

West Devon Overview and Scrutiny Committee



West Devon
Borough
Council

Title:	Agenda														
Date:	Tuesday, 16th January, 2018														
Time:	2.00 pm														
Venue:	Chamber - Kilworthy Park														
Full Members:	<p>Chairman Cllr Yelland</p> <p>Vice Chairman Cllr Cheadle</p> <p><i>Members:</i></p> <table> <tr> <td>Cllr Baldwin</td><td>Cllr Musgrave</td></tr> <tr> <td>Cllr Cloke</td><td>Cllr Pearce</td></tr> <tr> <td>Cllr Evans</td><td>Cllr Ridgers</td></tr> <tr> <td>Cllr Kimber</td><td>Cllr Roberts</td></tr> <tr> <td>Cllr Leech</td><td>Cllr Sellis</td></tr> <tr> <td>Cllr McInnes</td><td>Cllr Sheldon</td></tr> <tr> <td>Cllr Moyse</td><td></td></tr> </table>	Cllr Baldwin	Cllr Musgrave	Cllr Cloke	Cllr Pearce	Cllr Evans	Cllr Ridgers	Cllr Kimber	Cllr Roberts	Cllr Leech	Cllr Sellis	Cllr McInnes	Cllr Sheldon	Cllr Moyse	
Cllr Baldwin	Cllr Musgrave														
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Cllr Evans	Cllr Ridgers														
Cllr Kimber	Cllr Roberts														
Cllr Leech	Cllr Sellis														
Cllr McInnes	Cllr Sheldon														
Cllr Moyse															
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.														
Committee administrator:															

- 1. Apologies for Absence**
- 2. Confirmation of Minutes** **1 - 6**
Committee Meeting held on 7 November 2017
- 3. Declarations of Interest**
Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting.

If Councillors have any questions relating to predetermination, bias or interests in items on this Agenda, then please contact the Monitoring Officer in advance of the meeting.
- 4. Items Requiring Urgent Attention**
To consider those items which, in the opinion of the Chairman, should be considered by the Meeting as matters of urgency
- 5. Public Forum** **7 - 8**
To consider those items which, in the opinion of the Chairman, should be considered by the Meeting as matters of urgency
- 6. Hub Committee Forward Plan** **9 - 12**
If any Member seeks further clarity, or wishes to raise issues regarding any future Hub Committee agenda item, please contact Member Services before **12 noon, on Friday, 12 January 2018** to ensure that the lead officer(s) are aware of this request in advance of the meeting.
- 7. Medium Term Financial Position 2018/19 Onwards** **13 - 52**
- 8. Planning Enforcement Service Review** **53 - 74**
- 9. Join Local Plan: Standing Agenda Item**
- 10. Task and Finish Group Updates (if any):**

 - (a) Partnership Grant Funding Review: and
 - (b) Performance Measures

- | | |
|--|----------------|
| 11. Rural Broadband Working Group Update (if any) | |
| 12. Annual Working Programme 2017/18 | 75 - 76 |
| 13. Member Learning and Development Opportunities Arising from this Meeting | |

TWO ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PUBLIC AND PRESS ON THE GROUNDS THAT EXEMPT INFORMATION IS LIKELY TO BE DISCLOSED (if any)

- | | |
|--|-----------------|
| 14. Residential Property Purchase Due Diligence | 77 - 112 |
|--|-----------------|

If any, the Committee is recommended to pass the following resolution:-

"RESOLVED that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the Meeting the grounds that exempt information may be disclosed as defined in Part I of Schedule 12A to the Act".

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Agenda Item 2

At a Meeting of the **OVERVIEW & SCRUTINY COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **7th** day of **NOVEMBER 2017** at **2.00 pm**.

Present:

Cllr J Yelland – Chairman
Cllr R Cheadle – Vice Chairman

Cllr R Baldwin	Cllr D W Cloke
Cllr J Evans	Cllr P Kimber
Cllr A F Leech	Cllr C R Musgrave
Cllr T G Pearce	Cllr A Roberts
Cllr J Sheldon	

Executive Director – Service Delivery and Commercial Development
Group Manager – Support Services and Customer First
Specialist – Community Safety, Safeguarding and Partnerships
Specialist – Performance & Intelligence
Deputy Monitoring Officer
Support Services Specialists Manager
Specialist – Democratic Services

Also in Attendance:

Cllrs C N Edmonds, L J G Hockridge, J Moody, C Mott, G Parker, R F D Sampson

***O&S 48 APOLOGIES FOR ABSENCE**

Apologies for absence for this meeting were received from Cllrs J R McInnes, D E Moyse, P J Ridgers and D K A Sellis.

***O&S 49 CONFIRMATION OF MINUTES**

The minutes of the Meeting of the Overview and Scrutiny Committee held on 17 October 2017 were confirmed and signed by the Chairman as a true and correct record.

***O&S 50 DECLARATIONS OF INTEREST**

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

***O&S 51 PUBLIC FORUM**

There were no issues raised during the Public Forum session at this meeting.

***O&S 52 HUB COMMITTEE FORWARD PLAN**

The most recent Hub Committee Forward Plan was presented for consideration.

The Chairman advised that the 'Productivity Plan Joint Committee' and 'Housing Position Statement' reports were intended to be presented to the meeting of the Hub Committee scheduled for 28 November 2017.

***O&S 53 COMMUNITY SAFETY PARTNERSHIP**

Cllr Musgrave, in his capacity as the Council's representative on the Community Safety Partnership, presented a report that provided Members with the opportunity to scrutinise the work of the Community Safety Partnership (CSP) as defined by Sections 19 and 20 of the Police and Justice Act 2006 and the Crime and Disorder (Overview and Scrutiny) Regulations 2009.

The Senior Community Safety Officer (SCSO), South Devon and Dartmoor Community Safety Partnership, highlighted several areas within the report and responded to questions. She also raised two areas not listed in the report, the first of which was a methodology for the trafficking of drugs which targeted vulnerable young people and as such was a focus for the Partnership. The second issue was the prevalence of gang culture within one of the towns in the South Devon and Dartmoor area.

In discussion, reference was made to:-

- (a) the likelihood of continued funding. In response the SCSO advised that the funding was guaranteed for a further year however there was uncertainty arising from the proposed merger between Devon and Cornwall Police and Dorset Police Authorities;
- (b) that the frontline Police were very supportive, albeit within resource constraints;
- (c) that Members would appreciate a training session on the issues that the Partnership dealt with. All Members supported the request for training and it was agreed that it should be included in the recommendation;
- (d) that the Partnership provided very good value for money.

It was then:

RESOLVED

1. That the report be noted; and
2. That training for Members be arranged on issues relevant to the Partnership.

***O&S 54 JOINT LOCAL PLAN: STANDING AGENDA ITEM**

The Lead Member for Strategic Planning and Housing gave a verbal update on progress with the Joint Local Plan (JLP).

Key areas included:

- A timetable for the examination of the Plan would be circulated to Members;
- The Inspector had built in time to enable discussion on matters that may arise;
- There was a comprehensive Local Plan Library as the Inspector was concerned that members of the public could access any documents;
- There had been representations from people with sites that had not been allocated. Alternative sites would only be looked at if sites within the Plan were unsustainable;
- In terms of a five year land supply, full details would be made available to the public on 29 November 2017.

In response to a question on how performance of the Plan could be measured, the Lead Member confirmed that the JLP Steering Group had turned its attention to that and the Plan contained a series of measures. It would be important to agree which were the key measures to monitor. The five year land supply figures would be reviewed annually. It would also be important to monitor and reflect on the performance of the delivery of the Plan itself.

Another Member raised the problem of planning permissions being granted but not actioned, so questioned whether there was any mechanism to enforce. The Lead Member responded that there were a range of actions that could be taken at a local and national level, but that West Devon did not perform badly in terms of housing delivery. The JLP would be a 20 year programme, some sites would come forward sooner than others and the key would be to identify sites that could be in trouble.

One Member asked if proposals to standardise the methodology for assessing housing need could affect the numbers of houses that the authority was required to provide. The Lead Member responded to the question in detail and concluded that within the JLP area, the Group had added together the requirements and then looked at the most sustainable way to provide those houses across the three authorities.

The Chairman thanked the Lead Member for his update and agreed that it would now be appropriate for a short update on progress of the Plan to be presented to the O&S Committee at each meeting.

***O&S 55 QUARTER 2 PERFORMANCE INDICATORS**

The Lead Member for Support Services presented a report that set out the performance levels against target as communicated in the Balanced Scorecard and the performance figures supplied in the presented background and the exception report. Member's attention was drawn to a new indicator, percentage of Change of Circumstances benefits claims received online.

During discussion, reference was made to the following:

1. The length of time taken to process new benefits claims being back within tolerance;
2. Whilst it was accepted that not all benefits claimants had access to a computer, encouraging channel shift would 'free up' call handlers to assist those who needed to contact by phone;
3. The indicator for percentage of enquiries resolved at first point of contact no longer being collected. This led to a wider discussion on the Customer Contact Centre and Members were advised that the Centre was set up in such a way that the Customer Contact Centre Manager was able to quickly more resource within teams to respond to changing levels of demand;
4. The way that sickness absence was recorded was not helpful and this would be reviewed to reflect the single organisational workforce.

It was then:

RESOLVED

That the performance levels against target communicated in the Balanced Scorecard and the performance figures supplied in the background and the exception report be noted.

***O&S 56 OMBUDSMAN ANNUAL REVIEW LETTER**

The Lead Member for Support Services presented a report that considered the Local Government Ombudsman's Annual Review Letter 2017 regarding complaints received against the Council for the period 1 April 2016 to 31 March 2017. As part of his introduction, he set out how the level of complaints had decreased over the previous four years indicating a steady improvement in service levels.

It was then:

RESOLVED

That the Ombudsman Annual Letter for 2017, as presented at Appendix A, be reviewed, corporate lessons learnt and whether service improvements are required had been considered.

***O&S 57 GENERAL DATA PROTECTION REGULATION – READINESS UPDATE**

The Lead Member for Support Services presented a report that outlined the changes that the Council would need to implement in order to achieve compliance with the General Data Protection Regulation (GDPR) by 25 May 2018. He advised that progress would be reviewed on a regular basis.

The Support Services Specialist Manager advised Members that the Information Commissioners Office had been in touch in respect of the need for Members to be registered as data controllers. As part of their role, they collected data relating to residents. He advised that it was likely that the Council would cover the cost of ensuring all Members were appropriately registered. He also confirmed that training for town and parish councils on Data Protection Regulations was being considered. Members welcomed this information and requested that they be included in any training sessions that were arranged.

It was then:

RESOLVED

That the approach to General Data Protection Regulation readiness ahead of implementation in May 2018 was supported, and that Members should be fully trained in the implications and responsibilities of the regulations.

*** O&S 58 TASK AND FINISH GROUP UPDATES**

(a) Partnership Grant Funding Review

The Chairman confirmed that this group had not met yet, and also advised that the name of the group should be Partnership (not Discretionary). They would meet in time to bring a report to the January 2018 meeting of the O&S Committee.

(b) Performance Measure

By way of an update, it was confirmed that joint working with South Hams District Council was currently on hold. The outcome of this piece of work was not needed until April 2018.

***O&S 59 ANNUAL WORK PROGRAMME 2017/18**

The Chairman introduced the latest version of the Work Programme for the next 12 months and the following updates were highlighted:

- Following recent incidents where the Ambulance Service were reported to have failed to provide an appropriate level of service to residents, a Member asked if they could be invited to attend a future meeting of the Overview and Scrutiny Committee to have the opportunity to outline

how they were facing public sector challenges. The Committee agreed to this request and asked that they attend the meeting scheduled for 27 February 2018;

- JLP Update would now be a standing agenda item for every meeting.

***O&S 60 MEMBER LEARNING AND DEVELOPMENT OPPORTUNITIES ARISING FROM THIS MEETING**

The Chairman advised the Committee that a trainer had been sourced to deliver the Overview and Scrutiny related training and this would take place on the morning of 5 December 2017 commencing at 10.00am.

In addition, the Committee noted that, further to items earlier in the agenda, training sessions would be arranged on the Community Safety Partnership and Data Protection.

(The meeting terminated at 4.20 pm)

Chairman

PUBLIC FORUM PROCEDURES

(a) General

Members of the public may raise issues and ask questions at meetings of the Overview and Scrutiny Committee. This session will last for up to fifteen minutes at the beginning of each meeting, with any individual speaker having a maximum of three minutes to address the Committee.

(b) Notice of Questions

An issue or question may only be raised by a member of the public provided that they have given written notice (which may be by electronic mail) to Darryl White (darryl.white@swdevon.gov.uk) by 5.00pm on the Thursday, prior to the relevant meeting.

(c) Scope of Questions

An issue may be rejected by the Monitoring Officer if:

- it relates to a matter within the functions of the Planning and Licensing Committee;
- it is not about a matter for which the local authority has a responsibility or which affects the district;
- it is offensive, frivolous or defamatory;
- it is substantially the same as a question which has previously been put in the past six months; or
- it requires the disclosure of confidential or exempt information.

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WEST DEVON BOROUGH COUNCIL: HUB COMMITTEE FORWARD PLAN

This is the provisional forward plan for the six months starting 6 February 2018. It provides an indicative date for matters to be considered by the Hub Committee. Where possible, the Hub Committee will keep to the dates shown in the plan. However, it may be necessary for some items to be rescheduled and other items added.

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

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

Members of the public are welcome to attend all meetings of the Hub Committee, which are normally held at Kilworthy Park, Tavistock, and normally start at 2.00 pm.

If advance notice has been given, questions can be put to the Hub Committee at the beginning of the meeting.

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

Cllr Sanders – Leader

Cllr Samuel – Deputy Leader

Cllr Sampson – Lead Member for Commercial Services

Cllr Moody – Lead Member for Health and Wellbeing

Cllr Oxborough – Lead Member for Economy

Cllr Jory – Lead Member for Environment and Assets

Cllr Mott – Lead Member for Customer First

Cllr Edmonds - Lead Member for Resources and Performance

Cllr Parker – Lead Member for Strategic Planning and Housing

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

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

DECISIONS TO BE TAKEN BY THE HUB COMMITTEE

Service	Title of Report and summary	Lead Officer and Member	Decision maker	Anticipated date of meeting
	Simmons Park Parking Charges	CA/Cllr Sampson	Council	Date tbc
SLT	Revenue Budget Proposals 2018/19 – to set out recommendations for the Revenue Budget for 2018/19 (including the council tax level for 2018/19)	LB/Cllr Sanders	Council	6 February 2018
SLT	Capital Budget Proposals 2018/19 – to set out recommendations for the Capital Programme budget for 2018/19	LB/Cllr Sanders	Council	6 February 2018
Support Services	Write Off report Q3 2017/18 – 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	LB/Cllr Edmonds	Hub Committee	6 February 2018
Support Services	Revenue Budget Monitoring 2017/18 (nine monthly position) – a revenue budget monitoring report to monitor income and expenditure variations against the approved revenue budget for 2017/18, and to provide a forecast of the year end position	LB/Cllr Edmonds	Hub Committee	6 February 2018
Customer First	Air Quality Strategy – to consider a report that seeks authority to go for public consultation	IL/Cllr Moody	Council	6 February 2018
Customer First	Planning Applications Validation Checklist	PW/Cllr Mott	Hub Committee	6 February 2018
Customer First	Planning Enforcement Plan – Recommendations from O&S	PW/Cllr Mott	Hub Committee	6 February 2018

Commercial Services	Parking Strategy	CA/Cllr Sampson	Council	6 February 2018
Support Services	Capital Programme Budget Monitoring 2017/18 (nine monthly position) – to advise Members of the progress on individual schemes within the approved capital programme, including an assessment of their financial position	LB/Cllr Edmonds	Hub Committee	6 February 2018
Support Services	Treasury Management Strategy for 2018/19 – to set out the Strategy for the Council’s investments together with associated prudential indicators	LB/Cllr Edmonds	Council	13 March 2018
SLT	Transformation Programme Closedown – to provide a closedown report of the T18 Transformation Programme	LB/Cllr Sanders	Hub Committee	24 April 2018
SLT	Set up of Wholly Owned Company	SH/Cllr Sanders	Council	24 April 2018
Strategy and Commissioning	Corporate Plan	NT/Cllr Sanders	Council	24 April 2018
SLT	Peer Review Report	SH/Cllr Sanders	Council	October 2018

*** Exempt Item (This means information contained in the report is not available to members of the public)**

SJ – Steve Jorden – Executive Director Strategy and Commissioning and Head of Paid Service

SH – Sophie Hosking – Executive Director Service Delivery and Commercial Development

LB – Lisa Buckle – Finance COP Lead and s151 Officer

HD – Helen Dobby – Group Manager Commercial Services

SM – Steve Mullineaux – Group Manager Support Services

CB – Chris Brook – COP Lead Assets

JS – Jane Savage – Lead Specialist Waste Strategy

IL – Ian Luscombe – COP Lead Environmental Health

CBowen – Catherine Bowen – Monitoring Officer

DA – Darren Arulvasagam – Group Manager Business Development

SLT – Senior Leadership Team

IB – Isabel Blake – COP Lead Housing, Revenues and Benefits

LC – Lesley Crocker – COP Lead Communications

RS – Rob Sekula

RH – Rob Harkness



**West Devon
Borough
Council**

Report to: **Overview and Scrutiny Committee**

Date: **16 January 2018**

Title: **Medium Term Financial Position 2018/19 onwards**

Portfolio Area: **Cllr P R Sanders - Annual Budget Setting Process**

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview and Scrutiny Committee**

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

Author: **Lisa Buckle** Role: **Strategic Finance Lead (S151 Officer)**

Contact: **Tel. 01803 861413**
Email: lisa.buckle@swdevon.gov.uk

RECOMMENDATION:

The views of the Overview and Scrutiny Committee are sought on the content of the Revenue and Capital Budget Proposals report for 2018-19.

Views are sought in particular on:-

- (i) The increase in Council Tax for 2018-19 as per 5.9.**
- (ii) The financial pressures shown in Appendix A of £674,500.**
- (iii) The contributions to Earmarked Reserves of £60,000 and transferring the 2018-19 budget surplus of £229,428 into Reserves to assist with future financial sustainability (as detailed in 1.9).**
- (iv) The proposed savings of £748,600 as shown in Appendix A.**

- (v) That £600,000 of New Homes Bonus funding is used to fund the 2018-19 Revenue Budget as shown in Appendix A.**
- (vi) The reduction in Partnership funding levels as set out in Appendix F.**
- (vii) The 2018/19 Capital Programme projects as per Appendix C.**
- (viii) The financing of the Capital Programme as per Appendix C.**

1. Executive summary

- 1.1 The Council's Medium Term Financial Position (MTFP) is based on a financial forecast over a rolling five year timeframe to 2022/23.
- 1.2 The Council, along with other local authorities, has faced unprecedented reductions in Government funding since the Comprehensive Spending Review 2010.
- 1.3 Between 2009/10 and 2019/20, the Council's Core Government funding has reduced by £3 million.
- 1.4 West Devon has continued to work in partnership with South Hams District Council which has allowed West Devon Borough Council to achieve annual savings of £2.2 million and more importantly protect all statutory front line services.
- 1.5 Between both Councils the annual shared services savings being achieved are over £6 million. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending as outlined in the Comprehensive Spending Review.
- 1.6 West Devon Borough Council is currently forecasting a **£931,676** budget gap by 2020/21. This is approximately £150,000 higher than the position predicted at the end of November 17, due to less New Homes Bonus being received and therefore there is less NHB in future years to assist with funding the revenue base budget. If the Government were to remove the negative Revenue Support Grant within the Council's 2019-20 funding allocation, then this would better the Council's budget position by £300,000 for 2019/20 and future years (and reduce the budget gap by this amount). Negative Revenue Support Grant is explained in sections 5.5 and 5.6 and the Government has acknowledged the funding difficulties that this is causing Councils and a consultation will take place in the Spring on it.

- 1.7 On 28 November 2017, the Hub Committee considered the latest Revenue and Capital Proposals for 2018/19. Since that meeting date, the Government has announced the draft Local Government Finance Settlement. This report to the Overview and Scrutiny Committee has been updated to show the changes which have come out of the draft finance settlement being announced and other changes to the budget which have been identified. Appendix G sets out a detailed breakdown of the changes which have been made to the Budget Proposals for 2018-19, since the last budget report to the Hub Committee on 28 November.
- 1.8 The main change is that Devon has been successful in achieving business rates Pilot status for 2018-19 and this is predicted to generate extra business rates funding of £460,000 for 2018-19 (one year only).
- 1.9 This extra business rates funding has resulted in the 2018-19 Budget now showing a £229,428 one-off budget surplus. Members' views are sought on putting this additional funding into an Earmarked Reserve to assist with future financial sustainability and to assist in meeting the budget gap in 2019-20, if required (albeit this is only a short term solution).
- 1.10 On 31st October 2017, the Borough Council made a decision to not submit a Proposal to the Secretary of State for a Single Combined Council with South Hams District Council.
- 1.11 A Cross Party Member Working Group (Financial Stability Review Group) was set up in November with defined Terms of Reference to look at the Medium Term Financial Strategy for 2018-19 onwards and to further look at options for securing financial stability for the longer term. This Member Working Group will report back to Members early in 2018.
- 1.12 The Partnership Task and Finish Group has reviewed the level of partnership funding going forward and has made recommendations as set out in Appendix F.

2. OVERALL POSITION – BUDGET GAP

- 2.1 Appendix B illustrates the overall financial forecast for the forthcoming five years. The Council's Net Budget is £7.4 million in 2017/18. A Summary forecast is shown below of the potential budget situation if all of the budget pressures and the savings and income generation in Appendix A were approved. It also shows the situation if the Council Tax is increased by 2.99% (shown in Appendix B).
- 2.2 The following table illustrates the predicted budget gap from 2018/19 onwards for the Council as shown in Appendix B:

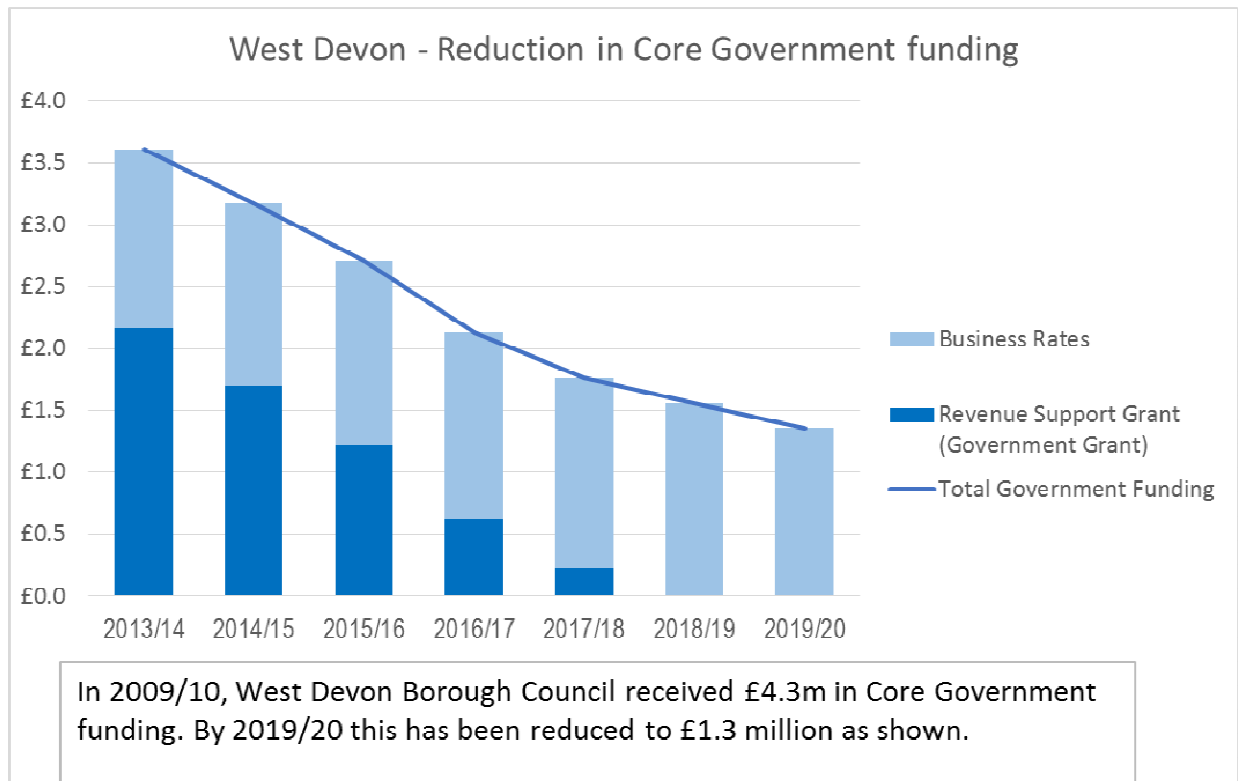
	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Cumulative budget gap	£Nil (assumes budget surplus of £229K is put into reserves)	£735,538	£931,676	£986,645	£754,973

Note: If these budget gaps are not closed annually, the aggregated budget gap would equate to over £3.4 million by 2022/23, as shown in Appendix A.

- 2.3 This shows that by 2020/21 the Council has a £931,676 budget gap (with over £735K to find for 2019/20).
- 2.4 The cost pressures, savings and additional income already identified for 2018/19 are shown in Appendix A. It is to be noted that this is the best estimate of the financial position at the current time and new items could arise and the report will be updated.

3 THE FOUR YEAR SETTLEMENT FUNDING OFFER

- 3.1 During 2016/17 the Government offered Local Authorities the opportunity to apply for a four year agreed funding settlement, subject to the production of an efficiency plan. The Council applied and was accepted for the four year agreement.
- 3.2 By 2018/19 the Council receives no Government funding (Revenue Support Grant) and the Council will need to be self-sufficient. The withdrawal of Government funding has happened two years earlier than expected. The Council's Settlement Funding Assessment (Government Grant and funding from Business Rates) is reducing by a further 37% between now and 2019/20.
This compares to a 18.7% cut for Metropolitan Districts and 32.4% for Shire Districts. Counties vary between 30% to 31%.
- 3.3 District Councils such as West Devon have also suffered a large reduction in their New Homes Bonus funding (£0.5 million in 17/18) due to the number of year's payments being reduced from six years to five years in 17/18 and four years from 18/19 onwards. The funding being released is to contribute towards adult social care costs, a function carried out by Unitary and County Councils.



- 3.4 It can be seen from the graph above that between 2009/10 and 2019/20 the Council's Core Government funding will have reduced by £3 million.

4 ASSUMPTIONS FOR FINANCIAL MODELLING PURPOSES

- 4.1 The National Employers have made a final pay offer covering 1 April 2018 to 31 March 2020. The majority of employees (those on salaries starting at £19,430 p.a.) would receive an uplift of 2% on 1/4/18 and a further 2% on 1/4/19, with those on lower salaries receiving higher increases. The cost of this would be £85,000 in 2018/19 and a further £95,000 in 2019/20. This has been reflected in Appendix A. The Medium Term Financial Position is not an expression of Council Policy on pay awards, but a means of ensuring an appropriate provision is made as part of the overall financial planning of the Council.
- 4.2 The report assumes inflation will run at 2% over the five year period. The Consumer Prices Index (CPI) was 3.0% in October 17.
- 4.3 The Medium Term Financial Position has included a cost pressure of £70,000 for Inflation and increases on Goods and Services. The main items are:-

£20,000 – Business Rates increases

£2,500 – Apprenticeship Levy

£7,500 – Utilities inflation

An amount of just over £40,000 is to fund a 2% uplift on other expenditure budgets.

- 4.4 The predicted interest rate forecast from our treasury management advisors, Capita, is that interest rates will remain at 0.5% up to September 2018 and then in December 2018 the base rate is predicted to rise to 0.75%. By December 2019 the bank base rate is predicted to increase to 1%. Extra treasury management income of £20,000 per annum has been built into the financial modelling for this.
- 4.5 An increase in council tax of 2.99% for the next five years has been modelled for council tax purposes. This would equate to a Band D council tax for West Devon of £224.91 in 2018/19 as shown in Appendix B and equates to a council tax increase of 2.99%.
- 4.6 It has been assumed that the number of properties within the Borough will increase by 160 per annum from 2018/19 to 2022/23 – this is an increase of approx. 0.8% - the Council had 19,948.77 Band D equivalent properties in 2017/18. These additional properties have been used to calculate the amount of additional Council Tax and also the potential for New Homes Bonus.

5. BUSINESS RATES AND COUNCIL TAX

- 5.1 **Retained Business Rates** - The Government introduced the Business Rates Retention system from April 2013. There is a risk of volatility in the system because Councils are exposed to any loss of income if businesses go into decline. The Council is part of the Devonwide Business Rates Pool.
- 5.2 Of the Business Rates collected of £11 million, the Council currently retains approximately 14p in every £1 to run our services.

Self-sufficient local government: Business Rates Retention

- 5.3 The Secretary of State has announced in December 2017 that local business rates retention would move from 50% to 75% in 2020/21.
- 5.4 **Business Rates Pilot status for 2018-19**
Devon was successful in achieving Business Rates Pilot status for 2018-19 and the pilot will begin on 1st April 2018. Financial modelling shows that the Devon business rates pool could benefit by somewhere in the region of between £10m to £16.9m by becoming a pilot in 2018/19. The modelling shows that West Devon could benefit by approximately £460,000. This is one-off additional revenue money for the year of the pilot only (2018-19). The bid set out how pilot status for Devon would meet the principles of assisting financial sustainability for the District Councils, higher levels of investment in economic regeneration in Devon and support for Upper Tier Councils with the growing financial cost pressures of areas such as adult social care and children's services.

There will be a further opportunity for Councils to bid to be a pilot in 2019-20 and further details of this will be issued by the Government.

Tariff/Top Up Adjustment in 2019/20 (negative Revenue Support Grant)

- 5.5 The Tariff/Top Up Adjustment is an amount in 2019/20 which increases an authority's tariff. It is applied where cuts to a Council's Settlement Funding Assessment (SFA) cannot be achieved through further cuts to the Revenue Support Grant (RSG), as the RSG is already zero.

In effect the Tariff/Top Up Adjustment is negative Revenue Support Grant. Settlement Funding Assessment is the income received by local authorities in the form of (i) Revenue Support Grant from Central Government and (ii) a share of business rates retained locally.

Draft Local Government Finance Settlement for 2018-19

- 5.6 In the draft Local Government Finance Settlement, the Government has said that a consultation will take place in Spring 2018 regarding the current £153million in negative RSG that remains in the 2019/20 funding allocations, with the outcome feeding into the 2019/20 local government finance settlement. The negative RSG currently included within the Council's funding allocation for 2019/20 amounts to £293,377. If the Government were to remove this following the consultation process, the Council's budget position would be bettered by £300K for 2019/20 and future years.

- 5.7 Rural Services Delivery Grant – the 2018/19 funding has been increased from £50 million to £65 million. This has meant extra RSDG funding of £85,993 for 2018/19 as the Council's allocation has increased from £286,645 to £372,638. The £372,638 has been built into the Council's business rates baseline due to the Council's Pilot status.

Council Tax

- 5.8 West Devon Borough Council's share of the council tax bill in 2017/18 was **12%**, being £218.39 out of an average Band D council tax bill of £1,809. The total income from council tax in 2018/19 is predicted to be £4.525 million. A 1% increase in council tax generates an extra £44,000 for West Devon.

Increases of less than 3% council tax referendum limit for District Councils

- 5.9 The draft Finance Settlement has stated that for District Councils, increases of less than 3% or up to and including £5 (whichever is higher), can be made without triggering a council tax referendum. This is for 2018/19 and 2019/20 (this is to reflect the level of inflation).

For West Devon Borough Council:-

- i) A £5 increase (2.29%) - This would mean a Band D council tax for West Devon would increase from £218.39 to £223.39 in 2018/19 - a council tax increase of 2.29%. This generates extra council tax income of £100,590.
- ii) Alternatively a 2.99% increase would mean that the Band D would increase from £218.39 to £224.91 – an increase of £6.52. This generates extra council tax income of £131,160.

A council tax increase of 2.99% per annum has been modelled in Appendix A for illustration purposes.

5.10 At the Members' Budget Workshop held on 10th October 2017, there was early support for increasing council tax by the maximum allowable. At this event it was recognised that this measure would increase the base budget for ensuing years and protect the delivery of services and the Council's financial resilience. In the Members' Budget survey, 94% of the Members who responded stated that they would support increasing council tax by the maximum currently allowable for 2018-19. (Note, the council tax referendum principles have now been published by the Government for 2018-19, with the current limit being increased to 2.99% or £5 (whichever is higher) for District Councils).

5.11 In the draft Local Government Finance Settlement, the Government has also announced that it will defer the setting of referendum principles for town and parish councils for three years. However, this is conditional upon the sector taking all available steps to mitigate the need for council tax increases.

THE COUNCIL'S STRATEGIC PRIORITIES – OUR PLAN

5.12 The Council's 'Our Plan' describes the Council's vision and its aspirations for our communities. It does this by setting out what the Council wishes to deliver to our communities under eight themes. These themes are: Homes; Economy; Communities; Wellbeing; Infrastructure; Environment; Heritage; and Resources. 'Our Plan' is due to be reviewed during the 2017/18 financial year.

6 BUDGET PRESSURES, SAVINGS AND INCOME GENERATION

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

- 6.2 **Appendix A** to the Medium Term Financial Position sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast. ***These figures in Appendix A show the changes to the existing base budget.*** A description of the larger budget pressures are set out below.
- 6.3 **Salaries** – A 2% provision for a pay award has been included for 2018/19 and 2019/20. This is explained in section 4.1.
- 6.4 **Trees Maintenance** – The Borough Council is legally obliged to have a proactive management system in place to monitor trees and ensure that any required work is undertaken to ensure that trees remain as safe as possible. The Council has a backlog of inspections and a budget of £40,000 is required to address this, but this could be reduced to £20,000 per year from 2020 onwards.
- 6.5 **ICT support contracts** - An extra cost pressure of £65,000 has been added for 2018/19 for ICT support contracts, to align the budget to actual expenditure. The additional cost of ICT contracts such as IEG4 (the robots) are offset by additional recovery of housing benefit overpayments of £85,000.
- 6.6 The following cost pressures have been identified since the 28th November Budget Proposals to the Hub Committee and have been included within this report:-
- £20,000 provision for salary costs for a steady state review of roles and grades
 - £15,000 provision for IT to replace ageing network switches
 - £15,000 cost pressure for a lease renewal within the waste service

SAVINGS AND INCOME GENERATION

- 6.7 **Commercial Property Acquisition Strategy** – An income target of £100,000 from investments in commercial property has been built into the 18/19 Base Budget. This income target will be revised as and when commercial property opportunities are realised. Note this income target has been lowered from the original target of £200,000 which was contained within the 28th November draft budget proposals. This is due to the recent experiences of the Council in bidding for commercial properties and recent Government consultations on the subject.
- 6.8 **Re-procurement of contracts (leisure)** – The Medium Term Financial position shows the savings in Appendix A from the re-procurement of outsourced contracts e.g the leisure contract.

- 6.9 **Car Parking** - An income target of £180,000 for car parking income from a review of charges has been built into the 2018/19 Budget. The Car Parking Strategy Group will undertake a review of car parking charges for 2018/19.
- 6.10 The Car parking income target has also been increased by £40,000 in 18/19, to reflect actual income being achieved in 16/17.
- 6.11 **Review of Accommodation/Office requirements** – Officers are working with the local Members at what an alternative service provision may look like if the Okehampton office was closed as part of the budget proposals for 2018/19. A verbal update will be presented at the Overview & Scrutiny meeting on the 16th January. The current budget proposals envisage that this would become effective from 1st October 2018, saving £40,000.
- 6.12 **Housing Benefit recoveries of overpayments** - A sum of £85,000 has been built into the 2018/19 forecasts as a recurring income for Housing Benefit recoveries of overpayments.
- 6.13 **Cessation of accepting cash and cheques** – The proposal is to remove the facility for accepting cash and cheques at Council premises, excluding Car Parks. The Council would procure a new card acquiring contract. Customers (as now) will be able to pay by cash or cheques via Paypoint or at Post Office. A flyer regarding the services offered by the Post Office can be included with the council tax bills for 2018/19. The current budget proposals envisage that this would become effective from 1st October 2018, saving £17,500.
- 6.14 **Reduction in Partnership funding levels** – Appendix F sets out the Partnership Task & Finish Group's recommendations regarding future funding levels. The level of funding reduction would equate to £28,000 for 2018/19.
- 6.15 **Budget Monitoring position** - The six monthly revenue Budget Monitoring position showed a predicted underspend against budget of £25,000 for 2017-18. Where there are variances identified against budget, the budget for 2018/19 has been adjusted where necessary. For example, extra treasury management income of £20,000 has been built into 2018/19 and Trade waste income of £15,000 has also been built into next year.
- 6.16 **Direct Lets Scheme** – If Members are supportive of the scheme, this is predicted to produce savings of £10,000 in 2018/19, increasing to £22,000 by 2019/20.
- 6.17 **Results of the Members' Budget Survey** – Other budget items which were supported by Members in the Members Budget Survey were as follows:-

(These have been included as Savings/Additional Income in 2018/19 in the modelling in Appendix A)

- i) Reduction in the size of the Hub Committee from 9 Members to 6 Members, effective from the May 2018 Annual Council (£11,500)
- ii) Paperless Committee agendas (£3,500) – To be effective from January/February 2018. A paper copy will be produced for the Chairman and Vice-Chairman of the Committee.
- iii) Charging for duty planning service (£6,500) – The proposal is to increase the appointment time from 15 mins to 30 mins and charge £30 per appointment
- iv) Charging for more formalised food advice (£5,000) – More formalised advice is a service that could sit outside the current regulatory role (where informal advice is sometimes given) and generate income. This maybe especially attractive to new businesses and those with more complex systems and products (manufacturers for example).

6.18 The following savings have been identified since the 28th November Budget Proposals to the Hub Committee and have been included within this report:-

- £35,000 saving on the re-procurement of the Insurance contract
- £8,000 saving on external audit fees for 2018-19 onwards

7 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING

- 7.1 The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing.
- 7.2 A proposed Capital Programme for 2018/19 onwards is set out in Appendix C.
- 7.3 **Prudential Borrowing** - The Council will consider the use of prudential borrowing to support capital investment to deliver services and will ensure that the full costs of borrowing are taken into account when investment decisions are made.
- 7.4 In July 2016 (Minute CM28), the Council agreed to undertake prudential borrowing of £1.5 million for the new leisure contract. Also at Council on 26 July 2016 (Minute CM27), Council agreed to undertake borrowing for the waste fleet.

- 7.5 Officers will make recommendations in February 18 on the strategy for internal borrowing and external borrowing for the waste vehicles and the leisure investment.

8. EARMARKED AND UNEARMARKED RESERVES

- 8.1 A schedule of Earmarked and Unearmarked Reserves is shown in Appendix D. The Council currently has £1.1 million in Unearmarked Reserves and £3.7 million in Earmarked Reserves.

9 MEMBERS' BUDGET WORKSHOP

- 9.1 A Members' Budget Workshop was held on 10th October. Members considered budget options that fell into the following categories such as:-

- i) further income generation;
- ii) external contracts;
- iii) Reductions in service levels; and
- iv) financing options.

- 9.2 A Cross Party Member Working Group (Financial Stability Review Group) was set up in November with defined Terms of Reference to look at the Medium Term Financial Strategy for 2018-19 onwards and to further look at options for securing financial stability for the longer term. This Member Working Group will report back to Members early in 2018.

10 NEXT STEPS

- 10.1 Appendix A shows there is a budget surplus for 2018/19 of £229,428. Members' views are sought on putting this additional funding into an Earmarked Reserve to assist with future financial sustainability and to assist in meeting the budget gap in 2019-20, if required (albeit this is only a short term solution).
- 10.2 Officers will continue to work with the Cross Party Member Working Group and the results of this will be incorporated into future Budget reports.
- 10.3 The Government sets planning application fees and the long awaited 20% increase in fees comes into force on 17 January 2018. Although this will significantly increase income from planning applications, it is important to recognise that this increase is ring-fenced for the planning service and is in addition to the existing budget for the planning service. The extra 20% in planning fee income and the extra 20% expenditure has not yet been factored into the 2018-19 Budget figures. This will be shown in the next Budget report to the Hub Committee on 6th February 2018 (it is a net Nil impact on the Budget position).
- 10.4 The Budget Timetable is shown in Appendix E.

11. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>The Hub Committee is responsible for recommending to Council the budgetary framework. It is the role of the Overview and Scrutiny Committee to scrutinise the Budget proposals being proposed by the Council. In accordance with the Financial Procedure Rules, Council must decide the general level of Reserves and the use of Earmarked Reserves.</p> <p>The preparation of the Budget report is evidence that the Council has considered and taken into account all relevant information and proper advice when determining its financial arrangements in accordance with statutory requirements, and in particular, that it will set a lawful budget.</p>
Financial	Y	The financial implications are set out in Sections 2 and 3 of the report.
Risk	Y	Each of the budget options taken forward by Members will consider the risks of the option.
Comprehensive Impact Assessment Implications		
Equality and Diversity		None directly arising from this report.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

Supporting Information

Appendices:

Appendix A – Budget pressures and savings

Appendix B – Summary of the Budget position

Appendix C – New Homes Bonus and Capital Programme

Appendix D - Schedule of Reserves (Unearmarked and Earmarked)

Appendix E – Budget Timetable

Appendix F – Partnership Funding

Appendix G – Summary of budget changes from the 28th November Budget report

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WEST DEVON BOROUGH COUNCIL

BUDGET PRESSURES

	BASE 2017/18 £	Yr1 2018/19 £	Yr2 2019/20 £	Yr3 2020/21 £	Yr4 2021/22 £	Yr5 2022/23 £
Waste collection, recycling and cleansing contract (estimate)	510,000	190,000	70,000	70,000	70,000	70,000
Inflation on the street cleaning and public conveniences	30,000	10,000	10,000	10,000	10,000	10,000
Reduction in planning income	125,000	0	0	0	0	0
Triennial Pension revaluation	80,000	25,000	0	75,000	0	0
Inflation on goods and services	70,000	70,000	70,000	70,000	70,000	70,000
Increase in salaries - increments and pay and grading	40,000	40,000	40,000	40,000	40,000	40,000
Increase in salaries - pay increase at 2% modelled	40,000	85,000	95,000	40,000	40,000	40,000
Maintenance of trees	0	40,000	0	(20,000)	0	0
Reduction in Recycling credits	40,000	25,000	0	0	0	0
Planning Community of Practice - staffing resource	30,000	0	0	0	0	0
ICT support contracts - increase the budget to align to actual expenditure	0	65,000	0	0	0	0
Reduce income target for Kilworthy Park to align to actual income received	0	25,000	0	0	0	0
Reduction in Housing Benefit administration subsidy	30,000	16,500	20,000	10,000	10,000	10,000
National Insurance and National Living Wage	20,000	20,000	20,000	20,000	20,000	20,000
Provision for salary costs for steady state review		20,000				
IT - replace ageing network switches		15,000				
Waste - lease renewal		15,000				
Revenue implication of the waste capital bid in 2017/18 capital programme	0	13,000	0	0	0	0
Finance Community of Practice - staffing resource	15,000	0	0	0	0	0
Business Information Point (increase from £8,340 to £15,100) - Economy Working Group recommendations	6,760	0	0	0	0	0
Reinvest saving of £2,811 in Town Benchmarking reports and £1,000 to Youth Markets (Economy WG recommendations)	3,811	0	0	0	0	0
The following are all one-off cost pressures in 2016/17 and are not required in 2017/18 and are therefore reversed out in 2017/18						
Trading company - specialist advice - One off	(150,000)	0	0	0	0	0
Specialist resource - Waste and Cleansing options review and delivery -one off	(80,000)	0	0	0	0	0
Our Plan	(75,000)	0	0	0	0	0
TOTAL IDENTIFIED BUDGET PRESSURES	735,571	674,500	325,000	315,000	260,000	260,000

WEST DEVON BOROUGH COUNCIL

Contribution to Earmarked Reserves

(This line shows the annual contributions into the Reserve)

	BASE 2017/18 £	Yr1 2018/19 £	Yr2 2019/20 £	Yr3 2020/21 £	Yr4 2021/22 £	Yr5 2022/23 £
Contribution to IT Development Reserve (£25K per annum)	25,000	25,000	25,000	25,000	25,000	25,000
Contribution to Planning Reserve (£25K per annum)	25,000	25,000	25,000	25,000	25,000	25,000
Transformation Project (T18) - Approved at 9th December 2014 Council (One-off investment costs) Contribution to Strategic Change Reserve to meet redundancy and pension costs - Contributions reduce to zero in 2020/21	160,000	10,000	10,000	0	0	0
Net contribution to T18 Reserve to meet other non-recurring costs (Contributions are offset by savings as per the Business Case)	67,000	0	0	0	0	0
Total Contribution to Earmarked Reserves	277,000	60,000	60,000	50,000	50,000	50,000

Note - The items highlighted in grey show new items for costs/savings which have been identified since the 28th November 2017 Hub Committee budget report.

SAVINGS AND INCOME GENERATION IDENTIFIED

	BASE 2017/18 £	Yr1 2018/19 £	Yr2 2019/20 £	Yr3 2020/21 £	Yr4 2021/22 £	Yr5 2022/23 £
Income from investments in commercial property	0	100,000	0	0	0	0
Re-procurement of contracts (e.g. savings from Leisure contract)	346,000	0	50,000	135,000	130,000	260,000
Budget Scouring exercise (£45,000 reduction in the contribution to the repairs and maintenance earmarked reserve for car parking maintenance, £25,000 saving on purchase of equipment and £5,000 on staff travel)	75,000	0	0	0	0	0
Opt-in charged garden waste service	67,500	122,500	0	0	0	0
Car parking income from a review of charges	0	180,000	0	0	0	0
Additional car parking income (increase income target to reflect actual income being achieved)	0	40,000	0	0	0	0
Review of Accommodation/Office requirements	0	40,000	42,000	0	0	0
Housing Benefit recoveries of overpayments (increase income target to reflect actual income being achieved)	0	85,000	0	0	0	0
Cessation of accepting cash and cheques	0	17,500	17,500	0	0	0
Planning Fees (increase income target to reflect actual income being achieved)	0	15,000	0	0	0	0
Business Rates pooling gain	30,000	0	0	0	0	0
Reduction in Partnership funding (level of reduction TBC)	0	28,000	0	0	0	0
Villages in Action (£8,000 to £4,000), SW Museum (£2,000 to £1,000) and cease Economy Grants (£5,571) - Economy Working Group recommendations	10,571	0	0	0	0	0
Extra treasury management income	0	20,000	20,000	20,000	0	0
Trade waste income	0	15,000	0	0	0	0
Introduction of Direct Lets Scheme	0	10,000	12,000	0	0	0
Reduction in the size of the Hub Committee	0	11,500	0	0	0	0
Paperless Committee agendas	0	3,500	0	0	0	0
Council Tax Reduction Scheme - 8.6% reduction in Town and Parish Grant	6,600	6,100	5,500	0	0	0
Charging for duty planning service	0	6,500	0	0	0	0
Charging for food advice	0	5,000	0	0	0	0
Savings from the re-procurement of the Insurance contract	0	35,000	0	0	0	0
Saving on external audit fees for 2018-19	0	8,000	0	0	0	0
Reduced running costs at Kilworthy Park and additional leasing income	5,000	0	0	0	0	0
Income generation from alternative investment vehicles (e.g. property investment fund)	25,000	0	0	0	0	0
TOTAL SAVINGS AND INCOME GENERATION	565,671	748,600	147,000	155,000	130,000	260,000

Note - The items highlighted in grey show new items for costs/savings which have been identified since the 28 November Hub Committee budget report.

Line No.	Council Tax is increased by £2.99% annually Modelling for the financial years 2018/19 onwards	BASE 2017/18 £	Yr1 2018/19 £	Yr2 2019/20 £	Yr3 2020/21 £	Yr4 2021/22 £	Yr5 2022/23 £
1	Base budget brought forward	7,253,325	7,423,224	7,578,552	6,791,586	6,755,449	6,830,480
2	Budget pressures (as per Appendix A)	735,571	674,500	325,000	315,000	260,000	260,000
3	Savings already identified (as per Appendix A)	(565,671)	(748,600)	(147,000)	(155,000)	(130,000)	(260,000)
4	Less one-off contribution to reserves in 2018/19			(229,428)			
5	Projected Net Expenditure:	7,423,225	7,349,124	7,527,124	6,951,586	6,885,449	6,830,480
	Funded By:-						
6	Council Tax income - Modelling a £5 increase in council tax each year (Taxbase 16/17 = 19,733.41 Band D Equivalent properties)	4,356,612	4,524,706	4,696,958	4,875,449	5,060,480	5,252,151
7	Collection Fund Surplus	178,000	96,000	80,000	80,000	80,000	80,000
8	Revenue Support Grant (Nil from 2018/19 onwards)	223,284	0	0	0	0	0
9	Localised Business Rates (baseline funding level - includes Rural Services Delivery Grant of £372,638 in 2018/19 due to Pilot status)	1,539,000	1,957,846	1,620,367	1,650,000	1,690,000	1,730,000
10	Tariff/Top Up Adjustment amount (negative RSG)		0	(293,377)	(300,000)	(400,000)	(400,000)
11	Business Rates - Pilot Gain	0	460,000	0	0	0	0
12	Funding from Rural Services Delivery Grant (see Note 9)	372,638	0	372,638	300,000	300,000	300,000
13	Funding from New Homes Bonus	860,000	600,000	375,000	200,000	150,000	150,000
14	Funding from Transition Grant	30,689	0	0	0	0	0
15	Less: Contribution to Earmarked Reserves	-277,000	-60,000	-60,000	-50,000	-50,000	-50,000
16	Less: Contribution from Budget Surplus Contingency Earmarked Reserve	140,002					
17	Total Projected Funding Sources	7,423,225	7,578,552	6,791,586	6,755,449	6,830,480	7,062,151
	Budget gap/(surplus) per year						
18	(Projected Expenditure line 5 - Projected Funding line 17)	0	-229,428	735,538	196,137	54,969	-231,671
	Less contribution to reserves		229,428				
	Actual Predicted Cumulative Budget Gap	0	0	735,538	931,676	986,645	754,973
	Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)		0	735,538	1,667,214	2,653,859	3,408,832

Note - Items in Grey denote budget items which have changed since the 28th November Hub Committee report

Modelling Assumptions: (Assumes an increase in Band D Equivalent properties of 160 per annum)						
Council Tax (Band D) (an increase of 2.99% per annum has been modelled)	218.39	224.91	231.63	238.55	245.68	253.02
Council TaxBase	19,948.77	20,117.85	20,277.85	20,437.85	20,597.85	20,757.85

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New Homes Bonus funding and Capital Programme for 2018-19 onwards

1. NEW HOMES BONUS (NHB)

- 1.1 The Council has received notification of its 2018-19 allocation for NHB of £642,946.
- 1.2 The New Homes Bonus was introduced in 2011 to provide a clear incentive for local authorities to encourage housing growth in their areas. It rewards local Councils for additional homes added to the council tax base, including newly built properties and conversions as well as long term empty properties brought back into use, after deducting demolitions.
- 1.3 Following consultation, the Government has implemented reforms to the scheme that sharpen the incentive for housing growth. The length of New Homes Bonus payments was reduced in length from 6 years to 5 years in 2017-18 and 4 years from 2018-19. It can be seen from the Table below that this reduction from 6 years to 5 years has meant the Council has lost £568,622 in New Homes Bonus funding in 2017/18. The Council has repeatedly made the point that the current crisis in funding for Adult Social Care is a national problem which needs new Government money, as opposed to reducing the New Homes Bonus funding to pay for this and therefore further burdening the council taxpayer to fund social care costs.
- 1.4 From 2017-18 the Government has introduced a national baseline for housing growth of 0.4% below which New Homes Bonus will not be paid, which the Government has said reflects a percentage of housing that would have been built anyway. The baseline equated to 97 Band D Equivalent properties for West Devon and NHB was lost of £119,000.
- 1.5 In the draft Local Government Finance Settlement issued just before Christmas, the Government has confirmed that NHB payments will be for a period of 4 years and a baseline of 0.4% will continue. No further adjustments to NHB are being made at this stage (for 2018-19).

1.6 The table below shows the NHB received to date and a forecast for future years.

	2015/16	2016/17	2017/18	2018/19	2019/20
	(£)	(£)	(£)	(£)	(£)
2011/12	323,920	323,920			
2012/13	568,622	568,622	(this year has dropped off by a reduction to 5 years of payment)		
2013/14	133,255	133,255	133,255		
2014/15	222,997	222,997	222,997		
2015/16	248,975	248,975	248,975	248,975	
2016/17		247,527	247,527	247,527	247,527
2017/18			108,515	108,515	108,515
2018/19				37,929	37,929
2019/20					40,000
New Homes Bonus returned	4,913				
NHB Received/ Forecast	1,502,682 Actual received	1,749,449 Actual received	961,269 Actual received	642,946 Allocation	433,971 Forecast

1.7 The table below shows estimated amounts of NHB receivable in future years and potential uses of the NHB funding:-

	2018-19 (£)	2019-20 (£)	2020-21 (£)
Predicted NHB amount	642,946	433,971	228,000
Amount required to fund Capital Projects	65,000	101,000	101,000
To fund the Revenue Base Budget	600,000	375,000	200,000
Dartmoor National Park allocation	TBA	TBA	TBA
Funding shortfall	£22,054 shortfall	£42,029 shortfall	£73,000 shortfall

The funding shortfall could either be taken from the £229,428 contribution to Reserves (this is the Budget Surplus for 2018-19) or changes could be made to the amount of NHB used to fund the Revenue Base Budget or the amount of NHB used to fund the Capital Programme.

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

2. CAPITAL PROGRAMME 2018/19 to 2022/23

2.1 The table below shows an outline capital budget proposal for the Capital Programme for 2018/19 to 2022/23.

	2018/19	2019/20	2020/21	2021/22	2022/23
Tenants Incentive Scheme (TIS)	15,000	15,000	15,000	15,000	15,000
Village Halls and Community Projects (Note 1)	0	36,000	36,000	36,000	36,000
Affordable Housing (Note 2)	50,000	50,000	50,000	50,000	50,000
Disabled Facilities Grants	450,000	450,000	450,000	450,000	450,000
TOTAL CAPITAL PROGRAMME	515,000	551,000	551,000	551,000	551,000
Suggested method of funding the Capital Programme:					
Better Care funding towards DFGs (assumed will match the spend)	(450,000)	(450,000)	(450,000)	(450,000)	(450,000)
New Homes Bonus (Required to fund the Capital Programme)	65,000	101,000	101,000	101,000	101,000

Note 1 – Village Halls and Community Projects

There is sufficient underspend in the 2017/18 Capital Programme on this project which can be rolled forward into 2018/19. Therefore no new budget allocation is required for 2018/19.

Note 2 – Affordable Housing

Within the last year, the capital programme has helped to support the following schemes:

- Cannonsmead Cottages, South Tawton. This is a scheme of 6 units all for rented accommodation which will be advertised through Devon Home Choice once complete. The properties will be owned and managed by Rural Specialists Hastoe Housing. Completion is expected to be in the middle of next year. Consultation events took place earlier last year and officers will raise awareness of this scheme prior to its completion.
- Walkham Meadows, Horrabridge. This scheme is 10 units in total and all of which will be for affordable rent. The scheme is being owned and managed by DCH who also own the properties on the adjacent scheme. The properties will be advertised through Devon Home Choice and awareness events will take place in Horrabridge prior to completion.

In terms of the capital programme, housing officers would like to ask for £50k to support schemes similar to the above. Developments have not come forward in a timely manner which would have provided a commuted sum and therefore this amount is requested to enable affordable housing developments to come forward.

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EARMARKED AND UNEARMARKED RESERVES

1.1 The Council's Net Budget is £7.4 million in 2017/18. It is still recommended to retain the same policy of maintaining a minimum level of Unearmarked Reserves of £750,000.

1.2 Our financial strategy recognises the need to maintain un-earmarked revenue reserves to provide stability for both medium and longer term planning and to provide a contingency against unforeseen events. In setting the minimum level at £750,000, the following have been taken into account:

- The size of the authority
- The volatility of some income and expenditure budgets due to a dependency on the weather, tourism and state of the economy
- The risks faced by the Council with regard to funding unforeseen events
- Uncertainty over future Government funding and Business Rates
- Uncertainty over future New Homes Bonus allocations

1.3 The Unearmarked Reserves (General Fund) balance of £1.1 million stands above the minimum balance of £750,000 and acts as a safeguard against unforeseen financial pressures.

1.4 **Specific Earmarked Reserves** - The level and commitments for each reserve are kept under review each year to make sure the committed balance is adequate for its purpose (in accordance with LLAP Bulletin 99, a guide on 'Reserves' from the Chartered Institute of Public Finance).

1.5 A schedule of Earmarked Reserves for 16/17 is shown below. The Council has Earmarked Reserves of £3.7 million.

1.6 The tables below show the movements on the two Earmarked Reserves that were set up as part of the Budget approved for 2016/17.

EARMARKED RESERVES	Balance at	Transfers	Transfers	Balance at
2016/17	31 March	Out	In	31 March
	2016			2017
	£000	£000	£000	£000
General Fund				
Car Parking Maintenance	408		32	440
ICT Development	0	(18)	42	24
JSG Future Options	0	-	46	46
Planning Policy & Major Developments	0	-	39	39
16/17 Budget Surplus Contingency	0	-	669	669
Innovation Fund (Invest to Earn)	0	(16)	922	906
Outdoor Sports & Recreation	0	-	7	7
Waste & Cleansing Options Review	0	-	80	80
Community Housing Fund	0	-	248	248
Leisure Services	0	(99)	273	174
LA Business Growth	25	(25)	-	-
Habitats Reserve	15	(2)	-	13
Landscape Maintenance	5	-	-	5
Invest to Save	27	-	-	27
Elections	24	-	-	24
DCC Localism Support Officer	4	-	-	4
REIP – Localism Projects	1	-	-	1
DCC TAP Funds	63	(63)	-	-
New Burdens CLG	3	-	-	3
CLG – Assets Community Value	8	-	-	8
Neighbourhood Planning Grants	65	(7)	-	58
World Heritage Key Site	5	-	-	5

EARMARKED RESERVES	Balance at	Transfers	Transfers	Balance at
2016/17	31 March	Out	In	31 March
	2016			2017
	£000	£000	£000	£000
Cannons Meadow	19	(3)	-	16
Millwood Homes	15	-	-	15
Young Persons Prevention Officer	10	(10)	-	-
DCLG Business Support Scheme	13	(13)	-	-
Inspire Annex 111	7	(7)	-	-
DCC Public Health	25	(19)	-	6
Revenue Grants	-	-	59	59
Business Rates Retention Scheme	844	(626)	-	218
Town Teams & Economic Grants	17	-	6	23
Flood Works	20	(2)	-	18
New Homes Bonus	697	(2,288)	1,818	227
Homelessness	30	-	-	30
Strategic Change (T18)	-	(81)	192	111
Planning Enforcement	45	(40)	-	5
Maintenance Fund (Estates)	-	(17)	240	223
TOTAL EARMARKED	2,395	(3,336)	4,673	3,732
REVENUE RESERVES				

Car Parking Maintenance - In line with the Council's car parking strategy, a car parking maintenance reserve is maintained to ensure that major planned works on car parks can be carried out at the appropriate time, in line with a cyclical programme of maintenance and repairs.

16/17 Budget Surplus Contingency – This reserve was created as part of the 2016/17 Budget setting process. There is an uncommitted balance remaining of £221,000.

Innovation Fund (Invest to Earn) – This fund has a remaining balance of £906,000. Of this, £500,000 has been deposited with CCLA in their Local Authority Property Fund. This is a long term investment and on average is expected to generate yields of c.5%. The remainder of this fund will be used to acquire and develop land within West Devon to support local housing need (Hub Committee 12/9/17).

Community Housing Fund – This reserve was set up to hold the Community Housing Fund Grant. We are working on developing a community housing initiative, which is designed to help local residents to determine and deliver appropriate and affordable housing for their communities.

Business Rates Retention Scheme - The business rates reserve covers any possible funding issues from the new accounting arrangements.

New Homes Bonus – This reserve was established to show how New Homes Bonus funding has been used on an annual basis.

Strategic Change Reserve (T18) – This reserve was set up to finance one off investments under the Council's Transformation Programme that are required for development or the release of ongoing efficiencies.

APPENDIX E

West Devon Borough Council - Budget Timetable for 2018/19 onwards

Date	Committee
10 th October 2017	Members' Budget Workshop – To consider budget options
31 st October 2017	Hub Committee – To consider the results of the Members' Budget Workshop
28 th November 17	Hub Committee – Draft Budget Proposals for 2018/19
16 th January 2018	Overview & Scrutiny Committee – To comment on the Draft Budget Proposals for 2018/19
23 rd January 2018	Development Management and Licensing Committee – To consider fee and charges within the remit of the Committee.
6 th February 2018	Hub Committee – To recommend Final Budget Proposals to Council for 2018/19
15th February 18	Date which Council Procedure Rule 16 applies
20 th February 18	Full Council – To approve Final Budget Proposals for 2018/19 and set the WDBC share of the Council Tax
21 February 18	Council Tax Resolution Panel – to agree the Council Tax Resolution for 2018/19 (This is WDBC share plus all other precepting authorities share).

Note 1- Council Procedure Rule 16 states that 'Where a member intends to move a motion or amendment in relation to the Budget, the text of that motion or amendment must be put in writing and submitted to the Head of Paid Service by 9am on the third working day before the meeting, in order that officers may have sufficient time to consider and advise the Council of the financial implications of any such motion or amendment'. As per the timetable above, this would need to be submitted by 9am on Thursday 15th February 18.

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LIST OF PARTNERSHIP FUNDING

Reduction in Partnership funding levels – The Council has a Task and Finish Group for Partnerships which has reviewed the level of partnership funding by making direct contact with partners and makes the following recommendations to Overview and Scrutiny Committee regarding future funding levels.

RECOMMENDATIONS

CVS (£8,500)

Supporting Community Action for a Thriving West Devon. West Devon CVS supports voluntary groups, charities, social enterprises and other not-for-profit organisations to bring about positive change and build stronger communities. The CVS also help to promote active citizenship through volunteering. The CVS have an office in the Ockment Centre in Okehampton and a pop-up office in Tavistock Library and employ 1.5FTE and 3 core volunteers. A key project for 2017/18 has been facilitating and coordinating the Okehampton and Tavistock Health and Wellbeing Alliances to achieve economies of scale and better outcomes for local people. WDBC contributes £8,500 (30%) core funding to CVS with DCC providing the remaining 70%.

- i. **Recommendation:** Reduce CVS funding by 10% (£850) for 2018/19 and consider further cuts to funding in 2019/20 as this is not a statutory borough council function.

Citizens Advice (£32,900)

Torrige, North, Mid and West Devon Citizens Advice operates as a local independent charity providing free confidential, impartial advice to everyone in the West Devon Borough. West Devon offices are located at the Ockment Centre, Okehampton and Kingdon House, Tavistock. The Citizen Advice service in West Devon makes a significant contribution to the local community and in the first 6 months of 2017/18 supported local people with over 1,750 issues and generated over £487,000 income gains for local people. Benefits and tax credits are the most common issues dealt with by West Devon Citizens Advice followed by debt, employment, housing and relationship and family issues. WDBC provides £32,900 per annum to the Citizens Advice which equates to 29% of its total funding. Other notable funders include DCC and charitable trust grants. Calculations show that WDBC pays just £2.52 for every 30 minutes of advice given to local people.

- ii. **Recommendation:** Reduce Citizens Advice funding by 10% (£3,290) for 2018/19 and keep to this level of funding for two years whilst continuing to closely monitor the work of Citizens Advice via 6 monthly progress reports.

Tavistock & District Local Transport Partnership (£10,315)

Tavistock and District Local Transport Partnership is the charity name for Tavistock Ring and Ride which was established in 1990. The main funders of the service are Devon County Council, West Devon Borough Council, and Tavistock Town Council with contributions from some parishes. Tavistock Ring & Ride is the preferred providers for 2 contracts for DCC namely, children with complex needs to school and frail and vulnerable adults to a day centre.

Annually Tavistock's Ring & Ride accounts show a small surplus or a break even position. Any reduction in funding would take the scheme into a negative position. Tavistock Ring & Ride carry the necessary reserves advised by auditors in accordance with good practice. The budget for 2017/2018 shows expected income £84,520 and expenditure £83,500.

Provided funding remains, it is expected 2018/2019 will be similar. The percentage split of funding is approx. Contracts 56%, DCC 18%, WDBC 12% (£10,315), Fares Parishes etc. 10%, TTC 4%. Tavistock Ring & Ride employ 2 full time drivers, 2 part time escorts, 1 part time co-ordinator and 1 reserve driver. One average Tavistock Ring & Ride carry 4,160 passengers per year, servicing Tavistock and surrounding areas. It is estimated the Ring and Ride customers contribute £108,400 to the local economy.

Okehampton & District Ring and Ride (£10,315)

West Devon Borough Council also provides funding to the Okehampton and District Ring and ride. Both Tavistock and Okehampton Ring & Ride Schemes receive £15,000 each from Devon County Council.

iii. Recommendation: Reduce Ring & Ride Funding by 10%

5% to Okehampton and 5% to Tavistock i.e. £515 each for 2018/19 and consider further cuts to funding in 2019/20 as this is not a statutory borough council function.

Tamar Valley AONB (£8,835)

An Area of Outstanding Natural Beauty (AONB) is a statutory designation and is of equal standing to a National Park. AONBs are serviced by a core AONB team and their main purpose is to deliver a Management Plan that will conserve and enhance the natural beauty on behalf of a local Partnership reflective of the area. The funding to employ the core team (circa 5 FTE) and some modest project funding is provided through a contribution of 25% from the constituent Local Authorities and when this is provided, Defra provide a further 75% funding.

Statutory duties in relation to AONBs are provided for in Section 85 of the Countryside and Rights of Way (CROW) Act 2000. Specifically, the Act states that, "in exercising or performing any functions in relation to, or so as to affect, land in these areas, relevant authorities (which includes the constituent Local Authorities) "shall have regard" to their purposes".

Sections 88 and 89 of the Act state that each Local Authority shall prepare and publish a Management Plan for their AONB which should then be reviewed at intervals of no more than five years. Management Plans are adopted statutory policy of the Local Authority(s). Note, WDBC pays the Tamar Valley AONB £8,835 per annum for the production and delivery of the required Management Plan.

- iv. Recommendation:** Maintain funding at current level due to statutory requirement to produce a management plan.

Tamar Estuaries Consultative Forum (TECF) (£4,500)

WDBC contributes £4,500 per annum. The total budget of the TECF is £48,875 which equated to a 9.2% contribution from WDBC. The marine environment is under increasing pressure from human activity, which can damage and further threaten marine ecosystems. The Government is aiming to protect habitats and species in UK seas by contributing towards a network of well-managed Marine Protected Areas (MPAs). The National MPA Steering Group has produced a document which sets out the duties of public authorities in relation to MPA management and this is appended.

The waters of Plymouth Sound and the Tamar Estuaries are classified as MPAs through their designation as: Plymouth Sound and Estuaries Special Area of Conservation; Tamar Estuaries Complex Special Protection Area; and Tamar Estuaries Marine Conservation Zone. Management measures are therefore required to protect the vulnerable features within the MPAs and Relevant Authorities need to consider appropriate measures when determining applications for development or permitting activities in or near the sites.

This requires a thorough knowledge of marine issues and access to marine data and is best achieved through collaborative management measures to protect the vulnerable features within it. For well over 20 years, Tamar Estuary Consultative Forum has been successfully managing the recreational waters of Plymouth Sound and the Tamar Estuaries through a collaborative approach. During that period we have seen the legislative burden increase on Relevant Authorities as the importance of protecting our key marine assets becomes more fully understood. There have been numerous studies which have shown that without the Forum, the financial burden on the individual organisations would be much higher than their contribution to TECF and so by working collaboratively, savings are being delivered to the Relevant Authorities – WDBC being one of them. An example of work undertaken by the TECF this year includes providing the specialist marine input into the Habitat Regulations Assessment of the local authorities' Joint Local Plan.

- v. Recommendation:** Maintain funding at current level due to statutory requirement to produce a management plan.

South West Museums (£2,000)

Unlike many other councils, West Devon does not provide direct funding for museums and galleries. As such this inhibits their ability to access Arts Council's investment at regional and national level which in turn also limits their opportunities to access national pots of funding and programmes. Predominately driven by a volunteer workforce, local museums are not just for the community, they are of the community.

This community commitment to heritage is demonstrated on a daily basis through the vast number of hours dedicated to supporting the delivery of local museums. Rurality hinders the region to fair access of opportunities, as such South West Museums is at the heart of national discussions with Arts Council England and provides a valuable broker function to increase awareness of rural issues and ensure that museums and heritage organisations in rural areas can have fair access to publically funded, national programmes.

During 2015/16 the five Accredited Museums in West Devon received almost 203,000 visits which generated economic impact of over £902,984 of local visitors and £3,578,465 of day visitors. Focusing on the three independent museums of Tavistock, Fairground Heritage and Dartmoor Life these museums received visits of over 34,800 in 2015/16 and 45,872 in 2016/17 generating an almost 25% increase in visitors. The economic value generated from these local and day visits by the three predominately volunteer run independent museums on the local economy was £771,485 over 2015-2017.

Furthermore a key success for 2017 has been the Devon Museum Development Officer working in conjunction with Somerset to secure £98,089 from across six funding sources including the Lottery and Arts Council England for the MUSE: Makers in Museums a project with six museums in Devon and Somerset. The Museum of Dartmoor Life is one of the six museums who has directly benefited from over £16,000 of investment from the project. This investment was only possible due to the capacity and expertise of the Museum Development Officer funded by South West Museums (£8,500). Grants, training and specialist advice to local museums from South West Museums equated to £6,392. In short, the £2,000 WDBC investment in 2016/17 has generated £30,892 of real investment in the sector.

vi. Recommendation: Cease funding

Young Devon (£7,500)

WDBC funding (£7,500) contributes greatly to the delivery of the youth counselling and young carer's service for the area. Without this Young Devon would not have been able to support so many young people and carers. In the first 6 months of 2017/18 Young Devon has provided counselling for 30 young people with a wide range of mental health issues including anxiety, depression and behavioural issues.

The number of counselling sessions is up by nearly 30% compared with the same period for last year. Counselling is provided by two female volunteer counsellors and one of the counsellors receives some paid hours to coordinate the service. The relationship with the local surgery where the service is based is very positive. The Young Carers programme currently has 180 young carers registered in West Devon.

Young Devon has provided 104 sessions in one to one support for young carers in the area which is up on the same period compared to last year due to additional youth hours support in Okehampton. Young Devon has also provided trips and activities for 35 young people since April in a bid to give them respite from their day to day caring responsibilities. Other funders of the Young Carers initiative this year include the Devon Community Foundation and Okehampton Rotary Club.

vii. Recommendation: Reduce funding by £2,500 for 2018/19 and consider further cuts to funding in 2019/20 as this is not a statutory borough council function.

Carn2Cove / Villages in Action (£4,000)

The WDBC annual contribution is £4,000. If this funding was ceased, the remainder of the 2018/19 season rural arts events would be at risk. Carn2Cove / ViA obtain match funding (often far exceeding the amount granted by WDBC) from the Arts Council. The Arts Council have stated in other instances that where no local match is available, it is minded to cease funding. If this were to happen, such events would not be hosted on a local basis and the goodwill of the volunteer network would be lost.

Carn2Cove are progressing communications with town and parish councils, requesting their support. If successful, this would form a match for future Arts Council funding.

As background, ViA / C2C have organised events in 33 West Devon Villages since the organisations inception. The number of events held each year has steadily fallen, as funding from local authorities has fallen. The funds raised effectively “underwrite” events in communities where ticket sales alone would not cover the cost of running the event. This disproportionately effects smaller communities / venues. (9 such events have been held so far this financial year). C2C do not make profits (they are a charity) but make surpluses which go to sustain local resources e.g. the village hall, social activity, small rural businesses, sole traders (performers).

viii Recommendation: Cease funding as this is not a statutory borough function.

BIP – Business Information Point (£15,000)

In the comments in the Members' Budget Survey, Members suggested that the grant (£15,000) should be reduced back to the £8k granted in 2016/17. A survey has been sent to all prior clients of the BIP, to gauge the impact the intervention has had in the area. Evidence has been received of both new businesses starting and growth within the area. Responses will continue to be collated and analysis will be available in time for the January budget setting session. The team, operating from its Okehampton base, hold consultations with referrals, workshops on various topics such as touching on marketing, budgeting, taxation, strategy, innovation and signpost businesses to sources of funding. In the year to date, 11 pre-start consultations have been held and 21 existing business consultations.

Part of the current £15k funding is an amount of £1200 per annum (committed for a further 2 years) which supports the Devon-wide Growth Support Programme. This began in January 2017 and offers an impartial diagnostic service for small and medium sized enterprises, aiming to help them grow in regional, national and international markets and to engage in the innovation process.

All businesses receive an initial 3-hour diagnostic after which they are either signposted to other support appropriate to their needs or can receive an additional 9 hours of intensive support via the programme. This project is funded by other Devon Districts, the LEP and County and the European Regional Development Fund (ERDF- this is European funding). BIP deliver this programme in West Devon. As it is funded by ERDF, some business sectors are ineligible.

BIP undertake some activity in the area which is not funded by WDBC. This could continue without WDBC funding. However, this would likely result in lower activity and impact on the local economy. It is important to note that BIP activity targets potential businesses, start-ups and small to medium sized businesses. Not all of these will succeed and not all will pay business rates. However, if successful, they are creating and impacting on the economic prosperity of the region. BIP will advise the expected impact of any grant cut before the budget is finalised in January 2018.

ix. Recommendation: Reduce funding by £7,000 but note this is a contract and not a discretionary partnership contribution and as such should be market tested.

OCRA (£2,000)

Offer 'A lifetime of activity for all in West Devon'. The £2,000 core funding provided by WDBC allows the charity to deliver a wide range of activities, support groups and attract other funding, events and initiatives to the West Devon area. In 2017 OCRA delivered Sports, Health initiatives, Arts, Dance, Music, Fitness, Training, Events and Adventure sessions to over 5,000 children and adults of all ages and abilities.

Through OCRA's support of over 60 different local clubs /groups and development / running of facilities OCRA impacted positively on 100's more. OCRA's aim is to maintain and increase activity levels, build confidence, develop skills, inspire healthier individuals and create vibrant communities.

- x. **Recommendation:** Cease funding as this is not a statutory borough function.

Devon & Cornwall Rail Partnership (£2,500)

The Partnership is still in operation but WDBC ceased making financial contributions to the partnership circa 2010.

- xi. **Recommendation:** Cease funding as this is not a statutory borough function.

Crowdfunding Platform

To allow for transparent awarding of discretionary funding it is recommended a pilot crowdfunding website is established in partnership with Devon County Council and other interested partners. Plymouth City Council has successfully backed a crowdfunding site since 2015 and has found it a useful tool to discern which projects to fund and those with the most local support. The £120,000 they have invested to date has supported projects worth nearly £1 million the majority of funds coming from individuals and businesses.

- xii. **Recommendation:** To transfer £10,000 from the capital community fund to a crowdfunding revenue pot to back local projects.

PARTNERSHIP FUNDING SUMMARY (reduction of £28,000 in 2018/19)

Partnership	Current Allocation	Proposed 2018/19	Proposed 2019/20
CVS	£8,500	£7,650	£?
Citizens Advice	£32,900	£29,610	£29,610
Tavistock Ring & Ride	£10,315	£9,800	£?
Okehampton Ring & Ride	£10,315	£9,800	£?
Tamar Valley AONB	£8,835	£8,835	£8,835
Tamar Estuaries Consultative Forum	£4,500	£4,500	£4,500
South West Museums	£2,000	£0	£0
Young Devon	£7,500	£5,000	£?
Villages in Action (Carn2Cove)	£4,000	£0	£0
BIP (subject to market testing)	£15,000	£8,000	£8,000
OCRA	£2,000	£0	£0
Devon Rail Partnership	£2,500	£0	£0
WHS	£4,000	£4,000	£4,000
Junior Life Skills	£2,160	£2,160	£2,160
Devon Youth Games	£3,000	£0	£0
HoSWLEP	£5,000	£5,000	£5,000
TOTAL	£122,525	£94,355 (reduction of £28,000)	£62,105+

2019/20 Funding Contributions

In fairness to partners, it is recommended a settlement (partnership contribution) for 2019/20 is communicated to partners in Spring 2018 in order that they can plan accordingly. A timely mechanism for agreeing future funding will need to be considered.

DRAFT

Appendix G

Summary of the changes to the Draft Budget Proposals for 2018-19

(This shows the changes from the budget gap reported at the 28th November 2017 Hub Committee).

	Total (£)
Budget Gap reported at the Hub Committee on 28th November 2017	£166,860
Additional Income/Savings or reduction in expenditure	
Gain from Business Rates Pilot	£(460,000)
Increase the car parking income from a review of charges from £90,000 to £180,000	£(90,000)
Increase in the allocation of Rural Services Delivery Grant from £286,645 to £372,638	£(85,993)
Model a council tax increase of 2.99% and reflect the TaxBase for 2018/19 of 20,117.85	£(18,087)
Saving on the re-procurement of the Insurance contract	£(35,000)
Saving on the audit fees for 2018-19	£(8,000)
Housing Benefit administration subsidy – Actual notification has been received which states the Council's grant will decrease from £145,476 to £129,056 – a reduction of £16,420 (previously £20K reduction has been modelled)	£(3,500)
Increase in the reduction in Partnership contributions from £25,000 to £28,000 (as per Appendix F)	£(3,000)
Additional expenditure/reduction in savings or income previously modelled	
Reduce the Income target for investments in commercial property from £200,000 to £100,000 for 2018/19	£100,000
Less New Homes Bonus funding available to fund the Base Budget (£650,000 has been reduced to £600,000)	£50,000
Reduce the anticipated saving from Accommodation/Office requirements from £82,000 to £40,000 to reflect the fact that the changes are envisaged to be effective from half way through the year i.e. 1 st October 2018	£42,000
Modelling of the pay offer of 2% for 2018-19 – cost of £85,000 (£40,000 had previously been modelled)	£45,000
Provision for salary costs for steady state review	£20,000
Reduce the anticipated saving from the cessation of accepting cash and cheques to reflect the fact that the changes are envisaged to be effective from half way through the year i.e. 1 st October 2018	£17,500
IT - Replace ageing network switches	£15,000
Waste service - lease renewal	£15,000
Reduction in the Business Rates Baseline funding from £1,588,000 to £1,585,208 for 2018/19	£2,792
Revised Budget Surplus reported January 2018	£(229,428)

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Report to: **Overview and Scrutiny Committee**

Date: **16 January 2018**

Title: **PLANNING ENFORCEMENT SERVICE REVIEW**

Portfolio Area: **Customer First**

Wards Affected: **All**

Relevant Scrutiny Committee: **N/A**

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

Date next steps can be taken: These recommendations will be considered by the Hub Committee at its meeting on 6 February 2018.

Author: **Patrick Whymer** Role: **Community of Practice Lead – Development Management**

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

RECOMMENDATION

That the Overview and Scrutiny Committee RECOMMEND the Hub Committee to:

- a) adopt the Local Enforcement Plan (as outlined at Appendix 1);**
- b) adopt the Planning Enforcement Member Engagement Protocol (as outlined at Appendix 2); and**
- c) endorse the proposed Actions as set out in Section 3 of the report.**

1. EXECUTIVE SUMMARY

- 1.1** A report on the Planning Enforcement Service was subject to scrutiny by this Committee on 5 September 2017 (Minute *O&S 31 refers). The report set out that a Local Enforcement Plan was to be drafted together with a re-assessment of how the planning enforcement service interacts with elected Members and an evaluation of the actions necessary to ensure that the planning enforcement service was efficient and effective.

- 1.2** This report provides a Local Enforcement Plan at Appendix 1 and a Planning Enforcement – Member Engagement Protocol at Appendix 2 together with actions as set out in Section 3.
- 1.3** The Enforcement Plan follows guidance within The National Planning Policy Framework (NPPF) which recommends that local planning authorities publish a local enforcement plan to manage planning enforcement proactively and in a way that is appropriate to their area. The Local Enforcement Plan sets out the West Devon Borough Council priorities for investigation, explains what will be investigated and what will not, and it outlines the Councils’ general discretionary powers with regard to planning enforcement. The plan sets out the priorities for responses to complaints and details the timescales for response by planning enforcement officers along with explaining the assessments and considerations that are undertaken and actions and outcomes that may result.
- 1.4** The Member Engagement Protocol sets out how the Planning Enforcement team will keep Members up to date with open enforcement cases and the available channels of communication for Members with the Planning Enforcement officers.
- 1.5** The Actions in Section 3 below set out that the existing Enforcement Team is sufficient to deal with the day to day workload but requires additional resource to clear older cases so that the team can concentrate on new cases and not a backlog. To address this issue a further member of staff is now working in the Enforcement Team dealing with the older cases.

2. BACKGROUND

- 2.1** There has been an acknowledgement that there has been a need to improve the performance in dealing with Planning Enforcement Cases since early 2016 when a temporary team was put in place to deal with a backlog of enforcement cases.
- 2.2** The backlog team was largely successful and dealt with the majority of the cases identified as backlog closing 620 out of 773 cases. However it became clear that the Planning Enforcement resource was insufficient to deal with the level of new cases and more new cases were being received than were being closed.
- 2.4** As reported to this Committee last year, it was recognised that there was insufficient resource within the Planning Enforcement Function. The appointment of the Enforcement Specialist (Chris Booty) increased the number of permanent dedicated planning enforcement staff to three who investigate all the alleged breaches of planning control across South Hams and West Devon Councils. (The Enforcement Specialist and two Level 6 Enforcement Senior Case Managers). These three are supported by other case managers

undertaking administrative functions and Locality Officers undertaking a significant number of initial site visits.

2.5 The report to this Committee last year further set out that once the Enforcement Specialist was in post a further review would be undertaken to establish what additional actions are required to ensure that an efficient and effective planning enforcement service is provided.

2.4 Whilst there are no Government targets for planning enforcement complaints, there are legal timescales for taking planning enforcement action. Depending on the specifics of the case, an enforcement notice must be served within 4 or 10 years of the date of the original breach, after which the Council is unable to take enforcement action.

3.0 Planning Enforcement Performance Update

3.1 The Planning Enforcement Report to the Overview and Scrutiny Committee in September 2017 set out that as of the 12 July 2017 there were 605 open cases across both Councils with some 200 in West Devon and some 400 in South Hams.

3.2 The Number of current open Enforcement cases, as of the 4 January 2018 is 564 with 350 in South Hams and 214 in West Devon. Whilst this is only a small reduction of 6% (41) in the total number of open cases it does indicate that a team of three is sufficient to provide an efficient and effective planning enforcement service based on business as usual. If a team of three was insufficient the overall numbers would continue to rise.

3. PROPOSED ACTIONS

3.1 There are a number of proposed actions to improve the effectiveness of the Planning Enforcement Service.

3.2 The Enforcement Plan clearly sets out how planning enforcement will be undertaken including how cases will be prioritised to ensure that our action is focussed on the cases that are most important to the local community and service level targets for dealing with cases.

3.3 The attached Planning Enforcement – Member Engagement Protocol sets out how the service will have more interaction with elected Members and provide more information to keep Members up to date with open cases.

3.4 Following a review of the Planning Enforcement Function by the Enforcement Specialist and the CoP lead it is considered that the team of three permanent Planning Enforcement Staff supported by Case Management and Localities Officers as set out in 2.4 above is sufficient to provide an on-going effective and efficient Planning Enforcement Service. However the present caseload is not simply

new cases but include a significant number of older cases that need to be considered and resolved.

- 3.5** In order to deal with the older cases and allow the three permanent enforcement staff to concentrate on the newer and higher priority cases the permanent team of three require additional support to deal with the older cases. To address this issue an existing Level 6 Case Manager Post (in Development Management (DM)) has been re-tasked to specifically work on older Enforcement Cases 4 days a week and other DM work a day a week. This arrangement started on the 4 January and will be reviewed in 6 months' time.

4. CONSIDERATION OF RISK

- 4.1** The absence of an effective and efficient Enforcement Service has a number of risks. If the Council fails to take appropriate enforcement action within a specified timescale, the result is that the breach becomes unenforceable and undermines the Planning System.
- 4.2** If the Council fails to take action on planning enforcement matters there is a significant risk to the reputation of the local planning authority, loss of confidence in the general public and a perception that unauthorised works can happen in the District with no action being taken. Some breaches of planning regulations are prosecutable offence/criminal acts and the LPA should take action against these offences.

5. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Paragraph 207 of the National Planning Policy Framework states "effective enforcement is an important as a means of maintain public confidence in the planning system."
Financial	N	There are no direct financial implications of the contents of the report.
Risk	Y	As outlined in section 4.0 of the report
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	
Safeguarding	N	
Community Safety, Crime and Disorder	Y	Planning enforcement officers work closely the police and other bodies
Health, Safety and Wellbeing	Y	Planning enforcement can have a high impact on individuals and communities
Other implications	N	

Appendices:

Appendix 1 – West Devon Local Enforcement Plan; and

Appendix 2 – Planning Enforcement Member Engagement Protocol.

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WEST DEVON BOROUGH – LOCAL ENFORCEMENT PLAN

1. Introduction

- 1.1 The National Planning Policy Framework (NPPF) recommends that local planning authorities publish a local enforcement plan to manage planning enforcement proactively and in a way that is appropriate to their area.
- 1.2 Local Enforcement Plan sets out the West Devon Borough Council priorities for investigation, explains what will be investigated and what will not, and it outlines the Councils' general discretionary powers with regard to planning enforcement. The plan sets out the priorities for responses to complaints and details the timescales for response by planning enforcement officers along with explaining the assessments and considerations that are undertaken and actions and outcomes that may result.
- 1.3 Paragraph 207 of the NPPF sets out that effective enforcement is important as a means of maintaining public confidence in the planning system, that planning enforcement action is discretionary, and that Local Planning Authorities should act proportionately in responding to suspected breaches of planning control.
- 1.4 This Local Enforcement Plan sets out how the Council will investigate alleged cases of unauthorised development and take action where appropriate. It also ensures that development takes place in a sustainable manner and that the credibility of the planning system in West Devon is not undermined. The planning enforcement function needs ongoing review recognising that the Council is required to set balanced budgets presenting how its financial resources are to be allocated and utilised; thus showing the Council's financial plan for any coming year with regard to statutory services as well as local key priorities and objectives. West Devon Borough Council like many across the country remain subject to financial challenges. Discussions do include stakeholders, service users and the public who help us to re-design our services to achieve the best outcomes within the resource limits. The amount of resource which can be applied to planning enforcement will be subject to change over time and this Local Enforcement Plan must be reviewed and amended according to resource and priority setting.
- 1.5 West Devon Borough Council believe that planning enforcement has a key role in achieving the high standards of development being sought, and the purpose of this Local Enforcement Plan is to set out our approach to handling planning related enforcement matters. It will be of interest to anyone who thinks the planning rules may have been broken in their area (often referred to as a 'breach of planning control'). For example, if you think that: building work is taking place without approval; a building is higher or in some way different from the approved scheme; the use of some land or a building has changed without planning permission; conditions of a planning permission are not being met; works to a listed building are being carried out without approval; a piece of land or building has become an unacceptable eyesore; adverts have been displayed without

consent; protected trees, or those in Conservation Areas, are being felled/pruned without approval. The Council will, in exercising their planning enforcement function, take account of National Planning Policies including the NPPF, the Governments Planning Practice Guidance, the relevant policies of the Local Plan and all other relevant material planning considerations.

The relevant pages on planning enforcement from the Government's Planning Practice Guidance can be accessed via the following link:-

<https://www.gov.uk/guidance/ensuring-effective-enforcement>

- 1.6 Specifically the Government's Planning Practice Guidance sets out that the preparation and adoption of a local enforcement plan is important because it: allows engagement in the process of defining objectives and priorities which are tailored to local circumstances; sets out the priorities for enforcement action, which will inform decisions about when to take enforcement action; provides greater transparency and accountability about how the local planning authority will decide if it is expedient to exercise its discretionary powers; provides greater certainty for all parties engaged in the development process.
- 1.7 Planning controls can assist in effectively guiding and managing the pattern of development and change across West Devon Borough Council and secure the delivery of planning objectives of the Local Plan. The Development Management team (of which the Planning Enforcement is a part) is at the heart of achieving this, and it is crucial that developments are not only authorised, but are also carried out in accordance with approved plans.
- 1.8 One of the Council's key corporate aims is to provide and safeguard an attractive built and natural environment. Planning enforcement, in association with other Council enforcement functions, contribute to the Corporate Enforcement Policy which has a key role to play in achieving this aim. The Council take breaches of planning control seriously, particularly if it is either done intentionally, or results in significant harm. Although it will try to negotiate solutions where this is appropriate and possible, it will use the powers available to take formal action where necessary and in a way proportionate to the harm caused by any breach.
- 1.9 The Planning Enforcement Team will investigate possible breaches and take the appropriate form of action. The aim is to provide a service that is reactive to complaints made by citizens, members and stakeholders.
- 1.10 Where appropriate, the Planning Enforcement Team will liaise and work with other enforcement bodies such as Building Control, Highways, Premises Licencing and Pollution Control.
- 1.11 This Local Enforcement Plan has been approved by the Council for use in all its Planning enforcement work. As the plan does not form part of the Statutory Local Plan there is no requirement to conduct formal consultations.

2. Key Service Aims

The Council's main aims for the Planning Enforcement Service are for it:-

- 2.1 To operate in accordance with the procedures explained in this Plan, which sets out the level of service and performance the public and businesses can expect. We will regularly review these standards taking account of the views of stakeholders.
- 2.2 To provide information and advice in plain language on the policies and procedures of the service, and to communicate this mainly by electronic means whilst giving access for all. Confidentiality will be maintained for complainants.
- 2.3 To work with the community on compliance with planning controls on the basis that prevention is better than cure, and to ensure that our efforts are coordinated with other enforcement agencies within and outside the Council.
- 2.4 To provide an efficient service with appropriate publicised contact points.
- 2.5 To exercise the planning enforcement powers on an individual basis, considering fitness for purpose and having clear regard to an assessment in each case of the expediency and public interest tests, before taking action. The Council has a wide range of planning enforcement powers, but must act in accordance with national policy and guidance.
- 2.6 To decide when a breach of planning control has occurred, whether or not this is sufficiently harmful as to require action to be taken in the public interest. At one end of the scale, if no or little harm is identified, the matter could be treated as a 'technical breach' with no further action to be taken, or a planning application might be invited to regularise the situation. At the other end of the scale, where it is assessed that serious harm has occurred, a formal notice might be served and other formal steps considered.
- 2.7 To use the Council's planning enforcement powers in a fair and consistent manner.
- 2.8 To respond when required through the Council's compliments, suggestions and complaints procedure in an appropriate, accessible, effective and timely manner.
- 2.9 To protect and enhance the environment of West Devon Borough Council by active and responsible use of the full range of enforcement powers.

3. Planning enforcement law and what is a breach of planning control

- 3.1 The enforcement of planning law is complex; this is because the government attempts to strike a balance between the rights of individuals to use or alter their property in the way they wish, and the need to safeguard the character and quality of neighbourhoods and to uphold the planning policies of the local area.

- 3.2 In general, the system tends to give the benefit of the doubt to anyone undertaking the unauthorised development, and the Council are expected to give those responsible for undertaking unauthorised development the chance to put matters right before taking formal action.
- 3.3 If the Council's actions are considered too harsh, hasty or legally incorrect, it can be ordered to pay costs or have its decisions overturned by the Planning Inspectorate or the Courts. However, the Local Government Ombudsman has held, in a number of investigated cases, that there is maladministration if a local authority fails to take effective enforcement action which was plainly necessary. Such a failing can lead to a compensatory payment to the complainant.
- 3.4 The Council's power to take enforcement action comes from laws passed by Parliament, principally by the Town and Country Planning Act 1990, the Planning and Compensation Act 1991 and the Localism Act 2011. These laws give Councils power to take action against those responsible for breaches of planning control.
- 3.5 Not all works are classed as development and not all development requires planning permission. The main source of guidance on what is development and what requires permission includes: The Town & Country Planning Act 1990, The Town & Country Planning (General Permitted Development) Order; The Town & Country Planning (Use Classes) Order; and The Town & Country Planning (Control of Advertisement) Regulations.

These documents, which are published by the government, contain schedules which list instances where consent is not required. For example, certain structures do not need permission because of their size, height, volume, location, etc. This is called 'permitted development' and specific guidelines are given in the General Permitted Development Order (the GPDO). The Use Classes Order places most types of use into classes (e.g., retail, business, etc.) and, in general, permission is required to change from one class to another. The Control of Advertisement Regulations set out what forms of advertising are exempt, what advertisements benefit from deemed consent and what requires express consent.

- 3.6 The above Statutory Instruments are regularly revised and updated by Government, but up-to-date documents can be found on the Government's Legislation website - <http://www.legislation.gov.uk>
- 3.7 For a breach of planning control to have occurred, it must first be established that development requiring planning permission has taken place. Development is a legal term and generally means building works and/or some changes of use.

(i) Building works can include the erection of a building, excavations, alterations to buildings, larger fences, and so on, although small-scale extensions or alterations to houses may not need any permission.

(ii) Changes of use can include a change from a shop to an office or a house to flats and so on. Changes of use that occur within the same Use Class Category do not require

Planning permission. This might involve a change from a clothes shop to a hairdresser, or a change from a doctor's surgery to a day nursery. In addition, some changes of use from one use class to another do not require planning permission, such as from a restaurant to an estate agent, or a solicitor's office to a shop.

- 3.8 The enforcement process is closely regulated by legal procedures, planning legislation and guidance from the Government. This provides the framework within which the Council's planning policies and its enforcement process are applied.

4. Service commitments and reporting suspected breaches of planning control

- 4.1 The Planning Enforcement Team will investigate complaints relating to suspected unauthorised development and changes of use, and non-compliance with planning consents and conditions. A certain amount of information is needed (e.g.: location, nature of activity) in order that the complaint can be registered.
- 4.2 The Council encourages the reporting of suspected breaches of planning control, as development can gain immunity from enforcement action over time. It is important that any suspected breaches are reported as soon as possible in order that harmful development can be removed or minimised.
- 4.3 If the information initially provided is insufficient we will ask for additional information before investigating the breach. In all but the most exceptional (Emergency) cases, the Planning Enforcement Service is unable to investigate alleged breaches of planning control from anonymous sources. If, during the course of investigation, the contact details of the complainant are found to be false, in most circumstances, the investigation will cease.
- 4.4 The Council will not investigate complaints believed to be malicious or spurious or after provisional checks is found to be without basis.
- 4.5 In accordance with the Data Protection Act 1998, the Council will not disclose any information relating to the identity of a complainant. However, as any occupiers of land or buildings close to the breach of planning control will usually be the most affected, it is possible that an individual subject of an investigation will make their own assumptions as to who may have informed the Council.
- 4.6 To make the most effective use of resources all incoming enforcement cases are prioritised when registered based on information provided and an assessment of any planning history, with early site visits undertaken for deemed Emergency and High Priority cases. This will determine mainly the speed at which the cases are investigated and actioned and will be affected mainly by the assessment of the type and extent of the harm caused. There are three enforcement priorities:

(a) Emergency – i.e.: where irreversible harm is likely to be caused if the Council does not act immediately. For example: Ongoing unauthorised works to listed buildings; unauthorised felling/pruning of protected trees.

(b) High Priority – i.e.: where there is significant public concern or where there is (or is the potential for) significant harm to be caused to residential amenity in the surrounding area. For example: Breaches of planning conditions specifically identified to meet expressed public concerns, such as hours of operation; unauthorised uses/activities which are causing significant harm.

(c) Lower Priority – i.e.: smaller scale infringements which do not result in significant immediate or irreversible harm. For example:

Unauthorised building of walls/fences;

Unauthorised erection of satellite dishes.

Action	Priority		
	Emergency	High	Lower
Register and allocate to case officer	Immediate background/history check	Within 4 working days	Within 7 working days
Site Visit (where applicable)	As soon as possible, and certainly within 24 hours (excluding weekend and Bank/Public Holidays)	Within 5 working days	Within 20 working days
Contact complainant with case assessment, proposed course of action and likely timescale.	As soon as possible, and certainly within 72 hours (excluding weekend and Bank/Public Holidays)	Within 10 working days	Within 30 working days
Commence formal enforcement or resolve the breach or conclude that the breach is not expedient to take action or a planning application to regularise the breach is submitted	As soon as possible if irreversible harm is being done	Within 10 weeks	Within 20 weeks

4.7 Our service targets which ensure our performance can be measured are:

- Enforcement complainants received to be registered and allocated to an officer within the times as set out in the table at 4.6. Target – 100%

- Enforcement cases prioritised as emergency all of the timescales as set out in the table at 4.6. Target - 100%
- Enforcement cases prioritised as High all of the timescales as set out at 4.6. Target – 100%
- Enforcement cases prioritised as Low all of the timescales as set out at 4.6, with the exception of registration and allocation. Target – 80%.

5. The assessment and decision making process for planning enforcement cases

- 5.1 Breaching planning control is not a criminal offence in most cases. For each allegation the Council will investigate the circumstances of the case and determine what, if required, would make the development acceptable and accord with planning regulations and policies.
- 5.2 For the majority of cases, a council officer will undertake a visit to the site which is subject of the allegation to establish whether a breach of planning control has taken place. To allow timely investigation and effective work-planning, the majority of site visits are made without prior arrangement. It may not be necessary for the officer to visit a complainant's property or meet with them.
- 5.3 Planning Enforcement Officers are authorised under Section 196A of the Town and Country Planning Act 1990 to enter, at any reasonable hour and when it is reasonably necessary, any land to ascertain whether there is or has been any breach of planning control.
- 5.4 If no occupier can be found at the time of visit, Officers have powers to inspect the land in their absence.
- 5.5 Officers do not have powers to force entry into any dwelling house. Where appropriate, they will leave a calling card requesting the occupier of the land to contact the Council. In the event admission to a dwelling house is reasonably required, 24 hours' notice of intended entry will be given to the occupier of the dwelling. If entry to land or buildings is refused and it is reasonably necessary to gain entry to the site, Officers may apply to the Magistrates Court for a Warrant under Section 196B of the Town and Country Planning Act 1990. This course of action will only be taken in cases where it is considered both necessary and proportionate to the alleged breach under investigation.
- 5.6 Whilst on site, officers may ask questions of any present occupiers and may take photographs or measurements. Any information gathered will be used to ascertain whether a breach of planning control has taken place. If a breach has occurred, this information will be used to assess the most appropriate course of action to resolve the matter.
- 5.7 Where officers can find no evidence of a breach of planning control the investigation will be closed, the relevant parties informed and no further action taken. In some

circumstances the complainant may be asked to provide additional evidence to identify or substantiate the allegation, for example logs, records and diaries. Such cases will not be reinvestigated unless the complainant is able to provide more substantive evidence of the alleged breach of planning control.

- 5.8 When investigating breaches of planning control, officers must identify whether or not a breach is immune from enforcement action. With the exception of works to Listed Buildings, breaches of planning control will become lawful by the passage of time. When this occurs the breach is immune from enforcement action and the Council is unable to remove or mitigate any planning harm. Immunity from enforcement action for all building and engineering operations occurs four years from the date the development was substantially completed. The four year rule also applies to any breach of planning control that involves the change of use of any building to a dwelling house. All other breaches of planning control are subject to immunity after 10 years have passed. Legislation covering Listed Buildings does not include an immunity period and action can be taken at any time, subject to expediency considerations, where it is found that unauthorised works harm its character as a building of special architectural or historic interest.
- 5.9 The general test applied is “would planning permission have been granted for the development if it had gone through a planning application process”. Non-planning considerations will not be part of this process. Issues that cannot be taken into account include:
Breaches of restrictive covenants, Private disputes, Competition between businesses, Damage to property, Boundary or other land disputes, reduction in value of land or property
- 5.10 The Council will initially attempt to resolve all breaches of planning control through negotiation, with the exception of breaches of planning control which could not be rectified to meet planning criteria and should be resolved as a priority. Negotiation will not be allowed to unjustifiably delay any necessary planning enforcement action. Formal planning enforcement action is discretionary and will be taken where the Council considers it to be: essential having considered the provisions of the Local Plan and to any other material planning considerations; and necessary in the public interest (unacceptably affecting public space or the existing use of land and buildings requiring protection in the public interest).

Public interest - it is not the role of the Council to protect the private interests of one party against those of another, unless these also coincide with the public interest. Nor is it the role of planning enforcement to act punitively against breaches of planning control, to punish minor or trivial breaches which do not result in demonstrable harm to the public interest. The Councils will need to ensure that any responses to breaches of planning control are proportionate and have regard to the extent to which the public interest is affected by a decision to take or not to take action. Part of this assessment is the expediency test.

Expediency test: - In cases where it has been established that a breach of planning control has occurred at the initial stage, the Planning Enforcement Officer will undertake an assessment of expediency to determine which next course of action should be taken. An expediency test will usually involve the Planning Enforcement Officer assessing: whether the breach is in accordance with the policies of the Local Plan; the breach against any other material planning considerations; whether had a

planning application been submitted before the development occurred, permission would have been likely to have been granted; whether the breach unacceptably affects public amenity; whether the breach unacceptably affects any existing land, use or buildings which merit protection in the public interest; whether action would be proportionate with the breach to which it relates; whether action would be in the public interest; whether action is plainly necessary

- 5.11 The Council has a duty to ensure proper consideration in cases where there has been previous involvement or there will likely be future involvement of the Development Management Service; consultation with the relevant Development Management Officer will take place prior to concluding the expediency assessment to ensure consistency of decision making. This can include discussions around enforceability and reasons for conditions attached to planning decisions.
- 5.12 In cases where specialist knowledge may be required to determine the expediency of taking action, the Planning Enforcement Officer will consult the relevant department or authority prior to concluding the expediency decision.
- 5.13 Enforcement action will not be taken against a minor or technical breach which causes no harm to the local area, nor will enforcement action be taken purely to regularise breaches of planning control that have been found to be acceptable. In cases where an application would have a chance of success, an application will be invited for consideration through the usual process. In cases where an application has been invited and no harm is being caused to the local area; no further formal action can be taken regardless of whether or not an application is submitted. In circumstances where the best reasonable course of action to deal with the harm being caused lies outside of planning controls; the planning enforcement team will refer the matter to the relevant department/team for action, as more effective and efficient outcomes can sometimes be achieved by use of powers outside the Town and Country Planning legislation, such as the Environmental Protection Act or the Highway Act.
- 5.14 The decision to take enforcement action will normally be made by the Enforcement Specialist or another Specialist in Development Management in accordance with the Council's officer scheme of delegation arrangements. Equally, decisions not to take enforcement action will be made under officer delegation arrangements and reasons for not taking action will be recorded in writing. It is in the public interest that decisions not to take enforcement action are properly recorded.
- 5.15 The Council will not allow prolonged negotiation to delay essential enforcement action. The Councils will endeavour to overcome any harm caused by unauthorised development, by negotiation wherever possible. However, the enforcement system rapidly loses credibility if unacceptable developments remain due to protracted enforcement discussions. A time limit for concluding negotiations will therefore normally be set in accordance with the priority of the case.
- 5.16 In situations where an unauthorised development may be acceptable, or made acceptable by appropriate planning conditions, a planning application will be invited so as to regularise the development. Where such an application is not forthcoming a decision of whether to take action will then need to be made.
- 5.17 Details of the planning application process can be found here:-

- 5.18 The Council will make efficient use of the relevant investigative powers and will justify their use as required. Full use will be made of Planning Contravention Notices or section 330 notices to elicit information about alleged breaches of control where evidence is not otherwise forthcoming. Where appropriate, powers of entry on to land will be used to obtain information for enforcement purposes.
- 5.19 In carrying out its planning enforcement investigations the Council will make efficient use of HM Land Registry records and its own records. Close links are established with other Teams of the Council to improve and enhance investigations. Information relevant to enforcement investigations is held in a variety of locations. Sources outside the Council include HM Land Registry, national and local amenity groups, national bodies, (e.g.: Environment Agency, Health and Safety Executive, DVLA, Historic England). Within the Council, Housing and benefit records, electoral roll, and Council Tax records are all examples of areas where information relevant to enforcement investigations can be located.
- 5.20 The Council will comply with the provisions of the Police and Criminal Evidence Act 1984 (as amended) [PACE] when interviewing persons suspected of a criminal offence (in so far as it applies to those being interviewed by a non-police agency) and with the Criminal Procedures and Investigations Act 1996 [CPIA] and Section 222 of the Local Government Act 1972, when carrying out prosecutions. It is not a criminal offence to carry out development without first obtaining planning permission. However, it is an offence to erect unauthorised advertisements, do work to a protected tree without consent, carry out unauthorised works to a listed building, or fail to comply with an enforcement, breach of condition, planning contravention or stop notice. For a successful prosecution to take place it is essential that the provisions of PACE, CPIA and the Code of Conduct for Crown Prosecutors are followed.
- 5.21 The Council will endeavour to allocate resources to see priority actions through to the end. Once a priority investigation has been commenced, the Council will ensure that resources are made available in order to ensure that the matter is concluded satisfactorily. This will mean that lower priority cases have less resource allocated to them. From time to time, the Council will prepare supplementary policies to deal with specific areas of focus relating to breaches of planning control which may arise.
- 5.22 The Council will be clear and precise in specifying breaches and requirements. Every effort will be taken to ensure that those being regulated fully understand what action is being taken, the steps that are required to remedy the breach, and the possible implications should they fail to comply with the requirements of that action.
- 5.23 The Council will make sure the reasons for issuing an Enforcement Notice match its requirements. Only those actions necessary to remedy a breach will be included in a notice. The Council will stick to procedural time limits unless there are justifiable reasons for extensions. In certain circumstances additional time may be required in order to comply with the Council's requirements. When this is apparent, due consideration will be given to permitting such requests so long as the apparent harm to third parties can be minimised.

- 5.24 There is a right of Appeal against a Planning Enforcement Notice. The details of which can be found at this link: - <https://www.gov.uk/appeal-enforcement-notice>
- 5.25 The Council will be flexible and consider genuine solutions. Where possible, any alternative solution will be considered in order to achieve a satisfactory conclusion to a reported breach of planning control. The use of formal enforcement action will in some circumstances be as a last resort and shall not be used without first seeking a remedy by other means, for instance through negotiations.
- 6. Planning enforcement interventions and powers available to the Council**
- Where negotiations fail we may decide to instigate formal proceedings. This could result in one or more of the actions set out below being pursued.**
- 6.1 Planning Contravention Notice (PCN). The main purpose of a PCN is to gather initial information so that the Council can establish whether there is a case for taking Enforcement Action. It is an offence if the recipient of the notice fails to provide the required information. If convicted of such an offence the offender would be liable on conviction to a fine currently not exceeding £2,500.
- 6.2 Enforcement Notice. This is the most common form of notice used to deal with unauthorised development, operations and/or uses. Before such action is embarked upon the Council must be satisfied that it is appropriate to issue the notice having regard to the nature of the unauthorised development and in the light of Government guidance. An Enforcement Notice will specify the alleged breach, the steps that must be taken to remedy the breach, and a time period in which to comply. The recipient of the notice has a right of appeal to the Secretary of State. If any person is subsequently found to be in breach of an Enforcement Notice the Authority will consider whether to prosecute. If found guilty in any court hearing that person would be liable on conviction in the Magistrates Courts to a maximum fine of £20,000.
- 6.3 Breach of Condition Notice (BCN). This type of notice can only be used where planning consent has been granted subject to conditions. The Council can issue a BCN to ensure full or part compliance with planning conditions. As with the Enforcement Notice a BCN would specify the breach and steps required to secure compliance with the notice. Unlike the Enforcement Notice a BCN must allow a minimum of 28 days in which to comply with the requirements. There are no rights of appeal against a BCN. If any person is found to be in breach of a valid BCN he or she shall be guilty of an offence with a maximum fine currently not exceeding £2,500 on conviction.
- 6.4 Stop Notice. The Council can, when appropriate to do so, serve a Stop Notice requiring activities to cease immediately. Such a notice can only follow the service of an Enforcement Notice. There are limitations on the service of this notice and additionally compensation may be payable by the Council in some circumstances if the recipient makes a successful challenge. It is used very selectively and it is not necessarily an instant solution.
- 6.5 Injunction. Where the Council considers a breach of planning control to be a serious and immediate risk to health and safety, or necessary in terms of expediency, it may apply to the County or High Court for an Injunction. This can be extremely expensive, but can be effective in appropriate circumstances.

- 6.6 Temporary Stop Notices. Where the Council consider that there has been a breach of planning control and it is necessary in order to safeguard the amenity of the area that the activity that amounts to the breach should stop immediately, Section 171E of the Town and Country Planning Act 1990 enables the local planning authority to issue a temporary stop notice. This differs from the normal stop notice powers because the temporary stop notice does not have to wait for an enforcement notice to be issued. In addition, the effect of the temporary stop notice will be immediate, it will not have to wait three days before the temporary stop notice takes effect or give reasons why the temporary stop notice will take effect immediately.
- 6.7 Section 215 Notice. The condition of certain buildings or land often causes serious harm to the visual amenity of an area. Should the Council consider it appropriate to do so they may serve on the owner and occupier a Notice under Section 215 of the Town and Country Planning Act, 1990. Such a notice would require steps for remedying the condition of the land or buildings and specify a period of time for complying but in any event not less than 28 days. This Notice can be appealed via a magistrates' hearing. If any person is subsequently found guilty of an offence of not complying with the requirements of a 215 Notice they shall be liable on conviction to a fine currently not exceeding £2,500
- 6.8 High Hedges. If a complaint has been properly made and we decide that action should be taken to resolve the complaint, we may issue a formal notice to the person responsible for the hedge, setting out what must be done and by when. This action is under the Anti-Social Behaviour Act 2003 and is known as a remedial notice. This can include long-term maintenance of the hedge at a lower height. It cannot involve reducing the height of the hedge below 2 metres, or its removal. Although we cannot require such action, the hedge owner is free to go further than the remedial notice requires. The remedial notice becomes a charge on the property and legal obligations under such a notice pass to any subsequent owners.
- 6.9 Signs and Advertisements Where an advertisement is not lawfully displayed and causes harm to the amenity or public safety, and it is considered that express consent would not be granted, the owner/ occupier shall be requested to remove the offending sign. If the sign is not removed by agreement the Council does have the power to prosecute. If a person is found guilty of an offence under The Control of Advertisement Regulations he or she could be liable to a fine not exceeding £2,500 per advert. The Council also has the power to serve a Notice requiring the discontinuance of a lawfully displayed advertisement if it is satisfied that it is necessary to do so to remedy a substantial injury to the amenity of the locality or a danger to members of the public. Recipients of a Discontinuance Notice do have a right of appeal.
- 6.10 Prosecution. The Council will consider commencing a prosecution in the Courts against any person who has failed to comply with the requirement(s) of any of the above Notices where the date for compliance has passed and the requirements have not been complied with. The prosecution is to seek to establish that an offence has occurred.
- 6.11 In considering whether to initiate prosecution proceedings against the offender the Planning Enforcement Officer will consider the possible defences (reasons to appeal) against the prosecution proceedings as set by legislation, the Code for Prosecutors evidential test and the Code for Prosecutors public interest test. All decisions will be reviewed and agreed with a Council Legal Officer.

- 6.12 The Council's Legal Officer is responsible for taking the matter before the Magistrates or Crown Court. A notice may have to be served on more than one person to meet the terms of 'good service' for example a mortgage provider or an occupant where the landowner has also been served. The Council can at any time decide not to proceed with a prosecution.

Evidential Test The evidence to be presented to Magistrates Court must be reliable and sufficient to satisfy the Council's Legal Officer (prosecutor) that there is a realistic prospect of conviction. The evidence must clearly prove that the offence has occurred and identify who is legally responsible for that breach (the defendant).

Public Interest Test If the case does pass the evidential stage, the Council's Legal Officer (prosecutor) must then decide whether a prosecution is needed in the public interest. They must balance factors for and against prosecution carefully and fairly. Some factors may increase the need to prosecute but others may suggest that another course of action would be better.

- 6.13 In cases where it is considered disproportionate, likely to be ineffective in resolving the breach, there is no realistic prospect of conviction, or where it is not in the public interest, the Planning Enforcement Service will not initiate prosecution proceedings. In cases where it is necessary to use witnesses not employed by the Council; the witness will be advised of the possible need to attend court and will be asked to provide a written witness statement. In such circumstances, if witnesses cannot or do not provide the necessary evidence, those prosecution proceedings may not be pursued.

7. Key Principle, conclusion and contact details

- 7.1 This Local Enforcement Plan explains how the Council has responded to government policy on planning enforcement contained in the National Planning Policy Framework, it also sets out the procedures for delivering the City Council's Planning Enforcement Service within the available resources.

- 7.2 This Plan is not part of the Statutory Local Plan, but has been agreed by the Council in line with the provisions of the NPPF. This plan and the following guiding principle will be observed and taken into account in all planning enforcement matters:

West Devon Council as a Local Planning Authority will in their consideration of and exercise of decision making in all enforcement matters have due regard to this Plan along with National Planning Policies including the NPPF, the Governments Planning Practice Guidance, the relevant policies of the Local Plan and all other relevant material planning considerations

- 7.3 The Council will continue to seek to improve its Planning Enforcement service by regularly monitoring, reviewing and updating its policies and procedures as a matter of good practice, and consult with stakeholders to make improvements in the delivery of the service. Performance review reports will be prepared to consider service standards and performance in the context of available resources, workloads and outcomes.
- 7.4 Complaints about the service. If you are unhappy about the advice given or action taken or the level of service you have received from Development Management in relation to how it carries out its enforcement functions you can make a complaint using the Council's Complaints Procedure. Details are available on our websites.

Planning Enforcement Contact Details

Our website:

<https://www.westdevon.gov.uk/article/680/Planning>

Phone Number:-

West Devon Borough Council: 01803 861234

Email:- **PlanningEnforcement@swdevon.gov.uk**

PLANNING ENFORCEMENT – MEMBER ENGAGEMENT PROTOCOL

1. Purpose

- 1.1** Following the appointment of the Enforcement Specialist (Chris Booty) and in conjunction with the preparation of the Planning Enforcement Plan, it has been recognised that the interaction between Planning Enforcement and Members could be improved. This protocol sets out how Planning Enforcement officers will keep Members up to date with open enforcement cases, and the available channels of communication for Members with the Planning Enforcement officers.

2. Member Engagement Protocol

- 2.1** The primary communication from Planning Enforcement to Members is the circulation of a report of open enforcement cases on a monthly basis. At present this report is simply a list of open cases sorted by Parish. The use of this report is the most effective and efficient way of providing information to Members, however it is acknowledged that the level of information provided could be improved. Following a review of the information presented, starting in March 2018 this report will be revised to contain the following information:

- The location and nature of alleged breach;
- The date the breach was reported to the Council;
- The priority that has been assigned to the case (Following the guidance within the Enforcement Plan);
- The Officer dealing with the case;
- The current status of the investigation; and
- The report will be sorted by Ward and not by Town/Parish.

- 2.2** The four main changes to the report are:

- A) The inclusion of the priority given to the case which will indicate the target timescales for dealing with the case that are set out in the Enforcement Plan;
- B) The inclusion of information setting out the current status of the case. This will be a brief indication such as an application has been requested, a notice has been served, an application has been received etc, but will be sufficient to enable Members to see the status of the Investigation;
- C) The inclusion of the case officer assigned to the case; and
- D) Following requests from Members the report will be sorted by Ward.

- 2.3** The additional information will initially be provided for new cases as they are received with updates added to existing cases as they are actioned.

- 2.4** It is important that the Council prioritise those cases that cause significant public concern. As such if the report identifies a case which has been given

a Lower Priority but a Local Member is aware that there is significant public concern, the Member should contact the Enforcement Specialist to discuss whether the case could be given a High priority. In order to facilitate early engagement with Members, the revised report will be circulated every two weeks rather than monthly.

- 2.5** Members will continue to be informed when cases are closed, the reasons why the case has been closed and when officers are recommending that Enforcement Notices are served.
- 2.6** The recent drop-in meetings that have taken place between Members and the Enforcement Specialist to review all of the Enforcement cases in the Members Wards have been successful and further dates are being organised for Members who have not, as yet, had a meeting with the Enforcement Specialist. The provision of the additional data within the report to be circulated to Members on a two weekly basis will provide up to date information for Members and should negate the need for regular meetings to be arranged. However, should any Member wish to discuss all of the open cases in their Ward, they can contact the Enforcement Specialist and a meeting will be arranged to take place, if possible within 14 days of the request.
- 2.7** Members have previously raised some concerns regarding the decisions made on a small number of Enforcement Cases. The continued provision of dialogue between Members and the Enforcement Team when a case is closed as set out in 1.5 above will help to explain decisions made. However, if a Ward Member has concerns once a case has been closed, these concerns can be brought to the attention of the Enforcement Specialist to see if there are any learning opportunities arising from the decision.

OVERVIEW AND SCRUTINY COMMITTEE
DRAFT ANNUAL WORK PROGRAMME – 2017-18

Date of Meeting	Report	Lead Officer / Member
27 February 2018	Q3 Performance Indicators	Jim Davis
	Hub Committee Forward Plan	Kathy Trant
	Task and Finish Group Updates (if any)	
	Ambulance Service Representatives (<i>to be confirmed</i>)	
	Corporate Strategy Update	Nadine Trout
	Rural Broadband Working Group Update (if any)	Steve Mullineaux
	Locality Service: Twelve Month Review	Catherine Bowen
	Joint Local Plan Update	Tom Jones
8 May 2018	Q4 Performance Indicators	Jim Davis
	Hub Committee Forward Plan	Kathy Trant
	Task and Finish Group Updates (if any)	
	O+S Draft Annual Report	Darryl White
	Joint Local Plan Update	Tom Jones

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