph 3.1.2 of the presented agenda report) and that any allocation of Locality vehicles (see 3.2 of the presented agenda report) be determined after the March 2016 Overview and Scrutiny Panel review of the Locality role;
- iii) To finance the Capital Programme of £1,765,000 by using:-
  - £635,000 from the Capital Programme Earmarked Reserve
  - £300,000 from Capital Receipts
  - £366,000 from Better Care Funding towards Disabled Facilities Grants and £464,000 from New Homes Bonus funding
- iv) That £40,000 be allocated from the Capital Programme Contingency Reserve to pay for solar panels on the roofs of employment units at Burke Road, Totnes

**E.60/15 CAPITAL PROGRAMME MONITORING REPORT**

Members were asked to consider a report that advised of the progress on individual schemes within the approved Capital Programme, including an assessment of their financial position.

It was then:

**RESOLVED**

That the report be noted.

**E.61/15 HEART OF THE SOUTH WEST FORMAL DEVOLUTION BID**

Members were asked to consider a report that sought recommendation of the Leaders current approach to devolution, the drafting of proposals, their submission and negotiation of a deal for the Heart of the South West. The Leader introduced the report and advised Members that, in his view, the proposal would maintain the identity of Devon and Somerset whilst providing benefits in line with the six workstreams as set out in the Prospectus for Productivity. He reiterated that this was a high level strategic plan and the recommendation today would enable further work and negotiation.

One Member felt there was not enough information available to make a recommendation and that residents should have more of a say in such an important change. It was pointed out however that there was no duty to consult with the public. Concerns were also raised by Members that one of the partners was the Local Enterprise Partnership, an unelected body.

Some Members thought the document should be amended to include the ability to impose second homes council tax. The Leader agreed to take this forward.

A number of Members raised concerns about the proposed governance structure. In reply, the Leader accepted those concerns but responded that this proposal was at a strategic level and it was important at this stage to be included, as that would enable the Council to take part in the negotiations.

It was then:

**RESOLVED**

That Council be **RECOMMENDED** to:

1. Endorse the Leaders current approach to devolution and the drafting of proposals, their submission and negotiation of a deal for the Heart of the South West, namely:

Working with local authorities, National Parks and the Heart of the South West Local Enterprise Partnership to deliver full proposals for devolution which will seek a formal agreement with Government on a formal devolution deal as set out in Appendix 1

2. Note that full Council will consider and be asked to approve the final devolution proposal; and
3. in the event of government timescales changing, or minor amendments being necessary, delegate authority to the Head of Paid Service in consultation with the Leader of Council to approve the final proposal.

E.62/15

### **PROPOSALS RELATING TO A LOCAL AUTHORITY CONTROLLED COMPANY**

Members were presented with a report that sought authority to produce a detailed business case and implementation plan to enable further consideration of the establishment of a Local Authority Controlled Company jointly with West Devon Borough Council to deliver services for South Hams District Council, West Devon Borough Council, and to other organisations as contracts were won.

The Leader introduced the report and advised Members of an amendment to the published recommendation in how the funds were drawn down for the business case. This amendment was subsequently agreed.

A number of Members expressed concern about some aspects of the report, but supported the proposal as there was an understanding that it provided a framework within which further work would enable the detail to be developed to enable a specific recommendation to be made on the best way forward. It was made clear to Members that this proposal, if approved, would form part of the solution to address the predicted budget gap in 2020. The proposal would also enable the Council to become more commercially minded.

During discussion, the Executive Director (SD&CD) responded to specific questions relating to the West Devon Borough Council waste service and how its inclusion into the proposal would benefit both West Devon Borough and South Hams District Councils. She also responded to concerns expressed about a two tier staff system.

One Member thanked Grant Thornton for their balanced report. He then sought the Executive's support to amend the wording of the first recommendation and this was agreed.

Another Member felt that this proposal would benefit residents of the South Hams by enabling future proofing from local government reorganisation. However, he also expressed the view that the governance issue of the new organisation was significant and would need to be carefully considered.

It was then:

### **RESOLVED**

That Council be **RECOMMENDED:**

1. To produce a detailed business case and implementation plan to enable further consideration of the merits of establishing a Local Authority Controlled Company jointly with West Devon Borough Council to deliver services for South Hams District Council and West Devon Borough Council, and to other organisations as contracts are won; and
2. That both Councils' costs for the preparation of the detailed business case and implementation plan of £300,000 be met from a budget provision of £150,000 being set aside in both Councils for this purpose, and that draw down of these funds be delegated to the Executive Director (SD &CD) in consultation with the Leader and Deputy Leader.

E.63/15

### **COMMUNITY RIGHT TO BUILD ORDERS – DELEGATED PROCEDURES**

Members were asked to consider a report that recommended that the council approve a Community Right to Build Order Procedure, which was set out in the appendix to the presented report.

The Portfolio Holder introduced the report and advised Members that an application had already been received, hence the need to have an agreed procedure in place.

It was then:

### **RESOLVED**

That Council be **RECOMMENDED:-**

1. That authority to approve the Community Right to Build orders Procedure as set out in Appendix 2 of the presented report be delegated to the Lead Specialist Place and Strategy in consultation with the Lead Member for Business Development and Local Plan and the local Ward Member(s) for the relevant Neighbourhood area; and

2. That, subject to approval of the above recommendation, appropriate changes be made to the Council's Neighbourhood Planning Protocol.

E.64/15 **EFFECTIVELY IMPLEMENTING SHDC DP11: HOUSING MIX AND TENURE**

Members were asked to consider a report that sought approval of a methodology to ensure that when proposals for new housing were presented to the Council for planning permission, that the houses being proposed met the varied needs of our communities.

The Lead Portfolio Holder introduced the report; a number of Members welcomed it. One Member asked if the term 'flats' could be replaced with 'apartments' as 'flats' sometimes had a negative connotation. One Member questioned the use of Office for National Statistics data rather than local data, however the Lead Specialist - Place and Strategy responded that an accredited data set would be required to support the Policy, but that did not mean that local data was also taken into account.

It was then:

**RESOLVED**

That Council be **RECOMMENDED:**

1. That, when applying policy SHDC DP11: Housing Mix, the following indicative housing size mix be used to inform housing proposals:
  - 35% - 1 and 2 bed dwellings
  - 35% - 3 bed dwellings
  - 30% - 4+ bed dwellings
2. To approve the use of Office for National Statistics (ONS) Neighbourhood Statistics data to inform the mix of housing type for housing proposals.

E.65/15 **SAFEGUARDING POLICY**

Members were asked to consider a report that sought to recommend to Council the adoption of the Safeguarding Policy.

The Portfolio Holder for Customer First introduced the report. One Member stated that Safeguarding Training for Members should be mandatory and Members discussed how best to take this forward.

It was then:

**RESOLVED**



That Council be **RECOMMENDED** that the Safeguarding Policy be adopted.

E.66/15      **REPORTS OF OTHER BODIES**

**RESOLVED**

That the following be received and that any recommendations contained therein be approved:

a) **Overview and Scrutiny Panel – 14 January 2016**

i.      **O&S.66/15 BUDGET PROPOSALS REPORT 2016-17**

**(NB. Recommendations under this minute had been taken under the earlier Item 7 – Revenue Budget Proposals for 2016-17 Minute E.58/15 above refers.)**

ii.     **O&S.74/15 TASK AND FINISH UPDATES – Dartmouth Lower Ferry**

**RESOLVED That:**

- a) At this point, the best overall service delivery choice for the Dartmouth Lower Ferry will be either via Option 1 or Option 2b (as outlined in the Business Case at Appendix A of the presented agenda report);
- b) Service efficiencies (as outlined at Section 2 of the business Case at Appendix A of the presented agenda report) be implemented as soon as is practicable; and
- c) Negotiations continue on the provision of the best operationally practical and cost effective solutions of the maintenance of the floating stock.

**(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.58/15, E.59/15, E.61./15, E.62/15, E.63/15, E.64/15 and E.65/15, WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 11 FEBRUARY 2015, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 15 FEBRUARY 2016 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).**

(Meeting commenced at 10.00 am and concluded at 1.05 pm)

\_\_\_\_\_  
Chairman



## **PUBLIC QUESTIONS AT EXECUTIVE MEETINGS**

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

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

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

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

**This page is intentionally left blank**

# Agenda Item 7

Report to: **Executive**  
Date: **10 March 2016**  
Title: **T18 Budget Monitoring report –  
To end of February 2016**  
Portfolio Area: **Cllr R Tucker**  
Wards Affected: **All**  
Relevant Scrutiny Committee: Overview and Scrutiny Panel

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

Author: **Steve Mullineaux** Role: **Support Services Group  
Manager**  
**Lisa Buckle** **Finance Community of  
Practice Lead (S151 Officer)**

Contact: [steve.mullineaux@swdevon.gov.uk](mailto:steve.mullineaux@swdevon.gov.uk), (01803) 861412  
[lisa.buckle@swdevon.gov.uk](mailto:lisa.buckle@swdevon.gov.uk) (01803) 861413

---

## Recommendations:

It is recommended that the Executive:

1. Notes the progress to date on the T18 Transformation Programme.

## 1. Executive summary

- 1.1 In December 2014, the Council agreed to a revised business plan for the T18 Programme. Its aims are to deliver a new operating model in partnership with West Devon Borough Council which will ensure that both Councils can continue to deliver quality services for its customers and communities. An investment budget of £4.61 million was approved, to deliver annual recurring revenue savings of £3.3 million. The payback period for the Programme is 2.5 years.

- 1.2 The Transformation Programme has received the backing of Central Government and the Council was awarded £434,000 of Government funding towards the upfront investment costs.
- 1.3 ***The table in Appendix A shows that the predicted final spend (£4.591million) is £23,000 less than the budget of £4.614 million.*** In the 2014/15 year, £2.68 million was spent of one-off investment costs. A further £930,000 has been spent in the period 1 April 2015 to 29<sup>th</sup> February 2016 as shown in Appendix A. *(Note - the last reported position to the Executive was on 10 December 2015, where a £30,000 underspend against the budget was reported for the T18 Programme).*
- 1.4 Appendix A details the individual budget lines and highlights the areas which are underspent and overspent. The Transformation Programme is within budget in totality and there are no areas of concern to report to Members.
- 1.5 The budgeted salary savings to be delivered by the project were £290,000 in 2014/15, rising to £1,375,000 in 2015/16. The savings were achieved in 2014/15 and the Council is on track to make the projected salary savings in 2015/16, with the exception of some short term transition costs. The Revenue Budget Monitoring report for 2015/16 is also an item on this agenda and this shows that there have been short term temporary transition (staffing and agency) costs within Environmental Services, Customer First and Support Services, totalling £205,000. This is further explained in the Revenue Budget Monitoring report.
- 1.6 By 2016/17, the salary savings realised will total £2.6 million. These are annual savings being delivered by the project. In addition there are predicted to be £305,000 annual savings from the Delivery Unit and £280,000 savings from Accommodation (which are predicted to rise to over £400,000 by 2018/19).

## **2. Background**

- 2.1 South Hams District Council and West Devon Borough Council have been shared service partners since 2007. As two of the very first Councils to share a Chief Executive, the Councils have been bold in challenging the traditional local government model and have always been at the forefront of radical change and innovation. Shared services (through sharing staff) has now yielded over £7.7 million in savings across the two Councils since 2007, with each Council generating ongoing savings of over £700,000 every year.
- 2.2 Having a successful track record of reducing costs through shared services whilst improving services, the two Councils approved a joint Transformation change programme in December 2013.

- 2.3 The Councils continue to face significant reductions in Central Government funding and the Transformation Programme will develop the financial resilience of the Councils and reduce the reliance on making annual budget reductions that inevitably impact on front line services.
- 2.4 The Councils are pioneering a new model for local government which is transferrable to other local authorities irrespective of the scale, acting as a catalyst for extending shared services, without undermining each participating Councils' democratic sovereignty.
- 2.5 The Council will provide its services in an entirely new way by becoming more flexible and customer focused using the latest technology. Services will be redesigned around our customers and communities and as a consequence all departmental silos will be removed. This will involve re-engineering over 400 business processes and sharing all of our corporate services and information technology systems. The first phase of the programme (Support Services) went live in September 2014. The main phase of the programme went live in June 2015, with a smaller phase due later in 2015/16.
- 2.6 At its heart, the transformation programme is one of cultural change. Peoples' lives are constantly changing and we must change with them. The radical transformation will be the most significant change in the way that the Councils work for more than 40 years. The Councils' non-manual workforce will be 30% smaller, with all staff roles changing to be flexible and responsive to the needs of the customer. Officers from different areas of the Councils will work within communities to improve the service for the customer and reduce the need for office accommodation.
- 2.7 The Transformation Programme is structured with a number of workstreams and progress on these is set out in Section 3.

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

#### **HR Workstream**

- 3.1 Following the completion of Phase 2 of the Assessments in August, the Electoral Services and Sherford Programme teams were assessed in December. The Facilities Management team will be assessed in the next quarter.
- 3.2 The Council has invested in a Performance Management software system to make sure that managers are regularly providing feedback to staff on how they are performing against both performance targets and the IMPACT behaviour framework. It is anticipated that the new system will be available from April 2016.

- 3.3 The Council continues to use the Assessment process developed during T18 to assess and appoint both internal and external candidates to any vacancies.

#### **Accommodation Workstream**

- 3.4 The percentage of the running costs of the building offset by tenants will be up to 60%. The works to fit out the second floor are complete, and the only works going forward will be the fire alarm system in the old house.
- 3.5 The Follaton House budget is projected to be £90,000 overspent in 15/16 due to two main factors. In the T18 Business Case it was anticipated that there would be £60,000 of reduced running costs at Follaton House due to agile working, smarter use of energy and utilities and the workforce occupying less space. These savings have not yet been realised to this extent, although work has commenced on re-procuring some of the utilities costs. In addition, it was anticipated that the letting income for Follaton House could be increased by £50,000 in 15/16. There have been delays in tenants moving in so only around £20,000 additional rent will be received in this financial year.

#### **Finance Workstream**

- 3.6 ***The table in Appendix A shows that the predicted final spend (£4.591million) is £23,000 less than the budget of £4.614 million.*** In the 2014/15 year, £2.68 million was spent of one-off investment costs. A further £930,000 has been spent in the period 1 April 2015 to 29<sup>th</sup> February 2016 as shown in Appendix A. *(Note - the last reported position to the Executive was on 10 December 2015, where a £30,000 underspend against the budget was reported for the T18 Programme).*
- 3.7 Appendix A details the individual budget lines and highlights the areas which are underspent and overspent. The Transformation Programme is within budget in totality and there are no areas of concern to report to Members.
- 3.8 The budgeted salary savings to be delivered by the project were £290,000 in 2014/15, rising to £1,375,000 in 2015/16. The savings were achieved in 2014/15 and the Council is on track to make the projected salary savings in 2015/16, with the exception of some short term transition costs. The Revenue Budget Monitoring report for 2015/16 is also an item on this agenda and this shows that there have been short term temporary transition (staffing and agency) costs within Environmental Services, Customer First and Support Services, totalling £205,000. This is further explained in the Revenue Budget Monitoring report.



3.9 By 2016/17, the salary savings realised will total £2.6 million. These are annual savings being delivered by the project. In addition there are predicted to be £305,000 annual savings from the Delivery Unit and £280,000 savings from Accommodation (which are predicted to rise to over £400,000 by 2018/19).

#### **4 ICT Workstream**

4.1 The ICT element of T18 programme is considerable and initially comprised of 10 distinct elements. Each project in its own right is a significant piece of work.

4.2 T1-Core Infrastructure - the provision of infrastructure and configuration to support the Civica application suite.

4.3 T2-Mobile - to deliver a solution for mobile and agile locality officers.

4.4 T3-GIS (Geographical Information Systems) – replace the existing GIS and enable improved self-serve using spatial data (maps).

4.5 T4-Web/Portal – to develop a solution that promotes ‘digital by choice’, that enables 2 way communication with our residents. It will enable citizens to ‘apply for it’, ‘pay for it’, ‘report it’, ‘book it’ and view and track any of those requests.

4.6 T5-Telephony – a corporate unified communications solution to aid agile working. Provide an integrated new telephony system for the Customer First contact centre.

4.7 T6-Back office systems migration – migrate the Waste, Planning, Land Charges, Environmental Health, Licensing, Housing back office systems to Civica APP.

4.8 T7-Back office system integration – to enable integration of Civica W2 with remaining back office systems e.g. Revenues and Benefits.

4.9 T8-Infrastructure – replacement of the corporate IT infrastructure to support agile working and provide a cost effective scalable platform.

4.10 T9-Members ICT – equip members with technology that will enable them to work and communicate effectively.

4.11 T10-Document / Image migration – to move historic documents, files and images associated with a customer or property record to the new Civica W2 system.

- 4.12 T1 and T8 are complete. All other projects remain on track for completion during February, March and early April as highlighted in Appendix B. There are 2 exceptions to this.
- 4.13 Contact Centre telephony (within T5) is currently anticipated to complete by end of July 2016.
- 4.14 In Cab technology. Originally out of scope of T18, in cab technology for the waste fleet links requires integration with W2 to enable end to end workflow. The target date for go-live of this project is May 2016.

### **Civica relationship and current performance**

- 4.15 The supplier of the IT solution is Civica. The contract is a duration of 5 years.
- 4.16 The relationship with Civica has been managed through project team meetings and Civica have had a project manager on site at least one day per week since the start of 2015.
- 4.17 The single biggest concern has been the delivery of the software for the development management service, which due to the complexity of the service meant that a new back office system, the new case management system (W2) and the website had to be switched on at the same time. A key risk, that materialised was that we were unable to replicate all of these systems together in a test environment (due to cost, time and disruption to the business as usual operation) and test the processes end to end. This resulted in a significant number of issues with the customer facing element of the service (the website).
- 4.18 As project delivery has ramped up, Civica have at times struggled to provide the appropriate technical resources. This has resulted in a series of escalations to Civica's senior management from September through December, culminating in the Head of Paid Service and the Group Manager Support Services meeting with the Managing Director of Civica Digital Solutions and the Civica Group Executive Business Development Director in mid-January. During this meeting details of complaints received from members of the public, town and parish councils and members over the issues with the planning portal were presented to Civica.
- 4.19 Assurance was given by the Civica management team that they are 100% committed to delivering an IT solution that is fit for purpose and meets the council's requirements.

4.20 In addition to this a weekly progress call is now held between Managing Director of Civica Digital Solutions, the Head of Paid Service and the Group Manager Support Services. Civica’s Managing Director of local government services and the W2 product development manager have also recently attended a workshop at Follaton House to review issues and agree actions and outcomes.

**Current ICT project plan**

4.21 **Appendix B shows the current high level project plan for the project team and Civica.** For each milestone a detailed project plan exists that has been agreed by relevant business areas, the supplier (Civica) and internal resources.

4.22 **Appendix C shows the detailed IT activities that have taken place in January and are taking place in February.**

**Business Processes and Transition Workstream**

4.23 The following table highlights the new business processes that have been migrated to W2 or are ready to migrate to W2.

|  | Active | Release Ready | 95% Complete (In Final Testing) | 90% Complete (Awaiting signoff) |
|--|--------|---------------|---------------------------------|---------------------------------|
| Total Priority Processes (current):<br>380<br>Of which Internal (non Customer facing):<br>60 |        |               |                                 |                                 |
| Total Processes > 90% Complete<br>213  | 73     | 70            | 30                              | 40                              |
| DM   | 1      | 13            |                                 |                                 |
| Waste/Street Scene   | 13     | 10            |                                 |                                 |

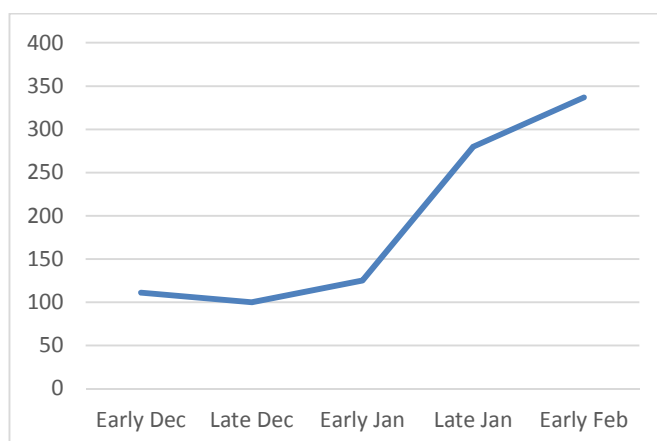
|                                   | Active | Release Ready | 95% Complete (In Final Testing) | 90% Complete (Awaiting signoff) |
|-----------------------------------|--------|---------------|---------------------------------|---------------------------------|
| Council Tax/NNDR                  | 23     | 16            |                                 |                                 |
| EH / Licencing                    | 4      | 6             |                                 |                                 |
| Corporate/ Support Services/other | 32     | 25            |                                 |                                 |

4.24 The following table demonstrates where the benefits of the current active processes will be realised.

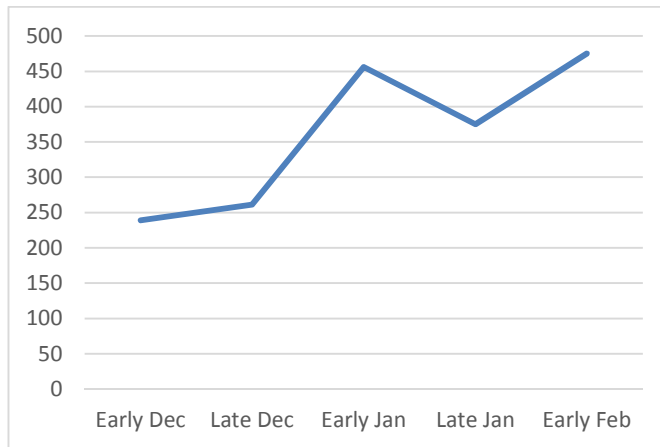
| Active Processes | Customer Self Serve | Auto Workflow | Auto Customer Communication | Real-time reporting | Online Payment |
|------------------|---------------------|---------------|-----------------------------|---------------------|----------------|
| 73               | 21                  | 73            | 59                          | 10                  | 9              |

4.25 Graph 4.25.1 highlights the number of web based transactions completed by customers using the 21 processes that are available on the web. It is anticipated that this will increase significantly as more processes become active. Graph 4.25.2 shows that over 1800 online accounts have been requested by customers over the same period. Both are encouraging as neither Council has begun an active 'do it online' / channel shift campaign.

Graph 4.25.1



Graph 4.25.2



### Customer Workstream

4.26 The Customer Workstream relates to the engagement required with our customers to maximise the benefits of the future operating model. These benefits are both for the customer, in terms of improved customer service and greater access to on-line services and for the Authority through reduced costs.

4.27 The new customer portal has been undergoing extensive testing and went live in November. Sections 4.23 to 4.25 explain the processes going live.

4.28 The plan for how the Council interacts with its customers (the channel shift plan) is under development. This plan will help us target cheaper forms of contact such as SMS and email to those people who want and can use it, rather than trying to encourage all customers to use these types of contact.

4.29 A recent 2015 Local Government Association report on the use of technology to transform local public services has concluded that the costs of different types of transactions are as follows:-

- Face-to-face Customer Services visit: £8.62;
- A telephone call made through a Customer Contact Centre: £2.83; and
- The cost of an online website transaction: 15 pence.

## 5. Current issues and key risks

- 5.1 As previously highlighted in paragraph 4.17 the delivery of the planning customer portal has been a significant issue. This has seen a loss of functionality, poor search facilities and difficulties displaying documents. Following a workshop with the Civica product and development team, a plan has been agreed with Civica with a number of 'quick fixes' implemented. It should be noted that a Member was present and gave detailed examples of the issues experienced by Members, town and parish councils and customers. Civica anticipate delivering their new solution by the end of February for us to carry out comprehensive testing before deployment. Members will be invited to participate in this testing phase.
- 5.2 Recruitment into a number of technical roles within IT has been problematic, however this has now been completed for all key IT specialist roles.
- 5.3 The capacity of the organisation to maintain business as usual service as well as be available for training and testing in new processes and systems is a risk that has materialised and is a key issue. This has resulted in continued delays in the programme roll-out of technology and processes.
- 5.4 To minimise the risk of further project slippage, the following measures are in place:
- Lesson learned from the planning portal deployment are now in place for future deployments. These include more comprehensive testing and involvement of key stakeholders (Members etc.).
  - Weekly reviews now take place with Civica at both operational and senior management level.
  - The Support Services Group Manager reports progress weekly to the senior leadership team.
  - The Executive member for Support Services is briefed bi-weekly.
  - A weekly review takes place with the project team.
  - A review now takes place 3 times a week with the process delivery team to ensure there are no blockages to processes moving into an active state.

## 6. Implications

| Implications                                 | Relevant to proposals Y/N | Details and proposed measures to address   |
|--|---------------------------|--|
| Legal/Governance                             | Y                         | The Council has delegated to the Executive to monitor the budget monitoring position of the Transformation Programme, with quarterly budget monitoring reports being presented to the Executive. |
| Financial                                    | N                         | There are no financial implications arising directly from this report. The finances of the programme are set out in Section 3.6 to 3.9.  |
| Risk   | Y                         | See Section 5.   |
| Comprehensive Impact Assessment Implications |                           |  |
| Equality and Diversity                       | N                         | This report updates Members on the opportunity for developing improved access to a range of Council services and meeting a wide range of customer needs.   |
| Safeguarding                                 | N                         | This report updates Members on the opportunity for developing improved access to a range of Council services and meeting a wide range of customer needs.   |
| Community Safety, Crime and Disorder         | N                         | None   |
| Health, Safety and Wellbeing                 | N                         | This report updates Members on the opportunity for developing improved access to a range of Council services and meeting a wide range of customer needs.   |
| Other implications                           | N                         | None   |

## Supporting Information

**Appendix A – Financial Summary**

**Appendix B – Overall project plan**

**Appendix C – Detailed delivery tasks January and February**

| Process checklist  | Completed  |
|--|------------|
| Portfolio Holder briefed   | <b>Yes</b> |
| SLT Rep briefed  | <b>Yes</b> |
| Relevant Exec Director sign off (draft)  | <b>Yes</b> |
| Data protection issues considered  | <b>Yes</b> |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>N/A</b> |

**This page is intentionally left blank**



| Expenditure Category                                      | 2014-2015 T18 Actual Expenditure | 2015-2016 Actual Expenditure to end of February 2016 | 2015-16 Expenditure predicted for March 2016 | Future financial years predicted expenditure (Pension strain payments ) | Total<br><br>(Columns A to D)<br>(£) | Comparison to the total T18 Budget (One-off Investment costs)<br><br>(£) | Notes  |
|---|----------------------------------|--|--|---|--------------------------------------|--|--------|
|   | (A)<br>(£)                       | (B)<br>(£)   | (C)<br>(£)                                   | (D)<br>(£)  |                                      |  |        |
| <b>Revenue Expenditure</b>                                |                                  |  |  |   |                                      |  |        |
| ICT technology, implementation and workstream development | 298,585                          | 320,540  | 21,000                                       | -   | 640,125                              | 615,750  | Note 1 |
| ICT workstation costs and infrastructure                  | 185,960                          | 74,558   | -  | -   | 260,518                              | 276,000  | Note 2 |
| Training and Accommodation                                | 93,961                           | 53,745   | -  | -   | 147,706                              | 128,000  | Note 3 |
| Implementation and design of the future operating model   | 186,794                          | 960  | 2,500  | -   | 190,254                              | 175,000  | Note 4 |
| Redundancy and Pension Strain costs                       | 1,481,957                        | 208,395  | 5,000  | 940,000   | 2,635,352                            | 2,702,000  | Note 5 |
| Contingency   | 0                                | 145,462  | 15,000                                       | -   | 160,462                              | 175,000  | Note 6 |
| <b>Capital Expenditure</b>                                |                                  |  |  |   |                                      |  |        |
| Accommodation   | 338,310                          | 126,131  | -  | -   | 464,441                              | 450,000  | Note 7 |
| ICT Software  | 92,250                           | -  | -  | -   | 92,250                               | 92,250   | Note 8 |
| <b>TOTAL</b>  | <b>2,677,817</b>                 | <b>929,791</b>                                       | <b>43,500</b>                                | <b>940,000</b>  | <b>4,591,108</b>                     | <b>4,614,000</b>   |        |

**Summary -** Apart from the pension strain costs which will be paid out in future financial years, the majority of the T18 expenditure (one-off investment costs) is predicted to have happened by the end of the financial year 2015-16. The table above shows that the predicted final spend (£4.591 million) is £23,000 less than the budget of £4.614 million.

**Note 1** - ICT technology, implementation, workstream development and project management costs – These are the contract payments to the IT supplier for delivering the IT system and project management costs. These are predicted to be slightly over budget by £24,000 (3.9%\*), mainly due to project management costs.

**Note 2** - ICT workstation costs and infrastructure – This is predicted to be under budget by £16,000 as the majority of workstations and infrastructure have now been purchased.

**Note 3** – Training and Accommodation – The original budget was set based on the training of all staff being provided by an external supplier. By looking at the systems that needed training on, an early decision was made to carry out more of the training in-house using a ‘train the trainer’ type approach rather than train all staff. This budget is forecast to be overspent by £20,000.

**Note 4** - Implementation and design of the future operating model – The work with IESE has now been completed and the only remaining payment forecast is £2,500 for the Phase 2 recruitment exercise. This budget is predicted to be overspent by £15,000.

**Note 5** – Redundancy and Pension Strain costs – This was the area of the budget which was the most difficult to predict. However the majority of the phases within the Transformation Programme have now gone live so the Council now has certainty of the majority of these costs. These were accrued for in the Accounts for 2014-15 and are reflected within the £1.49 million cost figure for 2014-15. In addition to this, an estimate has been made of the potential redundancy and pension strain costs arising from later Phases. There are future years’ payments predicted of £940,000.

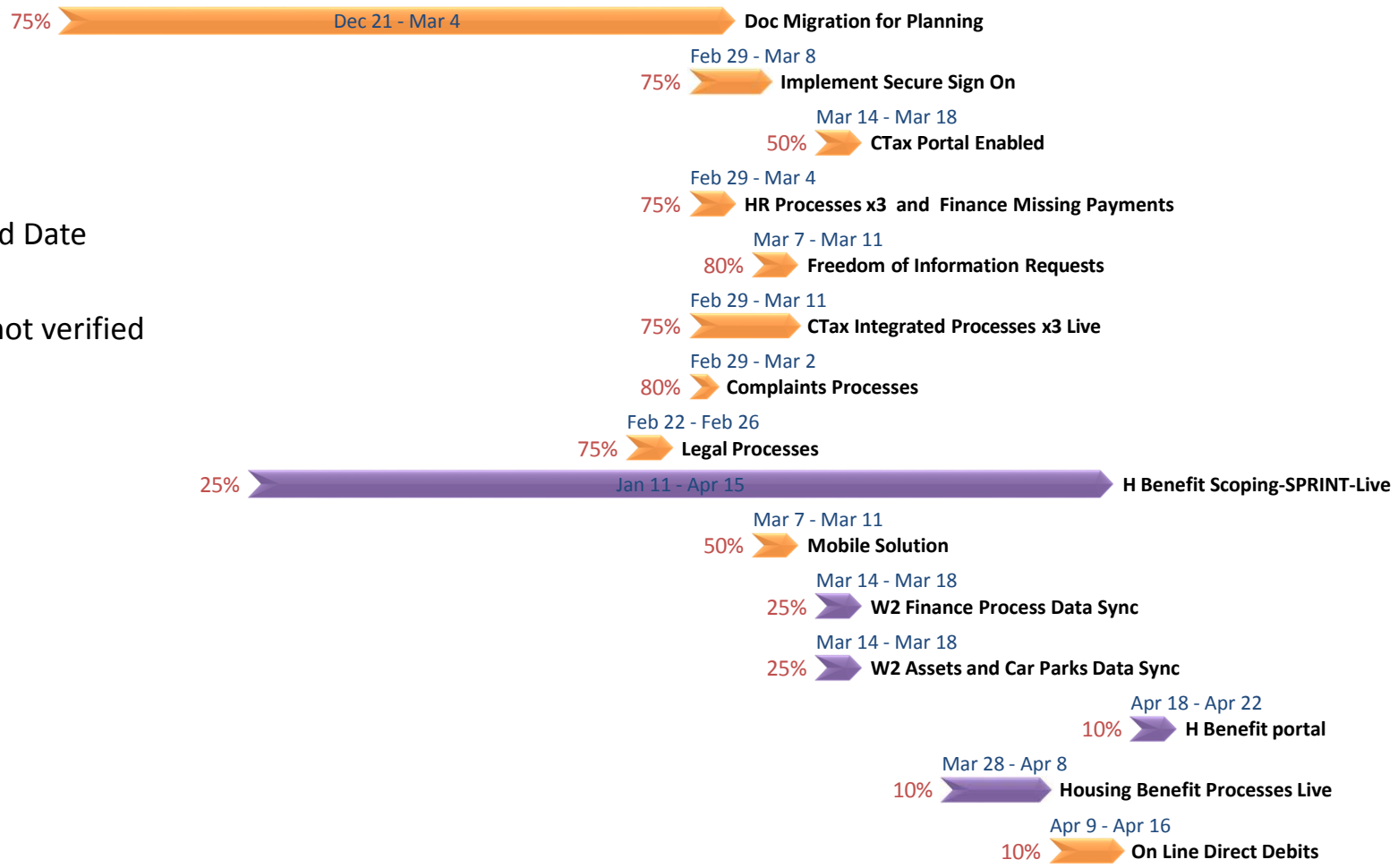
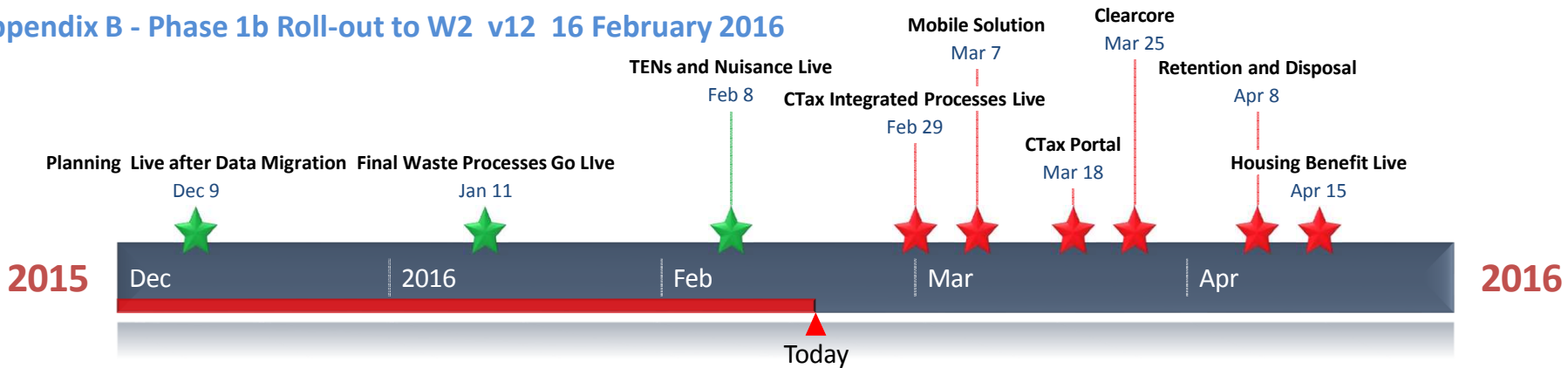
**Note 6** – Contingency – The contingency budget is predicted to be utilised on transition costs of the Transformation Programme.



**Note 7** – Accommodation (Follaton) – The accommodation budget is predicted to be slightly over budget by £14,000.

**Note 8** – ICT Software – This is the software element of the contract payments to the IT supplier. This is treated as capital expenditure.

\* This includes the software element of the IT contract.

# Appendix B - Phase 1b Roll-out to W2 v12 16 February 2016



 = Planned Date  
 = Dates not verified

**This page is intentionally left blank**

# Appendix C

## Jan 2016 – Activity Summary

- APP / W2 Integration issues:- some fixes resolved, remaining escalated as high priority.
- CTAX detailed plan agreed and signed off by business.
- CTAX detailed plan for annual billing needs in progress.
- CTAX process/portal testing underway.
- 80% of all documents and images migrated into live systems for both Councils.
- Mop up Waste processes 95% ready for live.
- Training and Configuration for EH and Licensing completed.
- EH / Licencing adoption of W2. Good progress and ongoing.
- Planning using new environment and some processes.
- Land Charges (spatial/textual data convert) in progress.
- Governance, agreed burn and detail plan – on track.
- Initial training and configuration for Land Charges completed.
- GIS Server built. Layering work on track. System available for Teraquest outsourcing.

# Feb 2016 – Activity Summary

- Full text search delivered by Civica. Tested and approved for Live.
- Document migration completed for planning.
- End-to-end testing completed for CTax portal.
- Work with Planning to increase key process usage with W2.
- Implement Land charges into W2/APP.
- Corporate processes in live environment and adopted.
- All 'release ready' (70) processes active.
- Civica Mobile on track to go live.
- Clear Core and golden thread provisioning on track.
- Housing Advice and Benefits Requirements capture, SPRINT and build underway.
- Activities for smooth transition to BAU underway (W2 and APP).
- Super User and System Admin training with Civica booked and underway (W2 and APP).

# Agenda Item 8

Report to: **Executive**

Date: **10 March 2016**

Title: **2016/17 Treasury Management Strategy**

Portfolio Area: **Support Services – Councillor S Wright**

Wards Affected: **All**

Relevant Scrutiny Committee:

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

Date next steps can be taken:  
(e.g. referral on of recommendation or implementation of substantive decision)

Authors: Lisa Buckle Role: **Finance Community of Practice Lead**  
David Bennett **Specialist Accountant**

Contact: **Email [Lisa.buckle@swdevon.gov.uk](mailto:Lisa.buckle@swdevon.gov.uk) 01803 861413**

---

**Recommendations:** That the Executive resolves to :-  
Recommend to Council approval of the following:

1. The prudential indicators and limits for 2016/17 to 2018/19 contained within Appendix A of the report.
2. The Treasury Management Strategy 2016/17 and the treasury prudential indicators 2016/17 to 2018/19 contained within Appendix B.
3. The Investment Strategy 2016/17 Appendix C and the detailed criteria included in Appendix D.

## **1. Executive summary**

This report seeks approval of the proposed Treasury Management and Investment Strategies together with their associated prudential indicators.

Good financial management and administration underpins the entire strategy. The budget for investment income for 2016/17 has been set at £148,000. This is an increase of 25k from 15/16. To help achieve this we are recommending increasing the Counter party limit to £6 million per counter party with £7 million in Lloyds to allow for daily movements in day to day banking and avoid overdraft charges. There has been a few occasions that due to the current monetary limits and limited amount of counter party's we can use that cash has been invested with Debt Management Office (DMO is government backed) where interest rate is only 0.25% compared to an average rate of 0.57% we have achieved on other investments so far this year

## **2. Background**

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

CIPFA defines treasury management as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

### **2.1 Reporting requirements**

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.



Prudential and treasury indicators and treasury strategy (this report) -  
The first, and most important report covers:

- The capital plans (including prudential indicators);
- A minimum revenue provision (MRP) policy (this is not applicable to the Council as the Council is debt-free);
- The treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- An investment strategy (the parameters on how investments are to be managed).

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny - The above reports are required to be adequately scrutinised before being recommended to the Council. The reports are presented to the executive prior to being recommended to council

## **2.2 Treasury Management Strategy for 2016/17**

The strategy for 2016/17 covers two main areas:

Capital issues

- The capital plans and the prudential indicators;

Treasury management issues

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the Council;
- Prospects for interest rates;
- Policy on borrowing in advance of need;
- The investment strategy;
- Creditworthiness policy; and
- Policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

## **2.3 Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. Treasury management training will be organised for members during 2016-17 financial year

## **2.4 Treasury management advisors**

The Council uses Capita Asset Services, Treasury solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review

## **3. Outcomes/outputs**

In 2015/16 Investment income budget was £123,000 and the Council is going to exceed this by around £25,000. However next year's budget has been increased by £25,000 to £148,000

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

In order to maximise investment returns the council need to be able to either increase our investment portfolio which could potentially mean increasing the risk factor or maintain the current list of Counter Party's but increase the limit we can invest in each to avoid using those with the lowest rate of return. The Council will continue to explore alternative investments with our treasury management advisors, for example investing in property portfolios, to determine prospective yields against relative risks. If alternative options have a good return relative to risk, a future report will be presented to Members to recommend varying the treasury management strategy.

## **5. Proposed Way Forward**

With the current economic climate still very volatile the more prudent option and the one we are recommending is to increase the Counter Party limits to £6 million per Counter party for those on our lending list and £7 million for Lloyds so we can still invest £6 million on fixed term deals with Lloyds whilst maintaining a current account balance of up to a million that is sometimes needed due to manage day to day cashflow.

## 6. Implications

| Implications                                 | Relevant to proposals Y/N | Details and proposed measures to address  |
|--|---------------------------|---|
| Legal/Governance                             | Y                         | The elements set out in paragraph 2.2 cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the CIPFA Treasury Management Code, the Department for Communities and Local Government (DCLG) Investment Guidance and the DCLG MRP Guidance.   |
| Financial                                    | Y                         | <p>Good financial management and administration underpins the entire strategy. The budget for investment income for 2016/17 is £148,000 up 25k on 2015/16.</p> <p>The unprecedented financial crisis has resulted in significant interest cuts around the world and interest rates are currently at a record low level with the bank base rate at 0.5%. This, coupled with adopting a near risk free investment strategy, has meant a significant drop in the level of investment income that supports the revenue budget.</p> <p>As at 31/3/15 (Balance Sheet position), the Council had £21,222,368 in investments. The Council's investments can fluctuate to levels between £20 - 30 million during the year due to the timing of cash flows.</p> |
| Risk   | Y                         | <p>The security risk is the risk of failure of a counterparty. The liquidity risk is that there are liquidity constraints that affect the interest rate performance. The yield risk is regarding the volatility of interest rates/inflation.</p> <p>The Council has adopted the CIPFA Code Of Practice for Treasury Management and produces an Annual Treasury Management Strategy and Investment Strategy in accordance with CIPFA guidelines.</p> <p>The Council engages a Treasury Management advisor and a prudent view is always taken regarding future interest rate movements. Investment interest income is reported quarterly to SLT and the Executive as part of budget reports</p>   |
| Comprehensive Impact Assessment Implications |                           |   |
| Equality and Diversity                       | N                         | N/a   |

|                                      |   |      |
|--------------------------------------|---|------|
| Safeguarding                         | N | N/a  |
| Community Safety, Crime and Disorder | N | N/a  |
| Health, Safety and Wellbeing         | N | N/a  |
| Other implications                   | N | none |

### **Supporting Information**

#### **Appendices:**

Appendix A - The Capital Prudential indicators 2016/17 to 2018/19.  
Appendix B - The Treasury Management Strategy 2016/17  
Appendix C - The Investment Strategy  
Appendix D - Treasury Management Practice (TMP 1) – Credit and Counterparty Risk Management  
Appendix E - Treasury Management Scheme of delegation  
Appendix F - Glossary of Terms Appendix

#### **Background Papers:**

Executive: 05/03/15 - TMS & Annual Investment Strategy 2014-15  
Executive: 10/09/15 - Annual TM Report 2014-15  
Executive: 10/12/15 - TMS (Mid Year Update)  
Executive: 10/12/15 - Capital Programme 2016-17

| <b>Process checklist</b>   | <b>Completed</b> |
|--|------------------|
| Portfolio Holder briefed   | <b>Yes</b>       |
| SLT Rep briefed  | <b>Yes</b>       |
| Relevant Exec Director sign off (draft)  | <b>Yes</b>       |
| Data protection issues considered  | <b>Yes</b>       |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>N/a</b>       |

## APPENDIX A

### THE CAPITAL PRUDENTIAL INDICATORS 2016/17 – 2018/19

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.

#### Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

| Capital expenditure<br>£m | 2014/15<br>Actual | 2015/16<br>Estimate | 2016/17<br>Estimate | 2017/18<br>Estimate | 2018/19<br>Estimate |
|---------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total</b>              | <b>3,554</b>      | <b>2,875</b>        | <b>1,765</b>        | <b>TBA</b>          | <b>TBA</b>          |

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

The Council is currently debt-free and the approved Capital Programme for 2016/17 will be financed from Capital receipts, Capital grants and Earmarked revenue reserves. The Council is not currently undertaking any new borrowing to fund its Capital Programme from 2016/17 onwards. Therefore the Council currently has a nil borrowing requirement.

| Capital expenditure<br>£m                  | 2014/15<br>Actual | 2015/16<br>Estimate | 2016/17<br>Estimate | 2017/18<br>Estimate | 2018/19<br>Estimate |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total</b>                               | <b>3,554</b>      | <b>2,875</b>        | <b>1,765</b>        | <b>TBA</b>          | <b>TBA</b>          |
| <b>Financed by:</b>                        |                   |                     |                     |                     |                     |
| Capital receipts                           | 542               | 1,501               | 300                 |                     |                     |
| Capital grants                             | 1,604             | 366                 | 366                 |                     |                     |
| Earmarked<br>Revenue Reserves              | 948               | 544                 | 635                 |                     |                     |
| New Homes Bonus                            | 460               | 464                 | 464                 |                     |                     |
| <b>Net financing<br/>need for the year</b> | <b>Nil</b>        | <b>Nil</b>          | <b>Nil</b>          |                     |                     |

### The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). It is essentially a measure of the Council's underlying need to borrow if the figure is greater than zero. The negative figure reflects the fact that the Council is debt-free and has a nil borrowing requirement.

|   | 2014/15<br>Actual<br>£000 | 2015/16<br>Estimate<br>£000 | 2016/17<br>Estimate<br>£000 | 2017/18<br>Estimate<br>£000 | 2018/19<br>Estimate<br>£000 |
|---|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Capital Financing Requirement (CFR)</b>                  |                           |                             |                             |                             |                             |
| <b>Total CFR</b>  | - 98                      | - 98                        | - 98                        | - 98                        | - 98                        |
| <b>Movement in CFR</b>                                      | Nil                       | Nil                         | Nil                         | Nil                         | Nil                         |
| <b>Net borrowing requirement (the Council is debt free)</b> | Nil                       | Nil                         | Nil                         | Nil                         | Nil                         |

### Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

#### Ratio of financing costs to net revenue stream

This indicator identifies the trend in the receipt of net investment income against the net revenue stream. It is calculated by dividing investment income and interest received by the Council's Net Budget Requirement.

|   | 2014/15<br>Actual | 2015/16<br>Estimate | 2016/17<br>Estimate | 2017/18<br>Estimate | 2018/19<br>Estimate |
|---|-------------------|---------------------|---------------------|---------------------|---------------------|
| Ratio of net investment income to net revenue stream. (Surplus) | 1.5%              | 1.4%                | 2.3%                | 2.7%                | 3.8%                |

**Estimates of the incremental impact of capital investment decisions on council tax**

This indicator calculates the notional cost of the impact of lost investment income on the Council Tax, from spending capital resources.

|   | <b>2014/15</b> | <b>2015/16</b>  | <b>2016/17</b>  | <b>2017/18</b>  | <b>2017/18</b>  |
|---|----------------|-----------------|-----------------|-----------------|-----------------|
|   | <b>Actual</b>  | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> | <b>Estimate</b> |
|   | <b>£</b>       | <b>£</b>        | <b>£</b>        | <b>£</b>        | <b>£</b>        |
| Future incremental impact of capital investment decisions on the band D Council tax (Notional cost) | 0.21           | 0.20            | 0.11            | TBA             | TBA             |

## APPENDIX B

### TREASURY MANAGEMENT STRATEGY (BORROWING)

#### Introduction

The capital expenditure plans set out in Appendix A provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

#### Treasury Indicators: Limits to borrowing activity

**The Operational Boundary** – This is the limit beyond which external debt is not normally expected to exceed. This is the maximum level of external debt for cash flow purposes.

| <b>Operational Boundary</b> | <b>2014/15<br/>Estimate<br/>£</b> | <b>2015/16<br/>Estimate<br/>£</b> | <b>2016/17<br/>Estimate<br/>£</b> | <b>2017/18<br/>Estimate<br/>£</b> |
|-----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Borrowing                   | 2,000,000                         | 2,000,000                         | 2,000,000                         | 2,000,000                         |
| Other long term liabilities | -                                 | -                                 | -                                 | -                                 |
| <b>Total</b>                | <b>2,000,000</b>                  | <b>2,000,000</b>                  | <b>2,000,000</b>                  | <b>2,000,000</b>                  |

**The Authorised Limit for External Debt** – A further key prudential indicator represents a control on the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This provides headroom over and above the operational boundary for unusual cash movements. This is the maximum amount of money that the Council could afford to borrow.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been exercised.
2. **The Council is asked to approve the following Authorised Limit:**

| <b>Authorised limit</b>     | <b>2014/15<br/>Estimate<br/>£</b> | <b>2015/16<br/>Estimate<br/>£</b> | <b>2016/17<br/>Estimate<br/>£</b> | <b>2017/18<br/>Estimate<br/>£</b> |
|-----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Borrowing                   | 7,000,000                         | 7,000,000                         | 7,000,000                         | 7,000,000                         |
| Other long term liabilities | -                                 | -                                 | -                                 | -                                 |
| <b>Total</b>                | <b>7,000,000</b>                  | <b>7,000,000</b>                  | <b>7,000,000</b>                  | <b>7,000,000</b>                  |



## Prospects for interest rates

The Council has appointed Capita Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives our central view.

|                | Mar-16 | Jun-16 | Sep-16 | Dec-16 | Mar-17 | Jun-17 | Sep-17 | Dec-17 | Mar-18 | Jun-18 | Sep-18 | Dec-18 | Mar-19 |
|----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Bank rate      | 0.50%  | 0.50%  | 0.50%  | 0.75%  | 0.75%  | 1.00%  | 1.00%  | 1.25%  | 1.25%  | 1.50%  | 1.50%  | 1.75%  | 1.75%  |
| 5yr PWLB rate  | 2.00%  | 2.10%  | 2.20%  | 2.30%  | 2.40%  | 2.50%  | 2.60%  | 2.70%  | 2.80%  | 2.90%  | 3.00%  | 3.10%  | 3.20%  |
| 10yr PWLB rate | 2.60%  | 2.70%  | 2.80%  | 2.90%  | 3.00%  | 3.10%  | 3.20%  | 3.30%  | 3.40%  | 3.50%  | 3.60%  | 3.60%  | 3.70%  |
| 25yr PWLB rate | 3.40%  | 3.40%  | 3.50%  | 3.60%  | 3.70%  | 3.70%  | 3.80%  | 3.90%  | 4.00%  | 4.00%  | 4.10%  | 4.10%  | 4.10%  |
| 50yr PWLB rate | 3.20%  | 3.20%  | 3.30%  | 3.40%  | 3.50%  | 3.60%  | 3.70%  | 3.80%  | 3.90%  | 3.90%  | 4.00%  | 4.00%  | 4.00%  |

**UK.** UK GDP growth rates in 2013 of 2.2% and 2.9% in 2014 were the strongest growth rates of any G7 country; the 2014 growth rate was also the strongest UK rate since 2006 and although the 2015 growth rate is likely to be a leading rate in the G7 again, it looks likely to disappoint previous forecasts and come in at about 2%. Quarter 1 of 2015 was weak at +0.4% (+2.9% y/y) though there was a slight increase in quarter 2 to +0.5% (+2.3% y/y) before weakening again to +0.4% (2.1% y/y) in quarter 3. The November Bank of England Inflation Report included a forecast for growth to remain around 2.5 – 2.7% over the next three years, driven mainly by strong consumer demand as the squeeze on the disposable incomes of consumers has been reversed by a recovery in wage inflation at the same time that CPI inflation has fallen to, or near to, zero since February 2015. Investment expenditure is also expected to support growth. However, since the August Inflation report was issued, most worldwide economic statistics have been weak and financial markets have been particularly volatile. The November Inflation Report flagged up particular concerns for the potential impact of these factors on the UK.

The Inflation Report was also notably subdued in respect of the forecasts for inflation; this was expected to barely get back up to the 2% target within the 2-3 year time horizon. The increase in the forecast for inflation at the three year horizon was the biggest in a decade and at the two year horizon was the biggest since February 2013. However, the first round of falls in oil, gas and food prices over late 2014 and also in the first half 2015, will fall out of the 12 month calculation of CPI during late 2015 / early 2016 but a second, more recent round of falls in fuel and commodity prices will delay a significant tick up in inflation from around zero: this is now expected to get back to around 1% by the end of 2016 and not get to near 2% until the second half of 2017, though the forecasts in the Report itself were for an even slower rate of increase. However, more falls in the price of oil and imports from emerging countries in early 2016 will further delay the pick up in inflation. There is therefore considerable uncertainty around how quickly pay and CPI inflation will rise in the next few years and this makes

it difficult to forecast when the MPC will decide to make a start on increasing Bank Rate.

The weakening of UK GDP growth during 2015 and the deterioration of prospects in the international scene, especially for emerging market countries, have consequently led to forecasts for when the first increase in Bank Rate would occur being pushed back to quarter 4 of 2016. There is downside risk to this forecast i.e. it could be pushed further back.

### **Borrowing Strategy**

The Council is currently debt-free and the approved Capital Programme for 2016/17 is being financed from capital receipts, capital grants and Earmarked reserves. Any opportunities to undertake prudential borrowing in the future will be assessed on a business case basis in the light of emerging priorities and resource availability.

### **Treasury management limits on activity**

There are two related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs/improve performance. The indicators are:

- Upper limits on fixed interest rate exposure – This covers a maximum limit on fixed interest rates.
- Upper limits on variable interest rate exposure – This covers a maximum limit for variable interest rates.

***The Council is asked to approve the following treasury indicators and limits:***

|  | <b>2016/17</b> | <b>2017/18</b> | <b>2018/19</b> |
|--|----------------|----------------|----------------|
| <b>Interest rate Exposures</b>   |                |                |                |
|  | <b>Upper</b>   | <b>Upper</b>   | <b>Upper</b>   |
| <b>Upper limit for fixed interest rate exposure</b><br>Net principal re fixed rate investments       | 100%           | 100%           | 100%           |
| <b>Upper limit for variable interest rate exposure</b><br>Net principal re variable rate investments | 50%            | 50%            | 50%            |

### **Policy On Borrowing In Advance Of Need**

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

### **Investment policy**

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectorial Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in appendix D under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

### **Creditworthiness policy**

This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands

- Yellow 5 years \*
- Dark pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- Light pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

*\* Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt –see appendix D.*

The Capita Asset Services' creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services' creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Capita Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to help support its decision making process.

**Country and sector limits**

The Council has determined that it will only use UK registered banks or Building Societies

**Investment strategy**

**In-house funds.** Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

**Investment returns expectations.** Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 4 of 2016. Bank Rate forecasts for financial year ends (March) are:

- 2016/17 0.75%
- 2017/18 1.25%
- 2018/19 1.75%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year are as follows:

- 2016/17 0.60%
- 2017/18 1.25%
- 2018/19 1.75%

The overall balance of risks to these forecasts is currently to the downside (i.e. start of increases in Bank Rate occurs later). However, should the pace of growth quicken and / or forecasts for increases in inflation rise, there could be an upside risk.

**Investment treasury indicator and limit** - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

| <b>Maximum principal sums invested &gt; 364 days</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>£m</b>  | <b>2016/17</b> | <b>2017/18</b> | <b>2018/19</b> |
| Principal sums invested > 364 days                   | £6m            | £6m            | £6m            |

### **Icelandic bank investments**

The Council placed a deposit of £1,250,000 on 25th September 2008 with the Heritable Bank which is a subsidiary of Landsbanki, one of the Icelandic Banks that was affected by the world economic crisis. Of this amount £1,227,517 (98%) has already been repaid to the Council by the Administrators. As at today, the Council has £22,483 frozen in the Heritable Bank.

At the time the deposit was placed, the risk rating of Heritable was 'A' (long term deposits) and F1 (short term deposits). Both ratings indicated low risk and were within the deposit policy approved by the Council. Heritable Bank is registered in Scotland with an address in Edinburgh. Heritable Bank Plc is authorised and regulated by the Financial Services Authority and is on the FSA Register. The bank's shares are owned by Icelandic bank, Landsbanki.

Administrators have kept the bank trading and are winding down the business over a period of years. The Administrators have paid fifteen dividends amounting to 98% of the original deposit. The Council has recently received a letter from the administrators advising that they intend to make a Final dividend to be declared and paid in 2016-17. The administrators estimate that the return to all unsecured creditors is now between 98-100 pence in the pound.

### **End of year investment report**

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

**Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management**

**Specified investments** – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year’s duration.
3. A local authority
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency.
5. A body that is considered of a high credit quality (such as a bank or building society)

**Non-specified investments:** These are any investments which do not meet the Specified Investment criteria. **A nil amount will be held in aggregate in non-specified investment**

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories. The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

|   | <b>Minimum credit criteria / colour band</b> | <b>Max % of total investments / £ limit per institution</b> | <b>Max. maturity period</b> |
|---|--|---|-----------------------------|
| DMADF – UK Government                           | N/A  | 100%  | 6 months                    |
| Money market funds                              | AAA  | £6 million  | Liquid                      |
| Local authorities                               | N/A  | £6 million  | 5 years                     |
| Term deposits with banks and building societies | Yellow                                       | £6 million (£7 million for Lloyds plc – see note)           | Up to 5 years               |
|   | Purple                                       |   | Up to 2 years               |
|   | Blue   |   | Up to 1 Year                |
|   | Orange                                       |   | Up to 1 Year                |



|  |           |    |                  |
|--|-----------|----|------------------|
|  | Red       |    | Up to 6 months   |
|  | Green     |    | Up to 100 days   |
|  | No Colour |    | Not for use      |
| <p><b>The Council is not recommending using the following investment vehicles and this is reflected by showing 0% against the limit per institution.</b></p> |           |    |                  |
| UK Government gilts  | AAA       | 0% | Yellow (5 years) |
| UK Government Treasury bills   | AAA       | 0% | 6 months         |
| Bonds issued by multilateral development banks   | AAA       | 0% | Yellow (5 years) |
| CDs or corporate bonds with banks and building societies   | Yellow    | 0% | Up to 5 years    |
|  | Purple    |    | Up to 2 years    |
|  | Blue      |    | Up to 1 year     |
|  | Orange    |    | Up to 1 year     |
|  | Red       |    | Up to 6 months   |
|  | Green     |    | Up to 100 days   |
|  | No colour |    | Not for use      |

## SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' rating criteria where applicable

|  | Minimum 'High' Credit Criteria | Use      |
|--|--------------------------------|----------|
| Debt Management Agency Deposit Facility      | -                              | In-house |
| Term deposits – local authorities            | -                              | In-house |
| Term deposits – banks and building societies | Green                          | In-house |

Term deposits with nationalised banks and banks and building societies

|                                  | Minimum Credit Criteria | Use      | Max % of total investments | Max. maturity period |
|----------------------------------|-------------------------|----------|----------------------------|----------------------|
| Lloyds Bank plc*                 | Blue                    | In-house | £7 million                 | Up to 1 year         |
| Other UK part nationalised banks | Blue                    | In-house | £6 million                 | Up to 1 year         |

*\*As Members are aware, the council changed banks in Jan2015 from the Co-op to Lloyds Bank. Council agreed that it would be prudent to increase this limit from £5 million to £6 million specifically for Lloyds Bank in order to facilitate the effective management of daily cash flows. We are now recommending to increase to 6 million per Counter party and £7 million for Lloyds*

| Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): - |            |          |
|--|------------|----------|
| 1. Government Liquidity Funds  | MMF Rating | In-house |
| 2. Money Market Funds  | MMF Rating | In-house |

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

## A Guide to Money Market Funds

|                           |   |
|---------------------------|---|
| <b>Definition</b>         | A pool of cash managed by an independent fund management company. Frequently these are well known banks or investment houses  |
| <b>Investment</b>         | Investors purchase units (shares) of the fund which are held on their behalf in a custody account.  |
| <b>Returns</b>            | Returns in line with either 7-day or 1-month LIBID are targeted by most funds.  |
| <b>Liquidity</b>          | The funds are very liquid. Shares can be purchased and sold on the same day if necessary and without penalty. Deals are subject to a cut-off time which varies from manager to manager but can be as late as 2pm.   |
| <b>Variety</b>            | Two types of classes exist – <ol style="list-style-type: none"> <li>1) Stable Net Asset Value (SNAV) – the most common variety. Prices are fixed and interest is credited to investors in the form of a dividend.</li> <li>2) Accumulating Net Asset Value (ANAV) – interest is credited to the shares and the price rises to reflect the return achieved.</li> </ol> |
| <b>Accounting</b>         | Purchases of MMF shares do not score as capital expenditure. Sales do not score as capital receipts.  |
| <b>Legality</b>           | Local authorities are permitted to invest in sterling denominated funds with an AAA credit rating and domiciled in the EU.  |
| <b>Regulation</b>         | UK-based Funds are regulated by the Financial Services Authority.<br>Those domiciled in other EU zones (the majority) are regulated via the Undertakings for Collective Investment in Transferable Securities (UCITS) Code. The Code lays down strict common standards of investment and management.  |
| <b>Portfolio holdings</b> | Cash is invested in a selection of high quality, high liquidity securities including: time deposits, certificates of deposit, short-dated gilts, corporate bonds and notes, commercial paper etc.   |
| <b>Credit rating</b>      | Local authorities are empowered to place funds in investment schemes with a high credit rating. Money Market Funds fall into this category and are all rated by one or more of the three rating agencies. Credit Quality  |

|                               |  |
|-------------------------------|--|
| <p><b>Risk management</b></p> | <p>- measures the financial strength of the fund (not the manager) and the probability of it defaulting.</p> <p>The funds eligible for local authority investment score highly on credit quality and low volatility. All have an AAA rating which means that the chances of default are considered minimal.</p> <p>1) Rating requirements – in order to maintain an AAA rating fund managers must adhere to requirements specified by the rating agencies. These include:</p> <ul style="list-style-type: none"> <li>• A maximum exposure to any one counterparty (concentration ratio) between 5% &amp; 10%</li> <li>• A maximum weighted average maturity (WAM) for the entire fund – typically 60 days</li> <li>• A minimum level of overnight investments to ensure high liquidity</li> <li>• A lower limit on quality of investment counterparty</li> </ul> <p>2) Ring fencing – monies received from share purchases are invested in financial instruments by the managing organisation. Deposits/security investments are held in custody by a non-related company that specialises in custody services. Counterparty exposure of the fund (and of the investor) is to the underlying securities and not to the management company.</p> |
| <p><b>Exposure limits</b></p> | <p>In view of the funds’ low concentration ratios; quality of asset holdings; maximum WAM and ring-fencing arrangements, counterparty risk is spread widely. MMFs possess the same status as external fund managers operating cash/gilt funds for local authorities. They should have their own counterparty limit which can be considerably greater than that accorded to individual investment counterparties.</p>   |

**Treasury Management Scheme of Delegation**

**Full Council:**

- Receiving and reviewing reports on treasury management policies, practices and activities
- Approval of annual strategy
- Approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- Budget consideration and approval
- Approval of the division of responsibilities
- Receiving and reviewing regular monitoring reports and acting on the recommendations
- Approving the selection of external service providers and agreeing terms of appointment

**The treasury management role of the Section 151 Officer:**

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- Submitting regular treasury management policy reports
- Submitting budgets and budget variations
- Receiving and reviewing management information reports
- Reviewing the performance of the treasury management function
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers
- To ensure that members with responsibility for treasury management receive adequate training in treasury management.
- To review the training needs of treasury management officers periodically

**GLOSSARY OF TERMS**

**Basis Point**

1/100<sup>th</sup> of 1%, i.e., 0.01%

**Base Rate**

Minimum lending rate of a bank or financial institution in the UK

**Benchmark**

A measure against which the investment policy or performance of a fund manager can be compared

**Bill of Exchange**

A financial instrument financing trade

**Callable Deposit**

A deposit placed with a bank or building society at a set rate for a set amount of time. However, the borrower has the right to repay the funds on pre-agreed dates, before maturity. This decision is based on how market rates have moved since the deal was agreed. If rates have fallen, the likelihood of the deposit being repaid rises, as cheaper money can be found by the borrower

**Cash Fund Management**

Fund management is the management of an investment portfolio of cash on behalf of a private client or an institution, the receipts and distribution of dividends and interest, and all other administrative work in connection with the portfolio

**Certificate of Deposit (CD)**

Evidence of a deposit with a specified bank or building society repayable on a fixed date. They are negotiable instruments and have a secondary market; therefore the holder of a CD is able to sell it to a third party before the maturity of the CD

**Commercial Paper**

Short-term obligations with maturities ranging from 2 to 270 days issued by banks, corporations and other borrowers. Such instruments are unsecured and usually discounted, although some may be interest bearing

**Corporate Bond**

Strictly speaking, corporate bonds are those issued by companies. However, the term is used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies

**Counterparty**

Another (or the other) party to an agreement or other market contract (e.g., lender/ borrower/writer of a swap, etc)

**CPI**

Consumer Price Index – calculated by collecting and comparing prices of a set basket of goods and services as bought by a typical consumer, at regular intervals over time.

**CDS**

Credit Default Swap – a swap designed to transfer the credit exposure of fixed income products between parties. The buyer of a credit swap receives credit protection, whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the swap

**Derivative**

A contract whose value is based on the performance of an underlying financial asset, index or other investment, e.g., an option is a derivative because its value changes in relation to the performance of an underlying stock.

**DMADF**

Deposit Account offered by the Debt Management office, guaranteed by the UK government

**ECB**

European Central Bank – sets the central interest rates in the EMU area. The ECB determines the targets itself for its interest rate setting policy; this is to keep inflation within a band of 0 to 2%. It does not accept that monetary policy is to be used to manage fluctuations in unemployment and growth caused by the business cycle

**EMU**

European Monetary Union

**Equity**

A share in a company with a limited liability. It generally enables the holder to share in the profitability of the company through dividend payments and capital gain

**Fed.**

Federal Reserve Bank of America – sets the central rates in the USA

**Floating Rate Notes**

Bonds on which the rate of interest is established periodically with reference to short-term interest rates

**Forward Deal**

The act of agreeing today to deposit funds with an institution for an agreed time limit, on an agreed future date, at an agreed date

**Forward Deposits**

Same as forward dealing (above)

**FSA (Financial Services Authority)**

Body responsible for overseeing financial services

**Fiscal Policy**

The Government policy on taxation and welfare payments

**Gilt**

Registered British Government securities giving the investor an absolute commitment from the government to honour the debt that those securities represent

**Gilt Funds**

Pooled fund investing in bonds guaranteed by the UK government

**Money Market Fund (MMF)**

A well rated, highly diversified pooled investment vehicle whose assets mainly comprise of short term instruments. It is very similar to a unit trust, however in a MMF

**Monetary Policy Committee (MPC)**

Government body that sets the bank rate (commonly referred to as being base rate). Their primary target is to keep inflation within plus or minus 1% of a central target of 2.5% in two year's time from the date of the monthly meeting of the Committee. Their secondary target is to support the Government in maintaining high and stable levels of growth and employment

**Open Ended Investment Companies**

A well diversified pooled investment vehicle, with a single purchase price, rather than a bid/offer spread

**Other Bond Funds**

Pooled funds investing in a wide range of bonds

**Reverse Gilt Repo**

This is a transaction as seen from the point of view of the party which is buying the gifts. In this case, one party buys gifts from the other and, at the same time and as part of the same transaction, commits to resell equivalent gifts on a specified future date, or at call, at a specified price

**Retail Price Index (RPI)**

Measurement of the monthly change in the average level of prices at the retail level weighted by the average expenditure pattern of the average person



**Sovereign Issues (Ex UK Gilts)**

Bonds issued or guaranteed by nation states, but excluding UK government bonds

**Supranational Bonds**

Bonds issued by supranational bodies, e.g., European investment bank. These bonds – also known as Multilateral Development Bank bonds – are generally AAA rated and behave similarly to gilts, but pay a higher yield (“spread”) given their relative illiquidity when compared with gilts

**Term Deposit**

A deposit held in a financial institution for a fixed term at a fixed rate

**Treasury Bill**

Treasury bills are short term debt instruments issued by the UK or other governments. They provide a return to the investor by virtue of being issued at a discount to their final redemption value

**WARoR**

Weighted Average Rate of Return is the average annualised rate of return weighted by the principal amount in each rate

**WAM**

Weighted Average Time to Maturity is the average time, in days, till the portfolio matures, weighted by principal amount

**WATT**

Weighted Average Total Time is the average time, in days, that deposits are lent out for, weighted by principal amount

**This page is intentionally left blank**

# Agenda Item 9

Report to: **Executive**  
Date: **10 March 2016**  
Title: **Revenue Budget Monitoring 2015/2016**  
Portfolio Area: **Support Services – Cllr S Wright**  
Wards Affected: **All**  
Relevant Scrutiny Committee: **Overview and Scrutiny Panel**

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

Author: **Pauline Henstock** Role: **Finance Business Partner**

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

---

## **Recommendations:**

That the Executive resolves to :-

Note the forecast income and expenditure variations for the 2015/16 financial year and the overall projected overspend of £45,000 (0.5% of the total Budget £8.839 million).

## **1. Executive summary**

1.1 This report enables Members to monitor income and expenditure variations against the approved budget for 2015/16, and provides a forecast for the year end position.

1.2 The gross service expenditure budget for 2015/16 was set at £42 million (£8.839 million net). **Actual net revenue expenditure is forecast to be over budget by £45,000 when compared against the total budget set for 2015/16.** This equates to 0.5% of the overall net budget. (The previous revenue budget monitoring position reported in December 2015 was a projected overspend of £70,000.)

1.3 The £45,000 could be met by unearmarked (general fund) revenue reserves and would reduce the balance on the reserve from £1.741 million (at 31/3/15) to £1.696 million (at 31/3/16) as shown in Appendix A.

## 2. Background

2.1 The Council's financial procedure rules require that reports must be made on budget monitoring on a regular basis to the Executive as part of the Council's arrangements for budget management.

## 3. Outcomes/outputs

### 3.1 Budget overview

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

**TABLE 1: 2015/16 BUDGET FORECAST**

|  | <b>2015/16<br/>Budget<br/>expenditure<br/>/(income)<br/>£000</b> | <b>Budget<br/>variations<br/>increase/<br/>(decrease)<br/>£000</b> | <b>£000</b>  | <b>Note</b> |
|--|--|--|--------------|-------------|
| <b>APPROVED BUDGET</b>                                     |  |  | <b>8,839</b> |             |
| <b>Reductions in<br/>expenditure/additional<br/>income</b> |  |  |              |             |
| Planning Applications (income)                             | (700)  | (180)  |              | A           |
| Local Land Charges property<br>search new burdens grant    | -  | (95)   |              | B           |
| Land and Investment<br>Properties – Easement Income        | -  | (85)   |              | C           |
| Heritable dividend   | -  | (50)   |              | D           |
| Housing Benefit recoveries                                 | (175)  | (50)   |              | E           |
| Homelessness Prevention                                    | 83   | (35)   |              | F           |
| Elections income   | -  | (25)   |              | G           |
| Investment income  | (123)  | (25)   |              | H           |
| Employment Estates income                                  | (1,342)  | (30)   |              | I           |
| Staff travel expenses                                      | 184  | (30)   |              | J           |
| Private Sector Housing<br>Renewal – professional fees      | 16   | (15)   |              | K           |
| Members' allowances and<br>travel expenses                 | 287  | (55)   |              | L           |
| Small underspends  | -  | (20)   |              | M           |
| <b>Sub total of variations</b>                             |  |  | <b>(695)</b> |             |

|  |         |       |              |     |
|--|---------|-------|--------------|-----|
| <b>Increases in expenditure/reductions in income</b>   |         |       |              |     |
| T18 Transition costs (Temporary short term staffing and agency costs) within Environmental Services, Customer First and Support Services | 6,115   | 205   |              | N   |
| Vacancy provision of £100,000 not met in 15/16   |         | 100   |              |     |
| Trade Waste  | 359     | 160   |              | O   |
| Recycling income   | (925)   | 160   |              | P   |
| Environmental Services – Manual workers’ salary costs  | 2,100   | 100   |              | Q   |
| Dartmouth Lower Ferry income   | (907)   | 80    |              | R   |
| Follaton House   | (231)   | 90    |              | S   |
| Waste Transfer Station   | 147     | 50    |              | T   |
| Car Parks Income   | (2,922) | 30    |              | U   |
| Planning legal fees  | 4       | 30    |              | V   |
| Licensing income   | (230)   | 30    |              | W   |
| Pannier Markets income   | (120)   | 10    |              | X   |
| <b>Sub total of variations</b>   |         |       | <b>1,045</b> |     |
| <b>Financing: Funding from Earmarked Reserves</b>  |         |       |              |     |
| Strategic Issues Reserve   | n/a     | (50)  |              | 4.2 |
| Planning Policy and Major Development Reserve  | n/a     | (150) |              | 4.2 |
| T18 Investment Reserve   | n/a     | (55)  |              | 4.2 |
| Print Room Equipment Reserve   |         | (50)  |              | 4.2 |
| <b>Sub total of funding from Earmarked Reserves</b>  |         |       | <b>(305)</b> |     |
| <b>PROJECTED OUTTURN</b>   |         |       | <b>8,884</b> |     |
| <b>PROJECTED OVERSPEND (Net impact on the Comprehensive Income and Expenditure account for 2015-16)</b>                                  |         |       | <b>45</b>    |     |

## Notes

- A. **Planning** – There is predicted to be additional income from planning applications of £180,000 (in excess of the budget of £700,000), mainly due to a number of large applications for renewable energy.
- B. **Local Land Charges** – A new burdens grant for Local Land Charges has been received from the Government of just over £95,000. This is a reimbursement from the Government for the costs of the national legal case regarding Land Charges. As the Council funded this cost in the 2014-15 financial year, the timing difference on this new burdens grant being received means that this is additional income in 2015-16 as the costs have been previously financed.
- C. **Land & Investment Properties** – Unbudgeted income in the sum of £85,000 has been received this financial year. This income is made up of one off receipts in respect of easements over Council land.
- D. **Heritable Dividend** – The Council placed a deposit of £1,250,000 on 25th September 2008 with the Heritable Bank which is a subsidiary of Landsbanki, one of the Icelandic Banks that were affected by the world economic crisis. Of this amount £1,177,632 (94%) has already been repaid to the Council by the Administrators. On 7 September 2015 the Council received a further dividend of £49,885 (increasing the amount recovered to 98%). In 2013/14 the balance remaining was impaired (written out of the Balance Sheet), therefore this extra dividend of £49,885 is additional income for 2015/16.
- E. **Housing Benefit recovery of overpayments** – Additional income of £50,000 from the recovery of overpayments is predicted (budgeted expenditure for Housing Benefit in 2015/16 is £21 million).
- F. **Homelessness Prevention** – The Council receives a Government grant towards the costs of homelessness prevention. The Council has predominantly funded homelessness costs through the Local Welfare Support Grant which has reduced the amount spent against the Government grant. £25,000 is requested to be set aside in an Earmarked Reserve for homelessness to cover additional costs in the winter months. The balance of £35,000 will be additional income for 2015-16 as shown in Section 3.1.
- G. **Elections income** – Grant income of £25,000 for the 2014-15 European election grant claim which will be received in 2015-16 and for which the costs have already been incurred in 2014-15.
- H. **Investment income** – The Council has secured a better rate for Money Market Fund investments that are used to manage day to day cashflows, and improved the use of fixed term deals with the

Banks available to lend to on the Council's current agreed Counterparty list. An additional income of £25,000 is expected.

- I. **Employment Estates income** – There is predicted to be additional income in the region of £30,000 mainly in respect of boat launch fees, landing charges and rents.
- J. **Staff travel expenses** – it is anticipated that there will be a saving on staff travel of £30,000. The more flexible way of working has encouraged staff to only make a journey where it is absolutely necessary, making use of new technology and car sharing wherever possible.
- K. **Private Sector Housing Renewal – professional fees** – only a small element of the budget has been required in 2015/16 leading to a projected underspend of £15,000.
- L. **Members' allowances and travel expenses** – In May 2015 the number of Members reduced from 40 to 31 resulting in a saving on Member Allowances and travel expenses.
- M. **Small underspends** – A total of £20,000 of small underspends has been identified.
- N. **Transition costs for the Transformation Programme and the Vacancy Provision not being met**

There have been short term temporary transition (staffing and agency) costs within Environmental Services, Customer First and Support Services, totalling £205,000. In addition, the budget for the vacancy provision of £100,000 in 15/16 has not been met due to the transformation programme, as staff have been newly appointed into posts.

**Environmental Services** – There have been overtime costs for various services within Environmental Services. This has allowed the Council to continue to provide front line services at non-reduced levels throughout the period of the transformation programme.

**Customer First** - Temporary resources are being used to backfill positions within planning.

Part of the additional costs have arisen due to the additional workload and the additional income of £180,000 which the planning service has brought in (see A). Some of the costs have also arisen due to this being a transition cost for the service of migrating from the old planning system to the new planning system (W2).

**Support Services** - There are additional staffing and agency costs within Support Services. This is mainly for T18 transition costs for legal, finance and service processing where temporary resources are currently being used in support services until the full functionality of the new workflow system (W2) can be utilised by Support Services.

O. **Trade Waste** – This reflects the increase in disposal costs and tipping charges, which occurred after the fees and charges for the service were set. There have also been legislative changes adversely affecting the service. Therefore Trade Waste is currently projected to be £160,000 overspent in 2015/16. A review of the fees and charges of the service is being carried out for the 2016/17 financial year.

P. **Recycling Income** – A proportion of the strategic waste review savings were linked to recycling income increases. Members should be aware that prices were based on the recycling market prices indexes at the time of the service review. In the interim period, the market has changed significantly due to external factors, including the closure of a major paper mill and a change in oil prices. Our material prices are tracked according to market values, so these may increase but they are currently producing a lower yield than that profiled in the market at the time of the waste review. It is projected that recycling income will be £160,000 (17%) under the budgeted income target of £925,000.

Q. **Environmental Services – manual workers’ salary costs** – It is projected that manual staffing and agency costs for waste and recycling, street and beach cleaning and public conveniences will be overspent by £100,000 (4.8%) against the budget of £2.1 million. This has been for the following reasons:-

Costs to cover long term sickness and holiday within the manual workforce.

The conversion to a living wage, which has included a bonus consolidation for the manual workforce.

It has been necessary to increase agency drivers’ rates. This increase has been linked to national pricing pressures due to the increasing number of driving posts available in the marketplace due to the increase in internet shopping/supermarket delivery.



There has been a need to use, on occasion, permanent manual labour to support the operational management of the service delivery during the transition period of the transformation programme.

- R. **Dartmouth Lower Ferry-** Members will recall that the Ferry was out of action until 20<sup>th</sup> May 2013 for essential slipway maintenance (Minute E.15/12 refers). The indications are that not all the business lost during this period has returned and a shortfall in income of £80,000 (9%) is forecast (budgeted income for 2015-16 is £907,000).
  
- S. **Follaton House** – The Follaton House budget is projected to be £90,000 overspent due to two main factors. In the T18 Business Case it was anticipated that there would be £60,000 of reduced running costs at Follaton House due to agile working, smarter use of energy and utilities and the workforce occupying less space. These savings have not yet been realised to this extent, although work has commenced on re-procuring some of the utilities costs. In addition, it was anticipated that the letting income for Follaton House could be increased by £50,000 in 15/16. There have been delays in tenants moving in so only around £20,000 additional rent will be received in this financial year.
  
- T. **Waste Transfer station** - Haulage of organic and residual waste from both Torbay Transfer station and Torr Quarry Transfer Station to Heathfield IVC and MVV continue to rise causing a cost pressure of £50,000.
  
- U. **Car parks** - Car parking income is anticipated to be below its income target by £30,000 (1%) on an income budget of £2.9 million. The Council has been addressing budget under-performances through a realignment exercise over a period of time. The income target from car parking was reduced by £50,000 per annum for 2014/15, 2015/16 and 2016/17.
  
- V. **Planning legal fees** – There have been legal fees for planning of £30,000 in 2015/16.
  
- W. **Licensing income** - Export of live crabs to China requires an export certificate issued by the Council. A fee is charged for this certificate. Due to reasons beyond the control of the Council, this trade has now ceased. This £30,000 cost pressure has been built in to the 2016/17 Budget. The Council is hopeful that this trade will resume but are unable to predict when this may happen.
  
- X. **Pannier Markets** – A shortfall in income of £10,000 is anticipated.

#### 4. Review of Earmarked Reserves

- 4.1 The Council annually undertakes a review of the level of its Earmarked Reserves. A schedule of Earmarked Reserves is attached at Appendix A with their proposed use.
- 4.2 In February 2016, Council approved the use of £50,000 from the Strategic Issues Reserve, £150,000 from the Planning Policy and Major Developments Reserve and £55,000 from the T18 Investment Reserve to fund T18 transition costs, the vacancy provision which has not been met and the planning legal fees.

#### 5. Prudential Indicators

- 5.1 The prudential code indicators were approved in the Treasury Management Strategy report to the Executive on 5 March 2015. The indicators are monitored during the year through the normal revenue and capital monitoring processes. Any exceptions are reported to the Executive together with any remedial action or revision required. To date all Treasury Management limits have been adhered to.

#### 6. Income and Reserves

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

| <b>Service</b>           | <b>Actual<br/>Income<br/>2014/15<br/>£'000</b> | <b>Income<br/>Budget<br/>2015/16<br/>£'000</b> | <b>Projected<br/>Income<br/>2015/16<br/>£'000</b> | <b>Deficit/<br/>(Surplus)<br/>£'000</b> | <b>Deficit/<br/>(Surplus)<br/>%</b> |
|--------------------------|--|--|---|---|-------------------------------------|
| Car Parks                | 2,978  | 2,922  | 2,892   | 30                                      | 1.0%                                |
| Dartmouth<br>Ferry       | 813  | 907  | 827   | 80                                      | 8.8%                                |
| Employment<br>Estates    | 1,390  | 1,342  | 1,372   | (30)                                    | (2.2%)                              |
| Licensing                | 235  | 230  | 200   | 30                                      | 13.0%                               |
| Planning<br>Applications | 1,190  | 700  | 880   | (180)                                   | (25.7%)                             |
| Land<br>Charges          | 208  | 170  | 170   | -                                       | -                                   |
| Recycling<br>credits     | 701  | 925  | 765   | 160                                     | 17.3%                               |
| <b>TOTAL</b>             | <b>7,515</b>                                   | <b>7,196</b>                                   | <b>7,106</b>                                      | <b>90</b>                               |                                     |

## 7. Proposed Way Forward – Management Actions

7.1 The table below sets out the relevant management actions for the revenue expenditure and income variations shown above. It is best practice for the Council to state whether there are any corrective actions that need to be taken for the variances identified in 2015-16.

|  | <b>Budget variations overspend/ (underspend) £000</b> | <b>Management Action</b>  |
|--|---|---|
| <b>Reductions in expenditure/additional income</b>   |   |   |
| Planning Applications (income)                       | (180)   | It is not recommended to increase the planning income target for 2016/17, as the additional income in 2015/16 is mainly due to one off renewable energy applications. |
| Local Land Charges property search new burdens grant | (95)  | No action - This is a one off grant payment.  |
| Land and Investment Properties – Easement Income     | (85)  | No action - This is one off income.   |
| Heritable dividend                                   | (50)  | No action - This is a one off dividend payment.   |
| Housing Benefit recoveries                           | (50)  | A savings figure of £30,000 has been built in to the 2016/17 budget to reflect the likely income from housing benefit recoveries in 2016/17.                          |
| Homelessness Prevention                              | (35)  | This will be kept under review.   |
| Elections income                                     | (25)  | No action, One off grant payment.   |
| Investment income                                    | (25)  | Due to the anticipated rise in interest rates in the future, an additional £25,000 has been built in to the 2016/17 Budget for additional investment income.          |
| Employment Estates income                            | (30)  | No management action required.  |
| Staff travel expenses                                | (30)  | A saving has been built into the T18 Budget profile for travel.   |
| Private Sector Housing Renewal – professional fees   | (15)  | No management action required.  |
| Members' Allowances and travel expenses              | (55)  | A saving of £31,800 has been built in to the 2016/17 Budget following a full review of Members' Allowances.   |
| Small underspends                                    | (20)  | No management action required.  |

|  | <b>Budget variations overspend/ (underspend) £000</b> | <b>Management Action</b>   |
|--|---|--|
| <b>Increases in expenditure/reductions in income</b>   |   |  |
| Transition costs (Temporary short term staffing and agency costs) within Environmental Services, Customer First and Support Services | 205   | It is expected that this is a temporary additional cost whilst the Transformation Programme (T18) is being embedded.                               |
| Vacancy provision of £100,000 not met in 15/16   | 100   | The budget for the vacancy provision has been removed for 2016/17.   |
| Trade Waste  | 160   | A budget pressure of £160,000 has been built in to the 2016/17 budget.   |
| Recycling income   | 160   | This recurring income shortfall has been built in to the 2016/17 budget to reflect market conditions.  |
| Environmental Services – Manual workers’ salary costs  | 100   | This recurring cost pressure has been built in to the 2016/17 budget.  |
| Dartmouth Lower Ferry income   | 80  | A reduction in the income target of £100,000 has been built in to the budget for 2016/17.  |
| Follaton House   | 90  | The Assets team continue to maximise the best use of the lettings space. However, it was felt prudent to reduce the budget for 2016/17 by £23,000. |
| Waste Transfer Station   | 50  | This recurring cost pressure has been built in to the 2016/17 budget.  |
| Car Parks income   | 30  | A reduction in the income target of £50,000 has been built in to the budget for 2016/17.   |
| Planning legal fees  | 30  | This cost pressure has been built in to the 2016/17 budget.  |

|                        | <b>Budget variations overspend/ (underspend) £000</b> | <b>Management Action</b>   |
|------------------------|---|--|
| Licensing income       | 30  | The cessation of crab export licensing fee income has been built in to the 2016/17 budget. |
| Pannier Markets income | 10  | No management action required.   |

### **8. Issues that may impact on the budget monitoring position in the next month/Risks**

The budget monitoring position assumes that collection rates will remain at previous levels. The unknown area is the impact that Universal Credit may have on future collection rates and arrears levels. Universal credit is a new single benefit payment for people out of work or on low incomes. The aim of Universal Credit is to make the welfare system simpler by replacing six benefits with one single monthly payment. Universal Credit replaces a range of benefits including Income Support, Jobseeker's Allowance and Housing Benefit.

For Business Rates, it has been assumed that the Council is still in a situation where it is paying a Business Rates levy. This is regularly monitored and any change to this position will be reported to Members.

### **9. Implications**

| Implications     | Relevant to proposals Y/N | Details and proposed measures to address   |
|------------------|---------------------------|--|
| Legal/Governance | Y                         | The Statutory Powers that apply to this report are the Local Government Act 1972 Section 151 and the Local Government Act 2003 Section 28. |
| Financial        | Y                         | The report identifies an overall <b>overspend of £45,000</b> which is 0.5% of the overall budget set for 2015/16 of £8.839million.         |

|  |   |  |
|--|---|--|
| Risk   | Y | <p>1) <b>Budget variances</b> – continual budget monitoring at all levels within the Council ensures early identification of variances. Reporting to the Executive provides an opportunity for Members to identify and instigate remedial action where appropriate.</p> <p>2) <b>Resource Planning</b> – the Executive takes into account any significant issues when developing the Council’s Medium Term Financial Strategy.</p> |
| Comprehensive Impact Assessment Implications |   |  |
| Equality and Diversity                       |   | None directly arising from this report.  |
| Safeguarding                                 |   | None directly arising from this report.  |
| Community Safety, Crime and Disorder         |   | None directly arising from this report.  |
| Health, Safety and Wellbeing                 |   | None directly arising from this report.  |
| Other implications                           |   | None directly arising from this report.  |

**Supporting Information**

Appendix A – Schedule of Reserves (Earmarked Reserves and Unearmarked Reserves).

**Background Papers:**

Finance Community of Practice budget monitoring working papers.  
 Executive 15 October 2015 - Medium Term Financial Strategy for the five year period 2016/17 to 2020/21.  
 Executive 10 December 2015 – Revenue Budget Monitoring 2015/16

**Approval and clearance of report**

| <b>Process checklist</b>   | <b>Completed</b> |
|--|------------------|
| Portfolio Holder briefed   | <b>Yes</b>       |
| SLT Rep briefed  | <b>Yes</b>       |
| Relevant Exec Director sign off (draft)  | <b>Yes</b>       |
| Data protection issues considered  | <b>Yes</b>       |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>N/A</b>       |

| RESERVES - PROJECTED BALANCES (EXCLUDES SALCOMBE HARBOUR) |   |                                 |                      |                      |  |
|---|---|---------------------------------|----------------------|----------------------|--|
|   |   |                                 | Opening<br>balance   | Projected<br>Balance |  |
|   |   | 2015/16<br>Contribution<br>£000 | 1 April 2015<br>£000 | 31 March 16<br>£000  | Comments   |
| <b>EARMARKED RESERVES</b>                                 |   |                                 |                      |                      |  |
| <b>Code</b>   | <b>Specific Reserves - General Fund</b>                           |                                 |                      |                      |  |
| 0631  | Capital Programme   | 182                             | 129                  | 277                  | Reflects 2015/16 Capital Programme and repayment of temporary borrowing from this reserve to finance T18 initial investment costs in 2014/15   |
| 0633  | Revenue Grants  |                                 | 393                  | 386                  | Comprises grants with no repayment conditions - created as a result of International Financial Reporting Standards (IFRS)  |
| 0635  | Affordable Housing  |                                 | 453                  | 84                   | Due to Capital Programme commitments   |
| 0638  | Renovation Grant Reserve  |                                 | 1                    | 1                    | Comprises proceeds from repayments   |
| 0639  | New Homes Bonus   |                                 | 184                  | 154                  | Allocation carried forward is for Community Reinvestment projects for 15/16  |
| 0641  | Business Rates Retention  |                                 | 304                  | 0                    | Will be used to offset the balance on the Collection Fund. This relates to a timing issue on the accounting adjustments required for the localisation of business rates.<br>£100K pooling gain to be used to finance the postponement to 2016 of the waste round review and other changes. |
| 0645  | Strategic Issues  |                                 | 133                  | 0                    | £75K used to finance the postponement to 2016 of the waste round review and release of the uncommitted balance of £50K to fund T18 transition costs - E.46/15 refers.  |
| 0650  | Community Parks and Open Spaces                                   | 17                              | 108                  | 86                   |  |
| 0660  | Pension Fund Strain   | 99                              | 0                    | 0                    | There is a separate T18 strategic change reserve for pension strains arising from the transformation programme.  |
| 0665  | Repairs & Maintenance   | 55                              | 369                  | 371                  |  |
| 0667  | Marine Infrastructure   |                                 | 19                   | 47                   | A new reserve for the maintenance of marine assets   |
| 0670  | Land and Development  |                                 | 184                  | 183                  |  |
| 0675  | Ferry Repairs & Renewals  | 87                              | 263                  | 312                  |  |
| 0680  | Economic Initiatives  |                                 | 120                  | 98                   | N.B. £82k earmarked for RDP Local Action 2015/16 to 2020/21. E21/14 refers   |
| 0685  | Vehicles & Plant Renewals   | 541                             | 1,735                | 33                   | Due to programmed vehicle replacements in 2015/16.   |
| 0690  | Play & Display Equipment Renewals                                 | 21                              | 40                   | 61                   |  |
| 0695  | On-Street Parking   |                                 | 44                   | 44                   |  |
| 0696  | T18 Investment Reserve  | 578                             | 0                    | 0                    | To fund T18 one-off investment costs e.g. ICT costs  |
| 0698  | Strategic Change Reserve (T18)                                    | 1,372                           | 0                    | 0                    | A new reserve set up to fund T18 redundancy and pension costs.   |
| 0700  | Print Room Equipment  |                                 | 76                   | 26                   | £50K can be released back to the general fund  |
| 0705  | ICT Development   |                                 | 203                  | 134                  |  |
| 0710  | Sustainable Waste Management                                      |                                 | 72                   | 0                    | Recycling and Waste Review   |
| 0720  | District Elections  | 10                              | 68                   | 78                   |  |
| 0725  | Beach Safety  |                                 | 14                   | 14                   |  |
| 0730  | Planning Policy & Major Developments                              |                                 | 596                  | 198                  | Includes £150K towards T18 transition costs - E.46/15 refers, £134k towards Planning Enforcement (Council 25/2/16) and a potential commitment of £75K for Our Plan   |
| 0735  | Building Control  | 63                              | 271                  | 334                  |  |
| 0740  | Section 106 Deposits  |                                 | 41                   | 41                   | Comprises deposits with no repayment conditions - created as a result of IFRS  |
| 0830  | Members Sustainable Community Locality                            |                                 | 7                    | 0                    |  |
|   | Homelessness Prevention   |                                 | 0                    | 25                   | A new reserve - E.46/15 refers.  |
| <b>Sub Total</b>  |   | <b>3,025</b>                    | <b>5,827</b>         | <b>2,987</b>         |  |
| <b>GENERAL RESERVES</b>                                   |   |                                 |                      |                      |  |
| 0765  | General Fund Balance (Unearmarked Reserves - Accumulated Surplus) |                                 | 1,741                | 1,696                | The balance will reduce by the predicted overspend in 2015/16 of £45K.   |
| <b>TOTAL REVENUE RESERVES</b>                             |   |                                 | <b>7,705</b>         | <b>4,683</b>         |  |

**This page is intentionally left blank**



# Agenda Item 10

## Our Plan: South Hams – Progress Monitoring and Our Plan 16/17

Report to: **Executive**

Date: **10 March 2016**

Title: **Our Plan: South Hams – Progress Monitoring and Our Plan 16/17**

Portfolio Area: **Customer First**

Wards Affected: **All**

Relevant Scrutiny Committee: **O&S**

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

Date next steps can be taken: **NA**  
(e.g. referral on of recommendation or implementation of substantive decision)

**Author:** Ross Kennerley Lead Specialist – Place and Strategy

Contact: [Ross.Kennerley@swdevon.gov.uk](mailto:Ross.Kennerley@swdevon.gov.uk) **01803 861379**

---

### **Recommendations:**

That Executive notes progress in relation to Our Plan: South Hams

## **1. Executive summary**

1.1. *Our Plan: South Hams* will be the single strategic plan that sets out the vision, objectives and activities of South Hams District Council. It brings together all strategies and plans and sets out a comprehensive story of what the council wants to achieve through two blended and inter-related elements

- The corporate plan establishing the Councils vision, objectives, priorities, actions and delivery approaches and
- The Local Plan establishing land use planning policies and allocations

## **Our Plan: South Hams – Progress Monitoring and Our Plan 16/17**

1.2. The overarching corporate plan role was reviewed at Overview and Scrutiny with a recommendation to Council that this element be re-issued for the start of the 2016/17 financial year as a means of clarifying Council vision, objectives, priorities and delivery. This element has been the subject of a Member workshop earlier in the year and will be presented back to O&S, Executive and Council in coming months for consideration (O&S minute 53/15 refers)

1.3 The Local Plan element of *Our Plan: South Hams* was considered in reports to the Councils of 5<sup>th</sup> November 2015 and 10<sup>th</sup> December 2015 (minutes 38/15 and 46/15 refer).

1.4 These reports recognised the need to take account of a wide range of local and national issues impacting on local planning. This led to members agreeing to a refreshed Joint Local Plan approach based around a collaboration agreement within the Housing Market Area incorporating West Devon, Plymouth and relevant parts of Dartmoor National Park.

1.5 This included a specific recommendation that regular monitoring reports be submitted to Executive. Progress is reported in this item.

### **2. Background**

2.1 *Our Plan : South Hams* serves an important function as both the Corporate Plan and the Local Plan (establishing land use policies and development allocations). Members have agreed refreshed approaches to both elements and these are reported on in the outcomes section below.

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

3.1 Progress against the agreed recommendations is as follows.

#### **O&S minute 53/15.**

3.2 Overview and Scrutiny, and subsequently Council, agreed the following overarching recommendation.

*That Our Plan: South Hams be issued for the start of the 2016/17 Financial Year as a document that:*

- 1. recognises Our Plan: South Hams as the single comprehensive Council Plan;*
- 2. restates the Council's Corporate Vision and Objectives;*
- 3. establishes the common basis for the Council's Financial Plan, Asset Management Plan, Local Plan and all other Plans and Strategies;*
- 4. establishes long-term and short-term priorities for delivery including a delivery plan commencing in 2016/17;*
- 5. establishes mechanisms for delivery;*
- 6. establishes engagement, monitoring and review*

## **Our Plan: South Hams – Progress Monitoring and Our Plan 16/17**

7. *provides context for subsequent incorporation of the Local Plan element currently subject to separate preparation*

Work on reviewing the existing 2015/16 activity plan and the related work streams set out above are underway with presentation to members anticipated to be

- Overview and Scrutiny. 17<sup>th</sup> March
- Executive. 7<sup>th</sup> April
- Council (for ratification). 21<sup>st</sup> May

3.3 To support this work a Members workshop was held at Woolwell on January 15<sup>th</sup>. Members reviewed current Council objectives and looked at future actions. The objectives were prioritised as follows.

- High Priority. Economy and Homes
- Medium. Infrastructure, Communities, Wellbeing, Environment
- Low. Resources and Heritage

3.4 Further details will be reported to Overview and Scrutiny

### **Council minutes 38/15 and 46/15**

3.5 These minutes established the refreshed approach to a Local Plan based on a Duty to co-operate and, following discussions with neighbouring LPAs, to move to the principle of a Joint Local Plan.

3.6 The recommendations included a range of actions and these, along with progress, are summarised in the table below.

| <b>No</b> | <b>Issue</b>   | <b>Progress</b>  |
|-----------|--|--|
| 38(1)     | That Option 2 for progression of South Hams Our Plan (as set out at section 4 of the Executive report) be pursued recognising that this will need a plan period to 2032 or 2033 or alignment with neighbouring authorities | This established Duty to cooperate basis on which subsequent discussions have taken place. Period for Local Plan to be confirmed. Potential timescale targeted submission for autumn/winter.   |
| 38(2)     | That a detailed Duty to Co-operate protocol, or similar agreement, be established with neighbouring planning authorities within the Housing Market Area. This would address joint approaches.                              | Draft agreement prepared but in abeyance whilst work advances on draft Joint Local Plan Collaboration Agreement.<br>There will still be need for a distinct DtC statement for the examination. |
| 38(3)     | That the Local Development Scheme be reviewed and reissued   | To be confirmed in light of new Joint Local Plan approach.   |

## Our Plan: South Hams – Progress Monitoring and Our Plan 16/17

|        |  |  |
|--------|--|--|
| 38(4)  | That further evidence work (joint or specific) be procured as required   | Combined schedule of evidence held by LPAs completed. Gaps identified and further work commissioned including combined Housing and Economic Development Needs Assessment and Gypsy and Traveller studies. Other work progressing as previously |
| 38(5)  | That the response to the Our Plan Topic Papers public consultations be published   | Publication imminent..   |
| 38(6)  | That the remaining Strategic Housing Land Availability assessment work be published and options for additional sites be explored;  | Publication to be amalgamated with additional Strategic Land Assessment work that has been undertaken to identify further sites (submissions closed 22 <sup>nd</sup> Feb).   |
| 38(7)  | That a budget provision for 2016/17 of £75,000 be made for Our Plan examination anticipated to be met from the <i>Planning Policy and Major Development Reserve</i> .  | In place   |
| 38(8)  | That guidance for Neighbourhood Plan Groups be issued to inform their work as it relates to Our Plan   | Neighbourhood Plan Newsletter issued Jan 2016. Continued assistance to NP groups and appointment of focussed Neighbourhood Plans Case Manager.   |
| 38(9)  | That a refreshed Our Plan Engagement Strategy be issued  | To be confirmed alongside refreshed Local Development Scheme   |
| 38(10) | That regular updates be provided to the Strategic Planning Working Group   | January SPWG considered policy matters and early March due to consider evidence provision.   |
| 38(11) | That further monitoring reports be submitted to the Executive every three months and the Council as and when required making specific proposals for future consultation, consideration and submission of Our Plan                          | Noted  |
| 38(12) | That those specific details to be agreed under recommendations 2,3,6,8 and 9 be delegated to the Lead Specialist – Place and Strategy in consultation with the Chairman of the Strategic Planning Working Group and the Leader of Council; | Noted. Neighbourhood Plan advice issued whilst other matters await conclusion.   |
| 38(13) | That 'Our Plan' be re-named 'Our Plan: South Hams';  | Noted  |

## Our Plan: South Hams – Progress Monitoring and Our Plan 16/17

|        |  |   |
|--------|--|---|
| 38(14) | That a specific Duty to Co-operate arrangement be put in place with neighbouring authorities in immediately adjacent Housing Market Areas  | Overarching DtC Protocol already in place. Further meeting undertaken with Torbay BC with a view to establishing specific local arrangement.  |
| 46(1)  | That the principle of a Joint Local Plan within the Housing Market Area be agreed subject to appropriate arrangements being put in place with neighbouring planning authorities  | Being pursued. PCC and WDBC both agreed to principle of Joint Local Plan within the Housing Market Area on 16 <sup>th</sup> Feb.  |
| 46(2)  | That a detailed Collaboration Agreement establishing the operation of the Joint Local Plan be developed with neighbouring planning authorities (and any other relevant organisations);   | Draft Collaboration Agreement in preparation. As drafted will establish SHDC, WDBC, PCC as primary parties with key roles for DNPA and DCC.   |
| 46(3)  | That the Collaboration Agreement include, but not necessarily be limited to, the following matters:-<br><ul style="list-style-type: none"> <li>- Strategic Context;</li> <li>- Objectives and Priorities;</li> <li>- Joint Spatial Framework;</li> <li>- Governance and working arrangements;</li> <li>- Local Development Scheme and timescales;</li> <li>- Evidence;</li> <li>- Infrastructure;</li> <li>- Policies;</li> <li>- Allocations;</li> <li>- Engagement and Consultation;</li> <li>- Resources and Staffing;</li> <li>- Examination;</li> <li>- Assessments; and</li> <li>- Monitoring and Review;</li> </ul> | Being incorporated and details being developed. Staff already working collaboratively on joint evidence and policy development.<br><br>Governance arrangements to propose Joint Local Plan Member Steering Group with representation from the three LPAs. This to be an advisory and not decision making Group. |
| 46(4)  | That a further report be submitted to Council setting out the detailed policy and allocation proposals that are to be subject to consultation, consideration and submission within the Joint Local Plan element of Our Plan: South Hams;   | Noted. Timetable to be confirmed.   |

## Our Plan: South Hams – Progress Monitoring and Our Plan 16/17

|       |  |       |
|-------|--|-------|
| 46(5) | That those contents which are to be agreed under recommendations (46) 1, 2 and 3 be delegated to the Lead Specialist – Place and Strategy, in consultation with the Chairman of the Strategic Planning Working Group | Noted |
|-------|--|-------|

3.7 Whilst seeking to progress the Local Plan element of *Our Plan: South Hams* there continue to be a range of emerging government initiatives that will have marked impacts on the form and content of the Local Plan. These include the following (mostly within four current and recent consultations sitting alongside the emerging Housing and Planning Bill). The impact of these will need to be considered carefully and rapidly as the Joint local Plan emerges.

- Expert Panel on Local Plans expected to make significant recommendations on the form of Local Plans. Due February.
- Starter Homes and removal of in perpetuity use proposals
- Brownfield Land and Registers proposals
- Custom and Self Build and small site registers proposals
- Planning Permission in Principle proposals
- Local Plan form and timing proposals (separate to Expert Panel)
- Neighbourhood Planning responsibility proposals
- Permitted Development Right amendments and further consultation on planning regulations in Rural Areas
- Emerging guidance on Housing Mix and Economic Development leading to new Housing and Economic Development Needs Assessments (HEDNA).

3.8 As has been noted in previous reports the government's exhortations for speed do need to be tempered by continued refinements to policies that may have distinct impacts in rural areas.

### 4. Proposed Way Forward

4.1 It is proposed that work continue as planned noting the importance of establishing both the corporate priorities & activity plan as well as progressing rapidly on the Joint Local Plan work.

## Our Plan: South Hams – Progress Monitoring and Our Plan 16/17

### 5. Implications

| Implications                                 | Relevant to proposals Y/N | Details and proposed measures to address  |
|--|---------------------------|---|
| Legal/Governance                             |                           | See previous O&S, Executive and Council reports<br>O&S 53/15<br>Council 38/15 and 46/15 |
| Financial                                    |                           | This report recognises allocation of £75,000 already agreed.                            |
| Risk   |                           | See previous Executive and Council reports  |
| Comprehensive Impact Assessment Implications |                           |   |
| Equality and Diversity                       |                           | Our Plan: South Hams will need to be subject to Equality Impact assessment.             |
| Safeguarding                                 |                           | None directly arising from this report  |
| Community Safety, Crime and Disorder         |                           | None directly arising from this report  |
| Health, Safety and Wellbeing                 |                           | Our Plan: South Hams will need to be subject to Health Impact Assessment                |
| Other implications                           |                           | None directly arising from this report  |

### Supporting Information

**Appendices:** None

### Approval and clearance of report

| <b>Process checklist</b>   | <b>Completed</b> |
|--|------------------|
| Portfolio Holder briefed   | <b>Yes</b>       |
| SLT Rep briefed  | <b>Yes</b>       |
| Relevant Exec Director sign off (draft)  | <b>Yes</b>       |
| Data protection issues considered  | <b>Yes</b>       |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>No</b>        |

**This page is intentionally left blank**



Report to: **Executive**

Date: **10 March 2016**

Title: **Community Re-investment Projects Fund  
2015/16 Grant Allocations'**

Portfolio Area: **Customer First**

Wards Affected: **Totnes, Salcombe**

Relevant Scrutiny Committee: Overview and Scrutiny

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

Date next steps can be taken: 21 March 2016  
(e.g. referral on of recommendation or  
implementation of substantive decision)

Author: **Rob Sekula** **Specialist – Assets**  
**Ross Kennerley** **Lead Specialist – Place and  
Strategy**

Contact: [Rob.Sekula@swdevon.gov.uk](mailto:Rob.Sekula@swdevon.gov.uk) **07989 669459**  
[Ross.Kennerley@swdevon.gov.uk](mailto:Ross.Kennerley@swdevon.gov.uk) **01803 861379**

---

**Recommendations: The Executive resolves to** approve five grant applications totalling £112,900 from the 2015/16 Community Re-Investment Project Fund.

## 1. Executive summary

The report proposes support to all five applications received for £10,000 and over to the Community Re-Investment Project Fund in 2015/16. The grants applied for total £112,900, and the available approved budget is £153,900 (comprising part of the New Homes Bonus funding). A summary of applications, the officer assessment and recommendations are available in Appendix 1.

## 2. Background

The Community Re-investment Projects Fund was launched in October 2013, using £153,900 of the New Homes Bonus funding received by the Council to support community infrastructure projects in communities where major development has or is taking place.

The annual deadline for receipt of applications to the fund was 11<sup>th</sup> January 2016. There were no applications for under £10,000 (for which there is delegated authority), and applications for £10,000 and over require approval by the Executive.

Five applications were received, all of which were considered by officers to be eligible under the criteria of the Fund.

## 3. Outcomes/outputs

Members are requested to note the summary of applications, the officer summary and recommendations in Appendix 1.

## 4. Proposed Way Forward

Appendix A provides a summary of the five applications requesting grants of £10,000 and over, including the officers' assessments of each in terms of community need, community support, how the project provides or improves community infrastructure, deliverability, value for money and lasting impact. Decisions on these grants of £10,000 and over need to be made by the Executive as per the approved criteria for the Fund. It is suggested that these projects are supported based on the officer assessment and recommendations in Appendix 1.

## 5. Implications

| Implications     | Relevant to proposals<br>Y/N | Details and proposed measures to address  |
|------------------|------------------------------|---|
| Legal/Governance |                              | There are no legal implications arising from this report as South Hams District Council accepts no liability for projects beyond the provision of Community Re-investment Projects Fund grants. The Council has powers to give these grants in order to support its priorities through the Localism Act's Powers of General Competence. |

|  |  |   |
|--|--|---|
| Financial                                    |  | <p>This report seeks Executive Committee approval to allocate six grants totalling £112,900 as set out in the recommendations above out of an approved budget of £153,900 for 2015/16.</p> <p>On 11 February 2016, Council approved that any underspend from the 15/16 Community Reinvestment Projects budget of £153,900 is to be transferred into the Capital Programme Earmarked Reserve</p> |
| Risk   |  | <p>Grants are paid in arrears of receipt of proof of expenditure.</p> <p>Grant offers are subject to a number of conditions which limit the potential risk to the Council.</p>  |
| Comprehensive Impact Assessment Implications |  |   |
| Equality and Diversity                       |  | Grants support funding to a wide range of community groups, therefore promoting equal opportunities.  |
| Safeguarding                                 |  | None directly arising from this report  |
| Community Safety, Crime and Disorder         |  | None directly arising from this report  |
| Health, Safety and Wellbeing                 |  | Grants contribute to supporting the social wellbeing of South Hams communities.   |
| Other implications                           |  | None directly arising from this report  |

## **Supporting Information**

### **Appendices:**

Appendix 1 – Community Re-investment Projects Fund 2015/16  
Summary of Applications and Assessments

### **Approval and clearance of report**

| <b>Process checklist</b>                | <b>Completed</b> |
|---|------------------|
| Portfolio Holder briefed                | <b>Yes</b>       |
| SLT Rep briefed                         | <b>Yes</b>       |
| Relevant Exec Director sign off (draft) | <b>Yes</b>       |
| Data protection issues considered       | <b>Yes</b>       |

|  |           |
|--|-----------|
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>No</b> |
|--|-----------|

## Appendix 1: Community Re-investment Projects Fund 2015/16 Summary of Applications and Assessments

|   |  |  |         |
|---|--|--|---------|
| <b>Applicant</b>                                  | Leechwell Garden Association   |  |         |
| <b>Project</b>                                    | Leechwell Garden Play Structure  |  |         |
| <b>Amount Requested</b>                           | £30,000  | <b>Total Project Cost</b>  | £37,162 |
| <b>Project summary</b>                            | A key feature (trunk of a Eucalypt tree) of the Leechwell Garden play area while previously very popular, requires removal following the annual engineers insurance report. The project will remove the trunk, and replace with a new, primarily timber structure meeting safety standards and offering challenging and creative play opportunities to children aged 4-12 years. |  |         |
| <b>Assessment Criteria</b>                        | <b>Score (1-3)</b>   | <b>Officers' Comments</b>  |         |
| <b>Community Need</b>                             | 3  | The last engineers insurance report highlighted the existing play structure was not meeting safety standards<br>There is no other play area in central Totnes – this is a popular site for local children and benefits the local primary school  |         |
| <b>Community Support</b>                          | 3  | Letter of support from Grove Primary School advising that the play area is used by 240 pupils on a weekly basis<br>69 parents signed letter of support for the proposed project<br>Letter of support from Daisy Play Centre which uses facility weekly<br>Ward Members, Totnes TC support project<br>Extensive consultation was undertaken in 2010 which evidenced community support |         |
| <b>Provides/Improves Community Infrastructure</b> | 2  | Replaces and substantially improves an existing play structure. Is an imaginative proposal offering varied play experiences.   |         |
| <b>Deliverable</b>                                | 3  | In 2010, the LGA secured external funding for landscaping and furnishing of Leechwell Gardens. Since 2010, the LGA have maintained and delivered projects to improve the gardens.  |         |
| <b>Value for Money</b>                            | 2  | The proposal delivers a significant amount of play equipment and experiences for the sum of money. The intervention rate is 81%, with all remaining funds pending (including SDHC Locality Fund bids, LGA funds, and community fundraising).   |         |
| <b>Lasting Impact</b>                             | 3  | The lifetime of the play structures is anticipated to be 15 years.   |         |
| <b>Total Score</b>                                | 16   | <b>Recommended Grant Amount</b>  | £30,000 |

|   |   |   |         |
|---|---|---|---------|
| <b>Applicant</b>                                  | Totnes Community Development Society  |   |         |
| <b>Project</b>                                    | Mansion Totnes  |   |         |
| <b>Amount Requested</b>                           | £24,140   | <b>Total Project Cost</b>   | £24,140 |
| <b>Project summary</b>                            | <p>The Mansion is a Grade II listed building in the centre of Totnes on the High Street.</p> <p>The application is for funds to install a solar PV power system on the roof of the library to the rear of the Mansion complex. DCC holds the building in a Trust on behalf of the town – DCC acknowledge the building is not being used to its full capacity and the building was running at a circa £30K annual shortfall which was not sustainable in the long term. The Totnes CD Society are in advanced stages of negotiating the transfer of trusteeship of the building from Devon County Council.</p> <p>The proposal for installation of PV panels is forecast to provide annual savings of around £2,400 on energy bills to assist with the financial sustainability of the building.</p> |   |         |
| <b>Assessment Criteria</b>                        | <b>Score (1-3)</b>  | <b>Officers' Comments</b>   |         |
| <b>Community Need</b>                             | 2   | <p>The current building is a centre for community education for over 300 people a week. There is a café serving those attending classes and external customers. The town library has a footfall of 200 people per day and the nursery below has 60 children in its care. The building also houses Rethink, a mental health charity, Transition Town Totnes and Proud2Be, an LGBT empowerment CIC. In the future, the Society hope to provide a space for a one stop shop for information about the services offered by this network of providers to enable better care of all residents. Aspiration is to increase usage of the building by two thirds.</p> |         |
| <b>Community Support</b>                          | 2   | <p>The wider aspiration for community trusteeship of the Mansion is clearly well supported and there is evidence of significant consultation.</p> <p>There is less evidence of support for the PV panel project – this is limited to letters of support from local SHDC Members, and from user groups of the Mansion.</p>   |         |
| <b>Provides/Improves Community Infrastructure</b> | 1   | <p>The wider project clearly aims to sustain the Mansion which is operating at a shortfall. The specific PV panel project provides new infrastructure but direct benefit is limited to the annual saving on running costs.</p>  |         |
| <b>Deliverable</b>                                | 2   | <p>The Directors of the Society have a strong track record in delivering similar projects.</p> <p>Listed Building consent may be needed – no enquiries have been made to date.</p>  |         |
| <b>Value for Money</b>                            | 2   | <p>The intervention rate is 100%.</p> <p>The £24,000 investment would result in £2,400 annual savings on running costs.</p>   |         |
| <b>Lasting Impact</b>                             | 2   | <p>Panels are guaranteed for 10 years and their output is guaranteed for 80% of their initial performance after 25 years.</p>   |         |
| <b>Total Score</b>                                | 11  | <b>Recommended Grant Amount</b>   | £24,140 |

|   |  |   |         |
|---|--|---|---------|
| <b>Applicant</b>                                  | Totnes Trust   |   |         |
| <b>Project</b>                                    | Rotherfold Improvement Project   |   |         |
| <b>Amount Requested</b>                           | £22,100  | <b>Total Project Cost</b>   | £42,100 |
| <b>Project summary</b>                            | <p>The project aims to complete improvements to the Rotherfold Square (owned by SHDC) which is situated at the top of Totnes Town.</p> <p>4 years ago Totnes Development Trust started improving the area so that it could be used for community events, plays, etc. This project will lay new paving, install lighting, create and plant shrub beds, install benches.</p> |   |         |
| <b>Assessment Criteria</b>                        | <b>Score (1-3)</b>   | <b>Officers' Comments</b>   |         |
| <b>Community Need</b>                             | 2  | The applicant described the Rotherfold (in 2013) as poor condition, dangerous paving, and an unfriendly/unusable alcove due to lack of investment.  |         |
| <b>Community Support</b>                          | 2  | The Trust undertook an initial consultation in 2013 which had 139 responses. These responses guided the design.<br>Events in the square held since works commenced have been well attended.<br>No letters of support were submitted with the application. |         |
| <b>Provides/Improves Community Infrastructure</b> | 3  | The works will improve the visual appeal of the site, and make the space welcoming and usable.  |         |
| <b>Deliverable</b>                                | 3  | The Totnes Trust have a strong record of delivering similar projects, and have already delivered early phases of this project (some paving and seating in the alcove).  |         |
| <b>Value for Money</b>                            | 3  | The intervention rate is 52%.<br>The Totnes Trust have committed £20,000 of their own funds towards this project  |         |
| <b>Lasting Impact</b>                             | 3  | The project contributes to increasing community ownership and pride in the area, and will regenerate that part of Totnes.   |         |
| <b>Total Score</b>                                | 16   | <b>Recommended Grant Amount</b>   | £22,100 |

|   |   |   |         |
|---|---|---|---------|
| <b>Applicant</b>                                  | Totnes Town Council   |   |         |
| <b>Project</b>                                    | Totnes Civic Hall rebranding  |   |         |
| <b>Amount Requested</b>                           | £10,000   | <b>Total Project Cost</b>   | £10,000 |
| <b>Project summary</b>                            | <p>Following improvements to the Civic Hall, TTC wish to focus on promoting the hall widely to maximise benefits from those improvements.</p> <p>The project will:</p> <ul style="list-style-type: none"> <li>- Produce a new name and logo for the hall</li> <li>- Pay for professional photos for website and marketing</li> <li>- Create a dedicated website with online booking</li> <li>- Produce new leaflets (e.g. town maps)</li> </ul> |   |         |
| <b>Assessment Criteria</b>                        | <b>Score (1-3)</b>  | <b>Officers' Comments</b>   |         |
| <b>Community Need</b>                             | 2   | Weakness of the Civic Hall product is the name, website, and lack of online booking.  |         |
| <b>Community Support</b>                          | 3   | Various letters of support from user groups and local SHDC Ward Members are submitted with the application – these recognise the good work that has taken place to improve the hall, and highlight the need for more effective promotion to maximise bookings.  |         |
| <b>Provides/Improves Community Infrastructure</b> | 1   | Borderline. Whilst officers consider this application eligible, the project is clearly focused on promotion rather than further capital improvements to the Hall. Nonetheless, this project would enable the full economic realisation of previous investment to improve this Hall by drawing in additional bookings. |         |
| <b>Deliverable</b>                                | 3   | TTC can clearly deliver projects such as that proposed, and improvement works delivered to date at the Civic Hall have been well received.  |         |
| <b>Value for Money</b>                            | 1   | This project has the potential to draw in significant additional bookings through reaching new markets. It is noted however, that the intervention rate is 100% hence the low value for money score.  |         |
| <b>Lasting Impact</b>                             | 3   | Securing additional bookings will greatly contribute to the financial sustainability of the Hall, particularly given that historically the Hall has run at a deficit.   |         |
| <b>Total Score</b>                                | 13  | <b>Recommended Grant Amount</b>   | £10,000 |



|   |   |   |         |
|---|---|---|---------|
| <b>Applicant</b>                                  | Salcombe Town Council   |   |         |
| <b>Project</b>                                    | Community Link Path   |   |         |
| <b>Amount Requested</b>                           | £26,750   | <b>Total Project Cost</b>   | £26,750 |
| <b>Project summary</b>                            | <p>The project proposes to improve the surface of an informal path between the estuary and road, running from Salcombe town centre to Batson village centre.</p> <p>The existing path is well used, however is largely unusable in wet weather due to condition and material.</p> <p>The proposed path would be circa 400m long, and 1.5m wide, of compacted stone suitable for pushchair and wheelchair use,</p> |   |         |
| <b>Assessment Criteria</b>                        | <b>Score (1-3)</b>  | <b>Officers' Comments</b>   |         |
| <b>Community Need</b>                             | 2   | Users of the existing path are currently forced onto the adjacent road, due to the muddy nature of the path. This route is well used by the local community and tourists.   |         |
| <b>Community Support</b>                          | 2   | There is no evidence of community consultation. This is a Town Council proposed project based on their observation and understanding of the community need. The project has the support of the local SHDC Ward Members. |         |
| <b>Provides/Improves Community Infrastructure</b> | 3   | The proposal would provide a much improved path along a well-used route.  |         |
| <b>Deliverable</b>                                | 3   | The applicant has a strong track record in delivering capital projects, including footpath creation.  |         |
| <b>Value for Money</b>                            | 1   | The intervention rate is 100%.  |         |
| <b>Lasting Impact</b>                             | 2   | The Town Council would take on maintenance of the proposed path. Given the type of construction proposed, it is anticipated that periodic maintenance would be required, however would be straightforward.              |         |
| <b>Total Score</b>                                | 13  | <b>Recommended Grant Amount</b>   | £26,750 |

**This page is intentionally left blank**

## Implementation of the Devon Districts Procurement Strategy 2015-18

Report to: **Executive**

Date: **10 March 2016**

Title: **Implementation of the Devon Districts  
Procurement Strategy 2015-18**

Portfolio Area: **Corporate Procurement**

Wards Affected: **Which Wards/all**

Relevant Scrutiny Committee: N/A

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

Date next steps can be taken: N/A

Author: **Carly Wedderburn** Role: **Corporate Procurement  
Officer**

Contact: **01626 215120 /  
carly.wedderburn@teignbridge.gov.uk**

---

### Recommendations:

1. To **RECOMMEND** to Council to formally adopt the Devon Districts Procurement Strategy 2015-18 and implement the contents therein.

### 1. Executive summary

1.1 The District Authorities of East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torridge District Council and West Devon Borough Council have been working collaboratively on the delivery of a Devon Districts Procurement Strategy since 2010.

1.2 This report proposes the formal adoption of the Devon Districts Procurement Strategy 2015-18 as set out in Appendix A to this report.

## **Implementation of the Devon Districts Procurement Strategy 2015-18**

### **2. Background**

- 2.1 The District Authorities of East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torridge District Council and West Devon Borough Council have been working collaboratively on the delivery of a Devon Districts Procurement Strategy (the "Strategy") since 2010 when the first Strategy was introduced. This ran until 2013 after which time the Devon Districts agreed to review the successes of previous strategy with a view to decide the route forward.
- 2.2 Some of the districts decided to adopt it alongside their own authority specific strategy whilst others, West Devon included, took it as their only strategic document and used it to feed into their own Procurement Work Plan or Improvement Plan which supported the specific Authority's corporate objectives.
- 2.3 Performance against the Procurement Improvement Plan agreed was monitored by the Districts, but on reflection it was felt that many of the performance indicators were too specific and with each authority having different corporate objectives, they were not all able to achieve the targets which had been set. As such it was agreed to set a new strategy that addressed these issues.
- 2.4 Whilst the Districts were planning to write a new strategy the Local Government Association ("LGA") announced that it would put in place a new National Procurement Strategy ("NPS"), which was formally published in 2014 and this new District strategy seeks to align with those themes which have been set out within the NPS.
- 2.5 The timing of the completion of the Strategy coincided with a change to the legislative landscape within which public procurement is set. The UK government published the Public Contracts Regulations on the 26<sup>th</sup> February 2016 and this Strategy gives due regard to that legislation. Also considered is the Equality Act, Social Value Act and the Transparency code which have come into force since the last strategy.
- 2.6 The economic environment, both nationally and locally, continues to require us to focus on obtaining value for money and 'doing more for less'. Although the Strategy is specific to the District Authorities, they will continue to work collaboratively with other members of the Devon and Cornwall Procurement Partnership<sup>1</sup> (the

---

<sup>1</sup> The Devon and Cornwall Procurement Partnership is comprised of procurement colleagues from a wide range of public sector bodies within the regions of Devon and Cornwall to include the Devon District Authorities, the Devon Unitary

## **Implementation of the Devon Districts Procurement Strategy 2015-18**

“Partnership”) to deliver the strategic objectives of the Partnership and to maximise the benefits of all partners spend with external suppliers.

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

3.1 The District Authorities of East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torrington District Council and West Devon Borough Council have been working collaboratively on the delivery of a Devon Districts Procurement Strategy

3.2 The five key themes contained within the Strategy are:

1. Making savings/ Addressing Financial Pressures
2. Supporting Local Economies
3. Leadership
4. Modernising Procurement
5. Collaboration.

3.3 The District Authorities have implemented a work-plan, which breaks each of the headings down in to deliverables and targets to be achieved in the period 2015 – 18 and which each Authority is responsible for implementing and monitoring. The work plan is set out in Appendix B to this report.

3.4 The District Authorities have met quarterly during the first year of the Strategy to update the work-plan with their achievements and will continue to meet on a less frequent basis once the Strategy is fully embedded within their organisations. The purpose of these meetings will be to review progress and agree any additional actions.

---

Authorities, Devon County Council, Cornwall County Council, Devon and Cornwall Police, Devon and Somerset Fire and Rescue Service, the Met Office and the Dartmoor National Park (this list is not exhaustive).

## **Implementation of the Devon Districts Procurement Strategy 2015-18**

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

- 4.1 Alternatives to the adoption of the Strategy are to agree a South Hams District Council specific procurement strategy or a joint South Hams District Council and West Devon Borough Council procurement strategy although there would be a negative impact on the Corporate Procurement Officer in so doing, as this is work additional to the current workload that has not been planned for.
- 4.2 Furthermore, the Corporate Procurement Officer is a shared officer between South Hams District Council, West Devon Borough Council and Teignbridge District Council and this would necessitate the adoption of different strategies across different authorities for whom the Officer currently works, which would inevitably increase the overall workload.
- 4.3 It is important to note that Corporate Procurement is currently under-resourced such that a South Hams-specific strategy would be some time in the making and would put the Authority behind its District neighbours.

### **5. Proposed Way Forward**

- 5.1 It is proposed that South Hams District Council adopt the Strategy alongside its neighbouring Devon District authorities.
- 5.2 The Strategy supports the 'Our Plan' objective of 'Our Economy' as it seeks to work better with our suppliers and support our local economy through a range of measures including providing greater access to our contract opportunities, giving due regard to social, community and environmental value in our contracts and streamlining and simplifying the procurement process where possible.
- 5.3 The Authority has already been able to evidence that it is working towards or has achieved a large proportion of the Strategy since it was completed in 2015, which is a positive message that can be explained to the business community. Formally adopting the Strategy will help to solidify the Authority's position on this.

## Implementation of the Devon Districts Procurement Strategy 2015-18

### 6. Implications

| Implications                                 | Relevant to proposals Y/N | Details and proposed measures to address  |
|--|---------------------------|---|
| Legal/Governance                             | Y                         | The Strategy sets out its approach to meeting the Public Contracts Regulations 2015 and other relevant procurement legislation.   |
| Financial                                    | Y                         | There are no financial implications arising from the Strategy besides the salary costs associated with the Corporate Procurement Officer and other Officers across the Council in meeting it. These costs are already factored in to the budget and are therefore not additional to it. |
| Risk   | Y                         | As the Strategy aligns to the NPS there is a reputational risk of not adopting the Strategy and therefore the LGA's recommendations in relation to the future of procurement.   |
| Comprehensive Impact Assessment Implications |                           |   |
| Equality and Diversity                       | N                         | Not applicable.   |
| Safeguarding                                 | N                         | Not applicable.   |
| Community Safety, Crime and Disorder         | N                         | Not applicable.   |
| Health, Safety and Wellbeing                 | N                         | Not applicable.   |
| Other implications                           | N                         |   |

### **Supporting Information**

#### **Appendices:**

Appendix A - Devon Districts Procurement Strategy 2015-18

Appendix B - Devon Districts Strategy Work Plan

## **Implementation of the Devon Districts Procurement Strategy 2015-18**

### **Approval and clearance of report**

| <b>Process checklist</b>   | <b>Completed</b> |
|--|------------------|
| Portfolio Holder briefed   | <b>Yes</b>       |
| SLT Rep briefed  | <b>Yes</b>       |
| Relevant Exec Director sign off (draft)  | <b>Yes</b>       |
| Data protection issues considered  | <b>Yes</b>       |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>N/A</b>       |



# DEVON DISTRICTS PROCUREMENT STRATEGY 2015-2018



## **CONTENTS**

Introduction

Background

Outcomes

1. Making Savings
2. Supporting Local Economies
3. Leadership
4. Modernising Procurement

Conclusions

Contacts

## **Introduction**

Procurement is a key part of the government's agendas for transparency and growth. By taking a collaborative approach we can improve the quality of the goods, services and works which we purchase whilst still seeking to achieve value for money and make the savings necessary to support the austerity measures.

The Devon Districts who will be adopting this strategy are:

- East Devon District Council
- Exeter City Council
- Mid Devon District Council
- North Devon District Council
- South Hams District Council
- Teignbridge District Council
- Torrington District Council
- West Devon Borough Council.

Progress by the Districts against the Action Plan attached to this strategy will be reviewed quarterly by the Devon District Procurement Group (DDPG).

## Background

The first Devon District Procurement strategy was adopted by the partners in 2010 and ran until 2013.

Some of the districts decided to adopt it alongside their own authority specific strategy whilst others took it as their only strategic document and used it to feed into their own Procurement Work Plan or Improvement Plan which supports their own corporate objectives.

Performance against the Procurement Improvement Plan agreed with the strategy was monitored, but on reflection it was felt that many of the performance indicators were too specific and with each authority having different corporate objectives, they were not all able to achieve the targets which had been set.

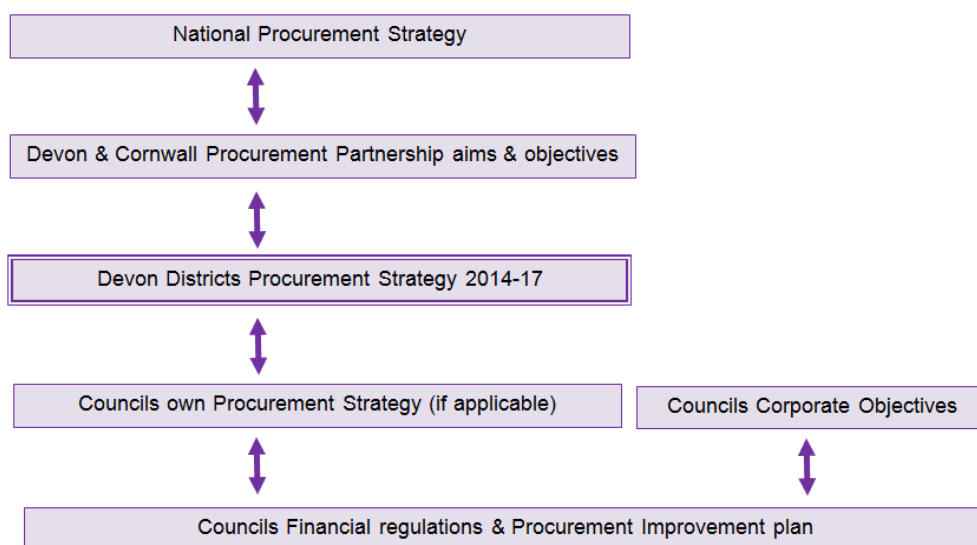
The Local Government Association (LGA) published the National Procurement Strategy (NPS) in 2014 and this new District strategy seeks to align with those themes which have been set out within the NPS.

It is also a time of change with regards the legislative landscape within which we work. The EU Procurement rules have been reformed and have now been transposed into UK law. In addition there are now below EU threshold national requirements which are also set out in UK law.

Also considered within this strategy is the Equality Act, Social Value Act and the Transparency code which have come into force since the last strategy.

The economic environment, both nationally and locally, continues to require us to focus on obtaining value for money and 'doing more for less'.

Although this strategy is specific to the district authorities, they will continue to work collaboratively with other members of the Devon & Cornwall Procurement Partnership to deliver the strategic objectives of the partnership and to maximise the benefits of all partners spend with external suppliers.



## **Outcomes**

The 4 key themes contained within the NPS have been used to identify the outputs and their desired outcomes which will be achieved as a result of the implementation of this strategy:

1. Making savings/ Addressing Financial Pressures
2. Supporting Local Economies
3. Leadership
4. Modernising Procurement

In addition, everything in this strategy will focus on the following over-arching outcome:

5. Collaboration

| <b>Theme A – Making Savings</b>   |            |  |  |
|---|------------|--|--|
| With growing pressure on Councils projected budgets, achieving value for money and making savings will play a key role in addressing the deficits which are faced in the medium term financial plans of each Council. |            |  |  |
|   | <b>Ref</b> | <b>Council Outputs</b>   | <b>Outcomes</b>  |
| <b><i>Use of Frameworks</i></b>   |            |  |  |
|   | 1          | Investigate suitability of existing contract and framework opportunities to meet Procurement needs before commencing own local tendering/ buying process.  | Both maximum value for money and efficient use of resources are achieved through utilising existing procurement options where they are appropriate and meet the required need. |
|   | 2          | Details of frameworks available through Professional Buying Organisations (PBO's) continue to be held on a central register on Huddle as a quick reference tools for procurement officers. Crown Commercial Services frameworks are accessed via <a href="http://ccs.cabinetoffice.gov.uk">http://ccs.cabinetoffice.gov.uk</a> |  |
| <b><i>Collaboration/ Partnering</i></b>   |            |  |  |
|   | 3          | Councils will engage with and support the work of the Devon & Cornwall Procurement Partnership.  | The partnership will continue to flourish and to provide benefits for all members as set out in their mission statement.   |
|   | 4          | Opportunities for sharing resources and developing contractual arrangements with neighbouring partner organisations are considered both in the management of the Procurement function and in the procurement of goods and services where appropriate.  | Savings and efficiencies will be delivered through shared resources, alignment of contracts and economies of purchasing power.   |

| <b><i>Contract Management</i></b>              |    |  |   |
|--|----|--|---|
|  | 5  | Implement a consistent approach to contract management which will allow contracts across the partner organisations to be monitored.  | Reporting available on contract outputs and key performance indicators.                                 |
|  | 6  | Use Contract Monitor module on ProContract to support this process electronically.   | Effective use of eProcurement tools.  |
|  | 7  | Frameworks and collaborative contracts are monitored by the lead authority on behalf of or in conjunction with the participating authorities. Participating organisations will support this process through collection of data or provision of information to the lead authority upon request. | Streamline tender and contract management process for suppliers on how to do business with the Council. |
|  | 8  | Use contract clauses to improve payment terms for suppliers and improve working conditions throughout the supply chain.  | Effective use of contract clauses.  |
| <b><i>Supplier Relationship Management</i></b> |    |  |   |
|  | 9  | Contracts clearly state payment terms and will ensure timely payment of monies owing.  | Ensure that smaller contractors are not disadvantaged due to cash flow issues.                          |
|  | 10 | Tender criteria will consider supply chain management where it is applicable to the contract.  | Contractors will act fairly within the supply chain.  |
|  | 11 | Risk is integrated into the procurement process and monitored regularly. Risk management is not risk averse.   | Risk management approach allows suppliers and procurers to take advantage of opportunities.             |

|  |    |  |   |
|--|----|--|---|
|  | 12 | Procurement risks are recorded and reported in line with this strategy and actions to mitigate risks are identified. | Clear audit trail demonstrated to back up the decision making process.<br>Fraudulent procurement practices are mitigated against. |
|--|----|--|---|



| <b>Theme B – Supporting Local Economies</b>   |            |  |  |
|---|------------|--|--|
| <p>All public sector organisations have an opportunity and responsibility to contribute towards the regeneration and enhancement of their local economy through their purchasing arrangements.</p> <p>Two key pieces of legislation support this approach; The Localism Act 2011 and The Public Services (Social Value) Act 2012. Both set out to encourage Councils to provide the maximum benefit to localism and their communities from every taxpayer pound which is spent.</p> |            |  |  |
|   | <b>Ref</b> | <b>Council Outputs</b>   | <b>Outcomes</b>  |
| <b><i>Social Value Clauses</i></b>  |            |  |  |
|   | 13         | The DDPG will establish a suite of clauses giving consideration as to how social, community and environmental value can be obtained will be defined and agreed.  | Streamline approach for suppliers on how to do business with the Council.                |
|   | 14         | Where the contract value is in excess of the EU threshold, or in the case of lower value contracts which have a direct impact on the community, the clauses from 13 (above) will be included in all contracts. | Maximum value is obtained in terms of economic, social value and environmental criteria. |
| <b><i>Sustainability</i></b>  |            |  |  |
|   | 15         | A sustainable procurement policy and guidance will be agreed between the partner authorities.  | Streamline approach for suppliers on how to do business with the Council.                |
|   | 16         | Formal procurement processes will give timely consideration to identify the need of the contract in terms of sustainability.   | Reduction of waste by making sustainable choices.  |

| <b>Local Supplier Engagement</b> |    |  |  |
|----------------------------------|----|--|--|
|                                  | 17 | Partner authorities will use the ProContract eTendering software to advertise all contract opportunities over £10,000  | Access to contracts is simplified for all suppliers.                               |
|                                  | 18 | Agree a suite of questions and utilise ProQuest module of ProContract to manage the evaluation of suppliers electronically.  | Removal of duplication and simplification of bureaucratic processes for suppliers. |
|                                  | 19 | Partners will work together and with the wider Devon & Cornwall Procurement Partnership to communicate to suppliers a better understanding of the way in which they do business. | Streamline approach for suppliers on how to do business with the Council.          |

| <b>Theme C– Leadership</b>   |            |  |  |
|--|------------|--|--|
| In this changing social and economic landscape, Councils need to be at the forefront of demonstrating initiative and resourcefulness to rise to the challenges that all businesses are facing. |            |  |  |
|  | <b>Ref</b> | <b>Council Outputs</b>   | <b>Outcomes</b>  |
| <b><i>Buy in from the top</i></b>  |            |  |  |
|  | 20         | Procurement will be discussed and considered at a Senior Level eg. SMT through the appropriate reporting mechanisms  | Procurement is recognised as strategically important by Senior Officers and Members. |
|  | 21         | Appointment of a Member Champion for Procurement.  | Procurement is recognised as strategically important by Senior Officers and Members. |
| <b><i>Training</i></b>   |            |  |  |
|  | 22         | Within their resource and budgetary constraints, each Council will invest in development and training of staff across the organisation in relation to both Procurement and other key commercial skills such as negotiation, market awareness and costs and profit. | Councils will take a more commercial approach to procurement.                        |
|  | 23         | Working collaboratively, (see item 3) Councils will derive value for money through joined up training opportunities and sharing of procurement related expertise, knowledge and best practice  | Procurement competencies across the organisations are improved.                      |

| <b>Embedding Legislation</b> |    |   |  |
|------------------------------|----|---|--|
|                              | 24 | Councils will publish data in line with the Transparency Code.  | New opportunities are opened up for local businesses, voluntary and community sectors and social enterprises in relation to bidding for running public sector contracts. |
|                              | 25 | Ensure that procurement policies and procedures encompass current legislative requirements and that staff are kept up to date of any changes. | Modernisation of procurement processes and improved flexibility ensuring legal compliance.   |

| <b>Theme D– Modernising Procurement</b>  |            |  |   |
|--|------------|--|---|
| The development of a more innovative approach to Procurement will help to ensure that the Councils deliver their own contribution to the government’s modernisation agenda, the advantages of which will be seen locally and nationally. |            |  |   |
|  | <b>Ref</b> | <b>Council Outputs</b>   | <b>Outcomes</b>   |
| <b><i>Commercialism</i></b>  |            |  |   |
|  | 25         | When developing contracts, Councils will seek to identify opportunities to ‘do things differently’ or to generate income.  | Drive down costs in service provision and develop improved ways of working. |
|  | 26         | Flexibilities set out in the new EU Directives will be maximised.  | Removal of bureaucratic processes and barriers in Procurement.              |
| <b><i>Supplier Innovation</i></b>  |            |  |   |
|  | 27         | Time allowed for early supplier engagement to ensure that innovative approaches can be considered.   | Supplier innovation demonstrated and benefits harnessed.                    |
| <b><i>Use of technology</i></b>  |            |  |   |
|  | 28         | Through the Pro Contract User Group, Councils will support the ongoing contract management and system development in relation to the eTendering software.            | Increased efficiency and productivity for both Council staff and suppliers. |
|  | 29         | Councils will encourage suppliers in the use of electronic systems for all transactions as appropriate to their own organisation (p-cards, e-invoicing, eTendering). | Increased efficiency and productivity for both Council staff and suppliers. |

## **Conclusions**

By achieving the outcomes set out within this document, the Devon District Councils will ensure that they realise the maximum benefits to their organisation, and are on target to achieve the requirements put upon them within the National Procurement Strategy.

It is by working collaboratively that we will demonstrate that the ongoing contribution of the districts to both local and national agendas is a valid one.

By the very nature of this document, the commitment of the partner authorities to a shared procurement strategy demonstrates their willingness to develop and improve together in a way which benefits both the individual Councils and the communities which they serve.

Agreed by:

**East Devon District Council**

**Exeter City Council**

**Mid Devon District Council**

Andrew Jarrett, Head of Finance

Peter Hare-Scott, Cabinet Holder for Finance

**North Devon Council**

**Teignbridge District Council**



**South Hams District Council**

**West Devon Borough Council**

**Torrige District Council**

## **Contacts**

For more information about this strategy or procurement in general, please contact:

### **East Devon District Council**

Colin Slater

Tel: (01395) 516551

Email: [cslater@middevon.gov.uk](mailto:cslater@middevon.gov.uk)

### **Exeter City Council**

Howard Gaunt

Tel: 01392 265262

Email: [Howard.Gaunt@exeter.gov.uk](mailto:Howard.Gaunt@exeter.gov.uk)

### **Mid Devon District Council**

Chanelle Busby

Tel: (01884) 234228

Email: [cbusby@middevon.gov.uk](mailto:cbusby@middevon.gov.uk)

### **North Devon Council**

Martin Williams

Tel: (01271) 388273

Email: [martin.williams@northdevon.gov.uk](mailto:martin.williams@northdevon.gov.uk)

### **Teignbridge & South Hams District Councils & West Devon Borough Council**

Carly Wedderburn

Tel: (01626) 215120

Email: [carly.wedderburn@teignbridge.gov.uk](mailto:carly.wedderburn@teignbridge.gov.uk)

### **Torridge District Council**

Gill Tallamy

Tel: (01237) 428758

Email: [gill.tallamy@torridge.gov.uk](mailto:gill.tallamy@torridge.gov.uk)



Organisation Name:

**Theme A - Making Savings**

| Ref Council Outputs       |   |  | Outcomes   | Status<br>Where is your organisation in terms of delivering this output?<br>Eg. in place already, in progress, not started    | Priority<br>How important is this to your organisation in terms of your own work plans and corporate objectives? |
|---------------------------|---|--|--|---|--|
| Use of Frameworks         | 1 | Investigate suitability of existing contract and framework opportunities to meet Procurement needs before commencing own local tendering/ buying process.  | Both maximum value for money and efficient use of resources are achieved through utilising existing procurement options where they are appropriate and meet the required need. | In place where procurement activity is referred to Corporate Procurement  | Low  |
|                           | 2 | Details of frameworks available through Professional Buying Organisations (PBO's) continue to be held on a central register on Huddle as a quick reference tools for procurement officers. Crown Commercial Services frameworks are accessed via <a href="http://ccs.cabinetoffice.gov.uk">http://ccs.cabinetoffice.gov.uk</a> |  | Corporate Procurement holds details of where framework agreements can be accessed from locally on internal 'Procurement Tool' | Low  |
| Collaboration/ Partnering | 3 | Councils will engage with and support the work of the Devon & Cornwall Procurement Partnership.  | The partnership will continue to flourish and to provide benefits for all members as set out in their mission statement.   | In place  | Medium   |
| Collaboration/ Partnering | 4 | Opportunities for sharing resources and developing contractual arrangements with neighbouring partner organisations are considered both in the management of the Procurement function and in the procurement of goods and services where appropriate.  | Savings and efficiencies will be delivered through shared resources, alignment of contracts and economies of purchasing power.   | In place  | Medium   |
| Management                | 5 | Implement a consistent approach to contract management which will allow contracts across the partner organisations to be monitored.  | Reporting available on contract outputs and key performance indicators.  | Not started   | High   |
|                           | 6 | Use Contract Monitor module on ProContract to support this process electronically.   | Effective use of eProcurement tools  | In progress (Contract Monitor module allows for monitoring of contracts but arguably not the management of them)              | Medium   |

|                                       |    |  |   |             |        |
|---------------------------------------|----|--|---|-------------|--------|
| Contract N                            | 7  | Frameworks and collaborative contracts are monitored by the lead authority on behalf of or in conjunction with the participating authorities. Participating organisations will support this process through collection of data or provision of information to the lead authority upon request. | Streamline tender and contract management process for suppliers on how to do business with the Council.                           | In progress | Low    |
|                                       | 8  | Use contract clauses to improve payment terms for suppliers and improve working conditions throughout the supply chain.  | Effective use of contract clauses.  | In place    | Low    |
| Supplier Relationship Management      | 9  | Contracts clearly state payment terms and will ensure timely payment of monies owing.  | Ensure that smaller contractors are not dis-advantaged due to cash flow issues.   | In place    | Low    |
|                                       | 10 | Tender criteria will consider supply chain management where it is applicable to the contract.  | Contractors will act fairly within the supply chain.  | In progress | Low    |
|                                       | 11 | Risk is integrated into the procurement process and monitored regularly. Risk management is not risk averse.   | Risk management approach allows suppliers and procurers to take advantage of opportunities.                                       | Not started | Medium |
|                                       | 12 | Procurement risks are recorded and reported in line with this strategy and actions to mitigate risks are identified.   | Clear audit trail demonstrated to back up the decision making process.<br>Fraudulent procurement practices are mitigated against. | Not started | Medium |
| <b>B - Supporting Local Economies</b> |    |  |   |             |        |
| Social Value Clauses                  | 13 | The DDPG will establish a suite of clauses giving consideration as to how social, community and environmental value can be obtained will be defined and agreed.  | Streamline approach for suppliers on how to do business with the Council.   | ?           | High   |
|                                       | 14 | Where the contract value is in excess of the EU threshold, or in the case of lower value contracts which have a direct impact on the community, the clauses from 13 (above) will be included in all contracts.   | Maximum value is obtained in terms of economic, social value and environmental criteria.  | Not started | High   |
| Sustainability                        | 15 | A sustainable procurement policy and guidance will be agreed between the partner authorities.  | Streamline approach for suppliers on how to do business with the Council.   | Not started | High   |
|                                       | 16 | Formal procurement processes will give timely consideration to identify the need of the contract in terms of sustainability.   | Reduction of waste by making sustainable choices.   | In progress | Medium |
| ment                                  | 17 | Partner authorities will use the ProContract eTendering software to advertise all contract opportunities over £10,000 or in line with their own contract standing orders.  | Access to contracts is simplified for all suppliers.  | In place    | Low    |

|                                    |    |  |  |   |        |
|------------------------------------|----|--|--|---|--------|
| Local Supplier Engage              | 18 | Agree a suite of questions and utilise ProQuest module of ProContract to manage the evaluation of suppliers electronically.  | Removal of duplication and simplification of bureaucratic processes for suppliers.   | CCS standard PQQ has overtaken this although this sdoes throw the ProQuest element in to question | Medium |
|                                    | 19 | Partners will work together and with the wider Devon & Cornwall Procurement Partnership to communicate to suppliers a better understanding of the way in which they do business.   | Streamline approach for suppliers on how to do business with the Council.  | In place  | Low    |
| <b>C - Leadership</b>              |    |  |  |   |        |
| Buy in from the top                | 20 | Procurement will be discussed and considered at a Senior Level eg. SMT through the appropriate reporting mechanisms  | Procurement is recognised as strategically important by Senior Officers and Members  | In progress   | High   |
|                                    | 21 | Appointment of a Member Champion for Procurement   | Procurement is recognised as strategically important by Senior Officers and Members  | Not started   | High   |
| Training                           | 22 | Within their resource and budgetary constraints, each Council will invest in development and training of staff across the organisation in relation to both Procurement and other key commercial skills such as negotiation, market awareness and costs and profit. | Councils will take a more commercial approach to procurement.  | In progress   | High   |
|                                    | 23 | Working collaboratively, (see item 3) Councils will derive value for money through joined up training opportunities and sharing of procurement related expertise, knowledge and best practice  | Procurement competencies across the organisations are improved.  | In progress   | High   |
| Embedding Legislation              | 24 | Councils will publish data in line with the Transparency Code.   | New opportunities are opened up for local businesses, voluntary and community sectors and social enterprises in relation to bidding for running public sector contracts. | In progress   | High   |
|                                    | 25 | Ensure that procurement policies and procedures encompass current legislative requirements and that staff are kept up to date of any changes.  | Modernisation of procurement processes and improved flexibility ensuring legal compliance.   | In progress   | High   |
| <b>D - Modernising Procurement</b> |    |  |  |   |        |

|                     |    |  |   |             |        |
|---------------------|----|--|---|-------------|--------|
| Commercialism       | 26 | When developing contracts, Councils will seek to identify opportunities to 'do things differently' or to generate income.  | Drive down costs in service provision and develop improved ways of working. | In progress | Medium |
|                     | 27 | Flexibilities set out in the new EU Directives will be maximised.  | Removal of bureaucratic processes and barriers in Procurement.              | In progress | Low    |
| Supplier Innovation | 28 | Time allowed for early supplier engagement to ensure that innovative approaches can be considered.   | Supplier innovation demonstrated and benefits harnessed.                    | In progress | Low    |
| Use of technology   | 29 | Through the Pro Contract User Group, Councils will support the ongoing contract management and system development in relation to the eTendering software.            | Increased efficiency and productivity for both Council staff and suppliers. | In place    | Low    |
|                     | 30 | Councils will encourage suppliers in the use of electronic systems for all transactions as appropriate to their own organisation (p-cards, e-invoicing, eTendering). | Increased efficiency and productivity for both Council staff and suppliers  | In place    | Low    |

## Corporate Debt Recovery Policy

Report to: **Executive**

Date: **10<sup>th</sup> March 2016**

Title: **Corporate Debt Recovery Policy**

Portfolio Area: **Customer First**

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview & Scrutiny**

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

Date next steps can be taken:  
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **Isabel Blake** Role: **Community of Practice Lead Specialist Housing, Revenues & Benefits**

Contact: **01822 813551/ Isabel.Blake@swdevon.gov.uk**

---

### **Recommendations:**

1. That Members recommend to Full Council the adoption of the Joint Corporate Debt Recovery Policy.

### **1. Executive summary**

1) This draft policy (Appendix 1) sets out the approach that South Hams & West Devon Councils will take to recover monies owed to them by both residents and businesses.

## **Corporate Debt Recovery Policy**

- 2) This policy document brings together all former departmental debt recovery action and sets out the Council's debt recovery practices in one generic document. Underneath this will be individual service specific operational guidelines, however it is intended by having one published policy that both residents and customers will have clear expectations of how their case will be treated. It will also ensure that staff follow one policy and in the interests of equality and accountability the Councils following due process.

### **2. Background**

- 1) South Hams & West Devon are required to collect monies from both businesses and residents for a variety of reasons. Monies we collect enables us to deliver our core services and in the current climate it is more important than ever that every effort is made to collect all debts owed to us. It is also a fair and reasonable approach to the majority of people who do pay their debts to us on time.
- 2) It is important that the Council has a clear and robust policy, with operational guidelines underpinning it so that any effort to take recovery action is done so in a fair and proportionate way and following a clear policy guideline.
- 3) Whilst maximising debt recovery is important, it is equally important to promote financial inclusion and to safeguard people wherever possible from excessive debt. It is for this reason we have built in signposting to debt advice and support agencies and will give staff the tools to do this in a meaningful way.
- 4) If this policy is adopted it is intended to publish on our website, setting out to all our businesses and residents the Council's approach to debt recovery.

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

- 1) The timing of this new policy coincides with the beginning of a new financial year and all action we take going forward (and in retrospect looking at outstanding debt) will be in accordance with this policy.
- 2) This policy is part of the ongoing project to look at outstanding corporate debt and to recover where possible any monies owed.
- 3) It is anticipated that adoption of this corporate policy will eventually reduce the number of large outstanding debts, by taking early and robust action.

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

- 1) A corporate debt recovery policy is essential for the Council and will ensure transparency, equality and consistency in the way we recover debt.
- 2) It is possible that the Council could continue as is, with each service area taking varying recovery action to recover debt associated with their own service. This clearly is inconsistent, is confusing for both staff, residents and businesses and is open to challenge.
- 3) Each Community of Practice has been involved with the preparation of the debt recovery policy, and feedback has been positive. A corporate

## Corporate Debt Recovery Policy

wide approach is welcomed, with the understanding that there will be some operational differences depending on the nature of the debt.

### 5. Proposed Way Forward

- 1) It is recommended that Executive recommends to Council the adoption of the Corporate Debt Recovery Policy.

### 6. Implications

| Implications                                 | Relevant to proposals Y/N | Details and proposed measures to address  |
|--|---------------------------|---|
| Legal/Governance                             | Y                         | <p>The Council has various powers under which it can recover monies due to it, which are considered in relation to the recovery of specific debt.</p> <p>This is a new policy which requires consideration and formal approval by Members.</p>  |
| Financial                                    |                           | <p>The largest income stream that the council collects is that of council tax and business rates. The Council's collection rates are above the national average as detailed below.</p> <p>In 2014/15 the Council collected 98.3% of council tax, the national average was 97.0%. For business rates 98.6% was collected, the national average was 98.1%</p> <p>Regular quarterly reports are presented to the executive on write offs of debt. In addition to council tax and business rates, the council also collects Housing Benefit debt, sundry debts and housing rent debt.</p> |
| Risk   |                           | <p>If the Council continues as is, with old departmental variation on the collection of debt there is an increased exposure to risk of challenge which will have both a financial and reputational risk to the Council.</p> <p>Without a corporate debt recovery policy the Council may miss opportunities to act early and in accordance with a published procedure which may impact on the success in recovering debts owed.</p>  |
| Comprehensive Impact Assessment Implications |                           |   |
| Equality and Diversity                       |                           | This policy has a positive or neutral impact on all protected characteristics and.  |

## Corporate Debt Recovery Policy

|                                      |  |   |
|--------------------------------------|--|---|
| Safeguarding                         |  | There are no safeguarding implications directly related to this policy, however having inbuilt financial inclusion criteria will to the Council's best ability actively support people struggling with debt.  |
| Community Safety, Crime and Disorder |  | <ul style="list-style-type: none"> <li>Some of our debt recovery action can ultimately result in a custodial sentence. This is only when all other action has been exhausted and is ultimately sanctioned by the courts. The approach this policy outlines and the action taken prior to this should minimise instances of this.</li> </ul> |
| Health, Safety and Wellbeing         |  | The inbuilt financial inclusion criteria promotes Health, Safety & Wellbeing.   |
| Other implications                   |  |   |

### **Supporting Information**

#### **Appendices:**

**Appendix 1 – Draft Debt Recovery Policy.**

#### **Background Papers:**

### **Approval and clearance of report**

| <b>Process checklist</b>   | <b>Completed</b> |
|--|------------------|
| Portfolio Holder briefed   | <b>Yes</b>       |
| SLT Rep briefed  | <b>Yes</b>       |
| Relevant Exec Director sign off (draft)  | <b>Yes</b>       |
| Data protection issues considered  | <b>Yes</b>       |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>Yes</b>       |





**South Hams District Council & West Devon Borough Council**

## **Corporate Debt Policy**

This policy sets out our approach to collecting and recovering debt owed to us by businesses and residents.

## **Introduction**

South Hams District Council and West Devon Borough Council ('the Councils') are required to collect monies from both residents and businesses for a variety of reasons.

Money we collect enables us to provide important public services. Income that is not collected or takes additional effort to collect means fewer resources are available to provide our services. We will try to recover all debts owed to us. This is a fair approach to people who use services and to the majority who pay council tax and business rates on time. We will follow enforcement protocols and procedures to recover monies owed to us and signpost those people genuinely experiencing financial hardship to appropriate advice and support teams in the voluntary and community sector.

In undertaking income and debt recovery it is inevitable that we will be required to pursue the recovery of arrears from residents and businesses that may experience difficulty in paying. It is therefore important that we set out how the councils manage and collect debts to ensure consistency and best practice in such situations.

This policy identifies where responsibility for collection of different debts lie and sets out the principles and standards in relation to customer contact, recovery processes, repayments and benefit, money and debt advice. It also explains how the councils and their partners can offer help, advice and support in the management of debt for our customers.

This policy sets the framework for a consistent and sensitive approach to collecting debt whilst at the same time ensuring that the councils continue to maximise income collection.

Our approach in South Hams District Council and West Devon Borough Council will be fair, consistent and sensitive to individual situations. We will:

- implement best practice for collecting and recovering debt to the Councils
- ensure that the debt has been raised correctly and in a timely manner

- make sure that residents and businesses are given invoices or bills setting out the charge, the basis of the charge, methods of payment and council contact details
- where appropriate, agree payment arrangements with customers
- develop triggers and measures to provide an opportunity for early intervention and reduce the likelihood of the arrears increasing

### **Our approach for avoiding debt**

The Councils aims are to prevent excessive debt by promoting financial inclusion and budgeting to reduce the impact of poverty. The common approach by the councils and its partners is supporting people to budget and pay their priority debts.

A number of payment methods, including online payments, are available to make it easy for customers to pay for services.

Services will be invoiced or billed in line with statutory requirements. Where a debt remains unpaid:

- We will signpost customers to appropriate debt advice and support agencies.
- We recognise that certain individuals will require more sympathetic and sensitive treatment, for example in the case of recent bereavement, major illness or where the customer requires special assistance in handling their financial affairs.

### **Policy objectives**

This policy has been developed to provide support to customers over legal or enforcement action. It strives to be firm and will use the full range of collection and recovery methods as appropriate if debts are not paid. The policy operates within the framework of relevant legislation, such as data protection, human rights and statutory regulations and other council policies and internal procedures.

### **Policy aims**

The aims of this policy are to:

- maximise income for South Hams District Council and West Devon Borough Council
- ensure that all council tax and business rates payers' interests are protected by effective debt collection
- encourage self-help
- be "preventative" for example offering payment options and to signpost customers with debt issues to debt advice providers
- be fair but firm, and ensure consistency in dealing with customers

- protect and support vulnerable customers
- maximise the use of discretionary funds where appropriate to assist with pressures of welfare reform and localism

### **Our commitment**

When dealing with customers who owe money to us we will:

- treat all customers fairly and objectively
- ensure that there is no discrimination against customers because of their race, nationality, colour, ethnic origin, religious belief, gender, marital status, sexual orientations, age or disability
- encourage customers to make early contact with us about any debt-related matters
- use Plain English in all correspondence
- assist with communication needs where appropriate, including translation and interpreting services
- co-ordinate all our correspondence to avoid duplication and reduce costs; ensuring that correspondence with customers refers to and deals with all or similar accounts outstanding, so as to consolidate the debts and clarify the total amount owed, and offering options for payments (not including Sundry Debts)
- promote advice and support services available
- set out our charges clearly

### **Accessing advice and support**

The councils will advise individuals and/or businesses as to the range of discounts, reliefs and reductions available at both the time an account is issued and in subsequent communications. This information is also available on both Councils websites.

Staff in direct contact with customers will signpost them as to where they can obtain advice on benefits and debt matters appropriate to their needs.

We will ensure that all written communications use Plain English as the standard wherever possible. We will explain complex terminology when it is required to be used by law. All documents will be issued in a timely manner, in accordance with any statutory timescales. The legal options open to the councils in collecting debts and the customer in paying debts will be explained, taking into account the stage of recovery achieved.

We will assist people with language and communication needs by offering translation, interpreting and other services when required.

### **Assessing ability to pay**

In pursuing debt recovery, the council will act in accordance with statutory regulations and guidance. It is imperative that the council's approach to debt recovery is responsible and responds to the financial and social vulnerability of residents and business owners.

The councils will take into account individual circumstances and the financial and economic climate that we are operating in.

We take a common approach in assessing a customer's whole financial position (by taking into account all of their expenditure and income) to assess their ability to pay. Where instalment arrangements can be entered into, the repayment rate will be based on a proportion of the customer's disposable income and realistic arrangements will be entered into for the repayment of debts in preference to legal action.

Customer who have single or multiple debts owed to the councils will be offered the opportunity of independent debt advice.

### **Our recovery**

We will look to charge for services by invoice or bills in line with statutory requirements which may be through instalment plans or arrangements.

At each stage of the recovery process, customers are signposted to debt advice providers in the voluntary sector.

Where the debt remains unpaid or if instalment plans or arrangements are broken we will follow the appropriate statutory recovery process dependent upon the type of debt.

If the debt has not been recovered through internal recovery methods then, dependent on the type of debt, we may instruct bailiffs or debt recovery companies to recover the debt on our behalf. County Court bailiffs may also be instructed, when appropriate, by HM Courts and Tribunal Service.

Consideration will be given to the vulnerability of a customer before we instruct a bailiff or debt recovery company and if we become aware of a vulnerable person once the debt has been passed to a bailiff or debt recovery company we will withdraw and bring the debt back to the council.

Once a debt has been passed to a bailiff or a debt recovery company the customer may incur further costs.

### **Complaints**

We have a Complaints Procedure and any customer that feels dissatisfied with how they have been treated may register their complaint in accordance with that

procedure. Copies of this document (and other documents referred to in this Policy) are available upon request by writing to either:

- South Hams District Council, Follaton House, Plymouth Road, Totnes TQ9 5NE or telephoning 01803 861234 or via the Council's website at [www.southhams.gov.uk](http://www.southhams.gov.uk) or,
- West Devon Borough Council, Kilworthy Park, Drake Road, Tavistock PL19 0BZ or, telephoning 01822 813600 or via the Council's website at [www.westdevon.gov.uk](http://www.westdevon.gov.uk).

All our publications are available in alternative formats, such as large print or a language other than English. Please contact us using the above contact details or email:

[customer.services@southhams.gov.uk](mailto:customer.services@southhams.gov.uk) or,  
[customer.services@westdevon.gov.uk](mailto:customer.services@westdevon.gov.uk).

The corporate complaints procedure provides the Council with the opportunity to investigate and, where appropriate, provide a remedy in circumstances where the Council is alleged to have been guilty of "maladministration" which has caused injustice (and where there is no other reasonable avenue available to the complainant to appeal or seek redress).

It is important to note, however, that the corporate complaints system cannot entertain objections against the merits of a decision which has been properly taken and which the complainant does not agree with.

In the event that the complainant remains dissatisfied after the Council has investigated the complaint, the complainant may refer his/her complaint to the Local Government Ombudsman, who is independent of the Council, but will not consider a complaint where more than 12 months has elapsed since the alleged act/omission.

NB: Some complaints in respect of certain debt matters are also supported by specialist or independent bodies e.g.: The Appeals service, The Housing Ombudsman and Local Government Ombudsman. Details of these bodies together with any external referrals will be provided to customers by the team dealing with the complaint.

## **Rights of Appeal**

There are a number of ways in which people can appeal about decisions the Council may have taken:

Valuation Tribunal: For people who believe the Council has acted incorrectly on a Council Tax billing matter.

Magistrates Court: For people who are aggrieved by the recovery process for Council Tax, Fixed Penalties and Non-Domestic Rates and for Business Improvement District Levy payers or payers who believe the Council acted incorrectly on a billing matter.

Appeal Tribunal: For decisions made on Housing Benefit claims

### **Delivering the Policy**

The councils will take steps to:

- Give early advice to the customer on repayment options and where to get assistance with debt problems.
- Make all advice on how and where to pay clear and simple.
- Raise awareness of a debt as quickly as possible and take action when it says it will if the amount remains unpaid.
- Raise the implications for non-payment – review all reminders and letters periodically, change type face, font, printing and paper colours, if required to heighten the impact.
- Review each case individually, taking into account the known circumstances of that customer, if possible and endeavouring to find a remedy before taking any proceedings.
- If an account remains unpaid then advise the customer what will happen and let the customer know which organisation or agencies can advise them and how they can get in touch with them.

### **Protecting the Councils from Late Payment**

The councils are supported by current UK and EU legislation to recover any amounts expended in recovering overdue amounts from debtors who unnecessarily avoid or delay payment. Examples of these fees are: late payment charges, Court action fees, Enforcement Agent' fees, interest and these may be charged to the debtor's account. The aim of the legislation is to reimburse the councils costs in taking debt recovery action, prevents the citizens of the Borough having to bear the costs of recovering debt from this minority of customers and also acts as a deterrent against deliberate or malicious non-payment.

The relevant legislation relating to recovering these charges shown below along with links to obtain further information;

#### **DIRECTIVE 2011/7/EU ON COMBATING LATE PAYMENT IN COMMERCIAL TRANSACTIONS**

<https://www.gov.uk/government/publications/late-payment-directive-user-guide-to-therecast-directive>

#### **Late Payment of Commercial Debts (Interest) Act 1998**

<http://www.legislation.gov.uk/ukpga/1998/20/section/2>

#### **Local Government Act 1972**

<http://www.legislation.gov.uk/ukpga/1972/70/section/111>

**Local Government Finance Act 1992**

[www.legislation.gov.uk/ukpga/1992/14/contents](http://www.legislation.gov.uk/ukpga/1992/14/contents)

**Local Government Act 2003**

<http://www.legislation.gov.uk/ukpga/2003/26/section/93>

**Localism Act 2011**

<http://www.legislation.gov.uk/ukpga/2011/20/section/3/enacted>

**Traffic Management Act 2004**

[www.legislation.gov.uk/ukpga/2004/18/pdfs/ukpga\\_20040018\\_en.pdf](http://www.legislation.gov.uk/ukpga/2004/18/pdfs/ukpga_20040018_en.pdf)

**Taking Control of Goods Regulations 2013 (comes into effect 6.4.14)**

<http://www.legislation.gov.uk/uksi/2013/1894/made>

**If further or outside advice is needed**

Some people or businesses may require the assistance of one of the following:

Homemaker Southwest – for personal debt and housing advice

Tel 01392 686752

[www.homemakersw.org.uk](http://www.homemakersw.org.uk)

The National Debt Line

Tel 0808 808 4000

[www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)

The Citizens Advice Bureau – for personal debt and housing advice

Tel 0844 826 9713

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

Age UK for independent advice on benefits / financial concerns

Tel 0800 169 6565

[www.ageuk.org.uk](http://www.ageuk.org.uk)

**Recovery Action pathway**

The following table sets out the various collection pathways for the major debt topics within the councils debt portfolio's, however it should be noted that the councils operate many of their recovery pathways in cooperation with private and public partners to rationalise services and achieve efficiency.

As such the councils retain their options to utilise collection and enforcement agents from both the private sector and the courts to carry out associated or appropriate enforcement actions on behalf of the councils to prevent or mitigate the need to escalate debts along the collection pathway shown below.



**Corporate Debt Portfolio: Collection Pathways.**

| <b><u>Type of Debt</u></b> | <b><u>Charging Method</u></b> | <b><u>*Default Collection Pathway</u></b> | <b><u>Appeals</u></b>               | <b><u>Option of Final Resort (Persistent/deliberate Default)</u></b> |
|----------------------------|-------------------------------|---|-------------------------------------|--|
| Council Tax                | Annual Bill                   | Magistrates Court                         | To the Valuation Appeals Office.    | Fine and/or custodial sentence                                       |
| Sundry Debt                | Invoice                       | Magistrates/County Court                  | High Court                          | Bailiff/custodial sentence   |
| NNDR                       | Annual Bill                   | Magistrates Court                         | To the Valuation Appeals Office.    | Fine and/or custodial sentence                                       |
| Housing Ben O/payments     | Invoice                       | County Court                              | To the Tribunal and Appeals Service | Deducts from wages/bens...   |

- Action following the exhaustion of all prescribed/standard recovery efforts e.g. after written, electronic, verbal contacts and reminders have failed to illicit a sustainable payment response from the debtor.

**This page is intentionally left blank**

Report to: **Executive**

Date: **10 March 2016**

Title: **Write Off Report**

Portfolio Area: **Support Services**

Wards Affected: **All**

Relevant Scrutiny Committee:

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

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

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

---

**Recommendations:**

The Executive notes that, in accordance with Financial Regulations, the s151 Officer has authorised the write-off of individual South Hams District Council debts totalling £33,524.52 as detailed in Tables 1 and 2.

The Executive approves the write off of individual debts in excess of £5,000 totalling £5,566.63, as detailed in Table 3.

**1. Executive summary**

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

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

This report covers the period 1<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015.

## **2. Background**

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

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

South Hams District Council's collection rates for 2014/15 were; Council Tax 98.3% & Business Rates 98.6%.

In the third quarter of 2015/16 the Council has collected £17,120,705 in Council Tax and £8,674,895 in Business Rates. The total collectable debt for 2015/16 (as at 31<sup>st</sup> December) for Council Tax is £60.1 million and for Business Rates is £32.0 million.

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

## **3. Outcomes/outputs**

In accordance with good financial management principles the Council has, for the revenue streams detailed in this report, made a total bad debt provision of £1,839,105. This provision recognises that a proportion of the Authority's debts will prove irrecoverable and ensures that the value of debtors within the Authority's accounts is a fair reflection of the amount that will eventually be recovered.

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

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

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

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

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

#### 4. Options available and consideration of risk

#### 5. Proposed Way Forward

The Executive approves the write off of individual debts in excess of £5,000 as detailed in Table 3.

#### 6. Implications

| Implications     | Relevant to proposals Y/N          | Details and proposed measures to address   |
|------------------|------------------------------------|--|
| Legal/Governance |                                    | <p>The relevant powers for this report are contained within the following legislation;</p> <p>Section 151 Local Government Act 1972<br/>           Section 44 Local Government Finance Act 1988 (Non Domestic Rate)<br/>           Section 14 Local Government Finance Act 1992 (Council Tax)</p>  |
| Financial        |                                    | South Hams District Council debts totalling £39,091.15 to be written-off   |
| Risk             | <p>Reputation</p> <p>Write Off</p> | <p>Any risk to reputation is managed carefully by prompt recovery of amounts due wherever possible.</p> <p>This risk is also mitigated by taking a balanced view and ensuring that resources are not expended on debts which are not cost effective to pursue</p> <p>The obvious risk of debtors subsequently being able to pay a debt which has been written off is mitigated by the activity outlined in issues for consideration.</p> <p>Any individual debt exceeding £5,000 is referred to members for consideration prior to write-off which accords with Financial regulations.</p> |

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

## **Supporting Information**

### **Appendices:**

Table 1 – Council debt under £5,000 written off by the Section 151 Officer

Table 2 – Non-Domestic Rate debt under £5,000 written off by the Section 151 Officer

Table 3 – Summary of items over £5,000 where permission to write off is requested

Table 4 – National & Local Collection Statistics re 2014 / 15 Collection Rates

Table 5 – Quarterly income in 2014 / 15 relating to all years

Table 6 – Previous Year Write Off Totals

### **Background Papers:**

Section 151 Local Government Act 1972

Section 44 Local Government Finance Act 1988 (Non Domestic Rate)

Section 14 Local Government Finance Act 1992 (Council Tax)

Recovery Policy

### **Approval and clearance of report**

| <b>Process checklist</b>                | <b>Completed</b> |
|---|------------------|
| Portfolio Holder briefed                | <b>Yes</b>       |
| SLT Rep briefed                         | <b>Yes</b>       |
| Relevant Exec Director sign off (draft) | <b>Yes</b>       |
| Data protection issues considered       | <b>Yes</b>       |

|  |                       |
|--|-----------------------|
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | <b>Not Applicable</b> |
|--|-----------------------|

TABLE 1 SUMMARY OF SOUTH HAMS DISTRICT COUNCIL DEBT UNDER £5,000 WRITTEN OFF BY S151 OFFICER

| TYPE OF DEBT           | NUMBER OF CASES |          | No of people / business | REASON FOR W/OFF             | Financial Year 2015/16 |                  |                   | Totals for Comparison purposes |                  |                     |                   |
|------------------------|-----------------|----------|-------------------------|------------------------------|------------------------|------------------|-------------------|--------------------------------|------------------|---------------------|-------------------|
|                        | <£1000          | >£1000   |                         |                              | Quarter 3              | Cumulative Total |                   | Equivalent Quarter 2014/15     |                  | Grand Total 2014/15 |                   |
|                        |                 |          |                         |                              | Amount (£)             | Cases            | Amount            | Cases                          | Amount           | Cases               | Amount            |
| <b>HOUSING BENEFIT</b> | 16              | 1        |                         | Overpaid Entitlement         | 5,660.69               | 59               | 25,147.29         | 20                             | 9,163.41         | 187                 | 65,344.60         |
|                        | 4               | -        |                         | Bankruptcy                   | 2,025.51               | 13               | 13,378.16         | 2                              | 2,037.22         | 9                   | 11,262.30         |
|                        | -               | -        |                         | Absconded                    | -                      | 8                | 9,427.10          | 2                              | 4,443.08         | 14                  | 7,929.70          |
|                        | -               | -        |                         | Deceased                     | -                      | 1                | 93.24             | 1                              | 94.46            | 5                   | 1,408.36          |
|                        | 4               | 1        |                         | Not cost effective to pursue | 1,592.23               | 19               | 1,679.53          | 3                              | 5.69             | 18                  | 63.92             |
|                        | -               | -        |                         | Uncollectable old debt       | -                      | 20               | 6,980.14          | 8                              | 1,338.63         | 49                  | 16,129.65         |
| Total                  | 24              | 2        |                         |                              | 9,278.43               | 120              | 56,705.46         | 36                             | 17,082.49        | 282                 | 102,138.53        |
| <b>COUNCIL TAX</b>     | 6               | 1        |                         | Absconded                    | 4,538.41               | 20               | 7,650.70          | 11                             | 3,196.56         | 72                  | 23,674.01         |
|                        | -               | -        |                         | Administrative Receivership  | -                      | 1                | 2,094.70          | -                              | -                | -                   | -                 |
|                        | 9               | 2        |                         | Bankruptcy                   | 9,098.19               | 42               | 27,737.68         | 8                              | 5,854.56         | 56                  | 39,476.74         |
|                        | 2               | -        |                         | Deceased                     | 239.28                 | 4                | 353.56            | 1                              | 30.84            | 6                   | 1,702.61          |
|                        | 4               | -        |                         | Small balance                | 57.01                  | 9                | 88.52             | 65                             | 965.78           | 323                 | 11,790.33         |
|                        | 2               | -        |                         | Other                        | 534.13                 | 10               | 11,269.67         | 3                              | 7,630.65         | 15                  | 13,666.11         |
|                        | -               | -        |                         | Uncollectable old debt       | -                      | 5                | 4,449.43          | 1                              | 103.88           | 9                   | 2,812.75          |
|                        | -               | -        |                         | Voluntary Bankruptcy         | -                      | -                | -                 | -                              | -                | 8                   | 4,804.75          |
| Total                  | 23              | 3        |                         |                              | 14,467.02              | 91               | 53,644.26         | 89                             | 17,782.27        | 489                 | 97,927.30         |
| <b>SUNDRY DEBTS</b>    | -               | -        |                         | Absconded                    | -                      | -                | -                 | -                              | -                | 15                  | 1,415.89          |
|                        | -               | -        |                         | Bankruptcy/DRO/IVA/CVA       | -                      | -                | -                 | -                              | -                | 11                  | 1,299.62          |
|                        | -               | -        |                         | Not cost effective to pursue | -                      | -                | -                 | -                              | -                | 5                   | 639.10            |
|                        | -               | -        |                         | Other                        | -                      | -                | -                 | -                              | -                | 35                  | 3,086.39          |
|                        | -               | -        |                         | Administrative Receivership  | -                      | -                | -                 | -                              | -                | 8                   | 105.49            |
|                        | 1               | -        |                         | Small balance                | 9.03                   | 1                | 9.03              | -                              | -                | 35                  | 38.14             |
| Total                  | 1               | -        |                         |                              | 9.03                   | 1                | 9.03              | -                              | -                | 109                 | 6,584.63          |
| <b>HOUSING RENTS</b>   | -               | -        |                         | Bankrupt                     | -                      | -                | -                 | -                              | -                | -                   | -                 |
|                        | -               | -        |                         | Not cost effective to pursue | -                      | -                | -                 | -                              | -                | 18                  | 1,053.65          |
|                        | -               | -        |                         | Absconded                    | -                      | -                | -                 | -                              | -                | 2                   | 921.75            |
|                        | -               | -        |                         | Uncollectable old debt       | -                      | -                | -                 | -                              | -                | 1                   | 1,061.98          |
|                        | -               | -        |                         | Other                        | -                      | -                | -                 | -                              | -                | 1                   | 76.00             |
| -                      | -               |          | Deceased                | -                            | -                      | -                | -                 | -                              | -                | -                   | -                 |
| Total                  | -               | -        |                         |                              | -                      | -                | -                 | -                              | -                | 22                  | 3,113.38          |
| <b>Grand Total</b>     | <b>48</b>       | <b>5</b> |                         |                              | <b>23,754.48</b>       | <b>212</b>       | <b>110,358.75</b> | <b>125</b>                     | <b>34,864.76</b> | <b>902</b>          | <b>209,763.84</b> |



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

| TYPE OF DEBT      | NUMBER OF CASES |          | No of people / business | REASON FOR W/OFF            | Financial Year 2015/16 |                  |                  | Totals for Comparison purposes |                  |                     |                  |
|-------------------|-----------------|----------|-------------------------|-----------------------------|------------------------|------------------|------------------|--------------------------------|------------------|---------------------|------------------|
|                   | <£1000          | >£1000   |                         |                             | Quarter 3              | Cumulative Total |                  | Equivalent Quarter 2014/15     |                  | Grand Total 2014/15 |                  |
|                   |                 |          |                         |                             | Amount (£)             | Cases            | Amount           | Cases                          | Amount           | Cases               | Amount           |
| NON-DOMESTIC RATE | -               | -        |                         | Absconded                   | -                      | 3                | 1,019.77         | 1                              | 119.61           | 8                   | 6,123.27         |
|                   | -               | 1        |                         | Administrative Receivership | 1,042.00               | 1                | 1,042.00         | 1                              | 1,672.50         | 4                   | 11,031.06        |
|                   | -               | 1        |                         | Liquidation                 | 1,726.37               | 13               | 24,521.04        | 1                              | 3,193.42         | 15                  | 35,579.70        |
|                   | -               | -        |                         | Voluntary Bankruptcy        | -                      | 1                | 3,435.69         | 1                              | 3,561.47         | 5                   | 9,697.43         |
|                   | -               | -        |                         | Other                       | -                      | 2                | 40.53            | 2                              | 19.86            | 10                  | 658.94           |
|                   | -               | -        |                         | Uncollectable old Debt      | -                      | -                | -                | -                              | -                | 2                   | 863.60           |
|                   | -               | 2        |                         | Bankruptcy                  | 7,001.67               | 3                | 7,015.09         | 3                              | 2,561.58         | 6                   | 11,062.54        |
| -                 | -               |          | Deceased                | -                           | -                      | -                | -                | -                              | -                | -                   |                  |
| <b>Total</b>      | -               | <b>4</b> |                         |                             | <b>9,770.04</b>        | <b>23</b>        | <b>37,074.12</b> | <b>9</b>                       | <b>11,128.44</b> | <b>50</b>           | <b>75,016.54</b> |

**TABLE 3 SUMMARY OF ITEMS OVER £5,000 WHERE PERMISSION TO WRITE OFF IS REQUESTED**

| Page 141<br>TYPE OF DEBT | NUMBER OF CASES | REASON FOR W/OFF            | Financial Year 2015/16 |                  |                   | Totals for Comparison purposes |                 |                     |                   |
|--------------------------|-----------------|-----------------------------|------------------------|------------------|-------------------|--------------------------------|-----------------|---------------------|-------------------|
|                          |                 |                             | Quarter 3              | Cumulative Total |                   | Equivalent Quarter 2014/15     |                 | Grand Total 2014/15 |                   |
|                          |                 |                             | Amount (£)             | Case             | Amount            | Cases                          | Amount          | Cases               | Amount            |
| NON-DOMESTIC RATE        | -               | Administrative Receivership | -                      | 1                | 9,367.21          | -                              | -               | -                   | -                 |
|                          | 1               | Liquidation                 | 5,566.63               | 10               | 242,717.12        | -                              | -               | 9                   | 118,132.28        |
|                          | -               | Absconded                   | -                      | -                | -                 | -                              | -               | -                   | -                 |
|                          | -               | Bankruptcy                  | -                      | -                | -                 | -                              | -               | 1                   | 5,914.67          |
|                          | -               | Uncollectable old Debt      | -                      | -                | -                 | -                              | -               | -                   | -                 |
|                          | -               | Voluntary Bankruptcy        | -                      | -                | -                 | -                              | -               | 2                   | 35,495.13         |
|                          | -               | Other                       | -                      | -                | -                 | 1                              | 6,780.52        | 1                   | 6,870.52          |
| <b>Total</b>             | <b>1</b>        |                             | <b>5,566.63</b>        | <b>11</b>        | <b>252,084.33</b> | <b>1</b>                       | <b>6,780.52</b> | <b>13</b>           | <b>166,412.60</b> |
| HOUSING BENEFIT          | -               | Deceased                    | -                      | -                | -                 | -                              | -               | -                   | -                 |
|                          | -               | Overpaid Entitlement        | -                      | -                | -                 | -                              | -               | -                   | -                 |
|                          | -               | Bankruptcy                  | -                      | 1                | 7,177.42          | -                              | -               | -                   | -                 |
| <b>Total</b>             | -               |                             | -                      | <b>1</b>         | <b>7,177.42</b>   | -                              | -               | -                   | -                 |
| COUNCIL TAX              | -               | Absconded                   | -                      | -                | -                 | -                              | -               | -                   | -                 |
|                          | -               | Bankruptcy                  | -                      | -                | -                 | -                              | -               | -                   | -                 |
|                          | -               | Voluntary Arrangement       | -                      | -                | -                 | -                              | -               | -                   | -                 |
| <b>Total</b>             | -               |                             | -                      | -                | -                 | -                              | -               | -                   | -                 |
| <b>Grand Total</b>       | <b>1</b>        |                             | <b>5,566.63</b>        | <b>12</b>        | <b>259,261.75</b> | <b>1</b>                       | <b>6,780.52</b> | <b>13</b>           | <b>166,412.60</b> |

**TABLE 4 NATIONAL & LOCAL COLLECTION STATISTICS RE 2014-15 COLLECTION RATES**

**Total amount collected in 2014-15 relating to 2014-15 financial year only (net of refunds relating to 2014-15)**

|                   | Council Tax                               |   |   | Non Domestic Rates                        |   |   |
|-------------------|---|---|---|---|---|---|
|                   | Collectable Debit<br>i.r.o. 14/15 - £000s | Net Cash Collected*<br>i.r.o. 14/15 - £000s | Amount Collected<br>i.r.o. 14/15 - %age | Collectable Debit<br>i.r.o. 14/15 - £000s | Net Cash Collected*<br>i.r.o. 14/15 - £000s | Amount Collected<br>i.r.o. 14/15 - %age |
| All England       | 24,793,215                                | 24,052,365                                  | 97.0                                    | 23,510,378                                | 23,066,362                                  | 98.1                                    |
| Shire Districts   | 11,352,031                                | 11,116,705                                  | 97.9                                    | 7,583,172                                 | 7,459,915                                   | 98.4                                    |
| East Devon        | 85,274                                    | 84,274                                      | 98.8                                    | 32,297                                    | 31,805                                      | 98.5                                    |
| Exeter            | 53,152                                    | 50,708                                      | 95.4                                    | 78,004                                    | 77,030                                      | 98.8                                    |
| Mid Devon         | 43,470                                    | 42,492                                      | 97.8                                    | 15,179                                    | 15,023                                      | 99.0                                    |
| North Devon       | 50,667                                    | 49,170                                      | 97.1                                    | 31,940                                    | 31,280                                      | 97.9                                    |
| Plymouth          | 104,466                                   | 100,423                                     | 96.1                                    | 90,908                                    | 88,999                                      | 97.9                                    |
| <b>South Hams</b> | <b>58,325</b>                             | <b>57,352</b>                               | <b>98.3</b>                             | <b>29,491</b>                             | <b>29,082</b>                               | <b>98.6</b>                             |
| Teignbridge       | 72,698                                    | 71,511                                      | 98.4                                    | 31,560                                    | 31,296                                      | 99.2                                    |
| Torbay            | 65,837                                    | 62,871                                      | 95.5                                    | 37,440                                    | 35,772                                      | 95.5                                    |
| Torrige           | 35,102                                    | 34,489                                      | 98.3                                    | 10,745                                    | 10,571                                      | 98.4                                    |
| West Devon        | 32,794                                    | 32,008                                      | 97.6                                    | 10,658                                    | 10,481                                      | 98.3                                    |

\* Net Cash Collected is total 2014-15 receipts net of refunds paid, in respect of 2014-15 only

**TABLE 5 QUARTERLY INCOME IN 2014-15 RELATING TO ALL YEARS**

**Total amount collected in 2014-15 relating to any financial year (net of all refunds in 2014-15)**

|   | Council Tax<br>Net Cash Collected*<br>£000s | Non Domestic Rates<br>Net Cash Collected*<br>£000s |
|---|---|--|
| Quarter 1 - Receipts collected between April 2014 - June 2014       | 17,735                                      | 8,693  |
| Quarter 2 - Receipts collected between July 2014 - September 2014   | 15,832                                      | 7,734  |
| Quarter 3 - Receipts collected between October 2014 - December 2014 | 16,761                                      | 8,403  |
| Quarter 4 - Receipts collected between January 2015 - March 2015    | 7,310                                       | 3,797  |

\* Net Cash Collected is total receipts in 2014-15 net of refunds paid, irrespective of the financial year (previous, current or future years) to which they relate

**TABLE 6 PREVIOUS YEAR WRITE OFF TOTALS**

|                    |                      | 2014 - 15         | 2013- 14          | 2012 - 13         | 2011 - 12         |
|--------------------|----------------------|-------------------|-------------------|-------------------|-------------------|
| HOUSING BENEFIT    | Under £5,000 cases   | 102,138.53        | 75,357.30         | 87,095.83         | 74,868.17         |
| HOUSING BENEFIT    | £5,000 or over cases | 0.00              | 14,903.19         | 61,925.43         | 0.00              |
| Total              |                      | 102,138.53        | 90,260.49         | 149,021.26        | 74,868.17         |
|                    |                      |                   |                   |                   |                   |
| COUNCIL TAX        | Under £5,000 cases   | 97,927.30         | 117,528.97        | 96,025.52         | 112,674.76        |
| COUNCIL TAX        | £5,000 or over cases | 0.00              | 23,090.93         | 6,782.09          | 12,160.58         |
| Total              |                      | 97,927.30         | 140,619.90        | 102,807.61        | 124,835.34        |
|                    |                      |                   |                   |                   |                   |
| SUNDRY DEBTS       | Under £5,000 cases   | 6,584.63          | 2,723.23          | 12,811.29         | 28,170.96         |
| SUNDRY DEBTS       | £5,000 or over cases | 0.00              | 0.00              | 0.00              | 0.00              |
| Total              |                      | 6,584.63          | 2,723.23          | 12,811.29         | 28,170.96         |
|                    |                      |                   |                   |                   |                   |
| HOUSING RENTS      | Under £5,000 cases   | 3,113.38          | 1,037.83          | 3,143.83          | 3,048.57          |
| HOUSING RENTS      | £5,000 or over cases | 0.00              | 0.00              | 0.00              | 0.00              |
| Total              |                      | 3,113.38          | 1,037.83          | 3,143.83          | 3,048.57          |
|                    |                      |                   |                   |                   |                   |
| NON DOMESTIC RATES | Under £5,000 cases   | 75,016.54         | 70,809.92         | 39,115.54         | 54,011.11         |
| NON DOMESTIC RATES | £5,000 or over cases | 166,412.60*       | 44,546.85         | 76,663.15         | 84,187.61         |
| Total              |                      | 241,429.14        | 115,356.77        | 115,778.69        | 138,198.72        |
|                    |                      |                   |                   |                   |                   |
| <b>GRAND TOTAL</b> |                      | <b>451,192.98</b> | <b>349,998.22</b> | <b>383,562.68</b> | <b>369,121.76</b> |

\* of the £166,412.60, £49,149.55 relates to one business going into liquidation, £25,184.36 relates to another business going into liquidation and a further £26,680.60 relates to an individual entering into a Voluntary Arrangement.

**This page is intentionally left blank**

## Report Template

Report to: **Executive**

Date: **10 March 2016**

Title: **The Future of the Devon Authorities Waste Reduction and Recycling Committee (DAWRRC)**

Portfolio Area: **Cllr R Gilbert**

Wards Affected: **All**

Relevant Scrutiny Committee:

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

Date next steps can be taken: Council 19 May 2016

Author: **Jane Savage** Role: **Lead Specialist Waste Strategy (Strategy & Commissioning)**

Contact: **01822 813657**  
**jane.savage@swdevon.gov.uk**

---

### Recommendations:

#### It is recommended that the Committee recommends to Council:

1. Support for the proposal to wind up the Devon Authorities Waste Reduction and Recycling Committee
2. To agree to the establishment of the joint Devon Authorities Strategic Waste Committee on the draft terms of reference set out in the Operating Rules attached at Appendix 1. and that any significant changes to the terms of reference be brought back to Council for further approval
3. To agree that the Portfolio Holder for Waste be appointed as the South Hams member of the Devon Authorities Strategic Waste Committee, and that a named substitute, with full voting rights, will attend in the absence of the Portfolio Holder
4. That any changes considered necessary to the terms as highlighted are delegated to the Lead Specialist Waste Strategy (Strategy & Commissioning) in consultation with the Portfolio Holder for Waste

## Report Template

### 1. Executive summary

1.1 This Report outlines proposals to wind up the Devon Authorities Waste Reduction and Recycling Committee and replace it with a new joint Devon Authorities Strategic Waste Committee.

1.2 The Devon Authorities have worked together since the setting up of a working party in 1990 to coordinate waste recycling. A Joint Recycling Committee was subsequently replaced by the existing Devon Authorities Waste Reduction and Recycling Committee (DAWRRC) in November 1999.

1.2 DAWRRC is made up of members from all the Devon District Councils, the County Council and Torbay Council. The Committee has worked on a number of on-going initiatives including the Waste Management Strategy for Devon and subsequent publications, the 'Don't let Devon go to waste' campaign, the Schools Waste Education Strategy, and successful bids for over £10million from Defra, BIS, DCLG and WRAP.

1.3 Joint working has helped to increase Devon's recycling rate and in 2010/11, Devon was the top recycling county in the country.

1.4 Recently the Executive Waste Board for Devon has attempted to further progress partnership working and realise efficiencies by working in a more unified way. However, whilst it was not possible to form a formal partnership, the desire to work closer together on more strategic waste issues remains, particularly with the need to deliver further identified savings whilst maintaining or improving performance.

1.5 At the DAWRRC meeting on 20<sup>th</sup> October 2015, it was resolved that the proposals to develop a new strategic waste management joint committee to replace DAWRRC be supported to release the savings identified and improve recycling rate.

1.6 A report was taken to Devon County Council's Procedures Committee on 9<sup>th</sup> February 2016 which resolved that the County Council be recommended to approve the winding-up of the Devon Authorities Waste Reduction and Recycling Committee and the establishment of a new Devon Authorities Strategic Waste (Joint) Committee. It acknowledged that the new Committee should only pursue partnerships in ways that do not undermine best practice by individual councils.

1.7 The new Committee will be a formal joint Committee set up under s101 of the Local Government Act 1972 and will have a South Hams member appointed (together with a named substitute) to represent the Council. Each Council represented on the proposed Devon Authorities Strategic Waste Committee will appoint one member per authority who will have full voting rights on the Committee.

1.8 The proposed draft terms of reference for the new Devon Authorities Strategic Waste Committee are attached at Appendix 1 and will be reviewed and agreed by the new joint committee. Any substantial changes to the proposed arrangements will be brought back before Members for approval.

## Report Template

1.9 It is proposed that the County Council will be the Administering Authority for the Committee in terms of governance (including administration, legal and financial implications and advice).

1.10 The proposal is supported by the Devon Local Government Steering Group.

## 2. Background

2.1 The Devon Authorities have worked together since the setting up of a working party in 1990 to coordinate waste recycling. A Joint Recycling Committee which was first established in 1992, was subsequently replaced by the existing Devon Authorities Waste Reduction and Recycling Committee in November 1999.

2.2 The Committee is made up of members from all the Devon District Councils, the County Council and Torbay Council, and has worked on:

- The Waste Management Strategy for Devon, first published in 2005.
- The Waste and Resource Management Strategy for Devon Review, published in 2013 & Action Plan.
- The 'Don't let Devon go to waste' campaign which has raised awareness and encouraged residents and visitors of Devon to reduce, reuse and recycle their waste via a mix of media including TV, radio, website, social media, roadshows, door stepping, bus advertising, adshels, bill boards, posters and leaflets.
- The Schools Waste Education Strategy, first published in 2003, and the implementation of a range of initiatives in schools including workshops, theatre groups, waste audits and action plans, recycling schemes, composting schemes, visits to sites, website resources and a yearly waste summit.
- Joint contracts for the sale of paper, glass, textiles and bulk haulage enabling consistent and high material buy in rates.
- Successful bids for over £10million from Defra, BIS, DCLG and WRAP.
- Support for the Community Sector in the form of Funding of the Devon Community Recycling Network Coordinator and the Devon Community Composting Network Coordinator and their assistants.
- Funding through Re-use credits of the Devon Furniture Forum groups.

2.3 Joint working has helped move Devon's recycling rate from 2% to 55% and in 2010/11 Devon was the top recycling county in the country.

2.4 Over the last two years attempts have been made through the Executive Waste Board for Devon to further progress partnership working and realise efficiencies by working in a more unified way. The group, assisted by some consultancy funded business analysis, explored the possibilities of working through a Joint Waste Partnership or delivering a more unified service through other methods such as procurement, cluster working, and aligned collections.

2.5 However, whilst it was not possible to form a formal partnership, the desire to work closer together on more strategic waste issues remains, particularly with the need to deliver further savings whilst maintaining or improving performance. The consultant employed to help develop the working model was clear that at least 50%

## Report Template

of the potential savings to be gained from working as a formal Joint Waste Partnership could be achieved without a formal partnership being in place.

2.6 At the DAWRRC meeting on 20<sup>th</sup> October 2015, it was resolved that a new strategic waste management joint committee would be developed to replace the DAWRRC and that the new committee be called the Devon Authorities Strategic Waste Committee.

2.7 A report was taken to Devon County Council's Procedures Committee on 9<sup>th</sup> February 2016 which resolved:

(i) that the County Council be recommended to approve the winding-up of the Devon Authorities Waste Reduction and Recycling Committee with immediate effect and the establishment at the Council's Annual Meeting in 2016 of a new Devon Authorities Strategic Waste (Joint) Committee with the proposed membership, operating rules and terms of reference, acknowledging the assurance given by the Cabinet Member that the suggestion that the new Committee should only pursue partnerships in ways that do not undermine best practice by individual councils would be taken into account in its work;

(ii) that notwithstanding the proposed Joint Committee will operate under the County Council's Procedure Rules (Standing Orders), including the Scrutiny Procedure Rules, the Head of Highways, Capital Development and Waste be asked, in consultation with the Senior Waste Officer Group, to clarify and codify the role of all constituent authorities in scrutinising the work of this Committee.

### 3. Options available and consideration of risk

3.1 Whilst DAWRRC has played a significant role in developing and promoting waste minimisation and recycling initiatives, it is recognised that its remit has been somewhat limited with regard to wider strategic work issues. It is therefore considered that it would be timely now to revisit the purpose and role of the current Committee to ensure that more strategic waste management committee is provided; it is correspondingly suggested that the current Committee be wound-up and replaced by a new body with new working practices/operating principles and terms of reference to reflect those wider, more strategic, aims and objectives.

3.2 Such that items which could be taken to a new Committee could include:

- Joint procurement e.g. of vehicles, bins and in-cab technology.
- Joint materials contracts – on new materials e.g. card and mixed plastics.
- Proposed waste service changes.
- Behavioural change strategy for Devon.
- Mechanism for sharing savings between County and District Councils.
- Organic waste strategy for Devon.
- Collection and disposal of Healthcare waste.

The scope of the new Committee will be discussed at the Devon Environmental Managers' Group and clarified at the first Committee meeting.

3.3 The proposed name of the new committee is the Devon Authorities Strategic Waste Committee and it would take ownership and be responsible for developing and implementing the Resource and Waste Management Strategy for Devon Action Plan.

3.4 The alternative would be for South Hams to withdraw from membership. However, this would make South Hams more isolated in terms of access to savings



## Report Template

brought about by economies of scale through joint ventures with the other Devon Authorities. Without a single waste committee with delegated powers to deliver a joined up strategic approach to waste collection and disposal across the geographical area of Devon, opportunities may be lost though less effective services and there is the potential for duplication of effort and expenditure, obviating economies of scale.

### 4. Proposed Way Forward

4.1 It is proposed that the Devon Authorities Strategic Waste Committee be developed which would enable a more strategic approach to be taken with regard to both waste collection, treatment and disposal operations, as well as strengthening demand management and waste prevention measures. This should lead to efficiencies in service delivery and overall savings to the public purse.

4.2 This fits with the following corporate priorities:  
Excellent Customer Services  
Environment

### 5. Implications

| Implications                                 | Relevant to proposals Y/N | Details and proposed measures to address  |
|--|---------------------------|---|
| Legal/Governance                             | Y                         | It is proposed to set up a formal joint Committee under the Local Government Act 1972 which can only be approved by Council. Draft operating rules and terms of reference are attached in Appendix 1 and these will be finalised by the new Committee (with any substantial amendments being brought back to this Council). It is proposed that each Partner Authority will elect their Cabinet / Executive/ Committee Member with a waste portfolio/remit to sit on the Committee with one vote per authority. |
| Financial                                    | Y                         | The current DAWRRC budget stands at £188,644. This is made up of top slice of the recycling credits paid by the County Council to the District Councils, and includes additional contributions from Devon County Council and Torbay Council. This budget could be reviewed as part of the remit of any new Joint Committee. South Ham's current commitment is around £10,000.   |
| Risk   |                           | Not all Devon District Councils may elect to join.  |
| Comprehensive Impact Assessment Implications |                           |   |
| Equality and Diversity                       |                           | None  |
| Safeguarding                                 |                           | None  |
| Community Safety, Crime and Disorder         |                           | None  |
| Health, Safety and Wellbeing                 |                           | None  |
| Other implications                           |                           | None  |

## Report Template

### Supporting Information

**Appendices: Operating Rules and Terms of Reference for the Devon Authorities Strategic Waste Committee**

**Background Papers: None**

| <b>Process checklist</b>   | <b>Completed</b> |
|--|------------------|
| Portfolio Holder briefed   | <b>Yes</b>       |
| SLT Rep briefed  | <b>Yes</b>       |
| Relevant Exec Director sign off (draft)  |                  |
| Data protection issues considered  | <b>Yes</b>       |
| If exempt information, public (part 1) report also drafted. (Cabinet/Scrutiny) | <b>Yes</b>       |

**OPERATING RULES AND TERMS OF REFERENCE FOR THE DEVON AUTHORITIES  
STRATEGIC WASTE COMMITTEE**

**1. Working Practices**

1. The Committee is established under the provisions of Section 101 of the Local Government Act 1972. The area in which the Committee is to exercise its authority is within the administrative areas of Devon County Council and Torbay Council.
2. The Committee shall comprise of one elected Member with Cabinet/Executive or 'portfolio' responsibility for waste management from each of the respective Authorities, appointed by each Authority. Each Authority will ensure that its appointed Committee Member is a member of its Cabinet or Executive. Each Authority will elect a named substitute with full voting rights to attend if the appointed Member of the committee is unable to attend. Each Authority should notify the Administering Authority in writing of any appointment of a Deputy Committee Member. Authorities may change their appointee (in line with that Council's own procedures) at any time and notify the Administering Authority in writing.
3. Each Member of the Joint Committee appointed by a constituent Council shall be entitled to one vote on all matters before the Joint Committee.

Voting rights shall be restricted to those local authorities which make a financial contribution to the Committee's budget.

4. The role of each Committee Member will be to attend meetings of the Committee, to vote on items of business, to commit to and make a positive contribution to the Joint Committee, and to act as a champion and ambassador for the Committee, seeking any necessary approvals from their Authority.
5. The Committee shall normally meet 3 times per year, with an annual presentation of statistical performance.

The quorum for a meeting of the joint committee is one quarter of the whole number of the committee

6. The Chairman and Vice-Chairman shall be elected annually by the Committee; the offices of Chairman and Vice-Chairman shall rotate annually between the County Council and Torbay [as a group] and the District Councils [as a group], provided the relevant Committee Member represents a local authority with voting rights. Nominations for these posts may be stipulated by the constituent council or made and seconded by any Member of the Committee with all Members present holding voting rights being able to vote. The inaugural Chairman will be the County Council or Torbay Council appointee with the Vice Chairman being a District Council Member. This would then alternate, with a District Council Member as Chairman with a County Council or Torbay Member as Vice- Chairman and rotate annually.

The County Council shall be the Administering Authority for the Committee. The County Council's Procedure Rules (Standing Orders) and Financial Regulations shall apply to the Committee's procedures and activities.

7. The Committee shall have the power to co-opt other representatives to serve in a non-voting capacity. These would be Associate Members without voting rights but the ability to speak.
8. The County Treasurer shall hold a separate account for the Committee.

## **2. Terms of Reference**

### **The purpose of the Committee is:-**

1. To promote sustainable, cost effective and efficient service delivery through a shared approach to resource and waste management in Devon.
2. To take ownership of and be responsible for the development, implementation and review of the Resource and Waste Management Strategy for Devon Action Plan.
3. To exercise those responsibilities delegated to the Committee and to make recommendations to the respective Authorities including through the Chief Executives and Leaders group on matters of strategic importance including future strategy, collection, treatment and disposal of wastes; and to implement and further develop initiatives as requested by this group and joint consultative committees.
4. To share resources wherever practicable, having due regard to the opportunities for economies of scale to ensure effective use of resources including joint procurement opportunities to deliver savings to the public purse.
5. To continue to develop and implement behavioural change & education initiatives to ensure that communities are well informed and are actively encouraged to maximise their opportunities for waste minimisation, reuse and recycling & composting.
6. To consider and adopt funding policies for the Committee's Budget.
7. To administer payments from the Committee's Budget in accordance with the County Council's Financial Regulations to finance waste management activities; to receive accounts relating to Joint Schemes; and to consider the annual budget for the Committee.

## **3. Working Arrangements**

1. Funding the Committee
  - (a) The County Council will withhold an agreed percentage of the recycling credit payment due to the District Councils (credits paid to voluntary groups are excluded from this calculation), with additional contributions from Devon County Council and Torbay Council. This amount will be accounted for separately and held by the County Treasurer on behalf of the Committee. The amount withheld will be agreed by the Committee annually, and will be calculated to produce an agreed budget for supporting waste management projects in Devon. The contribution will be calculated by applying the agreed percentage of the applicable recycling credit rate for the area. In the event that the amount withheld is insufficient to fund agreed countywide projects, the shortfall will be made up by an adjustment in the following financial year.

- (b) The Committee's budget will comprise the payments described in 1(a), plus existing balances held.

## **2. Membership of the Committee**

If any of the parties wishes to cease making a financial contribution [as specified in paragraph 1(a) above], it shall be able to do so at the end of the financial year, on giving at least 6 months' prior written notice to that effect to each of the other parties and on such cessation and shall automatically cease to be (voting members) of the Committee from that date;

it shall be released from further contributions on condition that it accepts liability whether financial or otherwise for the effect of its action upon any commitments or other arrangements entered into in good faith by member authorities [on behalf of the Committee] with third parties prior to such cessation and shall automatically cease to be (voting members) of the Committee from any such agreed date;

3. Each party shall take out and maintain a public liability policy of insurance in respect of its activities as a member of the Committee in such sum and upon such terms as it shall see fit.
4. Reports for the Committee are to be considered by a Senior Waste Officer Group comprising of waste service managers from each of the respective Authorities which shall meet as required by the programme of Committee meetings. The Senior Waste Officer Group shall set up Working Parties as necessary to consider specific project areas, which will report back to the Senior Waste Officer Group and subsequently to Committee. A Recycling Officers' Forum, made up similarly, will report to the Senior Waste Officer Group on waste minimisation, re-use, recycling & composting initiatives and performance, and attend the Committee on an annual basis.
5. Minutes of the Committee shall be submitted to the relevant Cabinet/Executive or Committee of each constituent Council.
6. The County Council's Head of Service responsible for Waste shall collate annual recycling statistics for the Committee's consideration

**This page is intentionally left blank**

## Report Template

Report to: **South Hams Executive**  
Date: **10 March 2016**  
Title: **Communications Protocols and Policies**  
Portfolio Area: **Communications**  
Wards Affected: **All**  
Relevant Scrutiny Committee:

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

Date next steps can be taken:  
(e.g. referral on of recommendation or  
implementation of substantive decision)

Author: **Lesley Crocker** Role: **Lead Specialist  
Communications and Media**

Contact: 01803 861321 / 07816143034  
Lesley.crocker@swdevon.gov.uk

---

### **Recommendations:**

That the Executive RECOMMEND to Council that:-

1. the joint Communications and Social Media Policies (as attached at Appendix A) be adopted for South Hams District Council; and
2. the protocols in the revised Communications protocol January 2016 be acknowledged and adopted.

### **1. Executive summary**

- 1.1 Currently the joint Communications Team for South Hams and West Devon do not have an adopted Communications or Social Media Policy or a protocol document setting out how the Councils should communicate with their audiences.

## **Report Template**

- 1.2 Good Local Authority communication should be open and transparent, fair and lawful and these protocol and policies will enable the Communications Team to support the Officers and Members to ensure that this happens.
- 1.3 All of our communications activities are governed by the Local Government Acts 1972 and 1986 as well as the updated Code of Recommended Practice on Local Authority Publicity published in March 2011.
- 1.4 These documents provides us with a framework to ensure proper use of public funds for publicity in accordance with the code.
- 1.5 Good communication is the responsibility of all of the employed Officers and elected Members of both Councils; all of their activities are underpinned and supported by the shared Communications Team whose primary function is to communicate the business of the Councils and these policies and protocols will give them the framework through which to work.

## **2. Background**

- 2.1 It is considered best practice to have one central point of control for all communication activities and this function is run by the Communications Team.
- 2.2 To ensure consistency of message and to minimise risk to our reputation and increase the understanding of our messages to all our audiences, this Communications Protocol and associated policies sets out how both Councils will interact with the media, the public and staff.
- 2.3 It contains the guidelines for best practice from the communications industry and the government, and notes the laws which govern what we do and how we operate.
- 2.4 Without these protocols and policies in place there is the risk that we will not engage with our residents, our messages will get confused and our reputation will suffer.

## **3. Outcomes/outputs**

- 3.1 These protocols and policies will enable us to reinforce and communicate the vision, themes and objectives of the Council in the best possible way using all of the channels at our disposal in line with best practice and the law.

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



## Report Template

- 4.1 The protocols and policies included have been written with knowledge from some of the countries best advisors on best practice in local government communications.
- 4.2 This includes the latest thinking on some of the changing technology and how we can embrace all new media channels while abiding by the law and protecting our reputation. Having consulted with Officers and elected Members, there is an urgent need to put some guidelines in place for communications which would enable officers and staff to have a framework in which to operate, and particularly with social media, to give them the confidence to know they are not going to do anything wrong.
- 4.3 There have also been a few instances recently where information and stories have appeared in the press, which have not been very helpful for Officers and Members as the information supplied by an individual has not been correct.
- 4.4 By coming through the Communications Team, we can ensure that this doesn't happen, and these policies and protocols will enable us to do this.
- 4.5 The need to have these policy and protocol frameworks in place is particularly important in times of emergency, when the Communications Team will have to respond to a situation quickly and accurately. With a framework in place for everyone to adhere to in a time of emergency we can ensure that the messages given out to the public will be clear, accurate and appropriate.
- 4.6 Best Practice guides:**  
Local Government Communications resources:  
<http://www.lgcomms.org.uk/resources/resource-library>
- 4.7 Local government Association:**  
<http://www.local.gov.uk/communications-support>
- 4.8 Government Communication Service Guidance:**  
<https://gcs.civilservice.gov.uk/guidance>

## 5. Proposed Way Forward

- 5.1 Once adopted, it will be the role of the Communications Team to ensure that communications protocols get cascaded through the organisation and are adopted and adhered to by all of the staff and members.
- 5.2 One of the primary channels that we would be using to do this is the newly emerging Communications Community of Practice, which involves representatives from every area of work, who will be taking on a number of roles and responsibilities in communications.

## Report Template

- 5.3 These officers will act as champions in each of their work area to ensure that these policies and protocols become the norm for how we communicate.
- 5.4 All of the Council’s communications activities will be guided by the Council’s visions, themes and priorities and the terminology and language that we use must have a golden thread back to the corporate plans.
- 5.5 In order to deliver these corporate messages and themes to all audiences in the best manner, it is essential that the business of the Council is communicated through the communications team. The Communications team can guide, advice and support the Officers and Members to ensure those priorities and themes are embedded in what and how we communicate.

## 6. Implications

|                  |                           |  |
|------------------|---------------------------|--|
| Implications     | Relevant to proposals Y/N | <p>The implications of not agreeing this protocol and associated policies are that we will not be delivering the best communications service to customers and staff and will be unable to effectively:</p> <ul style="list-style-type: none"> <li>• <b>Promote</b>, managing and protecting the reputation of both councils</li> <li>• <b>Publicise</b>, the services, achievements and aspirations of the councils to residents, businesses, local communities and partners</li> <li>• <b>Identify</b> risks to our reputation and advice on actions to mitigate against any damage</li> <li>• <b>Facilitate</b> good communications practices across both councils</li> <li>• <b>Create and support</b> a Communications Community of Practice within the councils comprising of officers from all areas of council work and service delivery</li> <li>• <b>Monitor</b> all media and sharing the information for a greater understating of key issues and a better understanding of public opinion, ensuring key staff are aware of published media articles</li> <li>• <b>Align</b> all of both Councils’ communications activities with the corporate purpose, themes and objectives of both councils.</li> </ul> |
| Legal/Governance |                           | All of our communication activities are governed by the Local Government Acts 1972 and 1986 as well as the   |

## Report Template

|  |  |  |
|--|--|--|
|  |  | <p>updated Code of Recommended Practice on Local Authority Publicity published in March 2011.</p> <p>This provides us with a framework to ensure proper use of public funds for publicity. The code sets out seven key principles and these <b>MUST</b> be adhered to at all times.</p> <p>A copy of the Code of Recommended Practice is available <a href="#">here</a>.</p> <p>Other legislation also has a bearing on communications activities of both Councils and these include the Data Protection Act 1998 (individuals rights over personal information), the Freedom of Information Act 2000 (the right to obtain information held by public authorities) and the laws of defamation – slander (the spoken word) and libel (written). Copyright Copyright, Designs and Patents Act 1988, Equalities Act 2010.</p> |
| Financial                                    |  | The protocols and policies attached to this report are not asking for any additional funding.  |
| Risk   |  | <p>There is a much greater risk of this protocol and policy not being adopted, than adopting it. At the moment there are no policies or protocols governing our communications activities and staff and members do not have a framework through which to communicate with our audiences.</p> <p>This protocol and policies provides a guide and set of principles to work by, which have been written with the aim of protecting the reputation of the Councils and providing us with the framework to deliver much improved communications to customers.</p>  |
| Comprehensive Impact Assessment Implications |  |  |
| Equality and Diversity                       |  | The services we provide are for the benefit of all citizens of the United Kingdom. No user should be excluded on the basis of disability. To do so would breach the <a href="#">Equality Act 2010</a> .  |
| Safeguarding                                 |  | All Communications activities need to be mindful of Safeguarding issues relating to vulnerable groups and young people.  |

## Report Template

|                                      |  |  |
|--------------------------------------|--|--|
|                                      |  | And nothing in this policy should breach or compromise the other policies of the council including safeguarding. |
| Community Safety, Crime and Disorder |  |  |
| Health, Safety and Wellbeing         |  |  |
| Other implications                   |  |  |

### **Supporting Information**

#### **Appendices:**

Only include appendices if the information is needed to make the decision but cannot be put within the report, such as a strategic plan or corporate policy.

Communications Protocol Document  
Communications Policy  
Social media Policy

#### **Background Papers:**

[under provisions of the Local Government Act 1972]

#### **Best Practice guides:**

Local Government Communications resources:  
<http://www.lgcomms.org.uk/resources/resource-library>

#### **Local government Association:**

<http://www.local.gov.uk/communications-support>

#### **Government Communication Service Guidance:**

<https://gcs.civilservice.gov.uk/guidance>

#### **Recommended Code of Practice for Local Authorities**

<https://www.gov.uk/government/publications/recommended-code-of-practice-for-local-authority-publicity>



**COMMUNICATIONS PROTOCOLS 2016**

## Contents

|   |    |
|---|----|
| <b>THE COMMUNICATIONS TEAM</b> .....  | 4  |
| <b>Who are we? What do we do? How do we work?</b> .....                     | 4  |
| <b>THE COUNCILS' PURPOSE, THEMES AND OBJECTIVES</b> .....                   | 5  |
| <b>THE LAWS GOVERNING WHAT WE DO</b> .....                                  | 5  |
| <b>OUR AUDIENCES</b> .....  | 6  |
| <b>MEDIA PROTOCOL</b> .....   | 7  |
| <b>Best Practice</b> .....  | 7  |
| <b>Responding to a media request from the Press Office</b> .....            | 9  |
| <b>When Members are asked to speak on behalf of their Council</b> .....     | 9  |
| <b>Which Elected Members should speak on behalf of their Council?</b> ..... | 10 |
| <b>South Hams District Council:</b> .....                                   | 10 |
| <b>When should Officers speak on behalf of their Council?</b> .....         | 11 |
| <b>Communications Community of Practice (COP)</b> .....                     | 11 |
| <b>Statements and press releases</b> .....                                  | 11 |
| <b>Photographs</b> .....  | 12 |
| <b>Use of Embargoes</b> .....   | 13 |
| <b>Where are our press releases sent?</b> .....                             | 13 |
| <b>Targeting Audiences</b> .....  | 14 |
| <b>Media Monitoring</b> .....   | 14 |
| <b>Copying – The Law</b> .....  | 15 |
| <b>Bad News Stories</b> .....   | 16 |
| <b>Negative Letters in the Media</b> .....                                  | 16 |
| <b>PUBLIC MEETINGS</b> .....  | 17 |
| <b>The councils ask that the press and public:</b> .....                    | 17 |
| <b>COURT CASES</b> .....  | 18 |
| <b>BRANDING</b> .....   | 18 |
| <b>PLAIN ENGLISH</b> .....  | 18 |
| <b>PURDAH – PRE-ELECTION PERIOD</b> .....                                   | 19 |
| <b>SOCIAL MEDIA</b> .....   | 20 |
| <b>What we mean by Social Media</b> .....                                   | 20 |
| <b>Social Media Guide</b> .....   | 21 |
| <b>Using social media at work</b> .....                                     | 22 |
| <b>Using social media outside work</b> .....                                | 23 |
| <b>Use by Members</b> .....   | 23 |
| <b>Social Media Principals</b> .....  | 24 |

|   |    |
|---|----|
| <b>Using Social Media during Council meetings</b> .....                                   | 25 |
| <b>Campaigns – Promoting the work of the councils</b> .....                               | 26 |
| <b>Service Delivery – demonstrating and supporting the services that we provide</b> ..... | 26 |
| <b>Networking and sharing – supporting partners and other government</b> .....            | 26 |
| <b>Retweeting comments by Elected Members</b> .....                                       | 27 |
| <b>Promoting and sharing - Becoming Broadcasters</b> .....                                | 27 |
| <b>COMMUNICATIONS PROTOCOL IN AN EMERGENCY</b> .....                                      | 28 |
| <b>Overview</b> .....   | 28 |
| <b>Reputation</b> .....   | 28 |
| <b>Our Role</b> .....   | 28 |
| <b>Council Direction</b> .....  | 29 |
| <b>Emergency Situations</b> .....   | 29 |
| <b>SWOT Analysis</b> .....  | 30 |
| <b>Objectives</b> .....   | 30 |
| <b>Audiences</b> .....  | 31 |
| <b>Protocols</b> .....  | 31 |
| <b>Messaging</b> .....  | 31 |
| <b>Suggested holding statement:</b> .....   | 32 |
| <b>Further suggested messaging:</b> .....   | 32 |
| <b>Sympathetic response from the Council Leaders</b> .....                                | 32 |
| <b>The Emotional Response</b> .....   | 33 |
| <b>Recycling and Refuse in Bad Weather</b> .....  | 33 |
| <b>Website</b> .....  | 33 |
| <b>APPENDIX A - Member Responsibilities</b> .....   | 34 |
| <b>APPENDIX B – Photographic Consent Form for children and adults</b> .....               | 40 |
| .....   | 40 |

## THE COMMUNICATIONS TEAM

Who are we? What do we do? How do we work?



Lesley Crocker  
Lead Specialist



Karla White  
Specialist



Vicky Croughan  
Case Manager

We operate a shared service Communication Team between South Hams District and West Devon Borough Councils.

Good communication is the responsibility of all of the employed Officers and elected Members of both Councils, it is underpinned and supported by the shared Communications Team whose primary function is to communicate the business of the councils as defined in the corporate strategy 'Our Plan', the councils themes, objective and annual delivery plan.

We will achieve this by:

- **Promoting**, managing and protecting the reputation of both councils
- **Publicising**, the services, achievements and aspirations of the councils to residents, businesses, local communities and partners
- **Identifying** risks to our reputation and advice on actions to mitigate against any damage
- **Facilitating** good communications practices across both councils
- **Creating and supporting** a Communications Community of Practice within the councils comprising of officers from all areas of council work and service delivery
- **Monitoring** all media and sharing the information for a greater understating of key issues and a better understanding of public opinion, ensuring key staff are aware of published media articles



All of our activities will be fully aligned with the corporate purpose, themes and objectives of both councils.

## THE COUNCILS' PURPOSE, THEMES AND OBJECTIVES

The work of both councils sits under the corporate plan "Our Plan" and is cascaded through the annual delivery plan.

### The Corporate Plan - OUR PLAN:

| Council: | South Hams   | West Devon  |
|----------|--|---|
| Purpose  | To Create Vibrant Towns and Villages and enhance the quality of life for all | To Create Thriving Towns and Villages and enhance the quality of life for all |
| Themes   | Our Wellbeing  | Our Wellbeing   |
|          | Our Communities  | Our Communities   |
|          | Our Homes  | Our Homes   |
|          | Our Economy  | Our Economy   |
|          | Our Infrastructure   | Our Infrastructure  |
|          | Our Environment  | Our Environment   |
|          | Our Heritage   | Our Heritage  |
|          | Our Resources  | Our Resources   |

## THE LAWS GOVERNING WHAT WE DO

All of our activities are governed by the Local Government Acts 1972 and 1986 as well as the updated Code of Recommended Practice on Local Authority Publicity published in March 2011.

This provides us with a framework to ensure proper use of public funds for publicity.\* The code sets out seven key principles and these **MUST** be adhered to at all times.

### Local Authority publicity **MUST**:

1. be lawful
2. be cost-effective
3. be objective
4. be even-handed
5. be appropriate
6. have regard to equality and diversity
7. be issued with care during periods of heightened sensitivity.

The code **DOES** allow our councils to:

- **Increase** public awareness of Council services and functions,

- **Let** local people and other stakeholders have a real and informed say about issues that affect them,
- **Explain** to electors and ratepayers the reasons for policies and priorities factually and objectively,
- **Improve** local accountability.

It **DOES NOT** allow our councils to:

- **Publish** any material that, in whole or in part, appears to be designed to affect public support for a political party.
- **Issue** press releases that explain party political differences.

These restrictions **do not** apply to press releases issued by individual councillors or their political parties.

A copy of the Code of Recommended Practice is available [here](#).

**Other legislation also has a bearing on communications activities and these include the Data Protection Act 1998 (individuals rights over personal information), the Freedom of Information Act 2000 (the right to obtain information held by public authorities) and the laws of defamation – slander (the spoken word) and libel (written). Copyright Copyright, Designs and Patents Act 1988. Equalities Act**

\*Publicity is defined in section 6(4) of the 1986 Local Government Act as “any communication, in whatever form, addressed to the public or a section of the public.”

## OUR AUDIENCES

Our audiences are everyone with whom we communicate and that could be through any medium or channel. They include:

- Staff
- Elected Members
- Residents
- Businesses
- Partners
- Neighbouring Authorities
- MPs
- Professional peers and other authorities

Letting customers know what their councils are doing for them, what they get for their money and who’s responsible for the services they use, underpins what good local government communication is all about.

It is the function of the Communications Team to explore all channels for better and more effective communication and the media plays a vital role in this.

Broadcasters, publishers, the internet and social media can all help win public support. But our good reputation can unravel just as quickly if we’re at the centre of a bad news story which is running out of control. That’s where managing our media relations can prove most effective to help us uphold and improve our reputations.

For that reason the Communications Team are issuing this Communications Protocol.

This protocol lays down a set of procedures for both councils – Members and Officers - to give clarity and accountability to how we work.

If every Officer and Elected Member follows this media protocol we can ensure that we are following good communications principals:

#### PRINCIPALS OF GOOD COMMUNICATION

We are **customer focused**, informative and positive in our external communications, actively promoting local democracy, and involving our residents and businesses in decision making.

The messages we send are **consistent, accurate, clear and timely** and in keeping with both councils' strategic goals and aspirations.

We provide a **professional, fair and efficient service** to our media where we will be open, honest and proactive. The councils are committed to open government and a positive working relationship with the media.

We **protect the reputation** of the councils, the Officers and the Members, by supporting them and equipping them with the most up to date information.

That our communication is legal and adheres to the Code of Recommended Practice on Local Authority Publicity.

If you need any advice on these guidelines, please contact Lead Communications Specialist Lesley Crocker on 01803 861321 / /07816143034 or email [Lesley.crocker@swdevon.gov.uk](mailto:Lesley.crocker@swdevon.gov.uk)

## MEDIA PROTOCOL

### Best Practice

South Hams District and West Devon Borough Councils Communications Team perform the function of a centralised press office.

All press releases, statements and photograph calls concerning the business of the councils should be arranged and issued by the Communications Team.

All media will be advised that if they want a comment or statement about matters relating to the business of the councils, they must come through the Communications Team.

There is one main communication protocol that all members and officers should adhere to:

If approached by the media for a statement or comment concerning the business of the councils, all officers and elected members **MUST** inform the press office or a member of the communications team **BEFORE** issuing a statement.

01803 861321, 01803 861156, 01803 861429

[press.office@swdevon.gov.uk](mailto:press.office@swdevon.gov.uk)

Providing one central point of contact for all media is recognised as **best practice**.

By operating in this way, messages can be pre-arranged, we can ensure that information is consistent and we can offer advice support and protection to everyone concerned.

The Communications Team may receive several media calls a day and we liaise with Officers and Members to provide a response. Responding to a journalist immediately does not allow breathing space to consider the reply or to check facts and determine the best course of action.

We may also receive requests to record radio and/or TV interviews. In every case the Communications Team will liaise with the media, Elected Members and relevant Officers. Every media enquiry will be used as a positive opportunity to get our positive messages across to the public.

Nothing in this protocol precludes Members or political groups from speaking to or contacting the media. Members must however make it clear on whose behalf they are speaking:

- **Officially as an elected Member of the South Hams District or West Devon Borough Council** -the Communications Team should be informed before the communication takes place, to ensure members are fully briefed and supported
- **Officially on behalf of their particular political group** -the Communications Team cannot aid or assist with this communications, we must remain politically neutral
- **Personally as a Ward or Borough Councillor** – Speaking freely to the press about matters arising in a ward or borough is naturally part of what makes a Councillor a spokesperson for the people they represent, and the Communications Team would not want to do anything that prevents this from happening. However, when Councillors speak to the press about the business of their Council within their ward, they are advised to seek advice from the Communications Team to ensure that they have the latest information. This could include the latest information on Council processes and responsibilities, an update on a particular issue or a press statement issued by a partner organisation on the same subject. The role of the Communications Team in this respect is to support the Ward Members and to ensure that they give out factually correct information. If they find themselves speaking at a meeting where the press are present, they are can offer the press the communications contact number or contact the team after the meeting to let us know and we will be able to offer the journalist an official Council statement, which they can use alongside the comments that the Ward Member has made.

## Responding to a media request from the Press Office

All media queries are subject to deadlines. By missing a deadline, a story may appear without a Council comment – it won't wait or go away and our reputation could suffer. It is best if we can respond as quickly and openly as possible as this can influence stories before they are fully written.

If a Communications Officer contacts you with a media query, please return their call or email as a matter of priority, and as soon as possible. Give the Communications Officer all the facts or as much information as possible. Any press query is an opportunity to achieve a balanced and fair story. At the very least it is an opportunity for damage limitation.

Once the Communications Officer has all the information, a statement will be drafted and will be approved by the relevant senior Officers and/or Members before it is sent out to the media.

No Statements will be issued unless they have approval and all relevant officers and Members (Portfolio Holder and Ward Members concerned) will receive a copy of the statement that has been issued.

## When Members are asked to speak on behalf of their Council

When the Communications Team receives a request for an interview or statement for an Elected Member or when a situation arises which requires a Member to respond to a media enquiry, the Communications Team will complete the following steps:

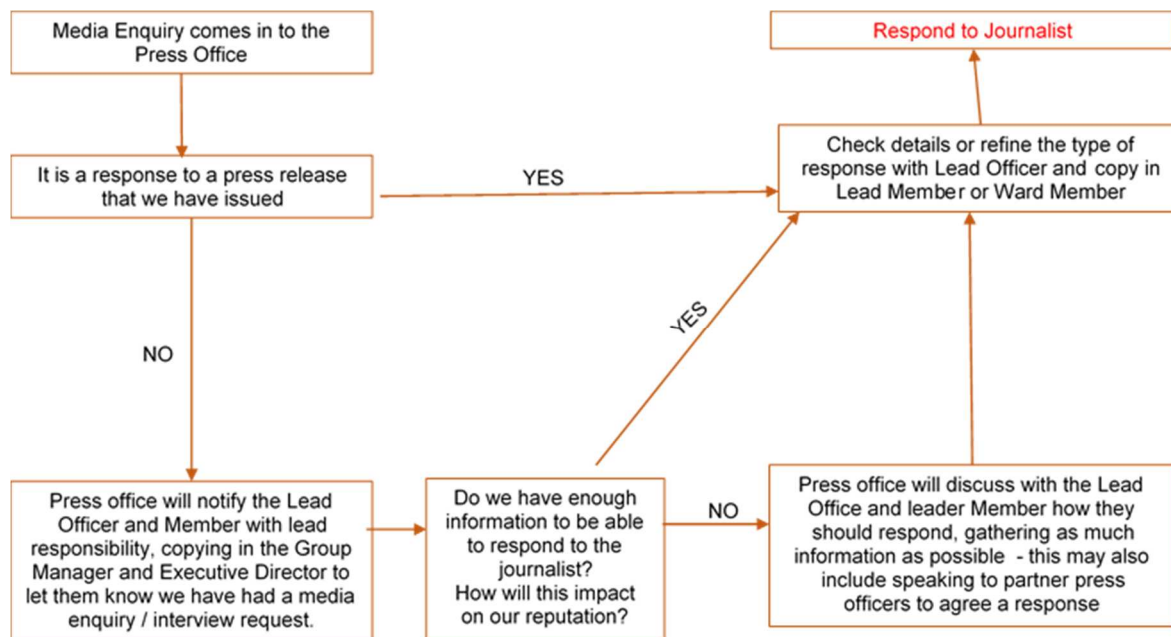
**Inform** the Officer, Lead Member and Ward Member and Leader – if the issue is political in nature or is likely to have a big impact on the reputation of the council.

**Liaise** with the relevant officers to create a brief/gather the latest information, prepare a statement, press releases or quote on behalf of the Elected Member

Fully **brief** the Member and inform them of all of the facts of the situation, in the case of an interview this should be a written brief

**Advise** and support them with their response, this could be drafting their quote or response

**Ensure** that the Leading Officer and the Elected Member are happy with the response, brief or statement before it is issued / broadcast or the interview is conducted



If the Elected Member wishes to make a party political statement, the Communications Team are not able to assist them.

All press releases / statements, even those issued on behalf of an Elected Member, must be signed off and approved by at least the Specialist, or Leading Officer, who has all of the technical information, and if required the Group Leader or Executive Director.

**The Press Office will always notify:**

- Lead officer or COP Lead or specialist in the area of work – it may be one person
- Copying in the Group Manager and Executive Director for that group
- They will also notify the Ward Member and the Lead Members
- Copying in the Leader of the Council and the Lead for Communications – May be the same person

**Which Elected Members should speak on behalf of their Council?**

**South Hams District Council:**

The Leader, Deputy Leader, Chairman, and Executive Member can be called upon to respond to the media on corporate and major issues.

South Hams Executive Portfolio Holders may be asked to respond on specifics in their portfolio area.

**West Devon Borough Council:**

The Leader, Deputy Leader, Mayor and Committee Chairs and Vice Chairs can be called upon to respond to the media on corporate and major issues.

Lead Members may be called upon to respond to specifics concerning the portfolios in which the lead.

**See APPENDIX A .... For a list of member responsibilities.**

## **When should Officers speak on behalf of their Council?**

Wherever possible, the spokesperson for the Council should be an Elected Member, but occasionally the Executive Directors, Group Managers and Specialists may be required to respond to the media on projects and initiatives they have a direct involvement in. This will usually be to answer questions of fact and provide technical information about their areas of expertise.

Any officer asked to carry out a media interview will be fully briefed by the Communications Team. The relevant Council Leader will be kept fully informed if an officer is asked to respond to the media.

Officers should not speak to the media about the business of the Council without speaking to the Communications Team.

This includes all forms of media and social media – see social media policy

## **Communications Community of Practice (COP)**

There is an emerging Community of Practice for Communications. The remit and drive of the group is to view communications in a strategic way, to prepare and plan for issues and situations that arise and to ensure that the communication underpins and supports the purpose, themes and objectives of both councils.

This groups should work alongside IT, Design and Web Development to, where possible, plan and programme work, to maximise all available channels in a sensible timeframe.

Members of the group will be fluid, with Specialists and Project Officers who have taken responsibility for communication in their area of work, joining and leaving the group when appropriate.

It is the responsibility of these nominated Specialist or Project Officers (Communications Champions) in the emerging Communications Community of Practice to tell the Communications Team about stories and opportunities for positive communications or issues that might be arising and to feed into the councils' communication plans.

There will be instances when communication is reactive and statements or press releases are required in response to a situation or matter arising, but where possible all communications should be pre-planned, part of a campaign, initiative or corporate drive directly linked to the purpose, themes and objective of one of the councils.

It is the responsibility of the Communications Team to support, advise and assist the nominated Communications Champion, to help them with all of their communications needs, both internally and externally.

## **Statements and press releases**

It is important to distinguish between a statement and a press release.

**A STATEMENT:** is sent to a media organisation in response to a question they have asked. A statement is put together by the Communications Team, liaising with relevant Officers and Members. It is not placed on the website.

**A PRESS RELEASE:** is a ready-made news article produced by the Communications Team which is provided as a basis, but more often used in its entirety, for a story in our local media. The press release can be anything from promoting a service initiative to explaining a decision made by one of the councils.

The Communications Team is responsible for collating, writing and issuing all press releases on behalf of each Council.

Press releases should contain the following information:

**Date** of issue or release

A clear **headline** which says it all

A simple line or **statement** which explains the headline

A **quote** from the appropriate Elected Member – as few quotes as possible

**Information and detail** which explains the reasons for the press release

A clear **message or call to action** – why are we telling you this now

**Notes** or further information for Editors

Communications Team **Contact details**

When they write a press release the Press Office will always notify:

- Lead officer or COP Lead or specialist in the area of work – it may be one person for approval and get approval of those who are quoted
- Copying in the Group Manager and Executive Director for that group
- They will also notify the Ward Member and the Lead Members
- Copying in the Leader of the Council and the Lead for Communications – May be the same person
- All press releases issued will be copied to all elected Members

## Photographs

Photographs to illustrate a press release are also important, particularly as the article is more readily used in our local media if a photograph is available. A good photograph can add impact to a story and sometimes even makes the difference between whether the article is used or not.

Most publications will not print an amateur shot so it is advisable to contact the Communications Team who can help with some photographic work.



Please do be aware of taking photographs of children and young people. Formal permission must be sought from the parent or guardian responsible for the child/young person. With older children (16 - 18 year olds) it is good practice to seek their permission directly as well as asking their parent or guardian. Consent forms are available in **Appendix B**.

When planning a press release or campaign it is the responsibility of the Specialist or project officers to give the Communications Team as much information as possible. They could even prepare the content of the press release.

In some cases it may be appropriate for both a Member and an Officer to be quoted. In such instances the Officer should be quoted purely to provide operational information or to clarify a technical or legal point, while Members would give a policy view. There are a few instances where the media release is only aiming to provide a brief announcement and no quote is needed. The Communications Team will decide what is appropriate here.

All press releases sent out by the councils to our media will be copied to all relevant Elected Members, Specialist and Group Managers. The press release will be placed on our websites, Facebook and Twitter. They should also be shared with Customers Services and Customers Service in the Community Engagement Officers, who are speaking to the public on a daily basis.

## Use of Embargoes

Embargoes will only be used when considered essential:

When news releases **are linked** to an event or specific date,  
When an issue of **confidentially** requires it; or  
When it is required by a **third party**.

Note: Embargoes are not legally enforceable and are set by a general local agreement between the Council and the media. Please inform the Communications Team of any instances of an embargo being broken.

## Where are our press releases sent?

Press releases from the councils are emailed to various groups of media depending on the topic. We have links to dozens of different media outlets including broadcasting, publishing and internet news pages.

**Local** - Local weekly media will generally cover stories relevant to people living and working in their distribution areas.

**County and regional** – This includes newspapers such as the Western Morning News and Plymouth Herald, the regional radio and television broadcasters such as Radio Devon, BBC Spotlight and ITV Westcountry. News agencies, such as Apex and the Press Association, also gather information on ‘local’ stories and make the facts and comments available for regional and national media.

**National** – This includes all national newspapers, all BBC radio and television, ITV (including Channel 4 and Channel 5 news) and national independent radio news.

**Specialist and Trade Publications** – We sometimes generate news about specialist activities such as Building Control and Environmental Health and we may want to target very specific magazines or specialists with the information. Publications with an interest in local government include the Municipal Journal and Local Government Chronicle.

**Internet publishers** – Online services are a rapidly growing and changing sector of the media and we send our news to various e-newsletters and online organisations.

When a communications plan is completed for a specific story, the Communications Team will work with the Communications Champion to identify specific publications that they would like to target or interest group that they would like to reach.

## Targeting Audiences

If there is an occasion where we can increase the reach of our messages by also issuing press releases to local parishes, parish magazines, Facebook group editors and target locally specific messages to reach certain communities the Communications Team will issue the release to those specific groups of people.

As part of the communications planning, the Communications Champions will be encouraged to think about their audiences and how we can use all of the technology at our disposal including the Experian Data to target our messages to reach specific demographics and groups of people. This work will help inform when and where the press releases get issues.

## Media Monitoring

The Communications Team perform a media monitoring service. The remit of this function is to ensure that the relevant Officers and Members of the Council are kept fully informed of local issues and the coverage that the Council is receiving in the press.

Media Monitoring can also shed light on public mood and opinion and inform us what issues our customers are concerned about.

Very often national press stories become local ones, with the local press looking for the local angle on a national story.

It is best practice for Communications Teams to have a good understanding of how the local and national press operate, what sort of stories they are interested in and what sort of coverage they give.

The South Hams and West Devon Communications Team have Google Alerts set up for key words, which capture most of the national press and local stories that will be of interest the both councils.

The Communications Team's monitoring consists of:

|   |
|---|
| Periodically throughout the day we checking the internet for: |
|---|

- Local / Regional / National News

|  |
|--|
| <ul style="list-style-type: none"> <li>• LGA / gov announcements</li> <li>• Social media</li> </ul>  |
| <p>Reading the local Daily Papers</p> <ul style="list-style-type: none"> <li>• Plymouth Herald</li> <li>• Western Morning News</li> </ul>  |
| <p>Reading the Local Weekly Papers</p> <ul style="list-style-type: none"> <li>• Wed – Totnes Times and South Devon and Plymouth Times</li> <li>• Thur – Tavistock Times Gazette and Okehampton Times / Herald Express</li> <li>• Fri – Dartmouth Chronicle – Kingsbridge &amp; Salcombe Gazette / Ivybridge and South Brent Gazette</li> </ul> |
| <p>Reading the Trade Papers</p> <ul style="list-style-type: none"> <li>• MJ – weekly - Thursdays</li> <li>• Local Government News - Monthly</li> <li>• Planning and regeneration – Vicky to find out - Monthly</li> <li>• Local Government Chronicle - Monthly</li> </ul>  |
| <p>We also monitor the local broadcast television and radio</p>  |

We now have a license which enables us to copy and share some of that content with Officers and Members, but there are restrictions.

**BEFORE you copy** any printed material please **speak to the Communications Team**

## Copying – The Law

Copyright protects authors of original work. It gives them the right to control the way their work is reproduced and to charge for permission to do so.

Copyright is protected by laws dating back to the 1709 Statute of Anne. This introduced two concepts that are still enshrined in law: that an author owns the copyright of their work and that there should be a fixed term of protection for published works.

The current copyright law in the UK is The Copyright Designs & Patents Act 1988, and its amendments. The Act protects the investment of time, money and effort by people who create original pieces of work. It also makes it an offence to copy without permission.

South Hams District and West Devon Borough Councils now have a Newspaper Licencing Agency Media Access Licence, this enables us to photocopy some publications and newspapers:

**The Newspaper Licencing Agency (NLA)** is a Collective Management Organisation (known as a CMO) based in the UK which licenses the copying and use of extracts from publications protected by copyright.

NLA plays an important role in the publishing industry acting on behalf of publishers in licensing the copying of extracts from newspapers, magazine and specialist titles

We have purchased a basic license which enable us to copy from up to 10 regional titles and share that content with Officers and Elected Members of the councils. For all content which is web based, which includes national titles, we are allowed to share a URL link to a specific web page as long as we don't copy the exact wording from the article in the text which accompanies the link.

South Hams District and West Devon Borough Councils also have a license from the Copyright Licencing Agency, this enables us to reduce the risk and potential cost of copyright infringement. This requirement applies to any organisations in the business, education, public or charitable sector.

A CLA license is the only way to get blanket clearance that enables us (within limits) to copy what you want, when you want, rather than having to obtain permission from the copyright owners each time.

A CLA License permit copying from most titles published in the UK and over 30 other international territories, but it doesn't cover newspapers.

**The Copyright Licensing Agency Limited (CLA)** is a licensing body as defined by the Copyright Designs and Patents Act 1988.

CLA was set up in 1983 and is owned by the Authors' Licensing and Collecting Society Ltd. (ALCS) and the Publishers' Licensing Society Ltd. (PLS) to perform collective licensing on their behalf.

## **Bad News Stories**

Our policy is for mistakes to be acknowledged and apologised for 'on behalf of the Council' where appropriate and where we are able to do so following discussions with the Executive Directors and/or Leader in conjunction with the Lead Specialist.

There are times where the media coverage of a particular issue is incorrectly reported. After discussion with the Communications Team, Executive Directors and Lead Specialist, contact should be made with the media concerned to redress the balance.

If we still believe following reports are unfair or not based on fact a complaint should be made to the Press Complaints Commission at [www.pcc.org.uk](http://www.pcc.org.uk)

## **Negative Letters in the Media**

It is important that we take a realistic approach to negative letters that appear in the media. All too often the Council can become involved in responding to letters which can become counter-productive and time consuming.

If a letter is factually incorrect it is important that we usually try to respond to set out the correct facts. There should be a discussion between the Elected Member, Lead Specialist and Communications Team and a suitable reply sent.

## PUBLIC MEETINGS

Transparency and openness should be the main principal behind everything the councils do. In 2014 the Government introduced new rights by the Openness of Local Government Bodies 2014, which would enable members of the public to know how decisions are made: [Open and Accountable Local Government August 2014](#)

These rights allow members of the public including citizens and professional journalists to:

Use modern technology and communication methods such as **filming, audio-recording, blogging and tweeting** to report the proceedings of the meetings of their councils and other local government bodies

**See information** relating to significant decisions made outside meetings by officers acting under a general or specific delegated power.

The new guide provides practical information that will help the public to exercise their new rights under the regulations, and what they should expect from their councils and other local government bodies.

### The councils ask that the press and public:

- **Let us know** if you wish to film or audio-record so we can make any necessary and reasonable arrangements to allow this
- **Not to use** any flash photography or unnecessary movement that might disrupt the meeting
- **Note that** the Chairman of the meeting has the power to ban or limit filming at any time if s/he believes there is a risk of it changing the democratic process of the meeting
- **Observe the rules** which say that no spoken commentary is allowed during the meetings (which would be disruptive to the order of the meeting).
- **Be aware** that while those attending meetings are thought to have agreed to the filming, recording or broadcasting of meetings, those exercising the rights to film, record and broadcast must respect the rights of other people attending under the Data Protection Act 1998.
- **Not to edit** the film or recording in a way that could lead to **misinterpretation of the proceedings**, or infringe the core values of the Council. This includes editing an image

or view that may ridicule or show a lack of respect towards those being filmed or recorded.

## **COURT CASES**

The councils will occasionally launch prosecutions and will want to use successful results of court cases to deliver a message to the public.

Let the Communications Team know ahead of a possible court case or sentencing so that we are in a position to bring cases to the media's attention.

Doing so allows the media to attend and could result in greater coverage of the case. If the media is unable to attend we may be able to do so ourselves.

### **Great care needs to be taken in producing press releases about court hearings.**

The information should stick purely to the facts, and media law prevents newspapers and broadcasters from carrying any court proceedings unless they meet a very tight timeframe.

It's important to seek advice from the Communications Team as soon as you are aware of a court hearing.

## **BRANDING**

Research suggests that customers paying Council Tax, link the services they receive with the regular use of our branding - in this case our logo – whether it be on a parking pay and display machine, on a board promoting affordable housing or in an advert. Our corporate logos must be used appropriately.

All uses of the councils' branding (other than in council produced templates and documents, where the style has already been set and approved) should be approved by the Specialists in the Design Team before any material is printed.

The Communications Team and the Design Team will produce a set of brand guidelines that all staff should follow along with a style guide to support a culture of consistent use of the English Language.

## **PLAIN ENGLISH**

Both councils have adopted a policy of using plain English wherever possible, as best practice for reaching and communicating effectively with all customers.

Where possible all information produced on behalf of the councils should be written in plain English. This does not mean dumbing down or patronising our customers. It is about making sure that our use of language doesn't stop people from understanding what we are saying to them

Once published, all staff and Elected Members will be encourage, supported and trained in how to apply the style guide and use plain English guides produced by the Communications Team.

**Plain English means:**

**Stop and think.** Before you start writing make sure your points are in a logical order

**Use Short words.** Long word will not impress customers

Use **everyday language** that is easy to understand

Be **concise** and to the point

**Avoid technical terms and jargon** unless they are essential

Use correct **grammar and punctuation**

**Use 15 to 20 words** - keep your sentences short

## **PURDAH – PRE-ELECTION PERIOD**

All Officers and Elected Members need to be aware of the rules governing communications during a pre-election period.

The pre-election restrictions are governed by Section 2 of the Local Government Act 1986<sup>1</sup>, as amended in 1988<sup>2</sup>.

Essentially councils should “**not publish** any material which, in whole or in part, appears to be designed to affect public support for a political party.”

During the Purdah period, councils should:

- **Not issue any publicity** which seeks to influence voters
- **Consider** suspending hosting third party material or closing public forums if these are likely to break the codes of practice.
- **Not publish any publicity on controversial issues** or report views on proposals in a way which identifies them with individual councillors or groups of councillors.
- **Not generate publicity** relating to individuals involved directly in the election unless expressly authorised by statute.

**Councils are** allowed to publish factual information which identifies the names, wards and parties of candidates at elections.

For more information and guidance contact the Communications Team.

## SOCIAL MEDIA

The widespread availability and use of social networking applications brings opportunities to understand, engage and communicate with audiences in new ways. It is important that we are able to use these technologies effectively and flexibly. However, it is also important to ensure we balance this with our reputations.

We have a duty to promote equality and eliminate discrimination and the use of social media will bring greater opportunities for us to do this. Social media can help us to engage and communicate with a wider audience and give us a better understanding of our communities and their needs.

### What we mean by Social Media

Social media is any web-based tools which allow users to interact with each other in some way. This includes blogs, message boards, social networking websites (such as Facebook and Twitter), content sharing websites (such Flickr and YouTube) and many others

**Expressing** – Wikis, blogs, forums (important for monitoring and gaging public opinion)

**Networking** – Interest group and communities of people who share the same interest but might not live in the same area

**Sharing** - Images, videos and other content, a place to find information you are interested in

**Gaming** – Community of interest and competition

**Socialising** – Staying in touch, sharing information and common interest groups

The list of applications for social media is ever growing and changing, and it is the job of the Communications Team to stay in touch with the latest development and follow best practice for Local Authorities.

The risks of using social media have been explored and guidance put in place to mitigate against those risks.

| Risk  | Mitigation  |
|---|---|
| Damage to the reputation of the councils – This could be through postings/photographs of staff, members or third parties pretending to represent the council. | The councils' main corporate social media sites are controlled and managed by the shared Communications Team who have specific experience in using social media and are fully aware of the risks and issues.<br><br>A number of other Officers also use social media and have been given training and support by the Communications Team and now also use the Our Plan social media and CS. |



|  |  |
|--|--|
|  | All training support and guidelines and policies for these sites will be set by the Communications Team  |
| Level of monitoring – The Council can currently only monitor its social media sites during office hours.   | Where appropriate, the councils will include a disclaimer on their social media sites which set out the parameters for use and control.  |
| Virus or other malicious software infection – This could include infection from social media sites into the councils' ICT systems or hacking of council's social media accounts. | The councils have strong anti-virus and malware protection on PCs.   |
| Disclosure of confidential information or breach of data protection – Either deliberately or inadvertently through information/photographs posted.                               | The councils will remove libellous, offensive or defamatory posts at the earliest opportunity.<br><br>Strong passwords must be used when creating social media sites for the councils and changed every three months.  |
| Breach of Safeguarding – Either regarding children, young people and vulnerable adults who may use social media.   | The councils' main corporate social media sites are monitored on a daily basis by the Communications Team.<br><br>Those using social media on behalf of the councils are aware of the safeguarding issue relating to vulnerable groups and are familiar with the advice and guidance provide at <a href="http://www.devonsafeguarding.org">www.devonsafeguarding.org</a> |

## Social Media Guide

The councils' use of social media will comply with the **laws of libel, copyright and data protection**.

Social media content is subject to the same rules of **fairness, openness and transparency** as the councils' uses in all their communications.

Social media should **NEVER** be used in a way that breaches any of the councils' other policies.

During times of major incident, emergency or crisis, social media should be employed **as a key tool** for keeping communities informed.

All complaints made via social media should be diverted back through the Customer Call Centre to ensure that they go through the single work flow and are recorded in the same way as all other complaints.

Social media use by the councils should concentrate **on facts**. The councils' official social media sites will not be used for political gain or campaigning.

The councils will be aware of **safeguarding issues** regarding children and vulnerable adults when using social media.

The councils will be aware of potential problems like **cyber-bullying** and other online anti-social behaviour.

When dealing with errors or controversial comments about them, the councils will **not remove** criticism unless it contains swear words etc. Instead, responses will concentrate on correcting factual errors and responding to legitimate criticism.

**Derogatory or offensive** comments will be removed from official Council social media sites.

Personal details like home addresses or **personal phone numbers will not be given out** on the councils' social media sites.

Photographs of people will only be used when all individuals pictured have given permission, in advance.

## Using social media at work

Both councils encourage employees to make reasonable and appropriate use of social media as part of their work. It is an important part of how the councils' communicate with their residents. This is subject to the councils' existing rules on the appropriate use of ICT equipment and systems.

Employees may contribute to the councils' social media activities (in liaison with the Communications Team). Employees must be aware at all times that, while contributing to the councils' social media activities, they are representing the organisation. Staff using social media as part of their work must adhere to the following rules:

### Rules for using social media at work:

Use the same safeguards as they would with any other form of communication about the organisation in the public sphere

Obtain permission from a manager before embarking on a public campaign using social media and work with the Communications Team to deliver it.

Staff and Members should only use social media accounts which have been corporately set up in the councils' names.

Be aware of and follow the councils' guidelines for using social media

Be aware of and follow the councils' Communications Protocol

Follow the staff code of conduct in their use of social media and be aware that breaches will result in disciplinary procedure

Always use #SHDC or #WDBC, this will enable people to follow each council on one single thread – if we are successful at promoting this # we can explore more

## Using social media outside work

If staff use social media in their personal lives it must be separate from the councils' official sites. Employees are allowed to say that they work for the councils, but if they do we would advise that their personal social media profile should include a statement along the following lines:

**"The views I express here are mine alone and do not necessarily reflect the views of the Council."**

Staff should not engage in any social media activity which would bring the councils into disrepute.

By working for the councils, staff should realise that sometime they are in a privileged position of having access to politically, financially and personally sensitive information.

Where we would encourage all staff to share the information coming from their Council, with their wider networks, both personal and professional, they should **ONLY** share information which has come from an **OFFICIAL COUNCIL** social media channel **FIRST**.

Releasing any information about the official business of the councils before it has been publically announced, could have serious consequences, therefore we ask all staff with social media accounts outside of work to follow these rules.

### Rules for using social media outside of work – staff should:

**Not breach** the confidentiality of the councils or individuals related to the councils

**Not to discuss** the councils' internal workings

**Not to breach** copyright and data protection laws

Follow the staff code of conduct in their use of social media and be aware that breaches will result in disciplinary procedure

## Use by Members

Members should be familiar with this guidance on Social Media and the Council Communications protocols. They should ensure their use of social media does not put the councils' information and security systems at risk, or damage the reputation of the councils.

It is recommended that Members also include a statement on their social media profiles along the lines of:

**"The views I express here are mine alone and do not necessarily reflect the views of the Council."**

Elected Members can also sometimes be in a privileged position where they have access to information which has not yet been made publically available and they too should follow these rules.

**Rules for using social media outside of the Council – Members should:**

- Not breach the confidentiality of the councils or individuals related to the councils
- Not to discuss the councils' internal workings
- Not to breach copyright and data protection laws

Much of the behaviour expected of Members using social media is covered in the Members' Code of Conduct and is covered in this policy. Below are some extra guidelines for Councillors to consider for the use of social media.

### **Social Media Principals**

The Councilors, Officers and the Council itself will use social media in distinct ways. However, there is a set of universal principles that are useful to keep in mind.

- **Be human:** be approachable in your language and tone; behave online as you would in person
- **Be engaging:** respond to questions and join in when you can move the conversation on or help
- **Be professional:** remember that you represent your council, so be aware of how your public voice comes across
- **Share and attribute:** you can share what others have posted but it is polite to acknowledge and attribute where this has come from
- **Go to where your audience is:** if the section of the population you want to connect with is on a particular platform, forum or group, join it
- **Content is king:** by creating sharable and engaging content you can contribute to the conversation and be heard
- **Be authentic:** don't pretend to be something you are not
- **Be strategic:** plan ahead – who do you want to engage with, why and how? What do you want to achieve?
- **The internet is forever:** be aware that what you post now could be found in years to come

Social Media can be used to achieve a wide variety of communication outcomes, some of them are listed below:

|   |                                |                              |            |
|---|--------------------------------|------------------------------|------------|
| <b>How could we use Social Media?</b>                     | Support the business community |                              |            |
| Promoting campaigns                                       | Listening                      | Reporting                    | Responding |
| Keep up to date with news from Central Government         |                                |                              |            |
| Retweeting messages from councillors                      | Share pictures                 |                              |            |
| Promoting services of council                             | Consulting                     | Support tourism / economy    |            |
| Keep up to date with national news                        | Promoting what councillors do  |                              |            |
| Promoting the area  | Share videos                   | Keep up to date with funding |            |
| Instant emergency planning and messaging                  | Helping communities            |                              |            |
|   | Promoting communities          |                              |            |
| Staff and councillors can all help through their networks |                                |                              |            |
| Sharing news  | Help with channel shift        |                              |            |

## Using Social Media during Council meetings

In 2014 the Government introduced new rights by the Openness of Local Government Bodies 2014, which would enable members of the public to know how decisions are made: [Open and Accountable Local Government August 2014](#)

We would encourage the use of social media during the meeting to bring the discussions to a wider audience in accordance with these new rights..

Handheld devices and laptops are permitted (indeed encouraged) for use during meetings to allow environmentally friendly and effective communication. The use of such devices is intended to improve communication during meetings – not to interrupt or distract anyone taking part.

### **Please Ensure the volume on all electronic devices is turned to ‘mute’.**

Councillors’ tweets/blogs during council meetings should refer to the discussions which are taking place at the meeting - tweeting/blogging about other subjects will show the public and other attendees at the meeting that you are not engaging properly in the meeting.

Councillors have a responsibility to take council business seriously and it is not appropriate for members to use social media to tease or insult other Members. The councils’ residents expect debate and to be informed about council business, not witness petty arguments.

Please use and encourage your followers to use the hashtag #SHDC or #WDBC when tweeting about the business of the councils, this will enable us to track and monitor our reach and give customers a way of following what is going on.

## Campaigns – Promoting the work of the councils

All Communications Champions as part of the emerging Community of Practice will be encouraged to start thinking about their communications as a whole campaign and with that to consider who their social media audiences are, what # they use and how we want to interact with them.

Social Media should not be viewed as a tag on, but as an essential communication tool, nor should it be viewed as the answer to all communications challenges, it is just part of any campaign.

All social media should be outcome focused with a specific purpose or call to action, what is it that we want the customer to do and why should they do it?

When planning a social media campaign all Officers should consider these three rules:

**Create it** – campaign led social media, focused with a call to action  
**Promote it** – can't just publish and expect people to follow  
**Measure it** – how will you know if it is successful?

## Service Delivery – demonstrating and supporting the services that we provide

In addition to supporting the work of the councils by using social media to share the press release that are issued, Social Media can be used to promote the specific work of service areas, such as Localities or Waste and Recycling.

All services as part of the emerging communications Community of Practice, should be encouraged as part of their individual communications plan, to think about how they can use social media to promote the work they do.

## Networking and sharing – supporting partners and other government

Second Tier Local Authorities play a vital role in the sharing of information and the support of County Councils and other government agencies.

The Communications Team in collaboration with the Communications Champions will decide when the councils should be retweeting and supporting the campaigns, initiatives of our partners, what messages are relevant for our audiences and when they support the business of the councils, this may include supporting the social media for partnerships and partners such as:

- Community Safety Partnership
- Local Resilience Forum
- Devon County Council

- Environment Agency
- Food Standards Agency
- Emergency Services

## Retweeting comments by Elected Members

Often the work of elected member reinforces the business of the council, such as attending events, or community projects that have been supported, funded or set up by the Council.

The Communications Team **CAN** retweet a message posted by an Elected Member, which promotes this activity as long as it:

is **NOT** politically motivated, **DOES** relate directly to the business of the council and **DOESNOT** break the Code of Recommended Practice on Local Authority Publicity published in March 2011.

## Promoting and sharing - Becoming Broadcasters

One of the key features of Social Media is that it is instant, journalist no longer hold stories of wait for publication deadlines, they can now publish a story immediately online. The same is true of the citizen journalist, the member of the public who is witness to an event, meeting or news worthy story.

By rely entirely on the publication of a weekly newspaper could see our councils as viewed late with their news, we need to respond to breaking news instantly, broadcasting our stories for ourselves or we could be viewed as, not responding in a timely way to the residents as and when things happen.

This does not mean however that the councils need to respond in haste to emerging situations. Communicating facts is not the same as communicating an opinion.

During and incident, meeting or emergency situation, via the councils' corporate social media channels, the Communications Team:

**CAN** post factual information

“we know that there has been an incident and we will keep you informed”

“the Planning committee have approved 80 new homes at x”

**CAN** quote an Elected Member who has spoken during a public meeting.

“Cllr x said the plans were outstanding example of a modern development”

Will **NOT** enter into the debate or post a council opinion that has not been pre-approved

All rules of the Code of Recommended Practice still apply

One of the key features of Social Media is that it is instant, journalists don't often hold stories of wait for publication deadlines, and they publish immediately online.

## **COMMUNICATIONS PROTOCOL IN AN EMERGENCY**

### **Overview**

Communication is not just the responsibility of the Communications Team, and at no time is this more important than in a crisis situation.

Every member of staff need to be aware of the emergency communications plan, who is leading it, what channels are being used and what impact it has on what they do next.

Crisis situations no longer break just on the traditional media, we also have to think about the local resident communicators, who post pictures, videos and make comments that get shared quickly around communities. Can we also encourage them to help us spread and share our messages when a crisis hits?

### **Reputation**

If we were to find ourselves in a crisis situation where we are worrying about communications, it is too late.

Even the very best reputations can be damaged by single incidents and the impact of extreme weather on local communities can shape views about councils and their partners.

Over the last few years, the UK has been open to an increasing number of extreme weather events from flooding, to wind and storms, snow and extreme heat.

These can have a major impact on local communities, both at the time of the incident and in the longer-term. As well as the impact on people and their families, the effects of extreme weather can also impact on local businesses and local economies. In extreme cases, such as during a storm or during periods of excessive heat, this can result in loss of life.

### **Our Role**



During extreme weather, the most important role a council can play is to provide local leadership – the way we respond during such incidents can define places and local areas for years to come.

How a council responds during such periods can also impact on reputation and how much our residents trust us.

How councils actually deal with such events, and provide information to residents has helped to restore and indeed improve the reputation of local government.

Although in extreme cases the emergency services will take the lead on dealing with any incident, often declaring it a 'major incident', councils have a wider leadership role both in preparing for extreme weather and preparing their communities, dealing with the incident as it happens and the aftermath – the 'clear-up'.

Planning in advance will enable us to move fast when a situation does occur and speed can prevent more damage, protect our reputation and ultimately save lives.

## **Council Direction**

This plan is to be delivered by the South Hams and West Devon Communications Team with support from all Council Officers and Elected Members of the Council.

As second tier local authorities, South Hams and West Devon are not responsible for all functions and duties, which a unitary council would be, but they can help to signpost residents to the County Council and provide a leadership role allowing residents to find the most appropriate information from the right source.

At a time of crisis our residents need to trust us to deal with the situation quickly and effectively.

At a time of crisis or major incident our direct responsibilities are likely to include:

- Environmental Health support
- Providing safe and secure communities and homes
- Emergency community support and rehoming
- Signposting people where to go for help – Police – Environment Agency etc.
- Demonstrating what help is available
- Providing local out of hours services

## **Emergency Situations**

Here is a list of some of the types of incidents that might arise in South Hams and West Devon and our responsibilities:

### Building Control and dangerous structures

Coastal Path collapse and closure

Business related accident / explosion / major incident

### South Hams Assets

Extreme weather events that lead to flooding and isolated communities

### Waste and recycling

Extreme weather which might prevent collections

### Housing Needs

Fire, flooding or major incident which required emergency rehoming of residents

### Environmental Health

Food / health / illness outbreak

### Other Council Responses

Costal Pollution incidents

Terrorist attack

Road Traffic Incident which causes A38 to be closed and impacts on surrounding communities

## **SWOT Analysis**

The following strengths, weaknesses, opportunities and threats have been identified for communicating the delivery of this project:

| <b>Strengths</b>   | <b>Weaknesses</b>   | <b>Opportunities</b>  | <b>Threats</b>  |
|--|---|---|---|
| We have a council wide Emergency Plan and rota in place.<br><br>We are part of the Devon-wide Warning and Informing Group. | Because of T18 our website and communications plans are not up to a good enough standard yet.<br><br>We are implementing the winter preventative messaging a little too late this year, due to staff changes. | By devising the plan from scratch we have an opportunity to redesign how we deliver emergency messages.<br><br>Social media is continuing to grow and more councillors and staff are now using it. Can we use it better in a time of crisis?<br><br>Many of the Parishes now have emergency plans – this is an opportunity to help them take responsibility for their own community. How can we support them with this? | Extreme weather and coastal communities, and rural communities<br><br>Coastal pollution.<br><br>Terrorist attack.<br><br>Fire, flooding or major incident which required emergency rehoming of residents.<br><br>Nuclear disaster at Devonport. |

## **Objectives**

To complete a detailed communication plan that can be acted upon quickly in the event of a crisis and to provide a framework for all of the communications activities that stem from it.

We need to know what we need to tell to who and when – who is leading on the messaging and who is delivering the messaging? We need to know where our audiences are and how best to reach them in the most timely and constructive way.

## **Audiences**

Here is a list of our primary audiences and stakeholders, the people who need to be our priority when it comes to emergency messaging:

- **Residents**
- **Elected Members**
- **Council Staff**
- **Local stakeholders and partner organisations**
- **Media**
- **Neighbouring councils and the County Council**

## **Protocols**

Once the duty member of the Communications Team is made aware of the crisis or incident they must assess the situation and decide who to contact.

**It is the responsibility of the communications team to be the Council's central point for all media during a crisis or major incident.**

Their role is to link with the partner organisations and agencies involved to ensure consistent messaging is going out to residents and in many cases, just to signpost residents to the most appropriate services or person who can help them.

Although major situations can be very chaotic and emotional for the residents, the Communications Team should always be mindful of their professional position and the reputation of the council and should not say anything about the circumstance of the incident to the press unless it has been approved by the Senior Officer and Lead Member.

Their role is also to make sure that everyone who should know, does know what it going on and to assist the Duty Officer and member of SLT with cascading information, where appropriate.

They are also responsible for updating all identified channels of communications swiftly with clear factual information, which includes the website and social media.

## **Messaging**

As an incident unfolds it is important not to jump to conclusions and say too much, keep the messaging supportive, helpful and issue a holding statement quickly so that residents are aware that the council is dealing with the matter.

### **Suggested holding statement:**

The council has invoked its emergency plan and is working to ensure residents are kept safe and well. For up-to-date information, please go to our website at [www.XXXXXX.gov.uk](http://www.XXXXXX.gov.uk), follow us on twitter @XXXXXX, listen to local radio stations and you can call us on XXXXX XXXXXX. Once we are able to provide more information, we will update you.

### **Further suggested messaging:**

**Vulnerable people** – what support the council is providing to vulnerable adults who might be most affected.

**Advice on travel** – signpost to DCC / AA / Met Office.

**Public services** - open/closed - leisure centres / community halls.

**Securing properties** – what your residents should do to protect or secure their houses or businesses.

**Business continuity** – what the council is doing to support local businesses - are they still open during the incident.

**Further information** – contact details for residents wanting more information or help.

#### **The holding statement and official council position**

This should always come from a “spokesperson” from the council said: “The council has evoked its emergency plan....” “This is where you go for more information” “we will update you”

### **Sympathetic response from the Council Leaders**

The sympathetic but practical statement during a major incident such as:

“My heart goes out to the families whose homes have been damaged in this incident.”

“Our officers are working very hard to help during this time, we are doing all we can.”

“I am being briefed regularly on the situation,” should either come from the Leader or from the Council Member with portfolio responsibilities, depending on the scale of the incident:

In the case of a major incident, the Leader, and if not available, then the Deputy should be the spokesperson.

For a situation which occurs and requires information from a particular service area, like emergency housing needs or assets, the portfolio holder with responsibilities for that area

should be the spokesperson for the Council. The areas that are most likely to be covered are... (These lists are being refined at the moment – with contact details added.)

## **The Emotional Response**

For Ward Members, a situation might be much closer to home, and while their involvement will be key to the delivery of the Emergency Plan, they should be kept in the loop on all communications. Any comments that they make might be more emotional as they may know of people who are involved.

If the Ward Member and the Portfolio Holder are the same person, then the Leader should speak on behalf of the council.

## **Recycling and Refuse in Bad Weather**

In the event of bad weather we need to be able to accurately and swiftly communicate to our residents and businesses any impact to our recycling and refuse collection service.

If collections are affected or are likely to be affected (i.e. a severe weather forecast has been issued) Bev Mason, Specialist Business Development (Waste Management) will alert the Communications Team as soon as they think that there is going to be an issue with collections and will keep them regularly updated with information.

The Communications Team will be responsible for sending an email message to the Senior Leadership Team, Customer Service Teams and Members in the wards that are affected and the Elected Member with Portfolio Holder responsibilities for Waste and Recycling.

The Communications Team will also update social media – Twitter and Facebook – regularly and alert broadcasters and the media of any updates.

The websites have a facility for emergency messaging on the home pages, which will need to be regularly updated by the Website Editor.

During the Christmas close-down period a standard recorded message shall be left on CST's answerphone, directing persons to website and radio coverage on any possible delays.

## **Website**

During an emergency situation, it is the responsibility of the Communications Team to update the website. How to upload an emergency message to the website.

**Contact: For further information on this protocol or advice on these guidelines, please contact The Communications Team.**

***Any job titles or service information contained within this protocol that changes over the next 12 months, will be updated on an annual basis.***

## APPENDIX A - Member Responsibilities

| Member and Ward Member for:                                   | EXECUTIVE PORTFOLIO HOLDER FOR:   |
|---|---|
| <p>Cllr John Tucker<br/><b>West Dart</b></p>                  | <p><b>STRATEGY AND COMISSIONING:</b><br/><i>Leader of the Council</i></p> <p>Strategic vision of the council<br/>Annual Budget<br/>Our Plan<br/>Democratic Services<br/>Communications<br/>Trading Company<br/>T18<br/>Health and Safety</p>  |
| <p>Cllr Lyndsay Ward<br/><b>Modbury</b></p>                   | <p><i>Deputy Leader of the Council</i></p> <p><b>Partnership Arrangements<br/>Business Voice<br/>LEP<br/>Communications</b><br/>Council Policy</p>  |
| <p>Cllr Michael Hicks<br/><b>Stoke Flemming</b></p>           | <p><b>STRATEGY AND COMISSIONING:</b></p> <p><b>Local Strategic Plan<br/>Neighbourhood Plans</b><br/>Performance and intelligence<br/>Sherford<br/>Business Development and<br/>Income Generation<br/>Leisure Procurement</p> <p>Policy Development (e.g.<br/>Discretionary Business Rate<br/>Relief Policy)</p> |
| <p>Cllr Hilary Bastone<br/><b>Dartmouth and East Dart</b></p> | <p><b>CUSTOMER FIRST:</b></p> <p>Development Management<br/>(including<br/>Enforcement)Development<br/>Planning<br/>Localities<br/>Customer Contact Centre<br/>Environmental Health<br/>(including Licensing)<br/>Car Parks (<i>should this be Cllr<br/>Gilbert?</i>)</p>                                       |

|   |  |
|---|--|
|   | Housing<br>Revenues and Benefits<br>Land Charges<br>Assets and Estates<br>include s106's<br>Capital Programme - monitor  |
| Cllr Simon Wright<br><b>Salcombe and Thurlestone</b>  | <b>SUPPORT SERVICES:</b><br><br>Finance<br>Legal<br>Design<br>HR<br>IT<br>Audit<br>Write offs<br>include Data Protection<br>FOI'<br>Capital Programme  |
| Cllr Rufus Gilbert<br><b>Kingsbridge</b>              | <b>COMMERCIAL SERVICES:</b><br><br>Waste operational<br>Car Parking – operational<br>Recycling<br>Salcombe Harbour<br>DBC Partnership<br>Grounds Maintenance<br>Toilets<br>Cleansing<br>Dartmouth Lower Ferry<br>Building Maintenance<br>Facilities Management |
| Cllr Julian Brazil<br><b>Stokenham</b>                |  |
| Cllr Tom Holway<br><b>Ermington and Ugborough</b>     |  |
| Cllr Robert Vint<br><b>Totnes</b>                     |  |
| Cllr Jacqi Hodgson<br><b>Dartington and Staverton</b> |  |
| Cllr Daniel Brown<br><b>Wembury and Brixton</b>       |  |
| Cllr Kathy Cuthbert<br><b>Ivybridge East</b>          |  |
| Cllr Michael Saltern<br><b>Ivybridge West</b>         | <b>Chair of Overview and Scrutiny</b>  |

|  |  |
|--|--|
|  | <b><i>South Hams appointed member to the Police and Crime Panel.</i></b> |
| <b>Cllr Ian Bramble<br/>Loddiswell and Aveton Gifford</b>        | <b><i>Chairman of Council</i></b>  |
| <b>Cllr Peter Smerdon<br/>South Brent</b>                        | <b><i>Vice Chairman of Council</i></b>                                   |
| <b>Cllr Richard Foss<br/>Allington and Strete</b>                |  |
| <b>Cllr Ian Blackler<br/>Newton and Yealmpton</b>                |  |
| <b>Cllr David Horsburgh<br/>Totnes</b>                           |  |
| <b>Cllr Nicky Barnes<br/>Woolwell</b>                            |  |
| <b>Cllr Basil Cane<br/>Wembury<br/>and Brixton</b>               |  |
| <b>Cllr Rob Steer<br/>South Brent</b>                            | <b><i>Chairman of Develop<br/>Management (Planning)</i></b>              |
| <b>Cllr Judy Pearce<br/>Salcombe<br/>and Thurlestone</b>         |  |
| <b>Cllr Trevor Pennington<br/>Marldon and<br/>Littlehempston</b> |  |
| <b>Cllr Karen Pringle<br/>Ivybridge East</b>                     |  |
| <b>Cllr Rosemary Rowe<br/>Dartmouth<br/>and East Dart</b>        |  |
| <b>Cllr Bill Hitchins<br/>Bickleigh<br/>and Cornwood</b>         |  |
| <b>Cllr David May<br/>Ivybridge West</b>                         |  |
| <b>Cllr Keith Wingate<br/>Kingsbridge</b>                        |  |



|   |   |
|---|---|
| Cllr Keith Baldry<br><b>Newton and Yealmpton</b>        | <b>Prefers to keep Twitter account free from SHDC fed information</b> |
| Cllr John Green<br><b>Totnes</b>                        |   |
| Cllr Jonathan Hawkins<br><b>Dartmouth and East Dart</b> |   |

**WEST DEVON MEMBER RESPONSIBILITIES**

| <b>Member</b>   | <b>Lead Member for.....</b>  |
|---|--|
| Cllr Philip Sanders<br><b>Buckland Monachorum</b><br><br><i>Leader of the Council</i> | <b>LEADER:</b><br><br>Strategic vision of the council<br>Annual Budget<br>Our Plan<br>Democratic Services<br>Communications<br>Trading Company?<br>T18                                       |
| Cllr Bob Baldwin<br><b>Milton Ford</b>  | <b>DEPUTY LEADER:</b><br><br>Commercial Development<br>Service Delivery?? – may need more clarity<br>Partnership Arrangements<br>Devon Building Control<br>Partnership<br>Policy Development |
| Cllr Robert Sampson<br><b>Chagford</b>  | <b>COMMERCIAL SERVICES:</b><br><br>Environment Services, Waste and recycling (including Waste Contract)<br>Leisure Contract<br>Car Parks   |
| Cllr Robert Oxborough<br><b>Tavistock and South East</b>                              | <b>ECONOMY:</b><br><br>Business Development<br>Businesses??<br>Business Voice<br>LEP   |
| Cllr Mike Benson  | <b>ENVIRONMENT:</b>  |

|  |  |
|--|--|
| <b>Bere Ferrers</b>                                    | <p>Grounds Maintenance<br/>Toilets<br/>Cleansing<br/>Building Maintenance<br/>Assets<br/>AONB<br/>Public Realm<br/>Cleansing to include dog fouling</p>  |
| <b>Cllr Jeff Moody<br/>Tavistock North</b>             | <p><b>CUSTOMER FIRST:</b></p> <p>Customer contact<br/>Channel Shift<br/>Localities<br/>Development Management<br/>Environmental Health including Licensing<br/>Devon Building Control<br/>Partnership – Should this go to Bob?</p> |
| <b>Cllr Lois Samuel<br/>Exbourne</b>                   | <p><b>HEALTH AND WELL BEING:</b></p> <p>Housing<br/>DFG's<br/>Write offs<br/>Homelessness<br/>Benefits<br/>Council Tax</p>   |
| <b>Cllr Bill Cann<br/>South Tawton</b>                 | <p><b>RESOURCES AND PERFORMANCE:</b></p> <p>IT<br/>HR<br/>Finance (including Annual Budget Setting process)<br/>Legal Policy<br/>Performance<br/>Complaints<br/>Data Protection<br/>FOI's</p>                                      |
| <b>Cllr Graham Parker<br/>Tavistock and South West</b> | <p><b>STRATEGIC PLANNING AND HOUSING:</b></p> <p>Strategic Housing<br/>Local Strategic Plan<br/>Neighbourhood plans</p>  |
| <b>Cllr John Sheldon<br/>Tavistock North</b>           | <b><i>Deputy Mayor of West Devon</i></b>   |

|   |                                     |
|---|-------------------------------------|
|   |                                     |
| Cllr Julie Yelland<br><b>Okehampton South</b>   |                                     |
| Cllr David Cloke<br><b>Burrator</b>             | <i>Mayor of West Devon</i>          |
| Cllr Bob Baldwin<br><b>Milton Ford</b>          | <i>Deputy Leader of the Council</i> |
| Cllr John Hockridge<br><b>Bridgestowe</b>       |                                     |
| Cllr Annabel Roberts<br><b>Dartmoor</b>         |                                     |
| Cllr Louise Watts<br><b>Exbourne</b>            |                                     |
| Cllr Terry Pearce<br><b>Mary Tavy</b>           |                                     |
| Cllr Mike Davies<br><b>Okehampton North</b>     |                                     |
| Cllr Debo Sellis<br><b>Tavistock South East</b> |                                     |
| Cllr Jess Evans<br><b>Tavistock South West</b>  |                                     |
| Cllr Tony Leech<br><b>Okehampton North</b>      |                                     |
| Cllr Paul Ridgers<br><b>Drewsteignton</b>       |                                     |
| Cllr Diana Moyse<br><b>Burrator</b>             |                                     |
| Cllr Robin Musgrave<br><b>Bere Ferrers</b>      |                                     |
| Cllr Caroline Mott<br><b>Bridestowe</b>         |                                     |
| Cllr Ric Cheadle<br><b>Buckland Monachorum</b>  |                                     |
| Cllr Patrick Kimber<br><b>Hatherleigh</b>       |                                     |
| Cllr Kevin Ball<br><b>Okehampton North</b>      |                                     |
| Cllr Ben Stephens<br><b>Okehampton South</b>    |                                     |
| Cllr Chris Edmonds<br><b>Tamarside</b>          |                                     |
| Cllr Neil Jory<br><b>Tavistock North</b>        |                                     |
| Cllr James McInnes<br><b>Hatherleigh</b>        |                                     |

## APPENDIX B – Photographic Consent Form for children and adults



### Photographic Consent Form



The Councils often take photographs or video film for publicity purposes. These images may appear in our printed publications, on our website, or both. We may also send them to the news media.

Before taking any pictures, we need your permission. Please circle an answer to each of the following two questions and then sign and date the form where shown.

|  |                 |
|--|-----------------|
| <p>May we use your image(s), or those of your child/children if under 18, in publicity material produced by West Devon Borough Council and/or South Hams District Council, including printed publications, videos and our website?</p> | <p>Yes / No</p> |
| <p>We regularly send publicity material about our services, including photographs where appropriate, to the news media, especially the local press. Can we use your photograph, or your child's, in this way?</p>                      | <p>Yes / No</p> |

*Please note that websites can be viewed throughout the world, not just in the United Kingdom where UK law applies. This form is valid for five years from the date of signing.*

Please print -

Name:

.....

Name of child / children:

.....

Address:

.....

Telephone N°:

.....

Signature:.....

Date:

.....

*Your details are protected by West Devon Borough Council and South Hams District Council under the Data Protection Act 1998*

***For WDBC/SHDC use only***

Photographer:

Event:

Date:

Officer signature:

**This page is intentionally left blank**

### 1. INTRODUCTION

1.1 This policy applies to all of the communication activities of the shared service between South Hams District and West Devon Borough Councils.

1.2 Good communication is the responsibility of all of the employed Officers and elected Members of both councils, it is underpinned and supported by a shared Communications Team whose primary function is to communicate the business of the councils as defined in the corporate strategies, the councils' themes, objectives and their annual delivery plans.

1.3 Through the Communications Protocol (reviewed January 2016), the Communication Team will support Officers and Members and promote the best practice communication principals of this policy.

### 2. AUDIENCES

2.1 Our audiences are everyone with whom we communicate and that could be through any medium or channel. They include:

- Staff
- Elected Members
- Residents and prospective residents
- Organisations and groups
- Businesses
- Partners
- Neighbouring authorities
- MP's
- Professional peers and other authorities
- Tourists and visitors
- Local, regional, national and trade media

2.2 Letting customers know what their councils are doing for them, what they get for their money and who's responsible for the services they use, underpins what good local government communication is all about.

2.3 This policy will be further supported by a separate internal communications plan, which will provide staff with a framework for how we are going to support them through communication and enable them to be able to deliver quality customer focused services. That plan will adhere to the same communication principals as laid out in this policy.

### 3. CHANNELS

- 3.1 South Hams District and West Devon Borough Councils' communicate with residents through a wide variety of channels including, letters, face to face, over the phone, over the internet, printed material, events, through media and social media.
- 3.2 It is the intention of the councils to provide their customers with a wide variety of options, different channels through which they can interact with their council and access services when and how they wish.
- 3.3 This would include providing customers with the technology to self-serve via the internet, taking control of their interactions with council services and more opportunities to have a face to face discussion with customer service officers or via the Customer Contact Centre.
- 3.4 In a changing digital world where new forms of communications are being continually explored, it is the responsibility of the councils Communication Team to continually review how they reach their audiences, applying the most appropriate method to the right audience at the best time to deliver the best outcome for the customer.
- 3.5 This policy will be reviewed on an annual basis to ensure it meets the needs of both councils and delivers on the communication goals of the councils' objectives and their individual annual delivery plan.

### 4. PRINCIPLES

- 4.1 This policy sets out to ensure that with all Council communications:

We are **customer focused**, informative and positive in our external communications, actively promoting local democracy, and involving our residents and businesses in decision making.

The messages we send are **transparent, consistent, accurate, clear and timely** and in keeping with both councils' strategic goals and aspirations.

We provide an **open, professional, fair and efficient service** to our media where we will be open, honest and proactive. The councils are committed to open government and a positive working relationship with the media.

We **protect the reputation** of the councils, the Officers and the Members, by supporting them and equipping them with the most up to date information.

That our communication **is legal** and adheres to the Code of Recommended Practice on Local Authority Publicity published in March 2011 and other legislation as laid out in the Communication Protocol (reviewed January 2016)



## 5. MEDIA PROTOCOL

5.1 South Hams District and West Devon Borough Councils Communications Team perform the function of a centralised press office, who have produced a Media Protocol for working with the media, it states that:

5.2 All press releases, statements and photograph calls concerning the business of the councils should be arranged and issued by the Communications Team.

5.3 All media are advised that if they want a comment or statement about matters relating to the business of the councils, they must come through the Communications Team.

5.4 If approached by the media for a comment or statement all elected Members and employed Officers should speak to the Communications Team.

5.5 Nothing in this policy or the protocol precludes Members or political groups from speaking to or contacting the media. Members must however make it clear on whose behalf they are speaking:

- **Officially as an elected Member of the South Hams District or West Devon Borough Council** - (the Communications Team should be informed before the communication takes place, to ensure members are fully briefed and supported)
- **Officially on behalf of their particular political group** - (the Communications Team cannot aid or assist with this communications, they must remain politically neutral)
- **Personally as a Ward or Borough Councillor** - (Speaking freely to the press about matters arising in a ward or borough is naturally part of what makes a Councillor a spokesperson for the people they represent, and the Communications Team would not want to do anything that prevents this from happening. However, when Councillors speak to the press about the business of their Council within their ward, they are advised to seek advice from the Communications Team to ensure that they have the latest information. This could include the latest information on Council processes and responsibilities, an update on a particular issue or a press statement issued by a partner organisation on the same subject. The role of the Communications Team in this respect is to support the Ward Members and to ensure that they give out factually correct information)

5.6 If an elected Member wishes to make a Party Political statement, the Communications Team are not able to help them.

- 5.7 The Communications Team will respond to enquiries from the media on behalf of both councils in accordance with legislation and the law. It is the Communications Team who are responsible for collating, writing and issuing all press releases on behalf of each Council.
- 5.8 Where ever possible the spokesperson for the Council should be an Elected Member of the Council but occasionally the Executive Directors, Group Managers and Specialists may be required to respond to the media on projects and initiatives they have a direct involvement in. This will usually be to answer questions of fact and provide technical information about their areas of expertise.
- 5.9 Officers should not speak to the media about the business of the Council without speaking to the Communications Team.
- 5.10 When taking photographs or videos to support a communications, all staff should be aware that when the story involves taking photographs of children or young people, formal permission must be sought from the parent or guardian responsible for the child/young person. With older children (16 - 18 year olds) it is good practice to seek their permission directly as well as asking their parent or guardian. Before the image can be used a consent form must be provided.
- 5.11 If there is an occasion where we can increase the reach of our messages by also issuing press releases to local parishes, parish magazines, Facebook group editors and target locally specific messages to reach certain communities the Communications Team will issue the release to those specific groups of people.
- 5.12 As part of the communications planning, the Communications Champions will be encouraged to think about their audiences and how we can use all of the technology at our disposal including the Experian Data to target our messages to reach specific demographics and groups of people. This work will help inform when and where the press releases get issues.
- 5.13 Mistakes should be acknowledged and apologised for 'on behalf of the Council' where appropriate and where we are able to do so following discussions with the Executive Directors and/or Leader in conjunction with the Lead Specialist.
- 5.14 There are occasions where the media coverage of a particular issue is incorrectly reported. After discussion with the Communications Team, Executive Directors and Lead Specialist, contact should be made with the media concerned to redress the balance.

- 5.15 Embargos should only be used when news releases **are linked** to an event or specific date , when an issue of **confidentially** requires it; or when it is required by a **third party**
- 5.16 With negative stories in the media the councils take a realistic approach correcting matters of fact only and not getting embroiled in a public debate.

## 6. PUBLIC MEETINGS

- 6.1 In 2014 the Government introduced new rights by the Openness of Local Government Bodies 2014, which would enable members of the public to know how decisions are made
- 6.2 The councils' support the principal of transparency and openness and the new rights which allow use of modern technology and communication methods such as **filming, audio-recording, blogging and tweeting** to report the proceedings of the meetings of their councils and other local government bodies.

## 7. THE LAW

- 7.1 All Communication must be lawful the following laws may apply to the communications activities of both councils.
- 7.2 All of our activities are governed by the Local Government Acts 1972 and 1986 as well as the updated Code of Recommended Practice on Local Authority Publicity published in March 2011. A copy of the Code of Recommended Practice is available [here](#).
- 7.3 It states that Local Authority publicity **MUST**:
- be lawful
  - be cost-effective
  - be objective
  - be even-handed
  - be appropriate
  - have regard to equality and diversity
  - be issued with care during periods of heightened sensitivity.
- 7.4 Other legislation also has a bearing on communications activities and these include the:
- Data Protection Act 1998 (individuals rights over personal information),
  - the Freedom of Information Act 2000 (the right to obtain information held by public authorities)
  - laws of defamation – slander (the spoken word) and libel (written).
  - Copyright Copyright, Designs and Patents Act 1988.

Any questions concerning this policy should be directed to the Communications Team:

01803 861321, 01803 861156, 01803 861429

[press.office@swdevon.gov.uk](mailto:press.office@swdevon.gov.uk)

## **1. INTRODUCTION**

1.1 Social media is any web-based tools which allow users to interact with each other in some way. This includes blogs, message boards, social networking websites (such as Facebook and Twitter), content sharing websites (such as Flickr and YouTube) and many other

## **2. PRINCIPALS FOR THE USE OF SOCIAL MEDIA**

2.1 Councilors, officers and the council itself will use social media in different ways. However, there is a set of universal principles that are useful to keep in mind.

- **Be human:** be approachable in your language and tone; behave online as you would in person.
- **Be engaging:** respond to questions and join in when you can move the conversation on or help.
- **Be professional:** remember that you represent your council, so be aware of how your public voice comes across.
- **Share and attribute:** you can share what others have posted but it is polite to acknowledge and attribute where this has come from.
- **Go to where your audience is:** if the section of the population you want to connect with is on a particular platform, forum or group, join it.
- **Content is king:** by creating sharable and engaging content you can contribute to the conversation and be heard.
- **Be authentic:** don't pretend to be something you are not.
- **Be strategic:** plan ahead – who do you want to engage with, why and how? What do you want to achieve?

**The internet is forever:** be aware that what you post now could be found in years to come

## **3. CORPORATE USE OF SOCIAL MEDIA**

3.1 The councils' use of social media will comply with the **laws of libel, copyright and data protection.**

3.2 Social media content is subject to the same rules of **fairness, openness and transparency** as the councils' uses in all their communications.

3.3 Social media should **NEVER** be used in a way that breaches any of the councils' other policies.

3.4 During times of major incident, emergency or crisis, social media should be employed **as a key tool** for keeping communities informed.

3.5 All complaints made via social media will be diverted back through the Customer Call Centre to ensure that they get entered onto the single workflow and are recorded in the same way as all other complaints.

3.6 Social media use by the councils should concentrate **on facts**. The councils' official social media sites will not be used for political gain or campaigning.

3.7 When dealing with errors or controversial comments about them, the councils will **not remove** criticism unless it contains swear words etc. Instead, responses will concentrate on correcting factual errors and responding to legitimate criticism.

3.8 **Derogatory or offensive** comments will be removed from official Council social media sites.

#### **4. USE OF SOCIAL MEDIA FOR WORK**

4.1 Both councils encourage employees to make reasonable and appropriate use of social media as part of their work. It is an important part of how the councils' communicate with their residents. This is subject to the councils' existing rules on the appropriate use of ICT equipment and systems.

4.2 Employees may contribute to the councils' social media activities (in liaison with the Communications Team). Employees must be aware at all times that, while contributing to the councils' social media activities, they are representing the organisation. Staff using social media as part of their work must adhere to the following rules:

- Use the same safeguards as they would with any other form of communication about the organisation in the public sphere
- Obtain permission from a manager before embarking on a public campaign using social media and work with the Communications Team to deliver it.

- Staff and Members should only use social media accounts which have been corporately set up in the councils' names.
- Be aware of and follow the councils' guidelines for using social media
- Be aware of and follow the councils' Communications Protocol
- Follow the staff code of conduct in their use of social media and be aware that breaches will result in disciplinary procedure
- Always use #SHDC or #WDBC, this will enable people to follow each council on one single thread – if we are successful are promoting this # we can explore more

## 5. PERSONAL USE OF SOCIAL MEDIA

5.1 If staff use social media in their personal lives it must be separate from the councils' official sites. Employees are allowed to say that they work for the councils, but if they do we would advise that their personal social media profile should include a statement along the following lines:

**"The views I express here are mine alone and do not necessarily reflect the views of the Council."**

5.2 Staff should not engage in any social media activity which would bring the councils into disrepute.

5.3 By working for the councils, staff should realise that sometime they are in a privileged position of having access to politically, financially and personally sensitive information.

5.4 Where we would encourage all staff to share the information coming from their Council, with their wider networks, both personal and professional, they should **ONLY** share information which has come from an **OFFICIAL COUNCIL** social media channel **FIRST**.

## 6. PUBLIC MEETINGS

6.1 In 2014 the Government introduced new rights by the Openness of Local Government Bodies 2014, which would enable members of the public to know how decisions are made: [Open and Accountable Local Government](#)

## August 2014

6.2 We would encourage the use of social media during the meeting to bring the discussions to a wider audience in accordance with these new rights.

6.3 Handheld devices and laptops are permitted (indeed encouraged) for use during meetings to allow environmentally friendly and effective communication. The use of such devices is intended to improve communication during meetings – not to interrupt or distract anyone taking part.

6.4 **The volume on all electronic devices is turned to ‘mute’.**

6.5 Councillors’ tweets/blogs during council meetings should refer to the discussions which are taking place at the meeting - tweeting/blogging about other subjects will show the public and other attendees at the meeting that you are not engaging properly in the meeting.

6.6 Councillors have a responsibility to take council business seriously and it is not appropriate for members to use social media to tease or insult other Members. The councils’ residents expect debate and to be informed about council business, not witness petty arguments.

6.7 The use of hashtag #SHDC or #WDBC when tweeting about the business of the councils is encouraged, this will enable us to track and monitor our reach and give customers a way of following what is going on.

## **7. RETWEETING COUNCILLORS**

7.1 Often the work of elected member reinforces the business of the council, such as attending events, or community projects that have been supported, funded or set up by the Council.

7.2 The Communications Team **CAN** retweet a message posted by an Elected Member, which promotes this activity as long as it: is **NOT** politically motivated, **DOES** relate directly to the business of the council and **DOESNOT** break the Code of Recommended Practice on Local Authority Publicity published in March 2011.

## **8. NETWORKING AND SHARING**

8.1 Second Tier Local Authorities play a vital role in the sharing of information and the support of County Councils and other government agencies.



8.2 The Communications Team in collaboration with the Communications Champions will decide when the councils should be retweeting and supporting the campaigns, initiatives of our partners, what messages are relevant for our audiences and when they support the business of the councils,

Any questions concerning this policy should be directed to the Communications Team:

01803 861321, 01803 861156, 01803 861429

[press.office@swdevon.gov.uk](mailto:press.office@swdevon.gov.uk)

**This page is intentionally left blank**