

South Hams Council



Title:	Agenda																														
Date:	Thursday, 11th February, 2016																														
Time:	2.00 pm																														
Venue:	Council Chamber - Follaton House																														
Full Members:	<p style="text-align: center;">Chairman Bramble</p> <p style="text-align: center;">Vice Chairman Smerdon</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td>Baldry</td> <td>Hopwood</td> </tr> <tr> <td>Bastone</td> <td>Horsburgh</td> </tr> <tr> <td>Blackler</td> <td>May</td> </tr> <tr> <td>Brazil</td> <td>Pearce</td> </tr> <tr> <td>Brown</td> <td>Pennington</td> </tr> <tr> <td>Cane</td> <td>Pringle</td> </tr> <tr> <td>Cuthbert</td> <td>Rowe</td> </tr> <tr> <td>Foss</td> <td>Saltern</td> </tr> <tr> <td>Gilbert</td> <td>Steer</td> </tr> <tr> <td>Green</td> <td>Tucker</td> </tr> <tr> <td>Hawkins</td> <td>Vint</td> </tr> <tr> <td>Hicks</td> <td>Ward</td> </tr> <tr> <td>Hitchins</td> <td>Wingate</td> </tr> <tr> <td>Hodgson</td> <td>Wright</td> </tr> <tr> <td>Holway</td> <td></td> </tr> </table>	Baldry	Hopwood	Bastone	Horsburgh	Blackler	May	Brazil	Pearce	Brown	Pennington	Cane	Pringle	Cuthbert	Rowe	Foss	Saltern	Gilbert	Steer	Green	Tucker	Hawkins	Vint	Hicks	Ward	Hitchins	Wingate	Hodgson	Wright	Holway	
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Substitutes:	Named substitutes are not appointed																														
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.																														
Committee administrator:	Member.Services@swdevon.gov.uk																														

1. Minutes

1 - 16

to approve as a correct record and authorise the Chairman to sign the minutes of the meeting of the Council held on 10 December 2015

2. Urgent Business

the Chairman to announce if any item not on the agenda should be considered on the basis that he considers it as a matter of urgency (any such item to be dealt with under item 7 below);

3. Confidential Business

the Chairman to inform the meeting of any confidential item of business;

4. Exempt Information

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

5. 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;

6. Chairman's Engagements

7. Business Brought Forward by the Chairman

to consider business (if any) brought forward by the Chairman as reported under item 2 above;

8. Questions

to consider the following question received in accordance with Council Procedure Rule 8.

9. Notices of Motion

to consider the following motions received in accordance with Council Procedure Rule 10.1:

(a) By Cllrs Tucker and Wright

“That authority be delegated to a Member Working Group on behalf of the Council, to consider and submit a response to the Government’s technical consultation document on the future of the New Homes Bonus scheme. The Member Working Group is to consist of four Members, with appointments to be confirmed by Group Leaders.

The link to the consultation document is provided below:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/487095/151217_nhb_draft_condoc_published_version.pdf

(b) By Cllrs Pennington and Tucker

“The proposed four year reduction in the Settlement Funding Assessment (SFA) is likely to undermine vital essential statutory services which are efficiently provided by South Hams District Council. This is a view fully endorsed by our external auditors Grant Thornton in their Value for Money report 2014/15 in which they state:-

‘On the basis of our work and having regard to the guidance on the specified criteria published by the Audit Commission we were satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2015.’

Therefore, in view of the Council’s economic delivery of services, we request the Secretary of State for Local Government to seek agreement with the Chancellor of the Exchequer to return the SFA at the 2016/17 level over the next four years and also consider improvements in line with any inflation.”

(c) By Cllrs Green and Hodgson

“This Council hereby:

1. defers consideration as to whether to create a Local Authority Company for at least a year to enable the changes that are being implemented under the T18 process to become effective;
2. commits to carry out an impact assessment in conjunction with the business community to consider the effect which a large and highly competitive LACC would have on them and the wider local economy;
3. agrees to focus more resources on investigating options for savings and income generation for the next 2 – 4 years;
4. encourages West Devon Borough Council to consider extending its current waste contract for one year; and
5. commits to carry out an assessment into the feasibility of the SHDC waste team taking on the West Devon Borough Council waste contract.”

(d) By Cllrs Hodgson and Vint

“That the Overview and Scrutiny Panel be requested to invite a representative from the Local Enterprise Partnership (LEP) to come and speak to a future Panel

meeting regarding their role in local enterprise and their involvement in the Devolution Bid. This would provide an opportunity for greater understanding of who is involved in the Heart of The South West Partnership.”

(e) By Cllrs Hodgson and Horsburgh

“Given the concerns of many local residents in the South Hams, this Council will make its concerns known to the Secretary of State for Planning regarding the new Housing Bill. This new legislation undermines local democracy and the provisions of localism in the planning process. The new measures proposed would allow for agreed development and policies in the Local Plan to be overturned against local views, public representation and without proper public consultation.”

- 10.**

Budget 2016/17

17 - 34
- to consider a report that presents the recommendations of the Executive on the proposals for the Council’s Budget for 2016/17
- 11.**

Heart of the South West Formal Devolution Bid

35 - 68
- to consider a report that seeks to endorse the current approach to devolution and the drafting of proposals, their submission and negotiation of a deal for the Heart of the South West
- 12.**

Members' Allowances Review

69 - 90
- to consider a report that presents the recommendations of the Independent Panel on Members Allowances
- 13.**

National Planning Policy Framework Draft Consultation Response

91 - 106
- to consider a report that presents a draft consultation response to the proposed changes to the National Planning Policy Framework
- 14.**

Senior Pay Policy Statement 2016/17

107 - 118
- to consider a report that seeks approval to adopt the Senior Pay Policy Statement for 2016/17
- 15.**

Reports of Bodies

119 - 186
- to receive and, as may be necessary, approve the recommendations of the under mentioned Bodies:-

Council Body	Date of Meeting
a Executive *	10 December 2015
b Development Management Committee	16 December 2015

c	Audit Committee	7 January 2016
d	Overview and Scrutiny Panel	14 January 2016
e	Development Management Committee	20 January 2016
f	Executive *	4 February 2016

*** Indicates minutes containing recommendations to Council.**

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Agenda Item 1

MINUTES OF THE MEETING OF THE SOUTH HAMS DISTRICT COUNCIL HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 10 DECEMBER 2015

MEMBERS

* Cllr I Bramble – Chairman

* Cllr P C Smerdon – Vice-Chairman

* Cllr K J Baldry	* Cllr T R Holway
* Cllr N A Barnes	∅ Cllr D Horsburgh
∅ Cllr H D Bastone	* Cllr D W May
* Cllr J I G Blackler	* Cllr J A Pearce
∅ Cllr J Brazil	* Cllr J T Pennington
* Cllr D Brown	* Cllr K Pringle
∅ Cllr B F Cane	∅ Cllr R Rowe
* Cllr P K Cuthbert	* Cllr M F Saltern
* Cllr R J Foss	* Cllr R C Steer
∅ Cllr R D Gilbert	* Cllr R J Tucker
∅ Cllr J D Hawkins	∅ Cllr R J Vint
* Cllr M J Hicks	* Cllr L A H Ward
* Cllr P W Hitchins	* Cllr K R H Wingate
* Cllr J M Hodgson	* Cllr S A E Wright

* Denotes attendance

∅ Denotes apology for absence

Officers in attendance and participating:

For all items: Head of Paid Service; COP Lead – Place and Strategy; Monitoring Officer, and Senior Specialist (Democratic Services)

40/15 PRESENTATION – iESE AWARDS

In light of the Council receiving the Gold Award for ‘Delivering through Efficiency’ and the Silver Award for ‘Council of the Year’ at the national iESE Awards earlier this year, the Chairman invited Dr Andrew Larnar (Chief Executive of iESE) to step forward and formally present these Awards.

In so doing, Dr Larnar paid tribute to the Council in achieving these awards and felt that the Council was a credit to the whole public sector. Dr Larnar concluded by urging the Council to consider re-submitting again for ‘Council of the Year’ next year.

41/15 CLLR BASIL CANE

The Chairman informed that he had been made aware that Cllr Cane had recently been taken ill. On behalf of the Council, the Chairman asked that his best wishes be sent on to Cllr and Mrs Cane.

42/15 MINUTES

The minutes of the meeting of Council held on 8 October 2015 and the Special Council meeting held on 5 November 2015 were confirmed as a correct record and signed by the Chairman.

In exercising his discretion, the Chairman permitted a Member to raise a point on the Syrian Refugee Crisis. In so doing, officers and Members gave reassurances that the Council remained totally committed to fulfilling its responsibilities to accommodate refugees. However, since Devon County Council was still awaiting guidance from central government, the Council was currently unable to make any more progress in fulfilling these responsibilities at this time.

43/15 URGENT BUSINESS

The Chairman advised that he had agreed for one urgent item to be raised at this meeting. This item related to a report entitled: 'Our Plan: South Hams Local Plan Arrangements' and was considered urgent in light of the associated time constraints.

The Chairman confirmed that it was his intention for this report to be considered under agenda item 7: 'Business Brought Forward by the Chairman' (Minute 46/15(a) below refers).

44/15 DECLARATIONS OF INTEREST

Members were invited to declare any interests in the items of business to be considered during the course of the meeting. These were recorded as follows:-

Cllr M F Saltern declared a Disclosable Pecuniary Interest in Item 9(a): 'Notices of Motion' (Minute 48/15(a) below refers) by virtue of being a non-Executive Director of Devon and Cornwall Housing and left the meeting during consideration of this particular motion.

45/15 CHAIRMAN'S ANNOUNCEMENTS

The Chairman highlighted that he had already attended a number of town and parish council meetings and he would continue this practice in the New Year for any councils who had invited him to attend their meetings.

46/15 BUSINESS BROUGHT FORWARD BY THE CHAIRMAN**(a) Our Plan: South Hams Local Plan Arrangements**

As previously highlighted (minute 43/15 above refers), an urgent report was considered that sought in principle agreement to the establishment of a joint Local Plan within the Housing Market Area.

In discussion, reference was made to:-

- (i) the Council still retaining its own Local Plan. Since the proposals were for an overarching Joint Local Plan, assurances were given that the Council would still retain its own Local Plan;
- (ii) making progress. The need to make swift progress in this regard was recognised by Members. In terms of approving the Collaboration Agreement, it was hoped that this would be agreed by each of the four partner authorities within the next month or so;
- (iii) the ability to share costs and resources. In the event of the recommendation being approved, it was recognised that this would result in costs and resources being shared across the four partner authorities. In addition, the end result would be only requiring one Examination in Public by one Inspector. In response, a Member stated that she did not support the proposals and made reference to officer time increasing through having to draft the Collaboration Agreement. As a consequence, the Member felt that the Council should continue with its existing working arrangements;
- (iv) the composition of the Strategic Planning Working Group. In reply to concerns expressed, the Leader confirmed that, in the upcoming months, some alternative governance proposals would come forward. With regard to the previously established Plymouth Urban Fringe Working Group, it was noted that Plymouth City Council had disbanded this Group, as it wished to focus on its own boundaries rather than the hinterlands;
- (v) the Local Development Scheme (LDS). It was noted that officers had continued to liaise with the Planning Inspectorate in respect of how the Council was intending to bring forward the LDS. If the proposed direction of travel was supported by each of the partner authorities, then officers would inform the Planning Inspectorate of how it was intended to align the LDS.

It was then:

RESOLVED

1. That the principle of a Joint Local Plan within the Housing Market Area be agreed subject to appropriate arrangements being put in place with neighbouring planning authorities;
2. That a detailed Collaboration Agreement establishing the operation of the Joint Local Plan be developed with neighbouring planning authorities (and any other relevant organisations); and
3. That the Collaboration Agreement include, but not necessarily be limited to, the following matters:-
 - Strategic Context;
 - Objectives and Priorities;

- Joint Spatial Framework;
 - Governance and working arrangements;
 - Local Development Scheme and timescales;
 - Evidence;
 - Infrastructure;
 - Policies;
 - Allocations;
 - Engagement and Consultation;
 - Resources and Staffing;
 - Examination;
 - Assessments; and
 - Monitoring and Review;
4. That a further report be submitted to Council setting out the detailed policy and allocation proposals that are to be subject to consultation, consideration and submission within the Joint Local Plan element of Our Plan: South Hams; and
 5. That those contents which are to be agreed under recommendations 1, 2 and 3 be delegated to the Lead Specialist – Place and Strategy, in consultation with the Chairman of the Strategic Planning Working Group.

47/15

QUESTIONS

It was noted that one question had been received in accordance with Council Procedure Rule 8.

From Cllr Hodgson to Cllr Hicks, lead Executive Member for Business Development and the Local Plan

- (a) *'Given the importance of Neighbourhood Plans to Our Plan: South Hams and the likely impact on many of them and the extended timescale that Our Plan is experiencing, can we make an additional £5,000 to Neighbourhood Plans that are currently underway?'*

In response, Cllr Hicks informed that Neighbourhood Plans were recognised by the Council as an important and, indeed, an integral part of the Development Plan process.

In order to support their delivery, the Government had made funding available to both Neighbourhood Plan (NP) groups and Local Planning Authorities. The Council was using its allocation to provide support in a number of ways, including the provision of advice, the services of individual specialists and, recently, the appointment of a Case Manager with specific responsibility to support NP groups.

Whilst the Council was committed to supporting as actively as possible the work of these Groups, a blanket payment of £5,000 to each of them would not be justified, proportionate or affordable.

However, the Council would be happy to have exploratory talks with the South Hams Neighbourhood Plan Network to determine whether there could be additional support for the Network itself.

48/15

NOTICE OF MOTIONS

It was noted that six motions had been received in accordance with Council Procedure Rule 10.1.

(a) By Cllrs Wright and Ward

'As a result of the Governments recent announcement that Housing Associations will have to cut Social housing rents by 1% each year for the next four years from April 2015, this Council wishes to express its concerns that this policy will reduce the number of affordable homes being brought forward in our District, and asks for the support of the local members of Parliament.'

In introducing the motion, the proposer made particular reference to:-

- the extreme disparities between average house prices and average income in the South Hams;
- the government announcement affecting all rental markets, including affordable housing;
- the proposals leading to inevitable cashflow problems for Housing Associations. As a guide, it had been estimated that 14,000 less homes would be developed due to changes in the rent formula;
- these proposals also causing Housing Associations to revise their viability assessment figures. In addition, the Council had received correspondence from the DCLG that was urging local authorities to consequently accept lower viability figures from developers. The proposer emphasised that such action was in complete contradiction to the Council's Corporate Priority of housing.

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

- (i) The seconder echoed the comments of the proposer and was of the view that 14,000 fewer homes was a conservative prediction and estimated that between 25-27,000 less homes would be built;
- (ii) Whilst expressing support for the sentiments of the motion, a Member felt that there was a need for a review to be undertaken into the effectiveness of Housing Associations. Furthermore, the Member asked that the Council did not confuse viability with the ability of Housing Associations to pay their mortgages.

It was then:

RESOLVED

As a result of the Governments recent announcement that Housing Associations will have to cut Social housing rents by 1% each year for the next four years from April 2015, this Council wishes to express its concerns that this policy will reduce the number of affordable homes being brought forward in our District, and asks for the support of the local members of Parliament.

(b) **By Cllrs Pennington and Hodgson**

“A review of the Freedom of Information Act 2005 is currently being undertaken under the Chairmanship of Lord Bridges. South Hams District Council consider that, in the important interests of local democracy, there will not be any charges or fees levied on applicants, as this would deter the use of the Act. Additionally, there must not be any increase in exemptions, as it would countermand the wise words of the then Lord Chancellor Lord Falconer in 2005 who described the Act as “a constitutional change of great significance, a radical and permanent change in the relationship between the citizen and government.”

In introducing his motion, the proposer emphasised that it was an apolitical issue and the Freedom of Information (FOI) Act had proven to be a vital principle of openness and transparency.

In discussion, the following points were raised:-

- (i) The Leader informed that he was broadly supportive of the intention of the motion, however he fundamentally disagreed with there being no ability to charge applicants. The Leader felt that it was outrageous that, of the 1,355 requests that had been received by the Council and West Devon Borough Council in 2014, 90% had been received from corporate bodies (e.g. the national media). Furthermore, BBC figures had found that the cost to the South Hams District and West Devon Borough Council taxpayers in 2014 of supporting the FOI Act was £391,000.

In conclusion, the Leader supported the ability of local residents to utilise the Act without any charge, but could not support the motion as it was presented whereby national bodies were submitting requests linked to issues such as: ICT contracts, Business Rates, Public Health and Funerals;

- (ii) A Member queried the appropriateness of an amendment being proposed as follows:

‘.....there will not be any charges or fees levied on applicants *who live in the South Hams area.*’

At this point, the Monitoring Officer was asked to give her legal advice on the suitability of this potential amendment. In so doing, she advised that the Council should not commit itself at this stage and should wait to see the details of any revised legislation.

In light of this advice, there was no such amendment proposed.

- (iii) The seconder felt there to be scope to improve the accessibility and information which was published on the Council website, which was currently not particularly easy to navigate around. In addition, the seconder emphasised that the media acted in the public interest and therefore could not agree with the concerns expressed by the Leader.

When put to the vote, the motion was declared **LOST**.

(c) **By Cllrs Pennington and Hodgson**

'South Hams District Council expects all statutory consultees for planning applications involving the construction of dwellings and all planning applications for industrial and commercial developments to provide written reports to be made available to all Councillors and members of the public if requested to conform with the Freedom of Information Act 2005 and the Access to Information Act 2000 in the name of local democracy. The practice of any reliance on verbal reports only should be discontinued. Similarly, all of the above requirements must be observed for licensing applications submitted to South Hams District Council Licensing Committee.'

In introducing the motion, its proposer wished to formally move a slightly amended version (as below):-

'South Hams District Council expects all statutory consultees – for both planning and licensing applications – to comment in writing with reasons for their view. These comments will be available to all Councillors and members of the public if requested to conform with the Freedom Of Information Act 2005 and the Access to Information Act 2000. The practice of the use of verbal responses should be discouraged.'

In discussion, reference was made to the intention of the amended wording being to send a strong (yet more succinct) message to statutory consultees.

It was then:

RESOLVED

South Hams District Council expects all statutory consultees – for both planning and licensing applications – to comment in writing with reasons for their view. These comments will be available to all Councillors and members of the public if requested to conform with the Freedom Of Information Act 2005 and the Access to Information Act 2000. The practice of the use of verbal responses should be discouraged.

(d) By Cllrs Hodgson and Green

'This Council will endeavour (through the LGA) to seek new legislation at National Government to enable significant increases in Council Tax for Second Homes and Holiday Homes.'

The proposer highlighted the major impact of second and holiday homes in the South Hams and felt that the Council should lead the way in seeking new legislation.

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

- (a) Some Members emphasised that there was no current way of identifying second and holiday homes. Moreover, a Member felt that the Council should firstly closely monitor the impact of the pending changes in legislation regarding stamp duty increases for second and holiday homes;
- (b) To provide some balance, a Member commented that second and holiday homes were a mixed blessing. In expanding her point, the Member highlighted that such properties paid Council Tax, but did not use services such as schools and were rarely utilising other services such as local highways and waste collections;
- (c) The huge migration from second homes classification to businesses (estimated to be in the region of 2,500 properties) was also cited as a further reason why this motion should not be supported;
- (d) In support of the motion, the seconder reiterated the corporate drive to raise additional revenue and felt that there were methods of establishing primary residence (e.g. via the electoral roll);
- (e) In attempting to discourage the number of second and holiday homes, a Member cited the Channel Islands policy whereby a minimum charge was applied.

When put to the vote, the motion was declared **LOST**.

(e) By Cllrs Hodgson and Green

'This Council will continue to support the need for social and affordable housing and consider direct purchase of housing as part of its investment strategy.'

In introducing the motion, the proposer and seconder requested a slight alteration whereby the words: 'affordable housing *to rent* and consider.....' be added.

In discussion, the following points were raised:-

- (i) A Member complimented the proposer and seconder for submitting a well drafted motion;
- (ii) In stressing the Council's commitment in this area, a Member highlighted the recent Executive recommendation to Council whereby an updated Asset Management Strategy be adopted (Minute E.32/15 refers). Furthermore, it was noted that the Council had already increased its investment portfolio of housing stock.

It was then:

RESOLVED

This Council will continue to support the need for social and affordable housing to rent and consider direct purchase of housing as part of its investment strategy.

(f) By Cllrs Vint and Green

'This Council will, in order to protect small business and vulnerable residents, seek to identify where flat-rate charges for key services can be replaced by fees that correspond with ability to pay, prior to approval of the 2016/17 Budget:

- (i) by linking charges for key business services, where appropriate, to business rates or floor area; and*
- (ii) by linking charges for key services for residents, where appropriate, to Council Tax bands.'*

(NOTE: in the absence of Cllr Vint, this motion was subsequently proposed by Cllr Green and seconded by Cllr Baldry).

The proposer introduced the motion and felt that, if supported, it could help support small businesses in the market towns. As an example to underpin the motion, the proposer stated that the charge for a High Hedge Complaint was currently proposed to be £320 across the board and the Council could look for opportunities to tier charging into say two or three different banding levels.

In discussion, the following points were raised:-

- A Member commented that Council Tax bands did not reflect the ability to pay. In addition, by linking charges to floor area would not necessarily be reflective of the profitability of a business (e.g. pubs and leisure centres);
- A further barrier to supporting the motion was the lack of ability to enforce and monitor the proposals and legislation dictating that a number of these fees and charges could only be able to be set on a cost recovery basis.

When put to the vote, this motion was declared **LOST**.

49/15

DEVOLUTION DRAFT PROPOSAL

The Council considered a report that sought to endorse the current approach to Devolution and the drafting of proposals, their submission and negotiation of a deal for the Heart of the South West.

At this point, the Chairman invited the Leader of Council to provide an update to the meeting. In so doing, he advised that he was proposing a motion whereby this agenda item be deferred until a Special Council meeting early in the New Year. To justify this proposal, the Leader informed that the proposed submission was in the process of being re-drafted and was likely to be amended to such an extent that it would only be appropriate to seek a deferral at this meeting.

In discussion, reference was made to:-

- (a) the initial change in meeting date. A Member expressed his disappointment that this Council meeting had been brought forward by a week to accommodate this agenda item only for it now to be recommended that this matter be deferred;
- (b) the proposal being a high level strategic bid. Due to its strategic nature and the tight timescales involved, it was not deemed appropriate for a public consultation exercise to be undertaken on the draft proposals. In addition, the intention of the proposal was to set out the base negotiating position;
- (c) the revised draft. Assurances were given to Members that the revised draft would be circulated to them as soon as it had been received.

It was then:

RESOLVED

That the agenda item be deferred until a Special Council meeting in the New Year.

50/15

CORPORATE ENFORCEMENT POLICY

Consideration was given to a report that sought to adopt the draft Corporate Enforcement Policy.

In the ensuing discussion, Members welcomed the draft Policy, but did express the view that a plain English guide that supplemented the Policy should be developed by the Communications Team.

It was then:

RESOLVED

That the Corporate Enforcement Policy (as attached at Appendix A of the presented agenda report) be adopted.

51/15

REPORTS OF BODIES**RESOLVED**

That the minutes and recommendations of the undermentioned bodies be received and approved subject to any amendments listed below:-

- | | | |
|-----|----------------------------------|-------------------|
| (a) | Development Management Committee | 23 September 2015 |
| (b) | Audit Committee | 24 September 2015 |
| (c) | Salcombe Harbour Board | 28 September 2015 |

SH.15/15: Proposed Budget for 2016/17**RESOLVED**

That the proposed 2016/17 budget (as set out within the agenda report presented to the Board) be approved, subject to agreement of the fees and charges, to enable a balanced budget.

SH.16/15: Fees and Charges 2016/17**RESOLVED**

1. That the changes to the Charging Policy (as set out in paragraph 3 of the presented agenda report to the Board) be approved; and
2. That the proposed fees and charges (as presented in the Appendix to the published Board minutes) be approved for implementation from 1 April 2016.

(d) Executive

15 October 2015

E.31/15: Our Plan Update

For clarity, Members were reminded that these recommendations were approved at the Special Council meeting held on 5 November 2015.

E.32/15: Business Development – Asset Management Strategy**RESOLVED**

That the updated Asset Management Strategy (as detailed in Appendix 1 of the agenda report presented to the Executive meeting) be approved.

E.34/15: Council Tax Reduction Scheme**RESOLVED**

1. That the existing Council Tax Reduction Scheme be continued with for 2016/17 whereby:-
 - 80% maximum liability restriction be applied meaning that working age claimants pay a minimum of 20% towards their Council Tax bill;
 - a property valuation Band D restriction be applied meaning that working age claimants living in larger properties do not receive greater levels of support than those living in small properties; and
 - an exceptional hardship fund be retained to help those claimants experiencing severe financial difficulties; and
2. That authority be delegated to the Finance Community Of Practice Lead (Section 151 Officer), in consultation with the Lead Executive Member for Support Services, to make amendments to the policy document to take account of any further changes in law, government guidance or policy that required urgent amendment.

E.36/15: Capital Programme Monitoring Report**RESOLVED**

1. That £153,000 of the Capital Programme contingency budget of £300,000 be approved to be allocated to the capital projects as set out in Appendix A of the agenda report presented to the Executive; and

2. That the capital budget for the purchase of a recycling depot be withdrawn from the Capital Programme as outlined in Appendix A of the agenda report presented to the Executive.

E.38/15: Operational Amendments to Off-Street Parking Order

RESOLVED

1. That the provision of the new reserved bays at Mayor's Avenue Car Park, Dartmouth be added to the South Hams Off-Street Parking Places Order;
2. That the provision of reserved bays for leisure centre customers at Dartmouth Park & Ride site be added to the South Hams Off-Street Parking Places Order; and
3. That the provision of parking on the fish quay area on Dartmouth South Embankment to generate a revenue towards the maintenance of the structure be added to the South Hams Off-Street Parking Places Order.

E.40/15: Health and Safety Management

RESOLVED

1. That the Health and Safety Statement of Policy be accepted and signed by the Head of Paid Service and the Leader of Council; and
2. That the Health and Safety Statement of Policy be reviewed and signed annually on the occasion of the Annual Council Meeting.

E.41/15: Reports of Other Bodies

(a) Overview and Scrutiny Panel – 17 September 2015

(i) O&S.39/15(2) South Hams CVS Monitoring

RESOLVED

That the existing Service Level Agreement be renewed for a further twelve months on the existing terms (in accordance with clause 15.2 of the Service Level Agreement).

- | | | |
|-----|----------------------------------|------------------|
| (e) | Development Management Committee | 21 October 2015 |
| (f) | Salcombe Harbour Board | 2 November 2015 |
| (g) | Licensing Committee | 12 November 2015 |

L.03/15: Review of Statement of Licensing Policy for 2016/21

RESOLVED

That the draft Licensing Policy (as outlined at Appendix A of the agenda report presented to the Committee) be adopted for the period 7 January 2016 to 6 January 2021.

L.04/15: Three Yearly Review of Gambling Statement of Licensing Principles

RESOLVED

That the draft Statement of Principles (as outlined at Appendix A of the agenda report presented to the Committee) be adopted for the period 31 January 2016 to 30 January 2019.

L.05/15: Park Homes Fees and Charges Policy

RESOLVED

That the Park Homes Fees and Charges Policy (as outlined at Appendix A of the agenda report presented to the Committee) be adopted.

- (h) Development Management Committee 18 November 2015
- (i) Overview & Scrutiny Panel 19 November 2015

O&S.53/15: Our Plan: South Hams – Review

RESOLVED

1. That Our Plan: South Hams be issued for the start of the 2016/17 Financial Year as a document that:
 - recognises Our Plan: South Hams as the single comprehensive Council Plan;
 - restates the Council's Corporate Vision and Objectives;
 - establishes the common basis for the Council's Financial Plan, Asset Management Plan, Local Plan and all other Plans and Strategies;
 - establishes long-term and short-term priorities for delivery including a delivery plan commencing in 2016/17;
 - establishes mechanisms for delivery;
 - establishes engagement, monitoring and review procedures; and

- provides context for subsequent incorporation of the Local Plan element currently subject to separate preparation;
2. That a Member Workshop be held early in the New Year to progress this work; and
 3. That the final document return to the Executive and Council for agreement prior to its publication.

O&S.56/15: Dispensations to Dual-Hatted Members

A Panel Member reiterated his previously raised concerns regarding dual-hatted Members and felt that this Council meeting (which had clashed with the equivalent Devon County Council meeting) had only helped to reinforce his views.

(Meeting commenced at 2.00 pm and concluded at 3.15 pm)

Chairman

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AGENDA ITEM:

**SOUTH HAMS DISTRICT
COUNCIL**

11 FEBRUARY 2016

**2016/17
REVISED BUDGET PROPOSALS**

(Revised following the outcome of the Final
Finance Settlement for 2016/17 –
9 February 2016)

2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

Purpose of the Report

This report provides an update of our overall financial position and details the formal proposals of the Executive to achieve a balanced budget. The minutes of the Executive meeting are included elsewhere on this agenda and provide a more complete picture of the decisions taken.

A hard copy of the report submitted to the Executive on 4 February 2016 was previously provided to all Members and is also available on the Council's website.

There is a separate report on the Council agenda regarding the review of Members' Allowances. If all of the recommendations are endorsed by the Council, there will be an overall financial saving of £31,800. This has been built in to the 2016/17 Budget Proposals, increasing total savings reported to Executive on 4 February 2016 from £1,252,000 to £1,283,800 as shown in Appendix 3.

The details of the Final Local Government Finance Settlement were published on 9th February 2016 and this updated Budget Proposals report for 2016-17 includes the final announcement. Part 1 of this report gives details of the announcement of the Final Finance Settlement.

The General Fund Revenue Budget, Medium Term Financial Strategy (MTFS) and the recommendations for the 2016/17 financial pressures and savings are summarised in Appendices 1 to 3 of this report. The MTFS has been rolled forward to enable Members to look ahead to future years in considering their spending plans and council tax levels.

Statutory Powers: Local Government Act 1972, Section 151
Local Government Finance Act 1992

RECOMMENDATIONS:-

(The references in the Recommendations below refer to the Appendices in this report or to the relevant Section of the 2016/17 Revenue Budget report presented to the Executive at its meeting on 4 February 2016).

It is RECOMMENDED that:

- 1. Council Tax for 2016/17 is increased by £5 (which equates to a Band D Council Tax of £150.42 for 2016/17, an increase of £5 per year or 10 pence per week). This equates to a Council Tax requirement of £5,566,140 (as shown in Appendix 2A of the report);**
- 2. the financial pressures in Appendix 3 of £1,690,000 be agreed;**

2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

- 3. the £10,000 discretionary budget bid for the Citizen’s Advice be agreed;**
- 4. the schedule of savings identified in Appendix 3 totalling £1,283,800 be agreed (this includes the additional saving of £31,800 following the review of Member Allowances);**
- 5. the Collection Fund Surplus of £210,000 as shown in Appendix 1A be agreed ;**
- 6. the level of contributions to reserves to be included within the Authority’s budget, as set out in Appendix 1B be agreed (this includes using £500,000 of New Homes Bonus funding to fund the 2016/17 Revenue budget);**
- 7. to transfer the budget surplus in 2016/17 of £767,995 into a Contingency Earmarked Reserve (see Part 2 for an explanation of this figure)**
- 8. the allocation of Council Tax Support Grant for Town and Parish Councils be set at £101,658 in 2016/17, a reduction of 9.9% as per Appendix E of the Executive report;**
- 9. that the Council should set its total net expenditure for 2016/17 at £8,751,722 (Appendix 1A)**
- 10. to allocate £153,900 of New Homes Bonus funding for 2016/17 to the Community Reinvestment Projects budget for 2016/17. Any under spend from the 2015/16 Community Reinvestment Projects budget of £153,900 is to be transferred into the Capital Programme Reserve;**
- 11. the Council transfers £24,606 of its allocation of the New Homes Bonus for 2016/17 to the Dartmoor National Park Sustainable Community Fund. The funds are awarded as a one off payment to Dartmoor National Park, to award projects on an application basis administered by Dartmoor National Park. The following conditions will apply:**
 - A. decisions must be taken in consultation with the South Hams District Council local Ward Member(s);**
 - B. funding can only be used for capital spending on projects in those parts of Dartmoor National Park which fall within the South Hams District Council Boundaries and enable the Dartmoor National Park to carry out its social economic responsibilities; and**

2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

- C. Dartmoor National Park reports on the progress in the application of, and use of the funds to the Overview and Scrutiny Panel, in time for budget decision to be made;**
- 12. £464,000 of New Homes Bonus funding from the 2016/17 allocation is used to fund housing capital projects (Disabled Facilities Grants and Affordable Housing);**
 - 13. the Capital Programme for 2016/17 totalling £1,765,000 (and funding sources) be agreed as set out in Item 8 of the Executive meeting on 4 February 2016;**
 - 14. to transfer £150,000 of New Homes Bonus funding for 2016/17 into an Earmarked Reserve for the one-off costs of the Local Authority Controlled Company (LACC – see Section 5.9 of the Executive report);**
 - 15. to transfer the unallocated New Homes Bonus of £777,402 into an Innovation Fund (Invest to Earn) Earmarked Reserve (as per 7.10 and 7.11 of the Executive report);**
 - 16. the minimum level of the Unearmarked Revenue Reserves is maintained at £1,500,000 as per Section 9 of the Executive report;**
 - 17. the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates are noted. This is a requirement of Part 2 of the Local Government Act 2003.**
 - 18. A waste round review be supported that considers a four day waste and recycling collection round.**

Officer contact:

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Pauline Henstock, Finance Business Partner
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2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

Part 1: Implications of the final Local Government Finance Settlement

The key points of the final Local Government Finance Settlement are shown below.

Rural Services Delivery Grant for 2016-17 and 2017-18

The Council will be receiving more money in Rural Services Delivery Grant in 2016/17 and 2017/18. In 2016-17, the Council will receive £405,536 in Rural Services Delivery Grant – this is £304,782 more than the provisional finance settlement figures.

In 2017-18, the Council will receive £327,451 in Rural Services Delivery Grant – this is £151,131 more than the provisional finance settlement figures. The Rural Services Delivery Grant figures in Year 3 (2018-19) and Year 4 (2019-20) remain the same.

The lobbying of the District Council alongside the lobbying of our local MPs, Rural Services Network (SPARSE), the Local Government Association and the Districts Councils Network has clearly paid dividends in that more Government money has been put into the Rural Services Delivery Grant in the first two years of the finance settlement as shown.

Transition Grant

The Government is also issuing a Transition Grant to help those Councils which are most adversely affected by the reductions in the Revenue Support Grant. This is a one off sum of money that Councils will receive. For South Hams, the Council will receive £56,095 in 2016/17 and £55,890 in 2017/18.

£5 council tax referendum limit for District Councils for the four years

The final Finance Settlement has announced that the Council Tax referendum limit for all District Councils for the next four years is the higher of 2% or more than £5. What this means for South Hams is that the Council would have the flexibility to increase its Band D council tax by £5 per year for the next four years. (It is £5.01 that triggers a council tax referendum).

The Budget Proposals which were circulated to Members previously included a 1.99% increase in council tax which equated to an increase of £2.89 per year. The new referendum limit would mean that the Council could charge an extra £2.11 on the Council Tax for 2016-17. This would mean a Band D council tax of £150.42 (an increase of £5 on the 2015-16 Band D council tax of £145.42). This would give additional funding from council tax income of £78,000. (This is the extra £2.11 multiplied by the TaxBase of 37,003.99). The recommendation on this Council report is for council tax to be increased by £5 for 2016-17.

In the Council's response to the draft Finance Settlement, District Councils lobbied for the ability to be able to increase council tax by up to £5. The Council made the point that given the dramatic cuts to funding in Revenue Support Grant and New Homes Bonus, Councils must be given the freedom to set the council tax locally based on local need and local understanding of the services and demands on those services.

2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

Part 2: Implications of the Final Finance Settlement on the Budget Surplus for 2016/17

The table below shows how the Budget Surplus for 2016/17 has increased due to the announcement made in the Final Local Government Finance Settlement for 2016/17.

	Budget Surplus for 2016/17
Budget Surplus reported in the Council 11 th February Budget Proposals report for 2016-17 (prior to the announcement)	£329,040
Additional Rural Services Delivery Grant funding in 2016-17	£304,782
Additional Transition Grant	£56,095
Additional council tax income from increasing the Band D council tax for 2016/17 by £5	£78,078
Budget Surplus reported in the Council 11th February Budget Proposals report for 2016-17 (after the announcement) – See recommendation 7.	£767,995

Part 3: The Executive's considerations in arriving at its final proposals for financial pressures, savings and Council Tax (Executive meeting held on 4 February 2016).

1. Over the last six months, the Executive has given the budget very detailed consideration and has undertaken consultation on budget proposals. This process has enabled and informed Members in their consideration of the appropriate level of service provision and council tax levels.
2. The recommendation is to increase council tax by £5 for 2016/17. This would mean the council tax would increase to £150.42 for 2016/17, an increase of £5 per year or 10 pence per week. This would be an increase of 3.44% for 2016/17.
3. At a Members' Budget Setting Workshop held on 30th September 2015, there was early support for increasing council tax by the maximum allowable percentage. 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. (At the time the workshop was held, the maximum increase allowable was 1.99%). The Final Finance Settlement has increased the maximum council tax increase allowable to £5.

2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

4. Appendices 2A and 2B show the budget surplus in 2016/17 and the budget gaps in future years of two scenarios:-

Appendix 2A shows the results of increasing council tax by £5 annually
Appendix 2B shows the results of increasing council tax by 1.99% annually

Appendix 2A (raising council tax by £5 annually) has a cumulative budget gap over the next five years of £1 million, with a budget surplus in 2016/17 of £767,995.

Appendix 2B (raising council tax by 1.99% annually) has a cumulative budget gap over the next five years of £1.4 million, with a budget surplus in 2016/17 of £689,917.

5. To balance the budget of £8.7 million, the council has identified £1.28 million in savings and has a budget surplus for 2016/17 of £767,995, which it is recommended is transferred into a Contingency Earmarked Reserve.
6. The Executive also agreed a capital works programme amounting to £1,765,000 and a budget of £153,900 for a Community Reinvestment Projects Fund. The fund will allow towns and parishes to make applications to community capital projects of £5,000 or more where “significant housing development has taken place”. Projects could include community buildings, sports facilities, play areas, allotments, gardens or orchards. A report on the Community Reinvestment Projects Fund 2015/16 grant allocations will be presented to the Executive in March 2016.

Part 4: Conclusion

7. The above paragraphs summarise the overall position faced by the Council and the considerations of the Executive in arriving at its final proposals to achieve a balanced budget.
8. The proposed budget will leave the Council on a firm financial footing with a level of reserves which will help us manage the impact of further cutbacks in Central Government funding over the coming years.
9. This has been a challenging year. However, robust forward planning has allowed us to ease the pressures on front line services and for those in our community who face financial difficulties. We have frozen both car parking charges and the Dartmouth Lower Ferry fares.

2016/17 BUDGET PROPOSALS – FINAL RECOMMENDATIONS

10. Strong financial management over many years and the continual drive for efficiency has enabled the Council to accommodate service pressures while still maintaining a low level of council tax. This is a budget to maintain frontline services and the longer term viability and future of the Council. I commend the budget proposals to the Council.

**Councillor R J Tucker
Leader of the Council**

10 February 2016

SUMMARY OF REVENUE EXPENDITURE

(Based on council tax being increased by £5 in 2016/17)

Estimate 2015/2016 (At outturn prices) £	SERVICE EXPENDITURE ANALYSIS	Estimate 2016/2017 (At outturn prices) £
2,648,058	Commercial Services	3,260,458
4,290,391	Customer First	4,201,035
1,794,551	Strategy and Commissioning	1,705,651
439,400	Support Services*	422,625
112,827	Council Tax Support Grant - payable to Town & Parish Councils	101,658
9,285,227	SUB TOTAL BEFORE ACCOUNTING ADJUSTMENTS	9,691,427
	<i>* in accordance with the CIPFA code the majority of Support Services have been recharged to the front line services</i>	
	ADJUSTMENTS BETWEEN ACCOUNTING BASIS & FUNDING BASIS UNDER REGULATIONS	
(1,933,000)	Reversal of depreciation	(1,933,000)
(500,000)	Reversal of pension costs (IAS 19)	(500,000)
1,987,174	CONTRIBUTIONS TO/ (FROM) RESERVES	1,493,295
8,839,401	AMOUNT TO BE FUNDED FROM TAXATION AND NON-SPECIFIC GOVERNMENT GRANTS	8,751,722
	FINANCED BY:	
	Government Grant:	
(1,406,240)	Revenue Support Grant (RSG)	(749,451)
(1,952,000)	Business Rates	(1,764,500)
(5,323,372)	Council Tax	(5,566,140)
(57,789)	Council Tax Freeze Grant	-
(100,000)	Collection Fund Surplus	(210,000)
-	Transition Grant	(56,095)
-	Rural Services Delivery Grant	(405,536)
0	BALANCE - (SURPLUS)/DEFICIT	0
145.42	Band D Council Tax (assumes a £5 increase in council tax in 2016/17)	150.42
36,606.88	Council Tax Base	37,003.99

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ANALYSIS OF CONTRIBUTIONS TO/(FROM) EARMARKED RESERVES

Estimate 2015/16			Estimate 2016/17	
To £	(From) £		To £	(From) £
181,600		Capital Programme	181,600	
16,900		Community Parks & Open Spaces	16,900	
10,000		District Elections	10,000	
87,000		Ferry major repairs & renewals	87,000	
	(969,126)	New Homes Bonus		(500,000)
20,800		Pay & Display Equipment	20,800	
99,000		Pension Fund Strain Payments	99,000	
55,000		Repairs and maintenance	55,000	
1,372,000		Strategic Change Reserve	219,000	
	(7,000)	Strategic Issues		(7,000)
578,000		Transformation (T18) Reserve	0	
541,000		Vehicles & Plant Renewals	541,000	
0		Contingency Reserve	329,040	
2,000		Interest credited to reserves	2,000	
2,963,300	(976,126)	TOTALS	1,561,340	(507,000)
1,987,174		GRAND TOTAL	1,054,340	

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MEDIUM TERM FINANCIAL STRATEGY

APPENDIX 2A

Line No.	Appendix 2A - Council Tax is increased by £5 each year	Base 2015/16 £	Yr1 2016/17 £	Yr2 2017/18 £	Yr3 2018/19 £	Yr4 2019/20 £	Yr5 2020/21 £
1	Base budget brought forward	9,027,727	8,839,401	8,751,722	8,321,572	8,249,402	8,639,155
2	Budget pressures (as per Appendix 3)	2,513,000	1,690,000	545,000	640,000	640,000	575,000
3	Savings already identified (as per Appendix 3)	(2,306,326)	(1,283,800)	(118,000)	(96,000)	(40,000)	(40,000)
4	Additional requirement from NHB in 2015/16	(395,000)					
5	Reverse T18 contributions to reserves		(1,950,000)				
6	Reduce New Homes Bonus contribution from £969,126 to £500,000 for years 2016/17 to 2019/20 - further reduce to £450,000 in 2020/21		469,126				50,000
7	Contribution to T18 Strategic Change Reserve		219,000	66,000	(75,000)	(75,000)	(75,000)
8	Contribution to Contingency Reserve		767,995				
9	Reversal of budget surplus in the following year (assumes budget surpluses are only used to fund one-off investment in the year that they occur and that they do not permanently increase the base budget)			(767,995)			
10	Projected Net Expenditure:	8,839,401	8,751,722	8,476,727	8,790,572	8,774,402	9,149,155
	Funded By:-						
11	Council Tax income - Modelling a £5 increase in council tax each year	5,323,372	5,566,140	5,813,328	6,064,516	6,319,704	6,578,892
12	Council Tax Freeze Grant	57,789	0	0	0	0	0
13	Collection Fund Surplus	100,000	210,000	80,000	80,000	80,000	80,000
14	Revenue Support Grant	1,406,240	749,451	245,393	0	0	0
15	Localised Business Rates	1,952,000	1,764,500	1,799,510	1,853,000	1,912,000	1,962,000
16	Rural Services Delivery Grant	0	405,536	327,451	251,886	327,451	350,000
17	Transition Grant	0	56,095	55,890	0	0	0
18	Total Projected Funding Sources	8,839,401	8,751,722	8,321,572	8,249,402	8,639,155	8,970,892
	Budget (surplus)/ gap per year						
19	(Projected Expenditure line 10 - Projected Funding line 18)	0	0	155,155	541,170	135,247	178,263

Cumulative Budget Gap	0	0	155,155	696,325	831,572	1,009,835
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Modelling Assumptions:	<i>An assumption of an additional 400 Band D equivalent properties per year has been included in the TaxBase and modelling above for 2016/17 onwards</i>					
Council Tax (Band D) (an increase of £5 a year has been modelled)	145.42	150.42	155.42	160.42	165.42	170.42
Council TaxBase	36,606.88	37,003.99	37,403.99	37,803.99	38,203.99	38,603.99

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The references below refer to the Sections in Item 7 of the Revenue Budget report presented to the Executive on 4 February 2016.

	Yr1 2016/17 £	Yr2 2017/18 £	Yr3 2018/19 £	Yr4 2019/20 £	Yr5 2020/21 £
BUDGET PRESSURES					
Specialist resource - Waste and Cleansing options review and delivery (see section 5.3 of Executive report) - one off	30,000	(30,000)			
Reduction in trade waste tipping fees etc	160,000				
National Insurance - (see 5.5)	155,000				
National Living Wage (see 5.6)	25,000				
Dartmouth Ferry - review of income target (see 5.7)	100,000				
Car Parks - review of income target	50,000				
Recycling income - review of income target	160,000				
Inflation on goods and services (see 2.2)	395,000	395,000	375,000	375,000	360,000
Salaries budget for Environmental Services manual workers	100,000				
Reduction in Housing Benefit administration subsidy and Council Tax Support Admin Grant	50,000	50,000	50,000	50,000	50,000
Waste Transfer Station haulage costs	50,000				
Salaries - provision for pay award at 1% (see 2.1)	90,000	90,000	90,000	90,000	90,000
Triennial Pension revaluation	0	125,000	125,000	125,000	75,000
Reversal of vacancy provision	100,000				
Reduction in the Homelessness Grant (see 5.8)	80,000				
Deferment of Waste Rounds review (see 5.10)	85,000	(85,000)			
Cessation of crab export licensing fee income (see 5.11)	30,000				
Planning legal fees	30,000				
TOTAL BUDGET PRESSURES	1,690,000	545,000	640,000	640,000	575,000

DISCRETIONARY BID - Citizen's Advice; Outreach Worker

10,000

Contribution to T18 Strategic Change Earmarked Reserve

Transformation Project (T18) - Approved at 11 December 2014 Council (One-off investment costs included for completeness)
Contribution to Strategic Change Reserve to meet redundancy and pension costs (offset by savings below)

219,000 66,000 (75,000) (75,000) (75,000)

Net contribution to T18 Reserve to meet other non-recurring costs (offset by savings below)

Total Contribution to T18 Strategic Change Earmarked Reserve

219,000 66,000 (75,000) (75,000) (75,000)

SAVINGS AND INCOME GENERATION IDENTIFIED

	Yr1 2016/17 £	Yr2 2017/18 £	Yr3 2018/19 £	Yr4 2019/20 £	Yr5 2020/21 £
Income from fees and charges (see 5.11)	5,000				
Income from business rated domestic properties for trade waste collection	50,000	25,000			
Additional Housing Benefit recoveries (see 5.11)	30,000				
Additional investment income (see 2.3)	25,000	40,000	40,000	40,000	40,000
Review of Members' Allowances (see separate item on the Council Agenda)	31,800				
TOTAL SAVINGS AND INCOME GENERATION (excluding T18 savings)	141,800	65,000	40,000	40,000	40,000

Reduced running costs at Follaton and additional leasing income

23,000 53,000 56,000 0 0

Transformation Project (T18) savings - Approved at 11 December 2014 Council report (Appendix C) - £1,089,000 staff savings (30% of current staffing levels) and £30,000 other staff saving costs (ancillary costs) - Note the £1.142 million savings in 2016/17 are in addition to £1.95 million of savings already built into the 2015/16 Base Budget as shown.

1,119,000

TOTAL SAVINGS AND INCOME GENERATION (including T18 savings)

1,283,800 118,000 96,000 40,000 40,000

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MEDIUM TERM FINANCIAL STRATEGY

APPENDIX 2B

Line No.	Appendix 2B - Council Tax is increased by 1.99% each year	Base 2015/16 £	Yr1 2016/17 £	Yr2 2017/18 £	Yr3 2018/19 £	Yr4 2019/20 £	Yr5 2020/21 £
1	Base budget brought forward	9,027,727	8,839,401	8,673,644	8,165,972	8,016,908	8,330,085
2	Budget pressures (as per Appendix 3)	2,513,000	1,690,000	545,000	640,000	640,000	575,000
3	Savings already identified (as per Appendix 3)	(2,306,326)	(1,283,800)	(118,000)	(96,000)	(40,000)	(40,000)
4	Additional requirement from NHB in 2015/16	(395,000)					
5	Reverse T18 contributions to reserves		(1,950,000)				
6	Reduce New Homes Bonus contribution from £969,126 to £500,000 for years 2016/17 to 2019/20 - further reduce to £450,000 in 2020/21		469,126				50,000
7	Contribution to T18 Strategic Change Reserve		219,000	66,000	(75,000)	(75,000)	(75,000)
8	Contribution to Contingency Reserve		689,917				
9	Reversal of budget surplus in the following year (assumes budget surpluses are only used to fund one-off investment in the year that they occur and that they do not permanently increase the base budget)			(689,917)			
10	Projected Net Expenditure:	8,839,401	8,673,644	8,476,727	8,634,972	8,541,908	8,840,085
	Funded By:-						
11	Council Tax income - Modelling a 1.99% increase in council tax each year	5,323,372	5,488,062	5,657,728	5,832,022	6,010,634	6,194,396
12	Council Tax Freeze Grant	57,789	0	0	0	0	0
13	Collection Fund Surplus	100,000	210,000	80,000	80,000	80,000	80,000
14	Revenue Support Grant	1,406,240	749,451	245,393	0	0	0
15	Localised Business Rates	1,952,000	1,764,500	1,799,510	1,853,000	1,912,000	1,962,000
16	Rural Services Delivery Grant	0	405,536	327,451	251,886	327,451	350,000
17	Transition Grant	0	56,095	55,890	0	0	0
18	Total Projected Funding Sources	8,839,401	8,673,644	8,165,972	8,016,908	8,330,085	8,586,396
	Budget (surplus)/ gap per year						
19	(Projected Expenditure line 10 - Projected Funding line 18)	0	0	310,755	618,064	211,823	253,689

Cumulative Budget Gap	0	0	310,755	928,819	1,140,642	1,394,331
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Modelling Assumptions:	<i>An assumption of an additional 400 Band D equivalent properties per year has been included in the TaxBase and modelling above for 2016/17 onwards</i>					
Council Tax (Band D) (an increase of 1.99% has been modelled)	145.42	148.31	151.26	154.27	157.33	160.46
Council TaxBase	36,606.88	37,003.99	37,403.99	37,803.99	38,203.99	38,603.99

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Report to: **Council**

Date: **11 February 2016**

Title: **Heart of the South West Formal Devolution Bid**

Portfolio Area: **Strategy and Commissioning**

Wards Affected: **All**

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

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

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

Author: **Steve Jorden** Role: **Executive Director (Strategy and Commissioning)**

Contact: **steve.jorden@swdevon.gov.uk**

(NOTE: a version of this report was also considered by the Executive at its meeting on 4 February 2016).

Recommendations

That Council RESOLVES to:-

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

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

- 2. Approve the final devolution proposal**
- 3. Agree that, should government timescales change, or minor amendments become necessary, authority be delegated to the Head of Paid Service in consultation with the Leader of the Council to approve the final proposal.**

1. Executive summary

- Devolution for the Heart of the South West (HotSW) is being led by the Leaders of Somerset and Devon County Councils, all Somerset and Devon Districts, Torbay Council, Plymouth City Council, Dartmoor and Exmoor National Parks, three Clinical Commissioning Groups and the Local Enterprise Partnership.
- Our shared Devolution Statement of Intent was submitted to Government on 4 September in response to announcements in the July Budget and a deadline set by the Chancellor of the Exchequer. The Government received 38 bids from cities, towns and counties across England. There is strong competition for devolution powers and some bids are further advanced than HotSW. Nevertheless, the Government has subsequently asked us to produce detailed devolution proposals with a view to negotiating a formal deal thereafter.
- The process to produce formal proposals is almost complete and is being coproduced across the HotSW. This report updates the Council on the latest position following a meeting of the HotSW Devolution Partnership on Friday 22 January 2016.
- Any final devolution deal with government will be subject to further approval / ratification by all partners individually.

2. Background

- The Government has declared its desire to devolve powers and budgets from Westminster to local authorities, along Local Enterprise Partnership geographies. The Chancellor of the Exchequer is particularly interested in devolution as a driver of economic growth and reducing reliance on the public purse.
- In general, devolution is expected to support the following areas of government policy:
 - Increased productivity
 - Skills and employment
 - Housing
 - Reducing the cost of the public sector
- During August, Heart of the South West Leaders agreed to produce a high-level set of ambitions stating our desire to negotiate a devolution deal with government where we would make improvements to our area in return for increased powers and responsibilities.
- The Heart of the South West Devolution Statement of Intent was submitted to Government and made public on 4 September 2015.

- The Government praised our statement of intent for its clarity and ambition and asked us to move forward swiftly to produce detailed, formal proposals and begin negotiation with them on a formal deal.
- Government's expectation is that we will submit proposals and carry out formal negotiation in early 2016.
- Therefore, partners are now working on formal proposals and preparing for high-level discussions with Government.

3. Outcomes/outputs

The Council has an opportunity to benefit from devolution across a wide range of topics and services. Benefits may include increased powers over decision-making and funding, leading to decision-making that more closely reflects local needs, improves services and reduces costs.

Devolution has clear links to, and potential to enhance the benefit of the Council 'Our Plan' strategy and links into the Councils transformation programme T18.

These recommendations seek to gain authority to pursue solutions that help the Council maximise the opportunities of devolution. They do not commit the Council to a formal devolution deal, only to make and negotiate on proposals.

At this stage of the process the Council is not required to take decisions on the detail of what would be delivered under any devolution deal or possible future governance arrangements but rather to be actively aware and involved in discussions.

Consultations undertaken

Despite the Government's challenging timescales to date, efforts have been made to keep Members informed on the development of the proposals and this will continue going forward.

Any final devolution deal with government will be subject to:

- Further approval / ratification by all partners
- Consultation, as appropriate, before delivery of parts of the deal

4. Options available and consideration of risk

- Options considered and reasons for rejecting them

Alternative approach	Reason for rejection
Not to participate	There is significant potential benefit to South Hams through devolution which can be explored with minimal risk.
To submit proposals based on a different geography	Government has confirmed that the preferred geography for proposals is based on Local Enterprise Partnership boundaries.

- Failure to secure a deal may affect delivery of the Council’s ambitions. Implications will be addressed as any devolution deal is developed and agreed.
- One or more partners may choose not to proceed with a formal bid which could result in the bid floundering.
- There are not considered to be any other implications at this stage however the whole population of our authority could be affected by a devolution deal.
- Any final devolution deal with government will be subject to further approval/ratification by all partners, and will require other implications and impacts to be considered at that stage.

5. Proposed Way Forward

Next Steps: Producing formal devolution proposals

- A Programme Management Office is overseeing delivery of each chapter and maintaining communications between partners. Currently this Office is funded through existing resources. It is important to note that each partner remains responsible for their own governance processes and public/in-house communications.
- Each theme ‘chapter’ will demonstrate a thorough understanding of the issues and the difference that devolved powers and funding would make, including:
 - A robust evidence base
 - A series of ‘offers’ to government and ‘asks’ from government showing:
 - Stretching targets

- Demonstrable outcomes for the Heart of the South West area
 - Resource requirements including an analysis of costs and benefits
 - Impact assessments
 - Proven capacity and capability to deliver
- Work has been undertaken to produce proposals to be submitted to Government, including the document 'Devolution for the Heart of the South West – A Prospectus for Productivity'. This document outlines the position and objectives of the Heart of the South West Devolution Partnership. In line with the commitment to keep Members informed, this document is attached at Appendix A.
 - At a meeting of the Devolution Partnership on 22 January 2016, partners agreed the papers to take forward in the Statement of Intent. Next steps will be agreed, including stakeholder engagement.
 - Council Members will continue to be kept informed as work continues, including through regular updates, Member events and informal briefings.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		None at this stage. Implications will be addressed as any devolution deal is developed and agreed
HR		None at this stage. Implications will be addressed as any devolution deal is developed and agreed
Financial		<p>Until detailed devolution proposals are developed, financial implications can only be generalised. They fall into three categories:</p> <ol style="list-style-type: none"> 1. The Government requires devolution to be a fiscally neutral process – power over funding may be transferred but no new government money will be made available except potentially for 'pump priming' activity

		<p>2. There is potential for savings across the public sector in the Heart of the South West and proposals are being developed with this in mind</p> <p>3. The Government may however attempt to negotiate additional spending by the council or other partners as a requirement of one or more parts of the final deal</p>
Risk		As noted in para 4
Comprehensive Impact Assessment Implications		
Equality and Diversity		None at this stage
Safeguarding		None at this stage
Community Safety, Crime and Disorder		None at this stage
Health, Safety and Wellbeing		None at this stage
Other implications		None at this stage

Supporting Information

Appendices: Devolution for the Heart of the South West – A Prospectus for Productivity

Background Papers:

Statement of Intent – e-mailed to Members on 23 October 2015
 Draft Proposal
 Draft Governance paper

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



Devolution

for the Heart of the South West

A Prospectus for Productivity

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Outline Roadmap

The Heart of the South West



- - Key Road Route
- - - - Key Rail Route
- - - - Planned Infrastructure Improvements
- - - - Proposed Infrastructure Improvements

● - Principal Growth Areas	● - Renewable energy potential	● - Universities	● - Innovation Centres	● - Hinkley Point Nuclear Site
● - Secondary Growth Areas	● - Enterprise Zones	● - Science Parks	● - Marine Technology	● - Yeovil Aerospace

Executive Summary

In September 2015 the Heart of the South West (HotSW) submitted its devolution Statement of Intent to Government. After considerable further work during autumn 2015, the partners - 17 local authorities, two National Parks, the Local Enterprise Partnership (LEP) and the three Clinical Commissioning Groups - are now in a position to commence detailed negotiations with Government on a devolution deal.

Government has challenged local leadership teams to treat productivity as 'the challenge of our time'. They have asked us to do that by 'fixing the foundations' of infrastructure, skills, and science through a devolution revolution delivering long-term public and private investment.

Heart of the South West productivity continues to lag behind national productivity and is currently under 80% of the UK average. To redress this we need more, better jobs, a healthier, higher skilled labour market and new homes for our growing population.

With Government support for our proposition, by 2030 the Heart of the South West can accelerate delivery of 163,000 new jobs, 179,000 new homes and an economy of over £53bn GVA. To put this in context, this is more growth over the next fifteen years than Bristol, Birmingham and Nottingham (the three non-'Powerhouse' core cities) have delivered in the last fifteen.

To do this we will exploit and deliver our Golden Opportunities around investment in nuclear energy at Hinkley, across the peninsula in marine, aerospace, advanced manufacturing and environmental futures. We will connect our rural communities to these transformers and address the challenges of ageing and health-related worklessness with unprecedented

health and care integration.

We will take responsibility for fixing our foundations. We seek Government's support to do this through negotiation and delivery of a far reaching devolution deal for the Heart of the South West.

Our approach to delivering this transformation focuses on a comprehensive Productivity Plan:

- **For people:** we will build on Government's own national reconfiguration of the skills system to supply business with the skills it needs and a labour market able to deliver productivity per job and per hour at 'Greater South East' levels (outside Inner London). Our plans for health and care integration will support a significant proportion of our non-working population into work.
- **For business:** our Growth Hub will enable business growth and internationalisation following closure of the national Business Growth Service. We will augment this with specific policies and initiatives to realise national priorities implicit in our Golden Opportunities.
- **For place:** we will provide the infrastructure and housing required and make the Heart of the South West investment ready. We also recognise that much of our growth will occur in specific sub-regional economic geographies. We will plan and manage change in these sub-regions to ensure their connectivity with each other, with the rest of the country and globally. We will make sure that rural areas access and leverage these opportunities and build on Government's 10 point plan for rural productivity geographies.¹

¹ The Heart of the South West's economic transformational opportunities were identified and agreed in our Strategic Economic Plan, March 2014.

Cohesive, coherent leadership and governance of this transformation is crucial. We propose to establish a Combined Authority to provide leadership, supported by sub-regional delivery mechanisms so powers and resources are deployed on the scale at which our economy functions. These arrangements will develop new ways of working to address priority issues.

Our proposals build upon successful and strong business leadership through our Local Enterprise Partnership: we cannot deliver effective economic interventions without a strong business voice.

If we do not act, the Heart of the South West will not be able to contribute to the Government's ambition to meet the national productivity challenge as set out in Fixing the Foundations.

This document outlines our position and objectives. An early agreement on heads of terms for a devolution deal will trigger the start of our governance review and formulation of our Productivity Plan.



New housing across the Heart of the South West



Bridgwater Enterprise and Innovation Centre

Our Vision and Goals

Government recognises that fixing the foundations and devolution are the projects of a generation. Our key challenges are:

- An insufficiently skilled workforce and limited pool of available labour: many young people move away to live and work, rather than stay or move into our area.
- A need for more infrastructure to support our existing businesses and workers and to attract new ones. We need better and more resilient infrastructure: roads, railways, broadband and housing.
- Enabling a more effective, far-reaching support environment for businesses to sustain those we already have and make the area more attractive to inward investment and home-grown entrepreneurs.
- Managing the significant and increasing cost of health and social care, which combined with our ageing population threatens the viability of public services unless radical reforms are completed.

Productivity-led growth in the Heart of the South West will have three dimensions:

- **People:** who are healthy, with the skills they need to access higher value jobs and grow their careers.
- **Business:** more businesses creating new jobs and increasing productivity.

- **Place:** sustainable growth across the geography, supported by modern infrastructure and accelerated housing delivery.

We signalled our intention to meet these challenges with our Statement of Intent. The submission of this more detailed proposition shows how serious our intent is. We believe the proposals we have committed to developing will realise our local ambitions and make decisive, important contributions to Government's national priorities.

With Government support for our proposals we will redress our productivity gap and help us manage demographic challenges more effectively. Key outcomes we will achieve by 2030 include:

- £4bn additional in GVA for the UK economy.
- 163,000 new jobs.
- Infrastructure that supports our ambitious plans.
- 179,000 more homes, and accelerated delivery in major growth points.
- Wage levels higher than the national average.
- Additional tax revenue for the Treasury of £113million per year.
- Apprenticeship starts increased by 400%.
- Every young person in education, employment or training.
- £1bn per year welfare benefits savings as more people enter employment.
- 60% of our workforce qualified to NVQ level 4 or above.
- Faster more reliable rail services with greater capacity.
- Faster and more reliable journey times on our road network, with less congestion.
- 100% superfast broadband coverage.

The Heart of the South West has a strong track record of delivering in partnership for residents and businesses:

- Securing and supporting major national and international investment in the future of the nuclear industry at Hinkley Point.
- Plymouth and South West Peninsula City Deal.
- A total of £195.5m secured through Growth Deals – including the highest Growth Deal 2 settlement of any LEP area in the country – to deliver a comprehensive programme of projects in pursuit of growth.
- Exeter University, Science Park, Innovation Centre and Innovation Zone.
- Connecting Devon and Somerset superfast broadband.
- Three Enterprise Zones: South Yard in Plymouth to support innovation and growth in marine industries, Huntspill Energy Park near Bridgwater to support the growth of a new nuclear cluster catalysed by investment in Hinkley and east of Exeter sites aligned to opportunities in environmental sciences and big data.
- Delivery of Plymouth Science Park by Plymouth City Council and Plymouth University, now entering phase 5, creating the largest science park in the south of England.
- Better, more reliable roads, including major improvements to A303, A358, A30 corridor, M5 Junctions and A361 North Devon Link.
- The Peninsula Rail Task Force.
- Connecting communities in rural areas.
- Exeter and East Devon Growth Point.
- A high quality and thriving Further Education Sector.
- Health and social care initiatives including Somerset's 'Symphony' Vanguard project, Exeter 'ICE', Torbay's Integrated Care Organisation and 'One System One Budget' in Plymouth.

We can scale up and build on these experiences. However, without the comprehensive framework that our governance proposals will deliver, the Heart of the South West and national Government will miss out on the solutions, linkages, and effectiveness that collective leadership can achieve.

A Heart of the South West devolution agreement with robust governance structures, accelerated delivery, and more focused use of scarce resources is the optimal way for Government to assure itself that the national Fixing the Foundations plan is being proactively and consistently led and delivered across the Heart of the South West.

In this prospectus we set out our goals for 2016-2030 and how we will deliver the long-term and evolutionary work required to achieve our devolution revolution.



FlyBe Academy

National Context

Government set out its long-term ambitions for the UK economy in 'Fixing the Foundations', its productivity plan for 2015-2020. This framework outlined how long-term investment and a dynamic economy could raise productivity and lift living standards. Government's invitation to areas to propose ways that devolution could contribute to this agenda led to our Statement of Intent being submitted on 4th September 2015.

With policy developments in the autumn, and the Spending Review, Government has firmed up the financial intentions behind the productivity plan. In terms of local contributions leadership teams need to deliver an extensive portfolio of reforms:

- In skills and employment, 2016-20 will see major reforms of the post-16 and adult skills systems (both of colleges and providers on the supply side, and of loans for learners on the demand side). Post-16 Area Reviews and introduction of the Apprenticeship Levy offer opportunities to transform the delivery of local labour market skills, however the demands of transition may be acute.
- Physical investment will need to be managed in the context of higher performance expectations for planning regimes, new approaches to housing supply (especially starter home ownership) and proactive asset management at a public estate as well as local authority level. Local leadership teams will also need to play into the revision of the National Infrastructure Plan with new commitments to flagship schemes like HS2 and nuclear energy.

- As the national Business Growth Service closes by March 2016, new pressures will be placed on emerging local Growth Hubs. For innovation, local and regional Science and Innovation Audits will seek to shape national priorities as Research Councils and Innovate UK come together in Research UK with a range of new products.
- These agendas, and others, need to be delivered without diverting attention from existing commitments. These include City Deals, local Growth Deals, the European Structural and Investment Fund programmes, and other legacy programmes, such as the Regional Growth Fund, Growing Places Fund, existing and newly announced Enterprise Zones.

These agendas sit alongside, and will be enabled by, devolution and fiscal reforms and managed in the context of continued public sector expenditure constraint.

The challenge for the Heart of the South West is to shape these national priorities to our unique circumstances. We have drawn on our Strategic Economic Plan to describe the causes of our productivity challenge, identify our key Golden Opportunities and understand how to build on our track record of success.



Hinkley Point C, Somerset

Local Context

The Heart of the South West covers most of the south west peninsula. Its 1.7 million residents live in a mixture of rural and urban settings served by a stunning natural environment and rich cultural heritage.

Most of our businesses are small and medium sized enterprises (SME) employing fewer than five people, providing excellent potential for growth and innovation. We are also home to cutting edge engineering and manufacturing industries including companies of global significance:

- Aerospace and advanced engineering industries employ more than 23,000 people and contribute over £1billion to the economy. Businesses in the area also have specialisms in advanced electronics/photonics, medical science and wireless and microwave technologies.
- Analysis of the comparative advantages of our local assets has identified that the Exeter City Region can make a unique contribution by becoming a globally recognised centre of excellence in weather and environment-related data analytics. Exeter is home to the Met Office, the city leads Europe in combined environmental science, data and computational infrastructure, hosting 400 researchers in environmental and sustainability science. From 2017, it will also host the most powerful supercomputer in Europe.

- The first of the UK's new generation of nuclear reactors being constructed at Hinkley Point will deliver substantial economic benefits across the south west. It is part of our growing low carbon and energy sector and offers £50billion worth of business opportunity in the nuclear sector within a 75-mile radius of Hinkley Point.

- We are a global centre of excellence for marine science and technology, including Plymouth University's Marine Institute and the Plymouth Marine Laboratory.

- There are 30 working fishing ports across the Heart of the South West, including the two largest fishery landings in England at Brixham and Plymouth.

- The South West Marine Energy Park, the country's first, serves the wider south west peninsula, and offers direct access to superb physical assets and resources including the north Devon and north Somerset marine energy coasts for opportunities in wind, tidal and nuclear energy.

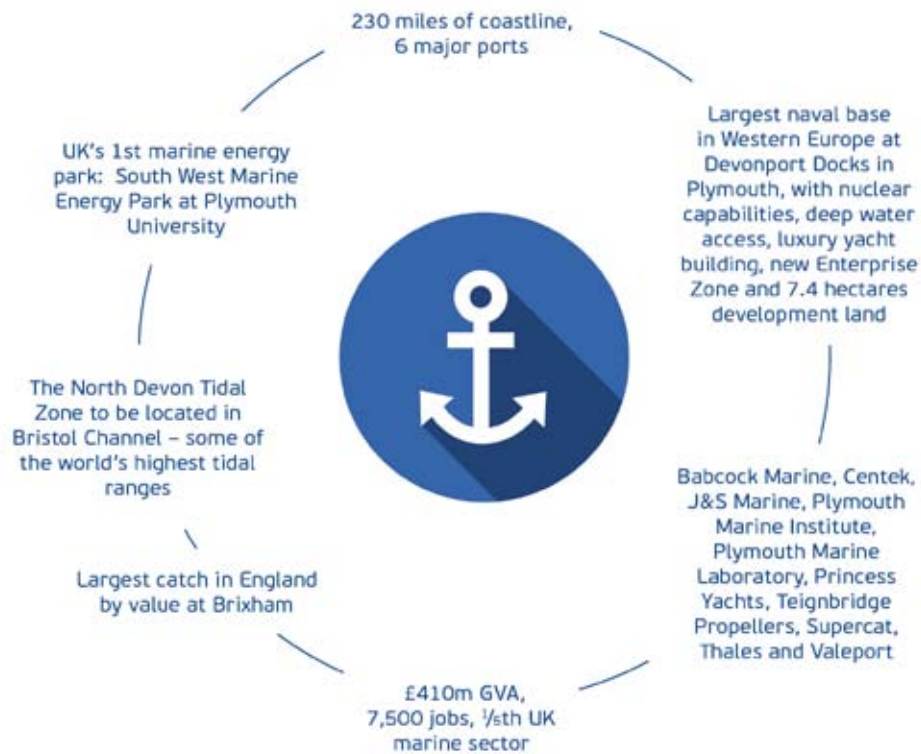
Our mixed economy also serves our traditional strengths. Our tourist and visitor economy attracts millions of visitors per year and our food and drink sector has a significant impact on national GVA (4.2% in 2011).

Whilst our largest employment sectors remain public administration, health and education, our Local Enterprise Partnership's Strategic Economic Plan recognises our area as having 'New World' potential if opportunities can be capitalised upon and the right conditions for growth created.

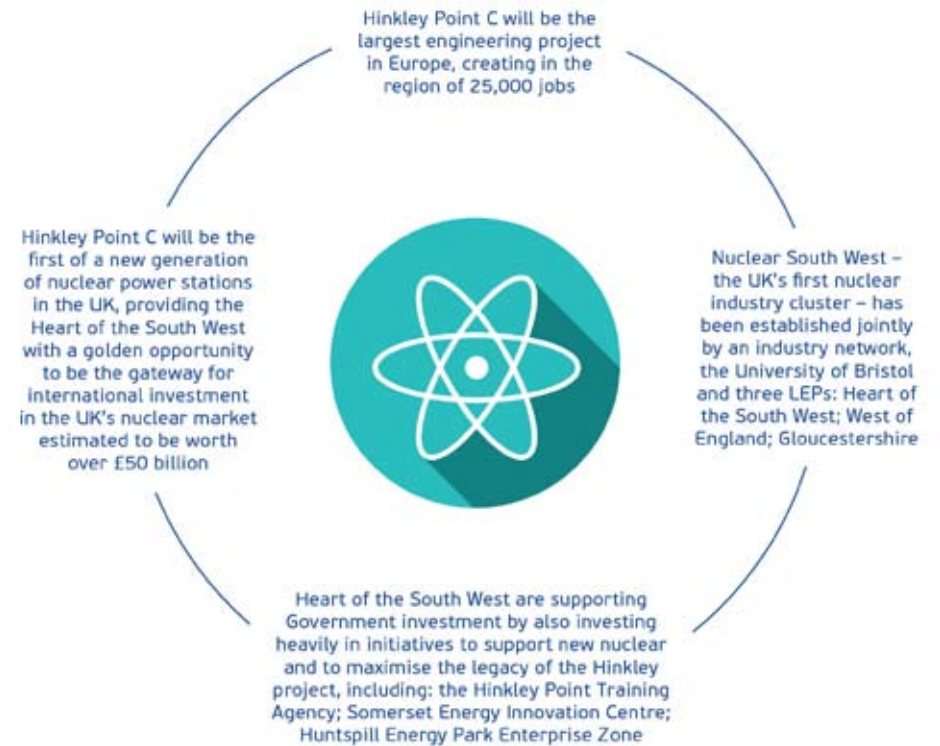
Golden Opportunities

We have identified six Golden Opportunities that we will use to drive productivity and economic growth whilst continuing to support our diverse economy and taking advantage of new opportunities as they emerge.

Marine



Nuclear



Aerospace and Advanced Engineering

UK has world's second largest aerospace industry – worth £1bn in HotSW employing 23,000



Major companies
AgustaWestland, Airbus,
Boeing, FlyBe, BAE
Systems, GE Aviation
Systems, Gooch &
Housego, Honeywell,
Thales, Rolls Royce,
GKN Aerospace

14 of the world's top 15 aerospace and advanced engineering companies in the South West, with 900 supply chain companies

Data Analytics

New Met Office £97m Supercomputer will be the most powerful environmental supercomputer in the world – providing long term, detailed global climate prediction and Big Data

Intellectual firepower of over 400 researchers in the Met Office & University of Exeter

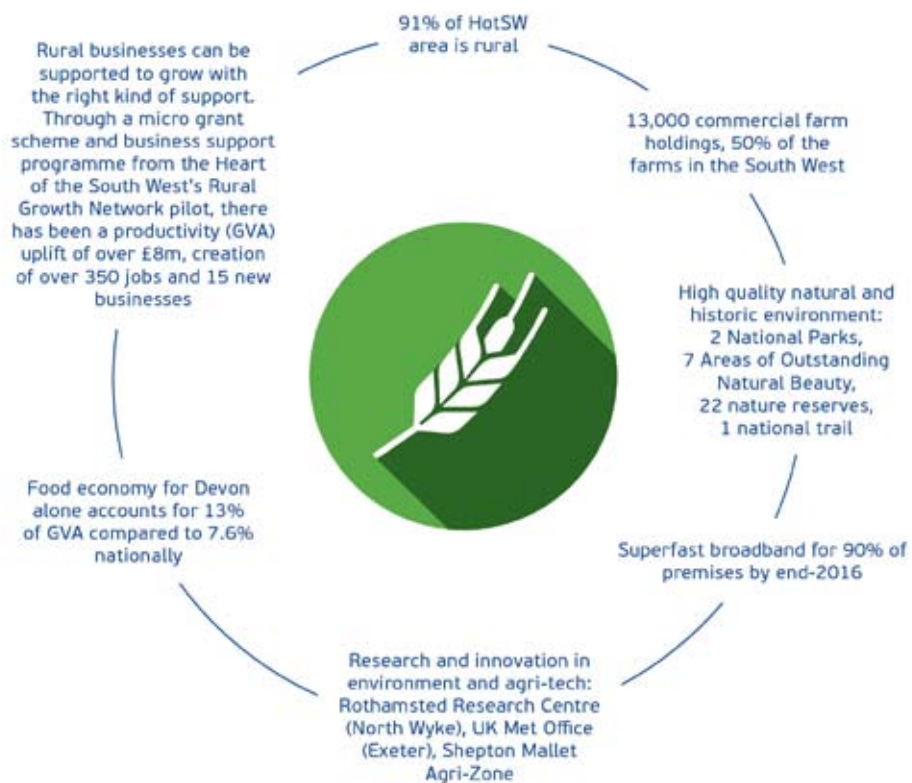


Food Security & Land Research Alliance: Bristol & Exeter Universities, North Wyke Farm Platform (Rothamsted & Duchy College) ground-breaking discoveries in global food security, crop, soil and land management, animal health and marine science

Exeter has more lead authors on the Intergovernmental Panel on Climate Change 5th Annual Report than any other city in the world

The UK Hydrographic Office in Taunton is the world's leading digital provider in the field of marine navigation, hydrographic & maritime data services

Rural Productivity



Health and Care



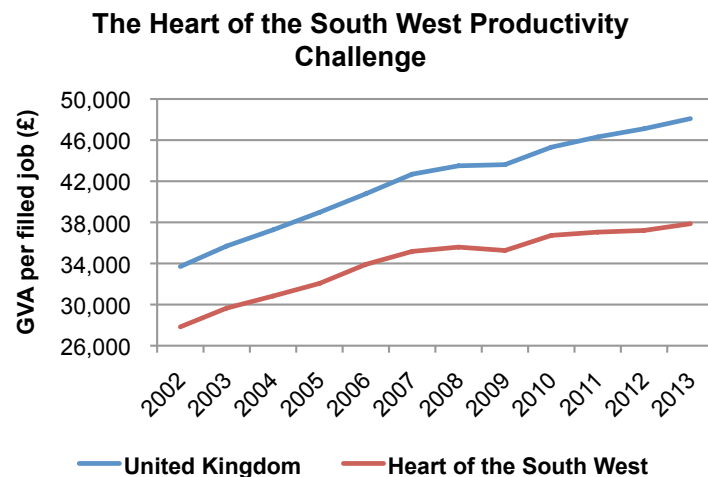
From six Golden Opportunities to six Key Challenges

Realising our vision, goals and targets requires us to address and solve six major, interrelated economic and societal challenges:

1. Our productivity is too low and growing too slowly

Whilst not uniform across the area, in 2013 our productivity per job filled was below 80% of UK averages, a fall of around 3% over the last decade. Our forecasts suggest that unless we unlock our emerging transformational opportunities our productivity will continue to lag behind the rest of the UK.

This performance is a manifestation of poor comparative skills levels, labour market shortages, insufficient infrastructure, and poor connectivity, the human and financial cost of ill-health, a lack of joined-up support for business and need for higher value industrial densities.



2. Our labour market is limited in size and skills levels

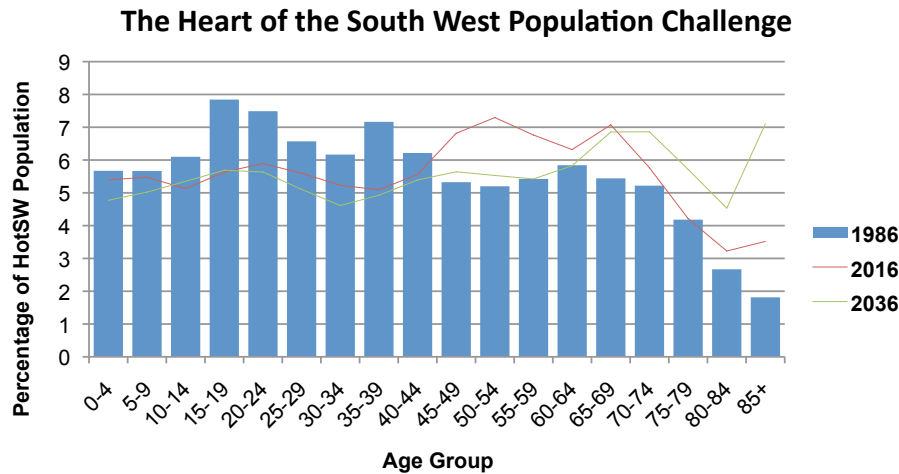
A key factor in our low productivity is a shortage of workers and a shortage of skills. Low unemployment means businesses have a limited labour pool from which to draw recruits. Higher level skills attainment is below national averages and out-migration of our talent to London and other metropolitan centres means that employers regularly report labour shortages and recruitment difficulties.

3. Our enterprise and innovation performance is inconsistent and needs to improve

Evidence shows that businesses that take up support do better than those who don't. However, the business support landscape is complex and confusing and short-term Government funding for programmes creates uncertainty. The Heart of the South West ranks 38th out of 39 LEP areas on many measures of innovation including patent registrations and Innovate UK funding. We cannot resolve these science and innovation issues without more highly skilled workers and a stronger innovation environment, particularly around our Golden Opportunities.

4. We are a leader in facing the challenges of an ageing population

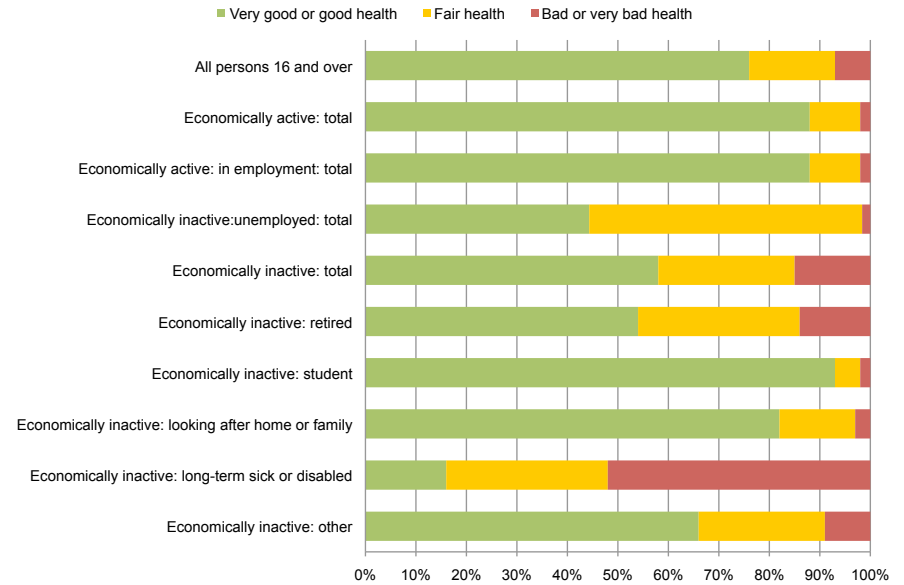
Our population profile shows a significant increase in the proportion of our residents aged 65 or over and a corresponding decrease in the proportion of working age people under 45. By 2036, 17% of our population – more than 327,000 people – will be over 75 years of age.



5. We are a leader in facing the challenges of health and care integration

Particularly related to our demography, our health and care system needs to be reshaped to meet social, economic and financial pressures. Our area performs poorly for mental health outcomes when compared to national figures, making this a key priority.

Heart of the South West Economic Activity by General Health



A healthier population means lower public sector costs and increased economic activity. To fill 163,000 more jobs we must engage the non-working population in the labour market which will require a significant health and care contribution.

Employment of people with physical disabilities, learning disabilities, mental health issues and other long-term conditions is strongly correlated with their achieving better outcomes and being less dependent on publicly funded health and care services. This represents considerable productive potential.

6. Our infrastructure and connectivity needs to be modernised and more resilient

More infrastructure especially housing, transport links, broadband, mobile connectivity and energy grid improvements are required to make our area more attractive to investors and viable for the future. Improving these conditions are key to giving businesses in our area the tools they need to compete in global markets, attract future entrepreneurs and secure investment. We must overcome these barriers if we are to capitalise on our transformational opportunities.

Fixing the Heart of the South West and our contribution to fixing the national foundations

The current landscape of funding and decision-making has only taken us so far. Despite our achievements to date we need freedom to act more decisively. A devolution agreement means we can take responsibility for our unique challenges and capitalise on our Golden Opportunities.

The dividend for the National Productivity Plan is considerable. Besides the specific metrics identified in our goals, the UK will benefit from global and national energy investments and security, environmental futures and big data capabilities, an at-scale set of solutions to health and care integration and public service reforms.

This negotiating prospectus lays out the heads of terms of an agreement to create the foundations for a transformational jump in productivity. It will deliver quick wins this decade whilst planning for the medium and long-term.

Fingle Bridge, Devon



Improvements by Rail



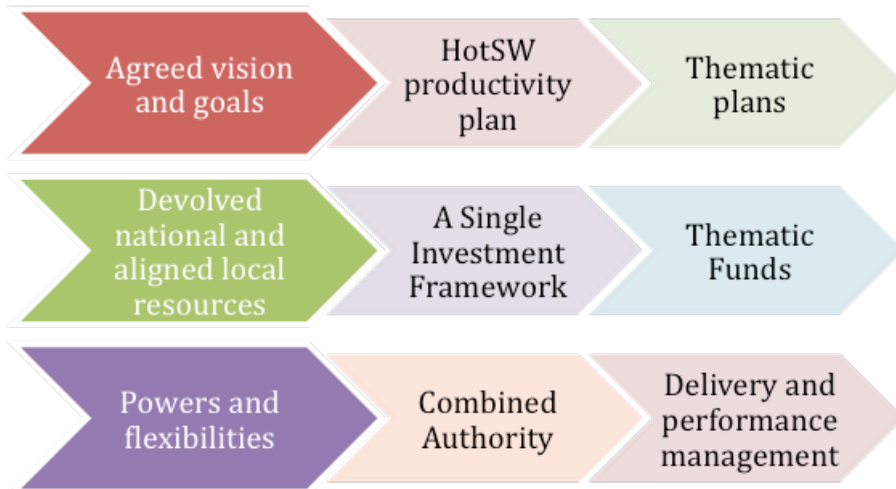
Met Office, Exeter

Our negotiating prospectus

We wish to agree with Government a shared commitment to building three pillars of a devolution deal for the Heart of the South West.

Foundation 1: The Productivity Plan

The Productivity Plan will be our instrument for fixing our foundations. It will incorporate the refresh of our Strategic Economic Plan and scale up local growth agendas for 2016-20 incorporating Spending Review and public service reform priorities. It will include proposals for our Strategic Labour Market Plan and Strategic Infrastructure Plan. It will also reflect our ambitions for integration of health and social care where they link to our devolution deal.



Foundation 2: The Single Investment Framework

The Single Investment Framework will set the financial parameters of our agreement and encompass devolved funds and locally aligned resources. It is likely to include:

1. A single infrastructure fund to provide the physical investment for backbone, nationally-significant infrastructure.
2. A housing delivery instrument to accelerate housing delivery by unlocking key sites and stimulating market activity.
3. Skills and employment allocations to enable remodelling of the skills and employment landscape.
4. Devolved health and care budgets delivering agreed business cases with NHS England and other partners.

We believe agreement to formulate these two foundations will enable early delivery of accelerated housing development, skills reform, and improved business support, with health and social care reform and infrastructure development taking place in parallel.

These two foundations will be overseen and assured by a Combined Authority arrangement. This will, once established, provide the Heart of the South West counterpart to Government for planning and management of our devolution deal. It will take responsibility for the powers, resources and deliverables outlined below.

People

A highly skilled, high productivity labour market meeting businesses' employment priorities

We are clear that without proactive leadership and intervention our skills profile will remain a chronic block to fixing our foundations and delivering our vision.

We intend to use national reforms, led and shaped locally, to deliver a labour market capable of achieving productivity at Greater South East levels (excluding the distorting effect of Inner London).

Government's expectations of local leadership teams for 2016-20 as laid out in existing devolution agreements, the 2015 Spending Review and other policies include:

- Planning and management of phased devolution of post-19 public sector adult skills budgets, leading to full commissioning and funding of providers from 2018-19.
- Chairing and facilitation of successful Area Reviews of post-16 education and training, implementation of review recommendations including reshaping provision where required.
- Co-design of apprenticeship reforms including introduction of the levy and deployment of Apprenticeship Grant for Employers.

- Co-design of future employment support programmes with DWP and performance management regimes.

The Combined Authority will take responsibility for delivering these agendas, augmented by specific asks around:

- Specification and delivery management of Careers, Education Information, Advice and Guidance in schools and colleges.
- Support from Government to deliver a wider Higher Education offer for Somerset, including a new university.

Our Offer	Our ask of Government
Responsibility for reshaping the skills and employment system. Delivered through formulation, agreement, resourcing and delivery management of a business-led Strategic Labour Market Plan.	Full devolution of powers to the Combined Authority, phased over a number of years, with relevant skills, education and employment budgets into the Single Investment Framework. Government departments and agencies to co-design and co-deliver the Strategic Labour Market Plan.

Why is this important?

Our analysis has shown:

- Young people are not getting the independent, quality careers and education advice and guidance to help them make informed decisions on their education and training.
- Employer productivity improvements are held back by shortages and lack of skills in local labour markets.
- The national provider system is poor at anticipating and securing future skills needs.
- Support for the workless is ineffective for those furthest from the labour market. Our evidence shows a distinct lack of progress for those in receipt of Employment Support Allowance despite significant investment and reform.

Key outcomes

With the powers and funding outlined above we believe a devolution deal will allow us to deliver the skilled workforce our productivity ambition requires. We will work with Government to design system reforms that deliver:

- 40,000 people helped to move from benefits into paid work.

- Benefit bill savings to Government of £1bn per year.
- Additional money earnings locally per year of £800m.
- Additional tax income for Government of £113m per year.
- All young people in employment, education or training.
- Apprenticeship starts increased by 400% and aligned to our six Golden Opportunities.
- Parity of esteem between vocational and academic pathways.
- Maximised links between Golden Opportunities and skills development to encourage young people into our area's high tech industries.
- A university for Somerset.



Babcock Training

A national demonstrator of effective health and care integration for improved wellbeing

The Heart of the South West already has well established and innovative local approaches to health and care integration, however our system continues to be under demographic pressure. We now have an opportunity to bring together resources across the public sector to deliver the systemic reform needed by the health and care system and through strong local leadership can engage communities and voluntary sector in that enterprise. We want to create a system where prevention and early intervention are an integral part and which rethinks its approach to mental health and wellbeing. In summary:

Our Key Offer	Our ask of government
Building on the NHS 5-Year Forward View, we will deliver a 'whole system' approach to health and care.	Devolution of 5-year place-based population budgets for health, care, and public health
This will include:	
Devolved commissioning of primary and associated specialist care services including mental health.	
Flexibility in regulation and budgeting, including freedom for partners to pool resources.	
Greater emphasis on public health and the link between health and housing.	
Capitation-based payments.	
Support to address skills shortages.	

Why is this important?

We want people to lead longer, healthier, more productive and fulfilling lives while ensuring the sustainability of our health and care services.

Health outcomes are generally good and life expectancy is high, but too many people develop avoidable long-term multiple conditions which affect both the quality of their lives and their ability to work. People with mental health conditions are in too many cases poorly served by a fragmented system in which there is no effective link between preventive, primary care and acute services.

Health and care is the second largest sector in our economy but productivity lags behind other areas and there are workforce and skills shortages which affect both the quality and cost of provision. These issues can only be tackled through whole-system reform and a closer matching of strategy and resources to local need.

Our ageing population demography is ahead of many other areas meaning we have an opportunity to lead the way in tackling the associated health, care and economic challenges.

Key outcomes

Devolution will help us create a health and care system that supports a healthier population, greater personal independence and wellbeing, and improved workforce productivity:

- Better physical and mental health outcomes.
- A system that is integrated and financially sustainable, offering a whole system approach, and is a test-bed for Government innovation.
- People of all ages encouraged and supported to make healthy lifestyle choices and manage their own care, therefore diverting or delaying dependency.

Devolution offers the potential for us to go further, faster, and bring reform initiatives together at a scale and with a scope that can provide a demonstrator (given our advanced demographic profiles) to health and care reforms in other parts of the country:

- The NHS 5-year Forward View and the requirement on areas to develop transformation plans for local areas.
- The financial settlement for local government, including the requirement to submit integration plans by 2017.
- Changing Better Care Fund guidance and the option to work across local authority areas to plan and deliver it.
- The 'Success Regime' applying to NEW Devon Clinical Commissioning Group and its impact on, and learning for, other health and care economies.



Improved health care and wellbeing.

Business growth and innovation

Government expectations of local leadership teams for 2016-20 includes sustaining and developing support for business growth after closure of the Business Growth Service, as well as enabling distinctive contributions to national research and innovation-led growth priorities. For us this means scaling up the reach and impact of our Growth Hub and realising the full potential of our Golden Opportunities.

To deliver this Heart of the South West partners already have primary responsibilities for:

- Operation and performance management of the Growth Hub and shaping of national agency (eg UKTI) access and support to Heart of the South West business.
- Strengthening the coherence and effectiveness of local innovation eco-systems around our Golden Opportunities - notably the marine cluster anchored by Plymouth, the environmental futures cluster anchored by Met Office investments in Exeter, the UK Hydrographic Office's long-term commitment to Taunton, the nuclear cluster catalysed by Hinkley Point C, and the broader South West aerospace cluster with its major growth node in South Somerset.

Our skills and infrastructure proposals provide a number of interventions to address these challenges. These will feed into and through the Growth Hub so our business growth and innovation strand, in summary, will:

Our Key Offer	Our ask of Government
<p>Scale up and assure a Growth Hub providing a seamless approach to business growth support.</p> <p>Strengthen a network and cluster of 'innovation eco-systems' anchored by each of our Golden Opportunities</p>	<p>An increased devolved revenue pot for at least 5 years which can draw if required on the Single Investment Framework.</p> <p>Co-commissioning of all remaining national business growth and internationalisation services.</p> <p>Commitment to bespoke agreements with national agencies to realise the UK and local growth dividends of each of the Golden Opportunities - underpinned by an early Science and Innovation Audit undertaken by a consortium of south west LEPs and universities.</p>
<p>This strand will include: Collaboration with neighbouring LEPs on a cluster approach to inward investment.</p>	

Why is this important?

Discharge of these primary responsibilities is impeded by national pressures which manifest themselves locally. Analysis shows:

- SMEs and early stage entrepreneurs find national and local systems fragmented, opaque and bureaucratic. This leads to low rates of business growth support take-up and entrepreneurial/start-up activity.
- Inward investment, internationalisation and trade, and our visitor economy are held back because the South West is perceived to be a distant periphery. Offers are poorly joined-up and we have a low national profile, and are a low priority for UKTI, VisitEngland and other agencies.
- National science and innovation products and services are not accessed consistently by existing business. Furthermore our national offer is not investment-ready so cannot easily take advantage of the potential of our Golden Opportunities.

We need more certainty of investment and freedom from national funding cycles so we can operate our proposed Single Investment Framework and ensure the right interventions are made at the right time to support our economic opportunities.

Key outcomes

Our Golden Opportunities and distinctive assets have the potential to

release major productivity gains for us and for the national economy. Business support devolution will drive productivity through:

- More businesses taking up the support they need.
 - 20% of business stock informed about business support
 - 3,000 businesses supported
 - 750 business accounts managed
 - 10 Operational Level Agreements signed between business support delivery partners
 - 360 businesses receiving intensive support
 - 36 events to co-ordinate network businesses support delivering with the aim to simplify business support customer journey
- Significantly increased levels of inward investment.
- Heart of the South West businesses competing strongly in the global economy.
- Better engagement with business and an entrepreneurial culture.
- Double the number of international tourists to the Heart of the South West and more national tourists.
- Greater levels of science and innovation in our economy: double the uptake of Innovate UK support, and increased research and development.

Place

Government expectations of local leadership teams over 2016-20 include:

- Adoption and implementation of Local Plans with demonstrable collaboration across functional economic areas to drive physical investment.
- A performance regime that accelerates housing and employment growth.
- Devolved local transport budgets and plans including both development and regulatory functions, to improve system performance locally and add value to national infrastructure investments and programmes.
- Contributions to specific national and pan-regional infrastructure priorities, including Hinkley energy agreements and recommendations of the Peninsula Rail Task Group.
- Proactive delivery management of Starter Homes, housing investment pots and local authority contributions to new housing.
- Completion of backbone superfast broadband infrastructure and increasing take-up to support the digital economy and wellbeing.
- Local authority and other public sector land disposal, development and rationalisation strategies.

Our proposals will enable us to take responsibility for delivering these agendas, including, in summary:

Our Key Offer	Our ask of Government
Establishment of an Infrastructure Commission to formulate a new Strategic Infrastructure Plan with implementation overseen by the Combined Authority.	<p>Support to develop, fund and deliver the Strategic Infrastructure Plan.</p> <p>A commitment to create a flexible funding model to support accelerated housing delivery, targeting locally identified growth areas.</p>

This will include Government commitments to:
<ul style="list-style-type: none"> • Existing and new infrastructure development, including the A361 North Devon Link, A303/A358/A30 improvements and Peninsula Rail Task Force 20-year plan. • Match funding and co-production to deliver 100% superfast broadband coverage • Use the two National Parks as test beds for integrated land management and rural productivity. • Inclusion of Plymouth on the Strategic National Corridor network.

This will include Government commitments to:

- Devolved Air Passenger Duty from Exeter Airport.
- Support to develop and sustain new energy initiatives including wind, sub-sea and grid improvements.
- A National Policy Statement for renewable energy generation in the Bristol Channel and Severn Estuary.

Why is this important?

Long-term investment in our infrastructure is critical to unlocking growth and delivering our productivity targets. Our Strategic Infrastructure Plan will set out where and when investment is required. We need to accelerate housing and employment land allocations, electronic communications for our businesses, more housing for our workers, and improved transport links to allow faster movement of our workforce, goods and services. This infrastructure underpins growth and is the key to our future productivity.

Despite recent successes we are underfunded compared to other areas. Long-term investment is vital to provide confidence for developers and to drive productivity through faster, more reliable transport and digital connectivity. Investment in resilience is essential to minimise disruption and financial loss during a crisis. There is considerable untapped resource and market opportunity for the Heart of the South West to contribute more to the energy supply of the nation. We have the potential to become a leader in low carbon energy and renewables, however current grid infrastructure is limiting deployment.

Key outcomes

To support productivity growth, infrastructure devolution will deliver:

- 179,000 new homes, and a new Garden Town in Somerset.
- Accelerated housing and employment growth in the identified growth areas of Greater Exeter, Hinkley Growth Zone, Plymouth, Taunton, and Torbay.
- Faster rail connections to London, the South East, and Midlands.
- 100% superfast broadband availability and reliable mobile phone connectivity.
- Prioritised and sequenced infrastructure projects to maximise the value of investments.
- Innovation in energy development and supply to support the national energy strategy.
- Greater resilience of our infrastructure.
- Innovative approach to environmental management, increasing productivity, improving resilience, and growing our rural economy.

Foundation 3: Towards a Combined Authority

The partners to this proposal recognise that leadership and governance of delivery of our deal will require transparent, robust, and efficient structures and processes commanding the confidence and support of Government, local communities, and business.

We also recognise Government's preferred model of choice for this vehicle is the Combined Authority (CA), with Mayoral leadership in the case of Core City Regions.

We will create a Combined Authority with appropriate strong leadership and accountabilities. We will carry out a Governance Review to identify the most effective structure and processes for putting this commitment into effect, ideally with an inception date of either April 2017 or April 2018.

The Governance Review shall draw on the principles outlined in our Statement of Intent as a starting point. The review will proceed in tandem with both the enactment of the Cities and Local Government Bill, and the progress of our devolution agreement negotiations and requirements of its effective implementation.

The Governance Review will set out the powers, roles, functions, and operational arrangements for the Combined Authority - and propose its relationships with and to key delivery partners nationally, locally and with neighbours.

At a minimum, the Heart of the South West LEP, CCGs and others as appropriate will become full non-constituent members of the emerging

Combined Authority, playing leadership roles where appropriate in its sub-structures, for example to build on the LEP's business credentials.

In addition, we consider there will be a number of collaborative arrangements that we shall wish to progress with variable consortia of South West neighbours. These may include a 'Transport South West' proposition, the in-train Science and Innovation Audit consortium with neighbouring LEPs and national clusters in areas such as nuclear, renewables energy,

Similarly, our prospectus recognises that specific sub-regional geographies will accommodate significant shares of the growth to be delivered. Bespoke arrangements to plan and manage these changes will build on or adapt existing arrangements including The Greater Exeter Group, The Plymouth and South West Peninsula City Deal, the emergent Hinkley, Taunton and Bridgwater triangle. Options for strengthening and adapting these arrangements (or elaborating new place-based governance) may include Development Corporations, Special Economic Zones, Accelerated Development Zones, or other models.

Next Steps

Delivering devolution requires careful sequencing. A high level roadmap for developing and delivering our deal is outlined below.

A Heart of the South West partners group will launch shadow Combined Authority arrangements and a formal Programme Management Office (PMO) upon agreement from Government of serious intent to progress towards a devolution agreement. The PMO will be resourced to support devolution agreement workstreams with business case and financial management capacity, including assuring fiscal neutrality.

The shadow Combined Authority and PMO will work with Government to deliver six co-produced workstreams by early 2017:

1. The Governance Review will apply the processes required under legislation to specify, agree and launch the form of Combined Authority eventually determined. This work will include the role and voice of business and sub-regional geographical arrangements.
2. The Productivity Plan will elaborate the evidence base, strategies and performance management required to deliver the vision and goals of the devolution agreement.
3. We are seeking Government agreement to establish a Joint Skills Commission to oversee national policy requirements and the process of localising these under the terms of our devolution deal.
4. The local leadership team will work with our successful health integration exemplars, NHS England, and other local, regional and

national partners to identify wider opportunities to contribute to the Productivity Plan and national health and care integration priorities.

5. The LEP will ensure existing local growth commitments are delivered effectively, that the refresh of the Strategic Economic Plan feeds into the wider Productivity Plan and that business engagement in the establishment and operation of the Combined Authority and its priorities is strong.
6. We are seeking Government commitment to establish a Joint Infrastructure Commission to firm up the physical investment needs identified in national and Heart of the South West priorities and how the Single Investment Framework will resource these.

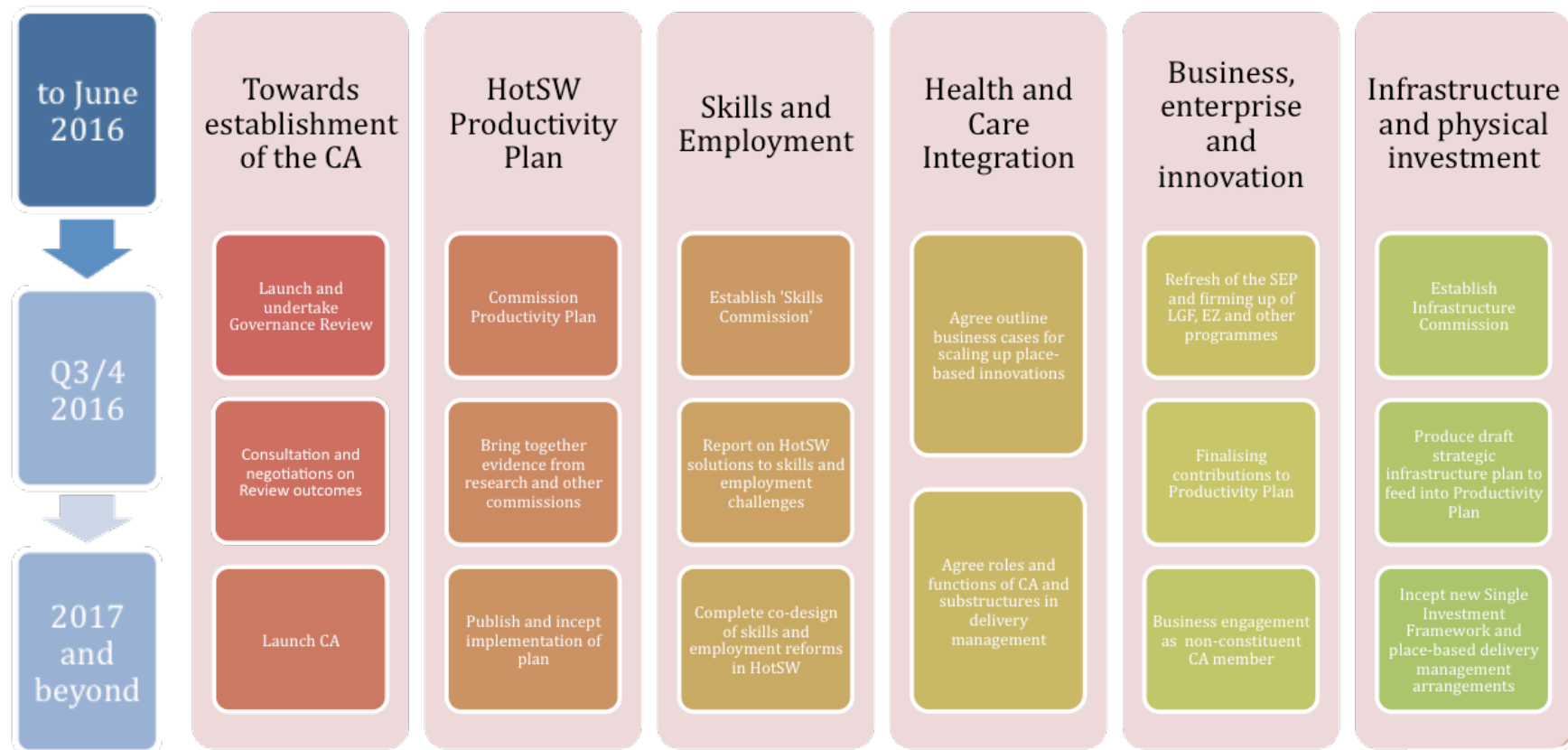
This process will allow early wins to be made, including accelerated housing development and initial skills and business support reform, whilst specifying and agreeing the structures needed to deliver the medium and long-term outcomes of our devolution agreement.

In anticipation of a positive outcome from negotiations on our deal we seek early agreement from Government on a match-funded budgetary contribution to co-deliver these workstreams.

We invite Government to begin formal negotiation with us on our proposals and the detail behind them with a view to signing a deal during the first half of 2016.

Outline Roadmap

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Royal William Yard, Plymouth

Report to: **Council**
Date: **11 February 2016**
Title: **MEMBERS' ALLOWANCES REVIEW**
Portfolio Area: **Strategy and Commissioning**

Wards Affected: **All**

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

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

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

Contact: darryl.white@swdevon.gov.uk

RECOMMENDATIONS

That the Council RESOLVES that the recommendations of the Independent Panel on Members' Allowances (as presented at Appendix A) be agreed and that the revised Scheme of Members Allowances (as shown at presented Appendix C) be adopted with immediate effect, with any consequent increases in Allowances backdated to 11 May 2015.

1. Executive summary

- 1.1 The Council's Independent Panel on Members' Allowances was convened on Wednesday, 27 January 2016 and made a series of recommendations on a revised Scheme of Members' Allowances.

2. Background

- 2.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, it is a requirement that any changes to a Council's Scheme of Members' Allowances are considered initially by an Independent Panel appointed for that purpose which then makes recommendations to the Council.

2.2 The Council last considered its Scheme of Members' Allowances at its meeting on 18 December 2014. In so doing, Members concluded that the next review should take place during the 2015/16 Municipal Year once the impact of the new Council of 31 Members and the revised governance arrangements had been given the opportunity to settle down (Minute 56/14 refers).

3. Options available and consideration of risk

3.1 A copy of the Panel's report (and various recommendations) is attached at Appendix A. The key recommended changes to the Scheme (proposed to be backdated to 11 May 2015) are also outlined below:-

- To increase the Basic Allowance to £5,000 per annum;
- To align future increases to the Annual Staff Pay Award;
- To increase the Special Responsibility Allowance entitlement for the Overview and Scrutiny Panel Chairman role to 1 x the Basic Allowance;
- To establish a Special Responsibility Allowance entitlement for the Overview and Scrutiny Panel Vice Chairman role (set at 0.5 x the Basic Allowance); and
- To update the Dependants' Carers Allowance in line with the National Living Wage.

3.2 A summary of the budget implications arising from the recommendations of the Panel is shown at Appendix B.

3.3 The proposed Scheme of Members' Allowances, incorporating the Panel's recommendations, is attached at Appendix C.

3.4 It is recognised that the Council's current Scheme is out of date and this review creates the opportunity for it to be updated and relevant.

4. Implications

Legal/Governance		<p>The Local Authorities (Members' Allowances) (England) Regulations 2003.</p> <p>The Council has a statutory requirement to adopt a Scheme of Members Allowances and to consider the recommendations of its Independent Panel in doing so.</p>
Financial		<p>If all of the recommendations are endorsed by the Council, there will be an overall financial saving of £31,797.</p>

Risk		There is a reputational risk if the Council does not have regard to the recommendations of its Independent Panel before approving its revised Scheme of Members' Allowances.
Comprehensive Impact Assessment Implications		
Equality and Diversity		There are no equality and diversity implications directly related to this report.
Safeguarding		There are no safeguarding implications directly related to this report.
Community Safety, Crime and Disorder		There are no community safety or crime and disorder implications directly related to this report.
Health, Safety and Wellbeing		There are no health, safety and wellbeing implications directly related to this report.
Other implications		N/A

Supporting Information

Appendices:

- A. Report of the Independent Panel on Members' Allowances and Parish Remuneration Panel;
- B. Summary of the Budget implications arising from the Panel recommendations; and
- C. Copy of the proposed Scheme of Members' Allowances

Background Papers:

The Scheme of Members' Allowances: 2014/15

The report submitted to the meeting of the Independent Panel held on 27 January 2016

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes
SLT Rep briefed	No
Relevant Exec Director sign off (draft)	No
Data protection issues considered	Yes
If exempt information, public (part 1) report also drafted. (Executive/Scrutiny)	N/A

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Appendix A

Review of the Scheme of Members' Allowances and Allowances for Town and Parish Councils 2015 / 2016

Report of the Independent Panel on Members' Allowances and Parish Remuneration Panel

Introduction

1. The Panel was convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 to make recommendations to the Council on a new Scheme of Members' Allowances and for allowances payable to Town and Parish Council Members. These regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all local authorities to set up and maintain an advisory Independent Allowances Panel to review and provide advice on Members' allowances.
2. All Councils are required to convene their Panel before they make any changes or amendments to their Scheme of Allowances and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

The Panel

3. The following members serve on the Independent Panel on Members' Allowances:

David Grose (Proprietor, Thurlestone Hotel);

Richard Yonge (Yealmpton Parish Councillor); and

Don Latham (Local Government Consultant specialising in the field of Members' allowances and Chairman of the Panel).

Methodology

4. The Panel met at the District Council's offices in Totnes on Wednesday, 27 January 2016 at 1.30pm.
5. All Members of Council were invited to submit comments on the Scheme either directly to the Senior Specialist – Democratic Services or through the Leader of their respective Political Group in advance of this meeting. Comments were subsequently received from four Members. The Group Leaders were invited to join the Panel from 2.00pm. Cllrs Tucker and Hodgson duly attended and were also joined by Cllrs Holway, Pearce and Wright (who had each submitted advanced comments to the Panel for its consideration).

6. A letter was also sent to the clerks of all Town / Parish Councils advising them that a review of the allowances payable to Town / Parish Members was taking place and they were invited to submit comments.
7. The Panel was provided with a report that summarised the background to the Council's current Scheme of Members' Allowances and provided them with some issues to consider in recommending any revisions to the Scheme. The following summarises the Panel's deliberations and final recommendations.

The Basic Allowance

8. Payment of a Basic Allowance to all Members at the same rate is mandatory.
9. The Basic Allowance is currently set at £4,386. The Panel considered options for revising the Basic Allowance, including:-
 - proposing a one-off lump sum increase;
 - increasing in line with the Retail Price Index (1.2% for the year to December 2015);
 - increasing in line with the Staff Pay Award; or
 - maintaining the Basic Allowance at the current rate.
10. On balance, and when taking everything into account, the Panel felt that, in light of the extensive recent boundary and governance changes, this was the one opportunity for the Council to significantly increase its Basic Allowance to ensure that it was brought more in line with the allowance paid to other comparable local authorities.
11. In recognising that there would still be a significant budget saving arising from the reduction in Council Size from 40 to 31 (in the region of £31,000), the Panel therefore recommended that the Basic Allowance should be increased to **£5,000**.

Electronic / Broadband Allowance

12. The Panel considered a Member request to include an additional allowance of £10 per month in the Scheme to take into account the need for Members to be able to realise the benefits of high speed broadband capability.
13. The Panel recalled its discussions held during the last review following which the Council had decided to subsume the Electronic Allowance within its Basic Allowance. This, coupled with Members now being given either a Council owned iPad or laptop, resulted in the Panel concluding that it could not justify recommending payment of an Electronic / Broadband Allowance.

Index Linking the Scheme of Members' Allowances

14. The Panel was reminded of the opportunity to fix the annual increase in allowances to a set index. If no other significant changes to the Scheme were envisaged, this could then remain in place for up to four years.

15. In future years, the Panel felt that it would be appropriate to align the Basic Allowance to a prescribed index and therefore recommended that, unless there were significant changes required to the Scheme, the Staff Pay Award should be used for this purpose for the next four years.

RECOMMENDED

1. That the Basic Allowance be increased to £5,000 per annum, with this being backdated to May 2015 and in place until the end of the 2016/17 Financial Year;
2. That the creation of an Electronic / Broadband Allowance be discouraged; and
3. That, for the next four years and assuming that there are no significant changes required to the Scheme, the Basic Allowance be aligned to the Staff Pay Award.

Special Responsibility Allowances

16. Payment of Special Responsibility Allowances (SRAs) are discretionary and are intended to be made to those Members who have significant additional responsibilities over and above the generally accepted duties of a Member. The Scheme currently includes provision for the payment of 15 SRAs (including the Chairman and Vice-Chairman of Council). There is no limit on the number which may be paid, although good practice suggests that payment of an SRA to just over half of a Council's membership would be at the top end of what is expected.
17. In discussion, the Panel was asked to specifically consider three issues:
- whether the reduction in Executive Members necessitated a need to increase the multiplier applied to this role;
 - whether the increased role played by the one Overview and Scrutiny Panel should result in an increase to the multiplier applied to the Chairman of the Panel role. In addition, such was the increased emphasis, whether the Panel Vice-Chairman role should also now be entitled to receive an SRA; and
 - whether the Audit Committee and Licensing Committee Vice-Chairmen roles should be in receipt of an SRA.
18. The Panel concluded that the SRA applied to the Executive Member role should be retained at 1 x the Basic Allowance.
19. In addition, the Panel was sympathetic to the increased responsibility of the Overview and Scrutiny Panel and considered it to be appropriate to increase the SRA applied to this role from 0.75 x the Basic Allowance to 1 x the Basic Allowance. Moreover, the increased role of the Panel Vice-Chairman was

also recognised and it was therefore recommended that a SRA of 0.5 x the Basic Allowance should be incorporated into the Scheme for this position.

20. In emphasising that an SRA should be only payable to those roles that had significant additional responsibility, the Panel was not minded to recommend that the Vice-Chairman roles for the Audit and Licensing Committees should be entitled to receive an SRA at this time.
21. For clarification, the Panel reiterated its previously held view that where a Member is entitled to receive more than one SRA, only one such Allowance, equivalent to the higher entitlement, shall be paid.

RECOMMENDED:

That the:-

1. list of responsibilities currently attracting a Special Responsibility Allowance (SRA) be retained as currently listed, subject to the addition of the Vice-Chairman of the Overview and Scrutiny Panel role, which should be entitled to claim an SRA of 0.5 x the Basic Allowance;
2. multipliers applied for the SRAs remain unchanged, with the exception of the Overview and Scrutiny Panel Chairman role, which should be entitled to claim an SRA of 1 x the Basic Allowance; and
3. Panel remain of the view that a Member should only be entitled to receive a payment of one SRA, equivalent to the higher entitlement.

Co-optees Allowance

22. Payment of an allowance to co-opted Members of Council Bodies is discretionary. The Council has co-opted Members serving on the Salcombe Harbour Board (of which there are 6) and three Independent Persons, who each support the Member Code of Conduct complaints process.
23. Having considered a request, the Panel was not minded to recommend any increase to the Independent Persons Allowance and concluded that it should remain set at £500 per annum.
24. The Panel also reaffirmed its previously held view whereby co-opted Members of the Harbour Board should not be entitled to an allowance. However, it was recognised that co-opted Members should be entitled to be reimbursed for any travel and subsistence costs incurred in relation to official Harbour Board related duties and these should be payable in line with the criteria outlined in the adopted Council Scheme.

RECOMMENDED:

- i) That the Independent Persons role should retain a fixed allowance of £500 per annum; and
- ii) That, for co-opted Members who serve on Salcombe Harbour Board, an allowance should not be payable, with the exception of the payment of expenses incurred on Harbour Board related work, which can be paid in line with the Council's Scheme of Members Allowances.

Travel Allowances

- 25. Payment of an allowance for travel is discretionary. The Panel recognised that the HM Revenue and Customs (HMRC) advisory rate for motor cars was currently 45p / mile which was the current rate payable through the Scheme.
- 26. The Panel was of the view that the travel allowance should remain linked to the HMRC rate, meaning that the 45p / mile rate should be retained and that the Scheme should automatically be adjusted to accord with the HMRC advisory rate; and that other rates should remain the same.

RECOMMENDED:

- i) That the rates for travel allowances be retained at:-
 - Motor Vehicle – 45p / mile
 - Motor cycle – 24p / mile
 - Bicycle – 20p / mile
- ii) That the passengers' allowance remain at 5p / mile for each passenger; and
- iii) That these rates be automatically adjusted in the event that the HM Revenue and Customs should adjust its advisory rate.

Subsistence Allowances

- 27. Payment of a subsistence allowance is discretionary. In recent years, the Panel has been of the view that the rates should be adjusted in line with those recommended by the National Joint Council (NJC) for Local Government.
- 28. The Panel acknowledged that Members appeared content with the current arrangements for Subsistence Allowances and reiterated its previous views that the onsite catering facility should be used wherever possible. In conclusion, the Panel also endorsed the suggestion that the subsistence allowance rate for offsite facilities should be retained at a maximum level of £5.00 per meal.

RECOMMENDED:

That the onsite catering facility should be used wherever possible and, on the occasions when using offsite facilities, the available subsistence allowance should be retained at a maximum of £5.00 per meal.

Dependants' Carers' Allowances

29. The payment of an allowance for the cost of employing a carer for a Members' dependants whilst (s)he performed Council duties is discretionary.
30. It was noted that the majority of Panels across the country were now recommending that the National Living Wage (£7.20 per hour) should be used as the appropriate indicator for the payment of a Dependants' Carers' Allowance. On balance, the Panel felt it to be appropriate for this measure to be used in the Scheme and, in the event of the National Living Wage being adjusted, the Panel was also of the view that this Allowance should be automatically brought in line with any nationally set adjustment.

RECOMMENDED:

1. That the Dependants' Carers' Allowance be updated in line with the National Living Wage (£7.20 per hour); and
2. That the Allowance be automatically adjusted in the event that the National Living Wage be adjusted.

Allowances for Towns and Parish Councils

34. The Panel acts in the capacity of the Parish Remuneration Panel in making recommendations on allowances payable to Members of town and parish councils. Town and parish councils may choose to pay:
 - 1) a Parish Basic Allowance (either to the Chairman only or all members)
 - 2) Travel and Subsistence Allowances

Both allowances are discretionary.

35. If a town / parish council was minded to pay a parish basic allowance, it is obliged to have regard to the recommendations of the Parish Remuneration Panel on the level payable.
36. The Panel recommended that the formula applied in previous years i.e. a percentage of the Basic Allowance based on the population size of the parish (as shown) was sound and should remain.

Electorate	% of District Basic Allowance
0 – 2,500	2.5%
2,501 – 5,000	5%
5,001 – 10,000	7.5%
10,001 – 15,000	10%

37. Travel and Subsistence Allowance payments have previously been recommended in line with those available in the District Council's Scheme of Allowances. The Panel was of the view that this approach should again be retained.

Independent Panel on Members' Allowances
and Parish Remuneration Panel

27 January 2016

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Scheme of Members' Allowances

Budget Provision in 2014 / 2015 (excluding travel, subsistence and carers' allowances):

Basic Allowance (4,386 x 40)	£175,440	
Special Responsibility Allowance	£ 87,292	(Not including Chairman of Salcombe Harbour Board allowance, which is paid separately from Board finances)
Total	£ 262,732	

Proposed Allowances for 2015 / 2016

Basic Allowance	£5,000
Total (x 31 Members)	£155,000

Special Responsibility Allowances

	Ratio	Allowance (£)
Leader of Council	3 x basic	15,000
Deputy Leader	1.5 x basic	7,500
Chairman of Development Management Committee	1.5 x basic	7,500
Other Executive Members (of which there are 4)	1 x basic x 4	20,000
Vice Chairman of Development Management Committee	0.5 x basic	2,500
Chairman of O + S Panel	1 x basic	5,000
Vice Chairman of O+S Panel	0.5 x basic	2,500
Chairman of Audit Committee	0.75 x basic	3,750
Chairman of Licensing Committee	0.5 x basic	2,500
Chairman of Salcombe Harbour Board	0.5 x basic	(2,500)
Minority Groups Allowance (of which there is 1)	2 x basic / 31 x no. in each group	1,935
Chairman of Council	1 x basic	5,000
Vice Chairman of Council	0.25 of Council Chairman	1,250
Independent Persons (Standards functions) of which there is provision for 3)	3 x £500	1,500
Total		75,935

OVERALL REDUCTION IN BUDGET PROVISION FROM 2014 / 2015 TO 2015 / 2016: £262,732 – £230,935 = £31,797

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South Hams
District Council

Part 6 Members' Allowances Scheme

May 2015

SOUTH HAMS DISTRICT COUNCIL

MEMBERS' ALLOWANCES SCHEME

The Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003, hereby makes the following scheme:-

This scheme may be cited as the South Hams District Council Scheme of Members' Allowances, and shall have effect from 1 April 2014.

1. Basic Allowance

Subject to paragraph 9, for the period 11 May 2015 to 31 March 2017, a basic allowance of £5,000 per annum shall be paid to each Councillor. This is intended to recognise the time commitment of Members to Council and constituency duties and costs relating to the use of the Members' home, postage, stationery and minor office equipment.

2. Special Responsibility Allowances

(a) For each year a Special Responsibility Allowance shall be paid to those Councillors who hold the special responsibilities in relation to the authority that are specified below:-

	Amount per annum (£)
(i) Leader of the Council	15,000
(ii) Deputy Leader of the Council Chairman of Development Management Committee) 7,500 each)
(iii) Other Members of the Executive	5,000 each
(iv) Vice-Chairman of the Development Management Committee	2,500
(v) Chairman of the Overview & Scrutiny Panel	5,000
(vi) Vice-Chairman of the Overview & Scrutiny Panel	2,500
(vii) Chairman of the Audit Committee	3,750
(viii) Chairman of the Licensing Committee	2,500
(ix) Chairman of Salcombe Harbour Board (to be paid from Board finances)	2,500
(x) Minority Groups allowance	<u>(£10,000)</u> x 31 number in each group
(xi) Independent Persons	500 each

(b) Allowances for Chairman and Vice-Chairman of Council:-

- | | |
|-------------------------------|-------|
| (i) Chairman of Council | 5,000 |
| (ii) Vice Chairman of Council | 1,250 |

(c) Subject to paragraph 9, the amount of each such allowance shall be the amount specified against that special responsibility in sub-paragraph (a) above. Where a Councillor is entitled to more than one Special Responsibility Allowance, only one such Allowance, equivalent to the higher entitlement, shall be paid.

3. Travelling Allowances

Those duties as set out at Schedule 1 will attract the payment of a travelling allowance at the following rates:-

- (a) The rate of travel by public transport shall not normally exceed the cheapest fare available, subject to the Senior Specialist – Democratic Services exercising discretion in the case of special visits or where business needs to be transacted on the journey.
- (b) The rates of travel by a Member's motor cycle shall be 24 pence per mile.
- (c) The rates of travel by a Member's motor vehicle (other than a motor cycle) shall be 45 pence per mile.
- (d) A supplement of 5 pence per mile for each passenger carried will also be paid.
- (e) The actual amount incurred on any tolls, ferries or parking fees, including overnight garaging shall be reimbursed.
- (f) The rates of travel by a Member's bicycle shall be 20 pence per mile.
- (g) The rate of travel by taxi-cab shall not exceed:-
 - (i) in cases of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid; and
 - (ii) in any other case, the amount of the fare for travel by appropriate public transport.
- (h) The rate of travel by a hired motor vehicle other than a taxi-cab shall not exceed the rate which would have been applicable had the vehicle belonged to the Member, provided that the rate may be increased at the Senior Specialist – Democratic Services discretion (as in (a) above) to an amount not exceeding the actual cost of hiring.
- (i) Where travel by air is the only effective means of travel or produces sufficient savings in time and / or other allowances, the rate shall not exceed the cheapest fare available.

In addition, Co-opted Members on the Salcombe Harbour Board and the Independent Persons are entitled to claim their travel expenses.

4. **Subsistence Allowances**

(a) Subsistence allowances may be claimed to meet the costs of meals, refreshments, accommodation etc, in connection with the performance of an approved duty as specified at Schedule 1. The rates shall not exceed:-

(i) in the case of an absence, not involving an absence overnight, from the usual place of residence:-

A. of more than 4 hours, £5.00 for breakfast;

B. of more than 4 hours, £5.00 for lunch;

C. of more than 4 hours, including the period 3.00 pm to 6.00 pm, £2.94 for tea;

D. of more than 4 hours, ending after 7.00 pm, £5.00 for an evening meal;

provided that, for meetings such as Council, Committee or other Council body meetings, meals or refreshments may be provided by the Council, including on occasions where the absence from the residence may not exceed 4 hours.

Where such meals are provided or paid for separately by the Council, the appropriate subsistence allowance shall not be paid to a Member, unless the Member has specifically indicated that he or she is unable or does not wish to take the meal provided by the Council, or otherwise where other unforeseen commitments prohibit the taking of the meal.

(ii) in the case of an absence overnight from the usual place of residence, £79.82, or, for such an absence overnight in London or an annual conference of the Local Government Association or such other association of bodies as the Secretary of State may designate, £91.04.

(b) The actual reasonable costs of meals taken on trains may be reimbursed. (This would replace the subsistence allowance for the appropriate meal period).

5. **Dependants' Carers' Allowance**

A Councillor may claim a carers' allowance in accordance with the provisions specified at Appendix A.

6. **Renunciation**

A Councillor may by notice in writing given to the Senior Specialist – Democratic Services elect to forego any part of his entitlement to an allowance under this scheme.

7. **Part-Year Entitlements**

- (a) The provisions of this paragraph shall have effect to regulate the entitlements of a Councillor to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that Councillor becomes, or ceases to be, a Councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.
- (b) If an amendment to this scheme changes the amount to which a Councillor is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods:-
 - (i) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
 - (ii) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year, the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year (ie a pro-rata calculation will be made).
- (c) Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that Councillor to a basic allowance shall be to the payment to such part of the basic allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- (d) Where this scheme is amended as mentioned in sub-paragraph (b), and the term of office of a period Councillor does not subsist throughout the period mentioned in sub-paragraph (b)(i), the entitlement of any such Councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his term of office as a Councillor subsists bears to the number of days in that period.
- (e) Where a Councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.

- (f) Where a Councillor has been appointed on a temporary basis to a position which attracts a special responsibility allowance, that Councillor's entitlement shall, following a 3 month period in that position, be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year. Payment to the Councillor previously entitled to the special responsibility allowance shall, at the same point, cease.
- (g) Where this scheme is amended as mentioned in sub-paragraph (b), and a Councillor has during part, but does not have throughout the whole, or any period mentioned in sub-paragraph (b)(i) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

8. Claims and Payments

- (a) **A claim for travelling and subsistence allowance under this scheme must be made in writing signed by the claimant member within three months of the date of the meeting in respect of which the entitlement to the allowance arises. Claims which do not comply with this timescale will only be accepted by the Senior Specialist – Democratic Services in exceptional circumstances. Members are encouraged to submit a claim every month with any such claims being accompanied by receipts.**
- (b) Payments shall be made on a monthly basis along with payments for the basic and any special responsibility allowances. Such payments will be made direct to the bank or building society account of the Member's choice.
- (c) Where a payment under this scheme in respect of a basic allowance or a special responsibility allowance would result in the Councillor receiving more than the amount to which, by virtue of paragraph 8, he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

9. Suspension

If a Member is suspended or partially suspended from his responsibilities or duties as member of an authority in accordance with Part III of the Local Government Act 2000 or regulations made under that Part, the proportion of the basic allowance, any special responsibility allowance and travelling and subsistence allowance payable to him/her in respect of the period for which he is suspended or partially suspended may be withheld by the authority.

SCHEDULE 1

APPROVED DUTIES

There is specified as an approved duty for the purpose of the payment of travelling and subsistence allowances, attendance at:-

- (a) meetings of the Council, its Committees, the Executive and Overview & Scrutiny Panel, subject, in each case of attendance at any bodies of which a Councillor is not a Member, to the prior invitation of the relevant Chairman;
- (b) meetings of other bodies to which the authority makes appointments, or of any committee or sub-committee of such a body;
- (c) any other meeting the holding of which is authorised by the authority, or a committee, group of the authority, or a joint committee of the authority and one or more other authorities, or a sub-committee of such a joint committee, provided that:-
 - (i) where the authority is divided into two or more political groups, it is a meeting to which members of at least two such groups have been invited, or
 - (ii) if the authority is not so divided, it is a meeting to which the authority is a member;
- (d) the following types of meetings, provided that where the authority is divided into two or more political groups, Members of at least two such groups have been invited:-
 - (i) briefing and other meetings relating to activities of the Council or matters affecting the District;
 - (ii) meetings relating to future change in local government;
- (e) the opening of tenders in accordance with Standing Orders by the relevant nominated Members;
- (f) a meeting of any association of authorities of which the authority is a member.
- (g) a meeting of any town or parish council within their electoral ward, and of which they are not already a member.

In addition, Members may claim travelling and subsistence allowances for meetings or events not otherwise provided for in this scheme when asked in writing to attend by a member of the Senior Management Team, when such attendance is in the interests of the Council or in pursuance of its policies.

Duties excluded by these provisions are those in respect of which the Member receives remuneration otherwise than under this scheme.

For further information, please contact:-

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South Hams District Council

Dependants' Carers' Allowance

An allowance in line with the National Living Wage (£7.20 per hour) may be claimed when a carer for a dependant has been engaged to enable a councillor to carry out an approved duty (as specified in Schedule 1).

A carer will be any responsible person who does not normally live with the councillor as part of that councillor's family.

An allowance will be payable if the dependant being cared for:-

- is a child under the age of 14
- is an elderly person; or
- has a recognised physical or mental disability

who normally lives with the councillor as part of that councillor's family and should not be left unsupervised.

For meetings or duties within the Council's boundaries, the allowance will be paid for the duration of the meeting or otherwise approved duty plus an allowance for up to one hour's total travelling time before and after the meeting.

The actual cost of care will be reimbursed, up to a maximum of £7.20 per hour.

The level of allowance will be adjusted automatically in line with any adjustments made to the National Living Wage.

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Report to: **Council**
Date: **11 February 2016**
Title: **NATIONAL PLANNING POLICY FRAMEWORK
DRAFT CONSULTATION RESPONSE**
Portfolio Area: **Place Making**

Wards Affected: **all**

Relevant Scrutiny Committee:

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

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

Author: **Phil Baker** Role: **Specialist, Place Making CoP**
Ross Kennerley **Lead Specialist**

Contact: **1210 / Phil.Baker@swdevon.gov.uk**

RECOMMENDATIONS:

That Council be RECOMMENDED to:-

- 1. agree the submission of the draft consultation response to the Department for Communities & Local Government (as set out at Appendix 1), subject to inclusion of any amendments agreed at the meeting; and**
- 2. delegate authority to the Lead Specialist – Place and Strategy, in consultation with the lead Executive Member, to agree the precise wording of the final submission**

1. Executive summary

The Department of Community & Local Government is consulting on proposed changes to the National Planning Policy Framework (NPPF).

These are summarised into:

- 'Broadening' the definition of Affordable Homes
- Increasing housing densities around 'Commuter Hubs' (defined as towns having a population of over 25,000 people)
- The delivery of Starter Homes
- The principle of new settlements
- Using land originally allocated for commercial uses for housing

The consultation asks a total of 23 specific questions regarding the proposed changes, although there is little detail on the exact policy wording that may emerge from the consultation.

In recent months there have been numerous changes by central government the National Planning Practice Guidance website (NPPG). This website lets Local Planning Authorities know how to interpret national planning policy.

Changes to the NPPG have, in some instances, sought to change adopted policy, or at least provide an interpretation of policy that is not entirely consistent with the NPPF. Such changes include the removal of affordable housing contributions on development schemes of 10 dwellings or less in January 2015. This change in guidance was subsequently challenged by Reading and West Berks and overturned in the High Court, the ruling concluding that policy cannot be altered or amended without amending the NPPF.

As a result, and in order to cement some of the government's policies regarding the provision of new housing, the overarching national policy document, the NPPF, is subject to amendment for the first time since being adopted in 2012.

South Hams District Council is no stranger to taking bold and innovative decisions to enable large-scale housing development, such as Sherford. But we also know the numerous constraints of our rural settlements, notably regarding infrastructure and the natural environment, and it is not the case that a nationally prescriptive response to the 'National Housing Crisis' can be applied equally in all locations.

Given these constraints officers advises caution with regard to some of the suggested amendments to the NPPF. Prioritising the quantity of new homes over considered plan-led development is not always compatible with the settlement patterns and types typical to most rural areas.

Given the flexibility to create policies that are locally appropriate, rural LPAs can make an important contribution to the number of new homes required across the country, but in a way that continues to meet the varied needs of our communities without compromising our rural settlements.

2. Background

The NPPF provides national planning policies that all LPA planning policies must conform to. The NPPF was first introduced in 2012, and following a compliance check current adopted SHDC policies are considered to be broadly consistent with the NPPF.

This is the first consultation on proposed changes to the NPPF since 2012, and it is unlikely that the opportunity to shape future national policy changes will occur again in the short-term. The deadline for comments is 22nd February 2016, and it is felt by officers that this is an opportunity to emphasise that good planning in rural areas requires flexible application of national policies, particularly in terms of delivering affordable housing.

Many of the changes proposed to the NPPF will challenge the council's ability to meet its corporate priorities, particularly with regard to provision of affordable housing within the rented sector and creating sustainable communities.

Any potential negative impacts will be felt by the communities of the South Hams, but also the council as a LPA. The proposed amendments to the NPPF will place an even greater burden on LPAs to deliver housing that may struggle to meet the varied housing needs of our communities.

3. Outcomes/outputs

The proposed submission to the consultation on behalf of SHDC is designed to make the government recognise that the approach to housebuilding needs to be more flexible in rural areas than in more built up areas.

Success would mean some caveats being written into the proposed changes to the NPPF that does not fundamentally change the definition of affordable housing, that does not require a standard delivery rate for Starter Homes across the country, and that does apply the same assumptions to alternative land-uses for brownfield land to rural areas as for urban areas.

Success in this regard will be known when the final NPPF amendments are announced by central government. The measure of this success will be any policy that requires a moderated planning approach to the delivery of new housing in rural areas.

4. Options available and consideration of risk

In terms of options, there would be little gained by not submitting a response. In submitting a response, the alternatives can be offered for consideration with success measured in the extent to which the proposed changes are amended in response to the alternatives offered.

To effectively challenge the proposed amendments, suitable alternatives need to be proposed. The draft SHDC response does include some suggested policy and procedure amendments, and challenges the assumption that a 'one size fits' response to the national housing crisis can be consistently applied across all urban and rural areas.

The credibility of the proposed SHDC response has been partially tested by sharing draft responses with Teignbridge DC, West Devon BC and some communication with Exeter City Council.

Available responses from the Chartered Institute of Housing, The Rural Housing Enabler and the Planning Officers Society have provided useful context for parts of the draft SHDC response. The proposed SHDC response is broadly in line with consensus across the housing and planning sectors, and this has been further confirmed by input from specialists with knowledge in specific areas, such as affordable housing.

5. Proposed Way Forward

Alternatives to the proposed amendments from government have been included within the SHDC response.

The alternatives proposed in the SHDC response reflect the priorities of the council, not least the continued provision of genuinely affordable housing, available in perpetuity to meet the varied housing needs of our communities.

The alternatives proposed within the SHDC response also recognise the principles of good place making, and in particular the importance of situating new housing in the right locations, and not simply as an alternative to commercial land-uses.

The biggest risk to SHDC is if the proposed changes to the NPPF are implemented without any amendment. This will have a profound impact on the ability of SHDC to manage new development in a way that is compatible with our rural settlement pattern, and is able to meet the affordable housing needs of our communities in an appropriate manner.

As SHDC move towards the adoption of a new Local Plan, opportunities to respond the revised NPPF will present themselves. However, there is a possibility that changes to national planning policy will require the LPA to write planning policies that do not comfortably meet the corporate objectives of SHDC.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>There are no legal implications to the council in submitting a consultation response. There may be some implications for the council depending on what changes are made to the NPPF following this consultation.</p> <p>The potential changes to the NPPF will have an impact on SHDC policy making, due to the statutory function of the council as a Local Planning Authority.</p> <p>New Local Plan policies currently being drafted include an awareness of the proposed NPPF changes, so that a set of draft policies could be used depending on the scale of final changes to the NPPF.</p> <p>Existing evidence assessments are being extended to include potential evidence requirements around land availability for Starter Homes and brownfield etc.</p>
Financial	N	
Risk	N	<p>As described, there is no risk associated with the decision to submit a consultation response.</p> <p>There will be risks to the Council as an LPA, but these cannot be fully understood until we know how the NPPF will be amended following the consultation.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	It is assumed this matter will be dealt with in government review of proposed policy changes. See also answer to Q2.
Safeguarding	N	It is assumed this matter will be dealt with in government review of proposed policy changes
Community Safety, Crime and Disorder	N	It is assumed this matter will be dealt with in government review of proposed policy changes
Health, Safety and Wellbeing	N	It is assumed this matter will be dealt with in government review of proposed policy changes

Other implications	N	Access to safe and affordable housing.
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Supporting Information

Appendices:

Appendix 1: Proposed SHDC response to the consultation below.

Background Papers:

Proposed changes to the NPPF:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/488276/151207_Consultation_document.pdf

Appendix 1: Proposed SHDC response to NPPF consultation.

Overall Comments

South Hams District Council welcomes the opportunity to comment on the proposed changes to the National Planning Policy Framework (NPPF). This consultation regarding national policy is particularly timely following a recent flurry of amendments to Planning Practice Guidance (PPG), which has occasionally resulted in ambiguity.

The challenges of providing a range of housing in sufficient quantity, and of sufficient quality, to meet the needs of our communities have been SHDC corporate priorities for a number of years. As a council we are committed to the delivery of new communities within our administrative area, and are exploring the preparation of a new Local Plan with three neighbouring planning authorities. In short, we feel that we are embracing the challenges that the 'housing crisis' has presented us with, and will continue to innovate and evolve to achieve the best outcomes for our communities.

What we feel has been missing since the NPPF came into force, is flexibility that allows LPAs in rural areas to adopt policies that are more appropriate to the landscape character and settlement types typical of the English countryside. There seems to be a prevailing wind within government policy that incentivises significant growth without allowing for flexibility in rural areas that are constrained by sensitive landscapes and rural settlement patterns.

This does not mean that we seek to absolve ourselves from playing a full part in contributing the many new homes that are needed. It is, we believe, simply unsustainable for market towns and rural villages to keep growing at a rate required by current policies, particularly in areas that have a high proportion of designated landscapes such as Areas of Outstanding Natural Beauty and National Parks of which South Hams has both.

Local Planning Authorities (LPAs) in rural areas want to provide more housing, particularly affordable housing, but many are having to do so on increasingly unfavourable sites. What LPAs like SHDC need are suitably flexible national policies that allow us to deliver a broader range of housing types, and to deliver a range of affordable homes tailored to the needs of a low pay rural economy, in addition to the Starter Homes favoured by government.

The proposed amendments to the NPPF do little address the very specific needs of rural areas. More flexibility is what we need, along with long term policy solutions to correct the systemic imbalance created by highly inflated house prices in an area with significantly lower than average earnings. Policies also need to encourage mixed economy communities with a range of employment, social and cultural facilities rather than villages that simply serve as commuter satellites for the nearby cities.

SHDC hopes that government can see why we believe that some of the proposed amendments are a poor fit for many rural areas in this country, and would welcome the opportunity to work creatively with you to develop specific policies that will help our rural areas to prosper.

Q1. Do you have any comments or suggestions about the proposal to amend the definition of affordable housing in national planning policy to include a wider range of low cost homes?

SHDC supports policy developments that help to bring forward more affordable housing.

Indeed, SHDC is well advanced in developing a range of policies that support Starter Homes and self- and custom-build housing, and that try to improve the ability of people with a local connection to access home ownership. We are also working with a range of privately funded providers in order to create innovative delivery mechanisms, including 'rent to buy' opportunities.

To that extent, we support the proposal to include a wider range of low-cost homes within the definition of affordable housing

However, the Council does not agree that this should be at the expense of removing the ability of local planning authorities to require both affordable rented accommodation and that some of the affordable housing needs to be "in perpetuity"

The evidence is that, for some time to come, rural districts will continue to experience a significant demand for rented affordable housing secured in perpetuity.

Reducing our ability to secure affordable housing in perpetuity will not enable more households in identified affordable housing need in South Hams to buy their own homes, because it will not close the affordability gap between house prices and local wages. It will simply require us to identify ever more sites to deliver the range of rental properties that many in our communities need.

Q2. Do you have any views on the implications of the proposed change to the definition of affordable housing on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

The proposed changes to the NPPF seem not to have been 'rural proofed' and will have an equalities impact in rural communities.

Rural communities will be negatively impacted by these proposals as there will be a decrease in genuine affordable housing supply particularly as tenure options that are already limited in rural areas will be reduced by the *Voluntary Right to Buy, the sale of vacant high value council homes*, and provision of *Starter Homes*.

People on lower quartile incomes in rural areas (and urban) still require rented tenures despite an aspiration to home ownership. Private rentals are limited in rural areas and where they exist are expensive. In coastal and national park areas, private rentals are generally in use as vacation properties. The dominant need identified through rural housing need surveys conducted is for social and affordable rent. Where there is an expressed desire for shared ownership, respondents rarely have sufficient funds for a down payment and low incomes that will not secure a mortgage. Even where

shared ownership is an option the additional costs of paying rent and a mortgage as well as maintaining a property risks putting people in arrears.

It is essential that affordable housing and planning policy supports the principle of creating sustainable communities. Without a balance of tenure mix the communities will not be sustainable and lower earners will be priced out of the community.

Access to real affordable housing is equally important to support the economic activities that contribute to a thriving local rural community including rural labourers and also for more generic, non-rural employment like carers and cleaners who are low paid but provide essential services.

Q3. Do you agree with the Government's definition of commuter hub? If not, what changes do you consider are required?

It is difficult to define what could be considered as a commuter hub without understanding the local context. In South Hams, we have only two towns that currently benefit from a train station with mainline services stops.

The proposed threshold of 25,000 would mean that no town would be considered as a 'commuter hub', and be considered suitable for higher building densities.

SHDC feels that it is a little simplistic to propose increased densities without understanding the potential impacts of this approach on local infrastructure and services.

Q4. Do you have any further suggestions for proposals to support higher density development around commuter hubs through the planning system?

Not proposing to answer this.

Q5. Do you agree that the Government should not introduce a minimum level of residential densities in national policy for areas around commuter hubs? If not, why not?

Not proposing to answer this.

Q6. Do you consider that national planning policy should provide greater policy support for new settlements in meeting development needs? If not, why not?

The NPPF already provides support for new settlements in paragraph 52. Such are the common constraints shared by small settlements in rural areas we are aware of numerous Local Planning Authorities in rural areas who consider new settlements as one of the best options to deliver a large amount of new housing in a coordinated and managed way.

Simply strengthening national policy is unlikely to adequately address the multiple issues that need to be overcome to enable a project of this magnitude to come to fruition, not least mitigating the landscape and visual impact in sensitive and designated landscapes. SHDC has been committed to delivery of a new settlement for the last 15 years, but such is the complexity of such a project only this year will we see the first housing completions. Changes in policy will not change how difficult such projects are to deliver. Changes in the ability of LPAs to secure suitable land at prices that do not prohibit significant investment in our communities and infrastructure would be a notable improvement.

Q7. Do you consider that it would be beneficial to strengthen policy on development of brownfield land for housing? If not, why not and are there any unintended impacts that we should take into account?

SHDC recognises the merits of prioritizing alternative land-uses on brownfield sites. Again it is felt that the proposed changes will not benefit rural areas, where brownfield land is in short supply and where the majority of small developments of under 10 homes do not come forward on brownfield land.

The principle of supporting development on brownfield land is well established, but a change in national policy is unlikely to affectively address the issues that prevent brownfield sites coming forward.

In rural settlements many brownfield sites are of relatively small-scale, and often in multiple ownership. Viable businesses will often operate adjacent to other parts of employment sites that have fallen into disuse. It is not considered appropriate to make the assumption in a national policy that housing is the most appropriate alternative use for all brownfield sites. Other uses may have a much more beneficial impact, and also represent more compatible uses with the viable businesses that continue to operate in an area.

The need for more housing is widely acknowledged, but it should not be considered the default use of any available land, as this is not how effective and sustainable communities work. In rural areas many commercial and/or employment sites are not located within or adjacent to settlements, and it would be wrong to assume that these sites would be appropriate for housing – the rural settlement pattern in South Hams means that some of these sites could be miles from the nearest town or village, with no public transport links. Development in such locations would be entirely contrary to the collective aims of the NPPF as it would not be considered a sustainable proposal. The fact that a site has previously been used for a commercial use should in no way be considered justification for using the site for housing.

Q8. Do you consider that it would be beneficial to strengthen policy on development of small sites for housing? If not, why not? How could the change impact on the calculation of local planning authorities' five-year land supply?

There is already a broad assumption that housing development within a settlement is supported in principle, and it is often only details of compatibility with surrounding uses and residential amenity that prevent otherwise suitable development coming forward there.

SHDC feels that there is a risk that applying such an assumption within settlements would displace many other vital services, facilities and alternative land-uses that in combination make a settlement sustainable.

SHDC has for some time been regarding proposed development sites adjacent to settlement boundaries on a case-by-case basis, weighing the potential benefits against potential impacts before arriving at a balanced judgement as to whether the proposal can be considered 'sustainable'. The Council feels that the NPPF already provides us with a framework within which to apply this approach, providing that we can be clear about the factors that we consider to make a balanced judgement. A lot of work has been done with our communities – often through the Neighbourhood Planning process - to help them understand that some development proposals on the edge of settlements can bring about a wide range of benefits, and not just the provision of new housing.

Amending the NPPF to give greater weight to development sites simply because they could deliver housing could unbalance the process that, *with the explicit encouragement of government to work with our communities*, we currently use to assess what can be considered 'sustainable'.

SHDC has invested countless hours working with our communities and neighbourhood plan groups to understand the priorities of each community. Simply supporting in-fill development is not enough to secure sustainable futures for rural settlements. Amendments to the NPPF that can help us to work with those communities to bring forward sites in accordance with their priorities would be beneficial. Changes that do not empower these communities would simply serve to lose their trust in local and national government.

Q9. Do you agree with the Government proposal to define a small site as a site of less than 10 units? If not, what other definition do you consider is appropriate, and why?

The general permitted development order already recognises a threshold for 'major' developments as being over 10 dwelling units, and by default provides a definition of what is considered 'minor'.

Providing that the definition of a small site does not trigger concessions, perceived or otherwise, in developer contributions/obligations, SHDC supports this proposal.

Q10. Do you consider that national planning policy should set out that local planning authorities should put in place a specific positive local policy for assessing applications for development on small sites not allocated in the Local Plan?

The NPPF already allows for LPAs to apply their own interpretation of what constitutes 'sustainable development' in their areas, and also to adopt criteria-based policies with which to bring forward sustainable development. If by amending the NPPF locally adopted policies are given greater recognition, then this is supported.

Q11. We would welcome your views on how best to implement the housing delivery test, and in particular

- **What do you consider should be the baseline against which to monitor delivery of new housing?**
- **What should constitute significant under-delivery, and over what time period?**
- **What steps should be taken in response to significant under-delivery?**
- **How do you see this approach working when the housing policies in the Local Plan are not up-to-date?**

It would seem appropriate that the baseline should be the remainder of the approved target for the Local Plan period, annualised to provide a 5 year target.

Since delivery is in the hands of developers, not the local planning authority, in areas of significant under-delivery, planning permissions should automatically expire in one year from approval. On alternative sites, Paragraph 49 of the NPPF would apply in any event, providing a sufficient incentive to prevent developers from 'land banking'.

Paragraph 49 of the NPPF already works well in such circumstances.

Q12. What would be the impact of a housing delivery test on development activity?

Would a recognised 'test' replicate the need to monitor performance? A standard requirement may be helpful to ensure a uniformity of information from LPAs, although one unintended risk would be schemes being delayed until just after LPAs have published annual figures, particularly in areas where a 5-year housing land supply is contested.

Q13. What evidence would you suggest could be used to justify retention of land for commercial or similar use? Should there be a fixed time limit on land retention for commercial use?

There should be no fixed time limit. This would simply guarantee, in many situations, that land would be sterilised whilst developers waited for their land to acquire a 'residential presumption'. That serves neither the local nor the national interest.

If the government believes (as we do) in a plan led system, then a land owner will have ample opportunity to make the case that a site should not be allocated for employment development at the appropriate Examination. If,

despite this, a landowner decides to apply for alternative (housing) use then he/she should be required to demonstrate that he has made proper arrangements to market the site since the last time that it was so allocated (and approved by an independent inspector)

It should not be overlooked that LPAs have a duty to create sustainable places to live, and providing homes in locations that have previously been considered appropriate for employment uses will not make a positive contribution to that requirement.

If the economic downturn has taught us anything it should be that the economy should be the subject of long-term planning, and not focused on short-term returns. Employment sites can experience cyclical fluctuations in fortunes, and it would constitute short-sighted policy making to apply a time limit on this use of land.

Q14. Do you consider that the starter homes exception site policy should be extended to unviable or underused retail, leisure and non-residential institutional brownfield land?

No. The provision of new homes should be in locations that are suited to this type of development, within proximity of public transport, schools, healthcare facilities, shops and other services and amenities. Houses should not be built in locations that are not considered suitable for any other land-use. There is no pre-requisite for retail, leisure or non-industrial uses to satisfy the same sustainable criteria that is required of housing.

Q15. Do you support the proposal to strengthen the starter homes exception site policy? If not, why not?

If an exception site is to be brought forward it should only be because the development has a clear and identifiable community benefit that outweighs the potential impact of development. On its own, a discount open market price for a limited time period does not represent nearly enough benefit to communities, and risks a significant number of poorly located sites with little or no access to local services. There is no planning justification for using an 'exceptions' policy to deliver Starter Homes.

Q16: Should starter homes form a significant element of any housing component within mixed use developments and converted unlet commercial units?

SHDC would like to retain the ability to advise on an appropriate housing mix that is delivered in our area. We would prefer to use an evidence base, such as the Strategic Housing Market Needs Assessment (SHMNA) to inform the housing mix required to meet our varied housing needs. In some areas this may require a significant amount of Starter Homes, in other areas less so.

Q17. Should rural exception sites be used to deliver starter homes in rural areas? If so, should local planning authorities have the flexibility to require local connection tests?

Noting the response to Q15 this would not be a preferred route. However if a proportion of Starter Homes on exception sites is brought forward in policy, then a local connection would provide a useful mechanism to ensure that they are first and foremost meeting a local need. SHDC would support the use of a local connection criteria in such circumstances.

Q18. Are there any other policy approaches to delivering starter homes in rural areas that you would support?

A policy approach that gives rural LPAs the flexibility to use evidence to determine the right level of Starter Home provision alongside other affordable housing types would be welcomed.

Q19. Should local communities have the opportunity to allocate sites for small scale Starter Home developments in their Green Belt through neighbourhood plans?

Not proposing to answer this.

Q20. Should planning policy be amended to allow redevelopment of brownfield sites for starter homes through a more flexible approach to assessing the impact on openness (*NB in Green Belt*)?

In areas outside Green Belt, a flexible approach to assessing the potential use of brownfield sites for Starter Homes would seem appropriate, providing that wider sustainability criteria concerning location of site forms part of the assessment.

Q21. We would welcome your views on our proposed transitional arrangements.

SHDC is currently preparing a new Local Plan, and in that regard we are well placed to respond to new policy requirements that arise in the coming 6 months.

However, such is the scale of the changes proposed that it is unrealistic to expect that a transitional arrangement of 12 months will allow LPAs sufficient time to identify all potential impacts of the change and adequately mitigate these where necessary. Given the high land values in South Hams and the existing challenges that we face in providing a suitable mix of housing to meet the clearly identified needs of our communities, we would need to undertake detailed viability assessment work to inform our future policies, and ensure that we can find a way of continuing to provide a range of housing products for our communities.

Some of the changes proposed have the potential to significantly stall the reallocation or redevelopment of commercial sites whilst land owners wait to find out if their sites are liable to be considered as acceptable in principle for housing.

The delivery of affordable housing, another significant challenge for LPAs, is likely to slow or stall whilst developers wait to find out if the potentially more lucrative Starter Homes requirements can be applied to their sites. This will be particularly felt on allocated development sites, and a reduction in delivery will have a profound impact on the delivery rates of LPAs.

SHDC would prefer to see a longer transition period than is currently proposed, allowing for a greater understanding of the potential impact on wider housing delivery.

Q22. What are your views on the assumptions and data sources set out in this document to estimate the impact of the proposed changes? Is there any other evidence which you think we need to consider?

Locally appropriate data sources regarding population projections and affordable housing need would seem the most appropriate data sources to use when informing housing provision.

Understanding the wider implications of these proposed changes on housing delivery will require SHMNA and Viability Assessments to be adjusted accordingly.

Q23. Have you any other views on the implications of our proposed changes to national planning policy on people with protected characteristics as defined in the Equalities Act 2010? What evidence do you have on this matter?

There is some concern among rural LPAs that the changes represent a possible demise of the rural exception site that can meet a range of affordable housing needs.

Rural communities need confidence that they have genuine influence over what is being developed in their community and traditionally rural exception sites and more recently Neighbourhood Development Plans and Community Land Trust schemes build this confidence.

We need to ensure that communities continue to have confidence in their ability to have some control over housing locally, and in the ability of LPAs to understand what these needs are.

Landowners need clear guidance and incentives if they are to continue to bring forward land for exception site housing. Everything in this proposal undermines the possibility of land coming forward at anything less than market values.

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Report to: **Council**
Date: **11 February 2016**
Title: **PAY POLICY STATEMENT 2016**
Portfolio Area: **Support Services**

Wards Affected: **All**

Relevant Scrutiny Committee:

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

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

Author: **Andy Wilson** Role: **HR Lead Specialist**
Contact: **01803 861154 andy.wilson@swdevon.gov.uk**

Recommendations:

That the Council RESOLVES to adopt the attached Pay Policy Statement for 2016/17.

1. Executive summary

- 1.1 The report proposes that the Council adopts the draft Pay Policy Statement attached at Appendix A.
- 1.2 The Council is required under the Localism Act 2011 to agree and publish a statement each year.
- 1.3 The Pay Policy Statement sets out the authority's policies for the financial year relating to the remuneration of its chief officers, the remuneration of its median and lowest-paid employees and the relationship between the salary of the Head of Paid Service and the salaries of the median and lowest paid employees.

2. Background

- 2.1 Section 38 of the Localism Act 2011 requires local authorities in England and Wales to produce and publish a statutory pay policy statement for 2012/2013 and each financial year thereafter. Once approved, the policy will be published on the Council's website.
- 2.2 The pay policy statement must be approved by a resolution of the Council before it comes into force and each subsequent statement must be prepared and approved before the end of the 31 March immediately preceding the financial year to which it relates.

3. Outcomes/outputs

- 3.1 The Hutton Report identified that the most appropriate way of measuring pay dispersion within an organisation is the multiple of Chief Executive to median earnings. Tracking this multiple will ensure that the Council is accountable for the relationship between the pay of its executives and the wider workforce. Through the pay policy statement, the Council can track this multiple on an annual basis.
- 3.2 If the relationship between the salary of the Head of Paid Service and the lowest paid employee exceeds a factor of 10, the Leader is required by the Localism Act to bring a report to Full Council for consideration.
- 3.3 The annual salary of the Executive Director (Strategy and Commissioning) and Head of Paid Service is £96,840
- 3.4 The annual median salary of all employees is £19,742
- 3.5 The annual salary of the lowest paid employee is £14,338
- 3.6 The relationship between the remuneration of the Head of Paid Service and the median salary of all employees is 4.91
- 3.7 The relationship between the remuneration of the Head of Paid Service and the salary of the lowest paid employee is 6.75

4. Options available and consideration of risk

- 4.1 The Council has a legal requirement under the Localism Act 2011 to publish a Senior Pay Policy each year.

5. Proposed Way Forward

- 5.1 Council is asked to adopt the Pay Policy Statement at Appendix A to meet its statutory requirements and to publish the Statement on its website.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Yes	The Localism Act 2011 requires the Council to adopt and publish a Pay Policy Statement.
Financial		There are no financial implications arising from this report or the Pay Policy Statement.
Risk		There are no risks associated with the report or Pay Policy Statement
Comprehensive Impact Assessment Implications		
Equality and Diversity		There are no Equality or Diversity implications associated with the report or Pay Policy Statement
Safeguarding		There are no Safeguarding implications associated with the report or Pay Policy Statement
Community Safety, Crime and Disorder		There is no positive or negative impact on crime and disorder reduction associated with the report or Pay Policy Statement
Health, Safety and Wellbeing		There are no Health, Safety and Wellbeing implications associated with the report or Pay Policy Statement
Other implications		There are no other implications associated with the report or Pay Policy Statement

Supporting Information

Appendices:

A: Draft Pay Policy Statement 2016

Background Papers:

- The Localism Act 2011
- Code of Recommended Practice for Local Authorities on Data Transparency (published by the Secretary of State on 29 September 2011)
- Hutton Report (published in March 2011)

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Appendix A - PAY POLICY STATEMENT 2016

Purpose and scope of the Policy

1. Section 38 of the Localism Act 2011 (the Act) requires local authorities in England and Wales to produce a statutory pay policy statement for 2012/2013 and each financial year thereafter.
2. The pay policy statement must be approved by a resolution of the Council before it comes into force and each subsequent statement must be prepared and approved before the end of the preceding financial year to which it relates.
3. The Council may by resolution amend this pay policy statement at any time during the year, subject to the amended statement being published as soon as is reasonably practicable.
4. The Act requires local authorities to have regard to the guidance issued by the Secretary of State. The guidance draws upon the Code of Recommended Practice for Local Authorities on Data Transparency published by the Secretary of State on 29 September 2011, the commitment in the Coalition Agreement to strengthen councillors' powers to vote on large salary packages for council officers and the recommendations made by the Hutton Report published in March 2011 for promoting fairness in the public sector by tacking disparities between the lowest and highest paid in public sector organisations.
5. The pay policy statement brings together these strands of increasing accountability, transparency and fairness in the setting of chief officer pay.
6. The pay policy must set out the authority's policies for the financial year relating to—
 - 6.1. the remuneration of its chief officers,
 - 6.2. the remuneration of its lowest-paid employees, and
 - 6.3. the relationship between—
 - 6.3.1. (i) the remuneration of its chief officers, and
 - 6.3.2. (ii) the remuneration of its employees who are not chief officers.

7. For the purposes of this pay policy, and in accordance with section 43 (2) of the Act, the following officers are considered to be relevant chief officers and deputy chief officers within scope of the Councils' statutory obligation:
 - Executive Directors (including Head of Paid Service)
 - Group Managers
 - Finance Lead Specialist (s151 Officer)
 - Legal Lead Specialist (Monitoring Officer)
8. The above officers are collectively known as Chief Officers for the purpose of this pay policy statement.
9. In addition, the pay policy sets out the council's overall pay strategy that is applicable to all employees.

Shared Services

10. For the purposes of this pay policy statement, it should be noted that all of the identified chief officers operate under a shared service agreement with West Devon Borough Council and their salary costs are shared on an agreed basis. For the purpose of this pay policy statement, all shared chief officers are shown, notwithstanding the identity of their employing authority.

Executive Director and Group Manager Model

11. With effect from 1 January 2014, South Hams District Council and West Devon Borough Council agreed to adopt interim arrangements for an Executive Director model following the retirement of the Shared Chief Executive on 31 March 2014.
12. The permanent new senior management structure was approved by Full Council as part of the Councils' Transformation Programme. Following an external recruitment exercise, an Executive Director (Service Delivery and Commercial Development) was appointed with effect from 1 January 2015 and the Executive Director (Strategy and Commissioning) was appointed with effect from 2 February 2015. In addition, four Group Managers were appointed, with Group Manager Business Development appointed within the previous financial year on 11 May 2015.
13. The salaries of the Senior Management Team were agreed by the Council on the recommendation of the Leader after taking advice on comparable salary levels in other organisations.
14. The Executive Director (Strategy and Commissioning) receives an additional special responsibility allowance of £3000pa in respect of carrying out the duties of Head of Paid Service.
15. With effect from 1 April 2015, the Finance Lead Specialist and Legal Lead Specialist were awarded an additional responsibility allowance, set at 17.5% of their substantive salary, in recognition of carrying out the duties of S151 Officer

and Monitoring Officer respectively.

Remuneration for Chief Officers

16. The council has chosen to introduce local arrangements for Executive Directors and Group Managers' pay because it believes that this delivers a better outcome in terms of managing performance and flexibility.
17. The Leader of the Council may recommend to Full Council changes to the remuneration package following a review and after taking independent pay advice from South West Councils or a similar body. Any changes to the remuneration packages will be subject to Full Council approval.
18. Salary increases in relation to cost of living will be made in line with the relevant recommendation of the National Joint Council for Local Government Services (the NJC), the Joint Negotiating Committee for Chief Officers (the JNC) or other relevant national negotiating body for each chief officer.
19. The salary for the relevant chief officers will be 'spot' salaries, that is to say all officers will be paid in accordance with a fixed salary within an agreed range upon appointment and there will be no further incremental progression as a result of seniority, experience or performance.
20. Where possible, salary levels will be consistent with similar organisations, although the Council will retain the right to have due regard to market forces that may affect its ability to recruit and retain high quality officers, whilst balancing this against the need to ensure value for money for residents.
21. The 'spot salaries', including the special responsibility allowances paid to the Head of Paid Service, the Monitoring Officer and the S151 Officer, are the only remuneration for work carried out. At present, there are no additional payments made to chief officers relating to performance or any other matters and no bonus is payable.
22. Additional payments are made by Central Government to officers carrying out additional duties at elections. The determination of the allowance is made by the Government and these payments are not within the scope of this policy. There are no payments made by the Council for election duties.
23. In accordance with the provisions of the Council's Travel and Subsistence Policy, that applies equally to all employees, the relevant chief officers may attract an essential car user lump sum allowance and be reimbursed with business expenses subject to the submission of a claim with receipts. For 2016/17, all of the Chief Officers are designated as casual car users and will not receive an essential car user lump sum allowance.
24. From 1 April 2013, all business mileage will be reimbursed in accordance with the approved HMRC rates, currently 45p per mile. This replaces the previous policy under which business mileage was reimbursed at the higher rate agreed by the

NJC, currently 50.5p per mile for essential users and 65p per mile for casual users.

Severance payments

25. Any termination payments payable to the relevant chief officers will be in accordance with the Council's Redundancy and Interests of Efficiency Policy. All such payments are equally applicable to all employees and no additional payments will be made without the express approval of the Full Council. All severance payments are subject to the provisions of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as amended.

Relationship with the remuneration of other employees of the Council

26. The Hutton Report identified that the most appropriate way of measuring pay dispersion within an organisation is the multiple of highest earnings to median earnings. Tracking this multiple will ensure that the Council is accountable for the relationship between the pay of its executives and the wider workforce. Through this pay policy statement, the Council will track this multiple on an annual basis and will publish the following information on its website each year (see Appendix A):

- The level and elements of remuneration to each relevant chief officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of the Head of Paid Service and the median earnings of all employees
- Other specific aspects of relevant chief officer remuneration

27. Each year the published data will be reviewed by the Leader of the Council and if the multiplier between the highest and the lowest paid employee within the Council exceeds a factor of 10, the Leader shall present a report to the Full Council for consideration.

28. For the purposes of this pay policy statement, the 'lowest paid employees' are identified as those employees carrying out a substantive role within the Council's established workforce with the lowest annual full-time equivalent salary.

29. The 'median earnings' have been identified by listing all salaries paid to employees in ascending order and finding the salary paid to the employee ranked in the middle of the list.

The Council's overall pay strategy

30. In determining the pay and remuneration of its employees, the council will comply with all relevant employment legislation. This includes the Equality Act 2010, the Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, the Agency Worker Regulations 2010, the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002 and, where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With

regard to the Equal Pay requirements contained in the Equality Act, the council ensures that all pay arrangements are fair and transparent through the use of Job Assessment methods.

31. The council takes the following approach to assessing individual and overall pay levels:
 - Defining the role – a job description is produced that describes the activities, responsibilities and accountabilities which relate to each job within the council. This helps to ensure that the role and its requirements are fully understood by the individual and the manager and enables the council to assess the performance of its staff and so improve efficiency and effectiveness.
 - Determining the job size – the council has developed its own job assessment technique that enables the direct comparison of jobs across the council in a fair, transparent and consistent way.
32. The council's pay structure is based on the pay spine agreed by the NJC. Employees receive 'cost of living' increases in pay in line with NJC Agreements. There was a 2.2% increase agreed with effect from January 2015. To date, no national pay award has been agreed by the NJC for the financial year 2016/17.
33. The terms and conditions of employment for Executive Directors are in accordance with the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities. In 2014, there was a 2% pay award agreed by the JNC with effect from 1 January 2015. To date, no national pay award has been agreed by the JNC for the financial year 2016/17.
34. Using the nationally agreed NJC pay spine, the council determines locally the appropriate grading structure, taking into account the need to ensure value for money in respect of the use of public finances balanced against the need to recruit, retain and motivate employees who are able to provide high quality and efficient services to the community.
35. To encourage employees to develop in their role and to improve their performance, the council has arranged its pay levels within a series of pay grades. Each grade typically contains between 4 and 5 pay levels or increments. Progression through the pay grade is dependent on meeting identified performance targets and is assessed through the council's staff appraisal scheme.
36. The council uses fixed spot salary pay rates for some groups of workers where there is no opportunity for significant improvement in performance related to length of service.
37. From time to time, the council may pay special allowances to an employee in specific circumstances and in accordance with its policy, such as to reward an employee who temporarily takes on additional responsibilities.

38. From time to time, the council may make a one-off merit pay award to an employee in specific circumstances and in accordance with its policy, such as to reward exceptional performance.
39. Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5% for those on the lowest incomes to 7.5% for the highest income earners. The Employer contribution rates are set by Actuaries and are reviewed on a triennial basis to ensure the scheme is appropriately funded.

Appendix A

1. The levels and elements of remuneration for each Chief Officer are as follows:

Post	Salary (£) per annum	Comments
Executive Director (Strategy and Commissioning) and Head of Paid Service*	96,840	Appointed 2 February 2015 and including 2% increase from 1 January 2015 and a special responsibility allowance of £3000 as Head of Paid Service
Executive Director (Service Delivery and Commercial Development)	93,840	Appointed 1 January 2015 and including 2% increase from 1 January 2015
Support Services Group Manager	65,408	Appointed 2 March 2015 and including 2.2% increase from 1 January 2015
Commercial Services Group Manager*	63,998	Appointed 1 January 2015 and including 2.2% increase from 1 January 2015
Customer First Group Manager	63, 875	Appointed 2 March 2015 and including 2.2% increase from 1 January 2015
Business Development Group Manager*	61,000	Appointed on 11 May 2015
Monitoring Officer*	53,034	The maximum salary is £45,136pa plus a 17.5% Responsibility Allowance
Section 151 Officer*	62,620	The Officer in post is currently on a protected salary until 30 September 2016. The maximum salary for the Finance Lead Specialist is £45,136pa plus a 17.5% Responsibility Allowance
* employed by West Devon Borough Council		

Please note: All chief officers operate under a shared service agreement with West Devon Borough Council and all salary and associated costs are shared on an agreed basis between the two councils.

The total annual salary cost of the new shared Senior Leadership Team (SLT) at 1 April 2016 is £444,961. The SLT consists of the 2 Executive Directors and the 4 Group Managers but excludes the s151 and Monitoring Officer.

The total salary cost of the previous shared management structure across the two councils in 2010/11 was £1,277,812 pa. This was reduced following major organisational change in April 2011 and the adoption of the interim Executive Director model in January 2014 to, £612,340pa. This salary cost includes the Executive Directors and Heads of Service (including s151 Officer) but excludes the Monitoring Officer.

2. The full-time equivalent annual salary of the lowest paid employee is an Administrative Officer, paid in accordance with spinal column point 10 of the National Joint Council for Local Government Services pay spine, currently £14,338.
3. The annual median salary of all employees is £19,742.
4. The Head of Paid Service's salary is a pay multiple of 4.91 times the median earnings.
5. The Head of Paid Service's is a pay multiple of 6.75 times the lowest paid employee.

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY, 10 DECEMBER 2015**

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

<i>Also in attendance and participating</i>		
Item 7	E.46/15	Cllrs Green, Hodgson, Pearce, Pennington and, Vint
Item 8	E.47/15	Cllrs Baldry, Brazil, , Hodgson, Pennington, Saltern and Vint
Item 9	E.48/15	Cllrs Brazil, Green, Pennington, Saltern and Vint
Item 11	E.50/15	Cllrs Brazil and Saltern
Item 13	E.52/15	Cllrs Baldry, Brazil, Hodgson, Pearce, Saltern, Vint and Wingate
Item 14	E.53/15	Cllr Vint
<i>Also in attendance and not participating</i>		
Cllrs Barnes, Blackler, Bramble, Brown, Cuthbert, Foss, Hawkins, Hitchins, Holway, Pringle, Smerdon and Steer ,		

<i>Officers in attendance and participating</i>		
All items		Executive Director Strategy & Commissioning (SJ), Executive Director Service Delivery and Commercial Development (SD&CD) (SH) and Senior Case Manager (KT)
Item 7	E.46/15	COP Lead Finance (LB), Finance Business Partner (PH)
Item 8	E.47/15	COP Lead Finance (LB)
Item 9	E.48/15	COP Lead Finance (LB)
Item 11	E.50/15	COP Lead Finance (LB), Group Manager Support Services (SM)
Item 13 and 14	E.52/15, E.53/15	Specialists – Place and Strategy (AR and CH)

E.42/15 MINUTES

A Member asked that the minutes of the meeting of the Executive held on 15 October 2015 be amended to include the following comment under Minute No: E.40/15 ‘Health and Safety Management’:
‘Members raised the issue of Lone Working, and it was agreed by senior management that training would be provided for officers and Members in respect of Lone Working Practices’.

To enable for this addition to be incorporated, it was then agreed that these minutes should be re-presented for approval at the next Executive meeting on 4 February 2016.

E.43/15 URGENT BUSINESS

The Leader advised that he had agreed that an exempt urgent report could be considered at this meeting. In line with the Council Constitution requirement, this item was considered urgent in light of it being a retrospective reporting of the use of decision making powers by the Head of Paid Service. The item was entitled: 'Steamer Quay Easement – Extra Care Facility'.

It was then:

RESOLVED:

That the decision taken under the urgent powers of the Scheme of Delegation, to amend the Executive's decision made on 24 July 2014 regarding the easement agreement between Guinness Trust and the Council from Steamer Quay Road, as set out in paragraph 2 of the presented report, be noted.

E.44/15 DECLARATIONS OF INTEREST

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

E.45/15 PUBLIC QUESTION TIME

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

Questions received from Ms Carol Horton (representing Mr Peter Trembath), on behalf of the Kingsbridge Fair Week Committee:-

1. The voluntary Kingsbridge Fair Week committee would like to try to understand whilst an Event that has been running in its successful present format for 47 years steeped in tradition and relating to our Towns charter written in 1461 why SHDC feel they have the need to step in with the excuse that "They have a duty to the community of South Hams".
2. Where is the duty of care in creating a tender document that actually ejects the Committee from the Town Square whereas historically the council has granted the fair week committee full and unrestricted use of the town square. This is vital to facilitate the various activities during fair week.
3. Who do the Elected Councillors feel should be running the Event; the Community or them? Is the goal just to make the

most money or should it be to maintain a harmonious event run by the community for the Community?

4. It is also noted that there is no mention in the tender document for the provision of the rotaproj charity event. This event entertains five to six hundred disabled people and helpers from all over Devon and Cornwall. Part of the day includes the funfair operator opening the funfair for free on the Sunday morning. The current funfair operator runs the big rides at slower speeds to allow the guests to enjoy the funfair in a safe and controlled way when they might not normally be able to.

In response, the Leader made the following statement:

1. "This tender exercise is in line with the Council's policy to ensure that we get value for money but also meet our community needs.

The fair takes place during a particularly busy holiday period when the Council would expect to see significant revenue from the car park. It is the council's policy to ensure that it gets value for money when renting out its assets by testing the market where feasible. Far from being a waste of the Council's time and money we consider the tender process to be an efficient way of ensuring that we get a realistic market rate.

However, generating income is not the only consideration and we are keen to ensure that the wider community requirements are met. From the specification for the tender you will see that we are placing as much weighting on the criteria for the rental offered as we do on the contribution to charity. It is not unreasonable to be asking for competitive bids to achieve a market rent through the tender process and we have carefully taken into consideration the requirements of the local community when putting together the criteria from which to evaluate the bid.

2. The area included in the current tender is the same as that included in all the previous licences to Mr Rowland, nothing has changed.

The Council has never entered into any formal arrangement with the Committee over the use of the town square. The licences to Mr Rowland always covered both the car park and the Square. The Committee may well have operated in the Square but this was not done on an official basis through any agreement with SHDC. Mr Rowland has obviously been happy for them to use the space but that was not documented in the licence.

In addition the criteria in the tender documents seeks that the tenderer works with and co-operates with the Town Council and the Fair Week Committee.

3. This is a community event. The Council is not running it, purely licensing it.

4. Criteria number 6 specifically seeks details of the tenderers contribution to charity. This carries as much weight in the evaluation process as the rental offer.”

Following the responses given, supplementary comments were made by Ms Horton as follows:

- The information given in response to question 2 was not correct as Kingsbridge Fair Week applied and obtained the licence to use the Town Square every year;
- There was balance in the current way of working, and the event enjoyed a community atmosphere; and
- There was little understanding why the Council felt the need to interfere and it was assumed that this new way of working was being rolled out across the district.

The Leader responded by confirming that pressure from central government had resulted in a need for the Council to be more commercially driven and the new way of working had started in Dartmouth and would be rolled out across the whole district where appropriate. He also advised that the Executive Director (SD & CD) would investigate the points raised in respect of his response to question 2.

E.46/15 **REVENUE BUDGET MONITORING 2015/16**

The Executive considered a report that enabled Members to monitor income and expenditure variations against the approved budget for 2015/16, and provided a forecast for the year end position.

The Portfolio Holder for Support Services introduced the report. In doing so, he noted that there was a modest shortfall in relation to Follaton House but substantial income had been received.

During discussion, the following points were raised:

- A Member questioned whether the Affordable Housing budget was appropriately funded;
- It was queried as to whether overall income trends were falling, and whether the Council had contingencies in place ;
- The merits of whether it was appropriate to use the Planning Policy Reserve to support staff transition costs were also highlighted. In response, Members were advised that some of those staff transition costs related to the planning team and transition costs had never been a specifically set budget item. Members were also advised that the Planning Policy reserve was made up of funding from the previous Planning Delivery Grant (Government Grant) and was specifically for planning related activity;
- One Member was interested to know the overall overspend on T18 as there were a number of occasions when funds had been transferred into the T18 Budget from other Reserves (A separate budget monitoring was contained on the Executive agenda which

showed that the predicted final spend of £4.584 million is £30,000 less than the budget of £4.614 million);

- Concern was also expressed over the potential costs associated with two projects coming forward, being Devolution and a Joint Local Plan. In response, the Leader advised that Devolution costs had been quite low so far and amounted only to officer time. In respect of the Joint Local Plan, this was something that would be considered by the Council later that day. However, the proposed joint working arrangements should result in savings being generated rather than additional costs incurred.

It was then:

RESOLVED

1. That the forecast income and expenditure variations for the 2015/16 financial year and the overall projected overspend of £70,000 (1% of the total budget £8.839 million) be noted;

That Council be **RECOMMENDED**:

2. To use £50,000 from the Strategic Issues Reserve, £150,000 from the Planning Policy and Major Developments Reserve and £55,000 from the T18 Investment Reserve to fund:
 - the T18 transition costs of £125,000 (Note J of the presented agenda report refers);
 - The vacancy provision of £100,000 which has not been met (Note J of the presented agenda report refers)
 - The planning legal fees of £30,000 (see Note R);
3. That the uncommitted balance of £50,000 from the Print Room Equipment Reserve be released back to General Fund (Unearmarked) reserves;
4. To transfer £25,000 into an Earmarked Reserve for Homelessness prevention as per Note F of the presented agenda report.

E.47/15

DRAFT BUDGET PROPOSALS FOR 2016/17

Members were asked to consider a report that presented the draft Budget Proposals for 2016/17, and the outcomes of the Members Budget Workshop, prior to requesting the views of the Overview and Scrutiny Panel in January 2016 on the budget issues within the report.

The Leader introduced the report and reminded Members that this report set out draft budget proposals and any proposed changes or amendments should be with the COP Finance Lead in time to be presented with the published agenda for the next Executive meeting on 4 February 2016. He then took Members through the headlines of the report, particularly noting the detail in relation to New Homes Bonus, Revenue Support Grant and budget pressures.

During discussion, the following points were raised:

- Under the new Governance arrangements, there was not the opportunity for Members of the Development Management Committee to have a vote on the budget proposals prior to their presentation at full Council. The Leader accepted this point and suggested that the Political Structures Working Group could consider this when they next met;
- In respect of car parking charges, a Member questioned whether they deterred shopping in the market towns. In response, the Portfolio Holder for Environment Services advised that market towns were now able to recommend to the Council their own proposed charging schemes;
- When questioned, the Head of Paid Service advised that, as a principle, central government would fund any budgetary implications on the Council that arise from supporting Syrian refugees;
- A Member queried whether the Council had considered allowing the car park at Follaton to be used by the County Council for a Park and Ride facility, as the County Council were actively looking for sites for this purpose. In reply, the Portfolio Holder for Environment Services requested that the Group Manager Environment Services investigate this matter.

It was then:

RESOLVED

1. That the Budget Proposals report for 2016/17, and the outcomes of the Members Budget Workshop have been initially considered; and
2. That the Overview and Scrutiny Panel be asked for its views on the budget issues contained within this report at its meeting on 14 January 2016.

E.48/15

CAPITAL BUDGET PROPOSALS FOR 2016/17 TO 2018/19

Members were asked to consider a report that resolved to request the views of the Overview and Scrutiny Panel on the Capital Programme Proposals for 2016/17, which total £1,765,000.

The Portfolio Holder for Support Services introduced the report. The Leader noted that the estimated cost for the refurbishment of the Council Chamber had been high and officers were looking at better ways to achieve value for money.

One Member stated that there should be a discussion with the Harbour Board in respect of marine items and whether they should be the responsibility of the Council or the Harbour Board. He also felt a discussion with the Environment Agency would be appropriate in respect of capital items in areas where the Council was 'trying to hold back the sea'. The Leader agreed, and added that coastal and flood protection was an important element within the Devolution Bid.

The Chairman of the Overview and Scrutiny Panel welcomed the opportunity to comment on the proposals, however he and other Members stated that more detail would need to be provided in order to allow all options to be explored.

Finally, a Member spoke about looking at opportunities for income generation and was advised by the Executive Director (S&C) that business proposals should be brought forward in time for the budget process.

It was then:

RESOLVED

That the views of the Overview and Scrutiny Panel on the Capital Programme Proposals totalling £1,765,000 be sought at its meeting on 14 January 2016.

E.49/15 TREASURY MANAGEMENT MID YEAR REVIEW

Members were asked to consider a report that set out how the Council was on course to meet its budget target of £123,000. To date, the Council had outperformed the industry benchmark by 0.22%. The Council had achieved rate of return of 0.57%, against the 7 day LIBID bid rate of 0.35%.

It was then:

RESOLVED

That the report be noted.

E.50/15 T18 BUDGET MONITORING REPORT – QUARTER 2 2015/16

Members were presented with a report that set out the progress to date on the T18 Transformation Programme.

The Leader introduced the report and began by asking that a message be relayed to staff in the Customer Contact Centre that they were supported wholeheartedly by Members and any performance related issues raised at the recent Overview and Scrutiny Panel meeting referred to whether the processes were right, not the staff. The

Chairman of the Overview and Scrutiny Panel agreed with this statement. The Leader also noted that planning applications submitted via the Planning Portal were now directly loaded onto the system, saving time in manually entering the information.

The Group Manager Support Services responded to questions relating to Customer Insight information by explaining that this information enabled the Council to establish what the customer was accessing the website for. This would facilitate more effective targeting of resource and information.

Members then had a discussion on pension costs and their impact on the T18 budget. The Executive Director SD&CD and COP Lead Finance responded to questions and confirmed that the Council was not required to pay more in contributions because there were less staff employed and the deficit amount referred to would have to be paid regardless of T18. The Finance COP Lead confirmed that the Council had a small deficit recovery rate of 1.6%, being the element of the employer's pension rate required to fund the deficit.

It was then:

RESOLVED

1. That the report be noted; and
2. That Council be **RECOMMENDED** to fund the postponement (to 2016) of the round reviews and the waste review changes by using £100,000 of the Business Rates Earmarked Reserve and £75,000 of the Strategic Issues Earmarked Reserve.

E.51/15 WRITE OFF REPORT

Members were asked to consider a report that informed them of the debt written off for revenue streams within Revenue and Benefits. Debts up to the value of £5,000 were written off by the s151 Officer under delegated authority. Permission was sought to write off individual debts with a value of more than £5,000.

The Portfolio Holder introduced the report and noted that whilst the collection rate for council tax was slightly down, the amount of money collected was higher than last year. The collection rate for business rates was currently higher than the same time last year.

It was then:

RESOLVED

1. That, in accordance with Financial Regulations, the s151 Officer had authorised the write off of individual debts

- totalling £56,007.08 as detailed in presented Tables 1 and 2 of the agenda report; and
2. That the write off of individual debts in excess of £5,000 totalling £122,075.04, as detailed in Table 3 of the presented report, be approved.

E.52/15 **AFFORDABLE HOUSING – ALTERNATIVE MODELS**

Members were asked to consider a report that sought authority to accept delivery models to provide affordable housing in the district.

The Deputy Leader introduced the report and explained the background to the recommendations, and how this proposal would broaden the suite of options for consideration in respect of affordable housing. The two delivery models were outlined, and Members were in favour of removing the restrictions on the Rent Plus scheme following changes to legislation arising from the Planning and Housing Bill.

During discussion, Members raised concerns over the practicalities of two different schemes working within one section106 agreement. Concerns were also raised about the quality of the homes however another Member pointed out that any homes would have to be built in accordance with Building Regulations.

Finally, it was agreed that officers should arrange a presentation from Octopus QSH in the New Year.

It was then:

RESOLVED

1. That RENT plus be accepted as a delivery model to provide affordable housing in the District, free of the restrictions which were set out in July 2014.
2. That Octopus QSH be accepted as a delivery model to provide affordable housing in the District; and
3. That authority be delegated to the Specialists – Place and Strategy to allow both models as an option for delivery as part of the planning application process.

E.53/15 **COMMUNITY LED HOUSING INITIATIVE**

Members were asked to consider a report that sought to change the £100,000 Community Led Housing Initiative from a loan to a grant scheme.

One Member requested that a full explanation of all models available be given to Members so that all options could be considered, including community land trusts and housing co-operatives. Members were advised that a briefing note was being prepared for circulation in the New Year.

It was then:

RESOLVED

That the £100,000 Community Led Housing Initiative be changed from a loan to a grant scheme.

E.54/15 **REPORTS OF OTHER BODIES**

RESOLVED

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

a) **Overview and Scrutiny Panel – 19 November 2015**

i. **O&S.51/15 REVIEW OF FEES AND CHARGES**

RECOMMENDED

1. That Council be **RECOMMENDED** that the proposed fees and charges (as set out in the presented agenda report and appendices) be approved as part of the 2016/17 Budget Setting process, subject to the shower charges being increased from 20p to £1;
2. That Council be **RECOMMENDED** that delegated authority be given to the Community Of Practice Lead for Environmental Health, in consultation with the Lead Executive Member, to modify the charges of Food Export Certificates, once the outcome of the current review is known; and
3. That Council be **RECOMMENDED** that delegated authority be given to the Group Manager for Commercial Services, in consultation with the lead Executive Member, to set the Commercial Waste charges, once all the price modelling factors are known.

ii. **O&S.53/15 OUR PLAN: SOUTH HAMS - REVIEW**

That Council be **RECOMMENDED** that:

1. Our Plan: South Hams be issued for the start of the 2016/17 Financial Year as a document that:-
 - o recognises Our Plan: South Hams for the start as the single comprehensive Council Plan;
 - o re-states the Council's corporate Vision and Objectives;
 - o establishes the common basis for the Council's Financial Plan, Asset Management Plan, Local Plan and all other Plans and Strategies;
 - o establishes long-term and short-term priorities for delivery including a delivery plan commencing in 2016/17;
 - o establishes mechanisms for delivery; and
 - o establishes engagement, monitoring and review procedures;
 - o provides context for subsequent incorporation of the Local Plan element currently subject to separate preparation.
2. A Member Workshop be held early in the New Year to progress this work;
3. the final document return to the Executive and Council for agreement prior to its publication.

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.46/15 (2), (3), (4), E.50/15 (2) and E.54/15 (PART A(i) ONLY), WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 11 FEBRUARY 2015, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 21 DECEMBER 2015 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 11.50 am)

Chairman

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**MINUTES OF THE MEETING OF THE DEVELOPMENT MANAGEMENT
COMMITTEE HELD AT FOLLATON HOUSE, TOTNES, ON WEDNESDAY,
16 DECEMBER 2015**

Members in attendance

Cllr I Bramble	Cllr J M Hodgson
Cllr J Brazil	Cllr T R Holway
Cllr P K Cuthbert	Cllr J A Pearce
Cllr R J Foss (Vice Chairman)	Cllr R Rowe
Cllr P W Hitchins	Cllr R C Steer (Chairman)
	Cllr R J Vint

Apologies

Cllr B F Cane

Other Members in attendance

Cllrs Baldry, Brown, Gilbert, Tucker, Ward and Wingate

Officers in attendance and participating

Item No:	Application No:	
All agenda items		COP Lead Development Management, Planning Officers, Solicitor and Senior Case Manager
	44/0800/15/F	DCC Drainage Officer

DM.44/15 DECLARATIONS OF INTEREST

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

Cllrs Hodgson and Vint both declared a personal interest in application **56/2221/15/O**: Outline application with all matters reserved for 8 no. three bedroomed houses with 8 no. parking spaces – Cocos Nursery, Ashburton Road, Totnes by virtue of being members of the Totnes Neighbourhood Plan Steering Group and they remained in the meeting and took part in the debate and vote thereon;

Cllrs Hodgson and Vint also both declared a personal interest in application **56/1085/15/F**: Demolition of existing single storey offices/workshops (B1/D1). Erection of 5 No. two storey workplace units with associated off-street parking and bin stores (B1) – 11-20 Burke Road, Totnes, by virtue of being members of Totnes Town Council and Cllr Hodgson, in her position as Mayor, had previously given support to the scheme, and they remained in the meeting and took part in the debate and vote thereon;

Cllr Hodgson declared a personal interest in applications **37/1426/15/F**: Temporary (30 years) change of use to agriculture and solar photovoltaic farm with associated static arrays of photovoltaic panels (proposed output 5mW, site area 11.9 hectares) together with associated structures – Proposed Solar PV array at SX 553 496, Newton Downs Farm, Newton Ferrers and **37/2271/15/F**: Proposed temporary access from field onto Parsonage Road – Field at SX 553 488, Newton Downs Farm, Newton Ferrers by virtue of being a customer of the applicant. She remained in the meeting and took part in the debate and vote thereon;

Cllrs Bramble and Foss both declared a personal interest in application **28/1046/15/F**: Creation of new station and engine shed with track – Proposed new station, engine she and track at SX 7363 4388, embankment Road, Kingsbridge by virtue of knowing the applicant. They both remained in the meeting and took part in the debate and vote thereon;

Cllr Holway declared a personal interest in application **37/1426/15/F**: Temporary (30 years) change of use to agriculture and solar photovoltaic farm with associated static arrays of photovoltaic panels (proposed output 5mW, site area 11.9 hectares) together with associated structures – Proposed Solar PV array at SX 553 496, Newton Downs Farm, Newton Ferrers, and application **37/2271/15/F**: Proposed temporary access from field onto Parsonage Road field at SX 553 488, Newton Downs Farm, Newton Ferrers by virtue of being acquainted with the landowners father through motorsport. He remained in the meeting for the duration of both items and took part in each debate and vote thereon.

DM.45/15 **URGENT BUSINESS**

The Chairman advised that, in the New Year, the Committee would receive a report that presented a review of the Planning Scheme of Delegation. A small informal group of Members had been asked to work with officers on this review before it was presented to Committee for its consideration.

DM.46/15 **MINUTES**

The minutes of the meeting of the Committee held on 18 November 2015 were confirmed as a correct record and signed by the Chairman.

DM.47/15 **PUBLIC PARTICIPATION**

The Chairman announced that a list of members of the public who had registered their wish to speak at the meeting had been circulated.

DM.48/15 PLANNING APPLICATIONS

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

**44/0800/15/F SX8088 4535, Lower Coltscombe, Slapton
Parish: Slapton**

Development of retreat for people with physical disabilities with 6no. guest pods, guest common area, owners accommodation and fitness centre (resubmission of 44/0979/14/F)

Speakers included: Objector – Mr Justin Haque; Supporter – Mr Paddy Costeloe; Slapton Parish Council representative – Cllr Graham Burton; Ward Member – Cllr Foss

Officer's Update:

- Reference to 'fitness centre' in description should be deleted.
- Additional condition proposed – Prior to the occupation/use of any new building on the site the existing agricultural building on the southern part of the site shall be removed and the area restored and landscaped in accordance with details to be agreed.
- Subsequent to the committee site visit 2 residents have submitted further LOR's concerned that Members did not visit Watergate Cottage to observe the water course that flows under the house and did not consider impacts on the amenity of this property. In addition Members did not visit the route of the proposed 'wheelchair route' to the Ley which is subject to flooding and has a challenging terrain.
- 2 Photos of views from Watergate Cottage to the site were shown.

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accords with plans
3. Owners' accommodation not to be occupied until 3 pods and communal guest facilities are completed and available for use and is only to be occupied by a person(s) who are full time workers at the site or last occupied as such, their family and dependents.
4. Pods – Holiday and respite use only unless otherwise agreed in writing
5. Communal guest facilities to be retained as such and for no other use
6. The new access bridge to be designed in accordance with the submitted FRA and details agreed with LPA

7. The new access road to be fully implemented before the development is brought into use.
8. No use of existing access during construction unless agreed with the LPA.
9. Details of bollards or other means of enclosure at the existing site entrance to be agreed with LPA allowing only emergency vehicular access at existing site entrance. Agreed scheme to be implemented before any building is brought into use.
10. The development will be served by an appropriate means of foul drainage, details to be agreed and implemented
11. Prior to commencement – detailed drainage assessment to be agreed and implemented
12. Appropriate licensing from Natural England prior to vegetation clearance or a statement that a licence is not required.
13. Prior to commencement a Landscape and Ecological Management Plan to be approved
14. Details of path lighting and other exterior lighting to be agreed and to accord with the submitted Habitat Survey
15. Details of automatic window shutters to be agreed and implemented
16. Construction Management Plan to be agreed prior to commencement of development.
17. Submission of a detailed landscape scheme that fully integrates with the agreed Woodland Management plans and access track - to be submitted pre-commencement
18. Submission of an Arboricultural Methodology Statement which addresses all construction close to trees and including the access track, bridge and pods.
19. Tree Protection Plan and protection - implemented prior to any development.
20. Detailed specification of internal layouts and specification of fixtures and fittings to ensure buildings are fully accessible to persons with disability, to be agreed and to be retained as such.
21. Details of boundary treatments to be agreed and implemented
22. Materials to be agreed
23. Hard surfacing materials to be agreed
24. Removal of PD rights – Part 1 and 2 of GPDO
25. Pods – Holiday and respite use only unless otherwise agreed in writing
26. Details of solar panels to be agreed and implemented.
27. Parking layout to be agreed and implemented
28. Details of refuse bins/waste storage to be agreed
29. Prior to occupation of any building on the site a Green Travel plan shall be submitted to and agreed in writing by the LPA to demonstrate how reliance on the private car will be minimised
30. Prior to the commencement of construction of any building within the site details of sustainable construction methods, to included high levels of floor and wall insulation comparable to BREAMS standards, shall be submitted to and approved in writing by the LPA

37/1426/15/F Proposed Solar PV array at SX 553 496, Newton Downs Farm, Newton Ferrers Parish: Newton and Noss

Temporary (30 years) change of use to agriculture and solar photovoltaic farm with associated static arrays of photovoltaic panels (proposed output 5mW, site area 11.9 hectares) together with associated structures

Speakers included: Supporter – Mr Hugo House; Parish Council Representative – Cllr Alison Ansell; Ward Member – Cllr Baldry

Officer's Update: N/A

Recommendation: Refusal

During the debate on this item, the Ward Member in attendance reinforced that the main objection to this application was that the site was within the AONB, but the Parish Council was in support of the proposal. He asked that the Committee support the application. A number of Members spoke in support of the application as it had been sensitively sited.

Committee Decision: That authority to grant conditional approval be delegated to the Lead Specialist (Development Management) in consultation with the Chairman of Development Management Committee, subject to conditions and the signing of a Section 106 Agreement

Reasons for Approval:

Members considered that exceptional circumstances and public benefit were so sufficient in this application to warrant conditional approval in the context of paragraph 116 of the NPPF.

Specifically, exceptional circumstances were that a s106 Agreement would be signed to ensure that the local community, represented by the Yealm Community Energy Group, would have a period of six months from the date of completion of the development to purchase the installation. This measure gave a reasonable opportunity for the community to take ownership of the installation and was, therefore, considered to carry significant weight in favour of the development in the context of the provisions of paragraph 97 of the National Planning Policy Framework. In addition, biodiversity benefits would accrue given the context of the ending of countryside stewardship payments.

The s106 would also require the creation and use of a turning circle for HGVs on Parsonage Road.

Members also noted that if the community was not able to complete the purchase within the specified time period, then an annual payment of £10,000 would be made to the community. Whilst noting this offer, Members did acknowledge that this was not a material consideration.

Conditions:

1. 3 year time limit to commence construction;
2. In accordance with plans;
3. GPDO Removal (fences, CCTV and ancillary structures);
4. Restriction on working and construction hours;
5. Construction Traffic Management Plan prior to construction commencing;
6. Landscape and Ecological Management Plan prior to construction commencing;
7. Prior written approval for lighting;
8. Notification that site is operational;
9. Cessation within 30 months;
10. Archaeological investigation; and
11. Unexpected contamination.

37/2271/15/F **Field at SX 553 488, Newton Downs Farm,
Newton Ferrers
Parish: Newton and Noss**

Proposed temporary access from field onto Parsonage Road

Officer's Update: Following the granting of planning permission for application 1426/15/F, the Officer recommendation was amended to be one of approval subject to conditions.

Recommendation: Refusal – Amended to Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Commence within 3 years of permission;
2. Restoration in the planting season following commencement of development;
3. Landscape and ecological management plan (including preparation, maintenance, re-instatement, planting and aftercare) prior to commencement

05/1325/15/F **Development site at SX 672 471, The Old
Vineyard, Easton, Kingsbridge
Parish: Bigbury**

Demolition of existing commercial building and replacement with two bedroom bungalow

Recommendation: Refusal

The Case Officer confirmed that there were no further updates since the site inspection that had taken place on 7 December 2015. Members stated that they were unable to support the application without a legal tie to ensure it remained an affordable property.

Other Members felt that the site would be improved by the proposal. The Ward Member stated that the proposal offered a major improvement to what was currently on site and the proposal was not obtrusive.

Committee Decision: Conditional Approval

Reasons for Approval:

The site was in a sustainable location, the proposal would replace an unsightly building and it bordered existing properties.

Conditions:

1. Time limit
2. Accord with plans
3. Environmental health
4. Drainage
5. Removal of permitted development
6. Landscaping
7. Ecology

28/1046/15/F **Proposed new station, engine shed and track
at SX 7363 4388, Embankment Road,
Kingsbridge
Parish: Kingsbridge**

Creation of new station and engine shed with track

Speakers included: Objector – Mr Leslie Green; Supporter – Mr Steve Mammatt; Ward Members – Cllr Gilbert and Cllr Wingate

Officer's Update: N/A

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accord with Plans
3. Tree Protection Scheme prior to commencement
4. Landscape Scheme prior to commencement
5. Surface water soakaway details prior to commencement
6. Sample of finish materials prior to commencement of station / engine shed
7. Cross-Section of track and bedding prior to commencement

01/2131/15/F **Proposed development site at 2 Dunstone Cottages, Ashprington Parish: Ashprington**

Proposed new dwelling in garden

Speakers included: Objector – Mr Groome; Supporter – Mr Marston; Ward Member – Cllr Tucker (statement presented on his behalf)

Officer's Update: N/A

Recommendation: Refusal

During discussion, Members noted that whilst there was a Highways Authority objection, it would always be the case in small villages that the roads were such that care must always be taken and speeds adjusted accordingly. It was felt that one additional property was not sufficient to impact on the safety levels or volume of traffic on the Highway.

Committee Decision: Conditional Approval

Reasons: The increase in volume of traffic was not felt so sufficient to make it a reason for refusal.

Conditions:

1. Time limit
2. Accord with plans
3. Materials samples
4. Re-use of stone
5. Foul drainage
6. Surface water drainage
7. Construction management plan
8. Tree protection measures
9. Unsuspected contamination
10. Parking to be kept available in perpetuity
11. PD rights removed for windows in south elevation

53/2267/15/F **The Cove Guest House, Torcross, Kingsbridge Parish: Stokenham**

Erection of replacement single dwelling

Speakers included: Objector – Ms Clare Pawley; Parish Council Representative – Cllr Paula Doust; Ward Member – Cllr Brazil

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit
2. Accord with plans
3. Development in accordance with geo-technical report
4. Schedule of materials and finishes
5. Natural local stone
6. Details of non-reflective glazing
7. Removal of permitted development rights
8. Details of hard and soft landscaping scheme
9. Reptile mitigation strategy
10. Garage to be retained for vehicle storage
11. Unsuspected contamination
12. Construction Management Plan to include detail to show how vehicular access to Downsteps will be maintained at all times
13. Privacy screen on north end of balcony
14. Balustrading to the north side of the roof terrace to be obscure

56/2221/15/O

**Cocos Nursery, Ashburton Road,
Totnes
Parish: Totnes**

Outline application with all matters reserved for 8no. three bedroomed houses with 8no. parking spaces

Speakers included: Objector – Ms Kate Wilson; Supporter – Ms Chloe Nicholson; Ward Member – Cllr Vint

Recommendation: To delegate approval to the Community of Practice Lead (Development Management) subject to the completion of the necessary Section 106 legal agreement in respect of affordable housing and Open Space, Sport and Recreation contributions.

During discussion, some Members felt that a site visit would be of benefit to understand the impact of the proposal in the wider setting of the T2 allocated site. A proposal for a site inspection was seconded but on being put to the vote was declared lost.

Committee Decision: That authority to grant conditional approval be delegated to the Community of Practice Lead (Development Management) in consultation with the Chairman of Development Management Committee, subject to conditions and the signing of a Section 106 Agreement

Conditions:

1. Time limit for commencement
2. In accordance with plans
3. Materials
4. GPDO restrictions
5. Parking and access to be provided before occupation.

6. Construction Management Plan
7. Universal contamination condition
8. Submission of Reserved Matters

37/2181/15/VAR

**Briar Hill Farm, Court Road,
Newton Ferrers
Parish: Newton and Noss**

Removal of condition 6 of planning consent 37/0518/15/F (to allow owner's accommodation to be standalone property and not tied to the site)

Speakers included: Supporter – Mr Scott McCreedy; Parish Council Representative – Cllr Alan Cooper; Ward Member – Cllr Baldry (statement presented on his behalf)

Officer's Update: N/A

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit for commencement
2. In accordance with plans
3. Materials
4. Permitted development restrictions
5. Holiday use conditions
6. Percolation tests
7. Permitted development restrictions
8. North facing first floor windows on owners' dwelling to be obscure glazed
9. No further windows to be installed

58/2174/15/VAR

**Trehear, Traine Road, Wembury
Parish: Wembury**

Variation of condition 2 (approved plans) of planning consent 58/1431/14/F for amendments to external appearance of main dwelling

Speakers included: Objector – Mr Brian Hall; Ward Member – Cllr Brown

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Accord with plans
2. Conditions requiring development to accord with details approved under 58/3165/14/DIS (Drainage, materials, natural stone and landscaping)
3. Removal of PD rights (extensions/outbuildings)
4. Retention of garaging for parking
5. No additional windows in the 1st floor southwest elevation of the dwelling

56/1085/15/F

**11-20 Burke road, Totnes
Parish: Totnes**

Demolition of existing single storey offices/workshops (B1/D1).
Erection of 5No 2 storey workplace units with associated off-street parking and bin stores (B1)

Officer's Update: N/A

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accord with plans
3. Retention of proposed parking in perpetuity
4. Construction Environment Management Plan prior to commencement
5. Removal of Permitted Development Rights (B8 storage and distribution)
6. 'Unit 1' for D1 homeless shelter as conforming to current land use
7. No demotion of current homeless shelter prior to March 2016

DM.49/15 PLANNING APPEALS UPDATE

Members noted the presented list of appeals.

(Meeting commenced at 10.00am and concluded at 4:50 pm)

Chairman

Voting Analysis for Planning Applications – DM Committee 16 December 2015

Application No:	Site Address	Vote	Councillors who Voted Yes	Councillors who Voted No	Councillors who Voted Abstain	Absent
44/0800/15/F	SX8088,4535, Lower Coltscombe, Slapton	Refusal	Cllrs Rowe, Pearce, Foss, Hodgson (4)	Cllrs Holway, Hitchins, Cuthbert, Bramble, Steer, Vint (6)	Cllr Brazil (by virtue of missing the beginning of the presentation) (1)	Cllr Cane (1)
44/0800/15/F	SX8088,4535, Lower Coltscombe, Slapton	Conditional Approval	Cllrs Holway, Hitchins, Cuthbert, Bramble, Steer, Vint (6)	Cllrs Rowe, Pearce, Foss, Hodgson (4)	Cllr Brazil (by virtue of missing the beginning of the presentation) (1)	Cllr Cane (1)
37/1426/15/F	SX 553 496, Newton Downs Farm, Newton Ferrers	Conditional Approval	Cllrs Holway, Hitchins, Bramble, Vint, Hodgson, Brazil, Steer (7)	Cllrs Pearce, Cuthbert, Foss (3)	Cllr Rowe (1)	Cllr Cane (1)
37/2271/15/F	Field at SX 553 488, Newton Downs Farm, Newton Ferrers	Conditional Approval	Cllrs Holway, Bramble, Pearce, Cane, Hitchins, Cuthbert, Hodgson, Vint, Rowe, Steer, Foss (11)	(0)	(0)	Cllr Cane (1)
05/1325/15/F	Development Site at SX 672 471, The Old Vineyard, Easton, Kingsbridge	Conditional Approval	Cllrs Hodgson, Vint, Bramble, Hitchins, Holway (5)	Cllrs Pearce, Cuthbert, Brazil (3)	Cllrs Steer, Rowe, Foss (3)	Cllr Cane (1)
28/1046/15/F	SX 7363 4388, Embankment Road, Kingsbridge	Conditional Approval	Cllrs Holway, Bramble, Pearce, Cane, Hitchins, Cuthbert, Hodgson, Vint, Rowe, Steer, Foss (11)	(0)	(0)	Cllr Cane (1)
01/2131/15/F	Proposed Development site at 2 Dunstone Cottages, Ashprington	Conditional Approval	Cllrs Holway, Hitchins, Rowe, Hodgson, Foss (5)	Cllrs Pearce, Cuthbert, Brazil (3)	Cllrs Bramble, Vint, Steer (3)	Cllr Cane (1)

53/2267/15/F	The Cove Guest House, Torcross	Refusal	Cllrs Brazil, Hodgson, Vint (3)	Cllrs Steer, Foss, Rowe, Pearce, Cuthbert, Hitchins, Holway, Bramble (8)	(0)	Cllr Cane (1)
53/2267/15/F	The Cove Guest House, Torcross	Conditional Approval	Cllrs Steer, Foss, Rowe, Pearce, Cuthbert, Hitchins, Holway, Bramble (8)	Cllrs Brazil, Hodgson, Vint (3)	(0)	Cllr Cane (1)
56/2221/15/O	Cocos Nursery, Ashburton Road, Totnes	Site Inspection	Cllrs Brazil, Hodgson, Vint (3)	Cllrs Steer, Foss, Rowe, Pearce, Cuthbert, Hitchins, Holway, Bramble (8)	(0)	Cllr Cane (1)
56/2221/15/O	Cocos Nursery, Ashburton Road, Totnes	Conditional Approval	Cllrs Steer, Foss, Rowe, Pearce, Cuthbert, Hitchins, Holway, Bramble (8)	Cllrs Hodgson, Vint (2)	Cllr Brazil (1)	Cllr Cane (1)
57/2181/15/VAR	Briar Hill Farm, Court Road, Newton Ferrers	Conditional Approval	Cllrs Holway, Bramble, Pearce, Cane, Hitchins, Cuthbert, Hodgson, Vint, Rowe, Steer, Foss (11)	(0)	(0)	Cllr Cane (1)
58/2174/15/VAR	Trehear, Traine Road, Wembury	Conditional Approval	Cllrs Holway, Bramble, Pearce, Cane, Hitchins, Cuthbert, Hodgson, Vint, Rowe, Steer, Foss (11)	(0)	(0)	Cllr Cane (1)
56/1085/15/F	11-20 Burke Road, Totnes	Conditional Approval	Cllrs Holway, Bramble, Pearce, Cane, Hitchins, Cuthbert, Hodgson, Vint, Rowe, Steer, Foss (11)	(0)	(0)	Cllr Cane (1)

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE
HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 7 JANUARY 2016**

Members in attendance * Denotes attendance ∅ Denotes apology for absence			
*	Cllr I Bramble	*	Cllr J T Pennington (Chairman)
*	Cllr J Brazil	*	Cllr K R H Wingate (Vice-Chairman)
*	Cllr R J Foss		

Members also in attendance:
Cllrs L A H Ward and S A E Wright

Item No	Minute Ref No below refers	Officers and Visitors in attendance
All Items		Section 151 Officer, Representatives from Grant Thornton and KPMG, Head of Devon Audit Partnership and Senior Specialist – Democratic Services

A.2215 WELCOME

On behalf of the Committee, the Chairman welcomed Mr Darren Gilbert (from KPMG) to his first Audit Committee meeting. Furthermore, the Committee was also advised that Mr Adam Bunting (KPMG) had given his apologies for this meeting.

A.23/15 MINUTES

The minutes of the meeting held on 24 September 2015 were confirmed as a correct record and signed by the Chairman.

A.24/15 DECLARATIONS OF INTEREST

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

A.25/15 THE ANNUAL AUDIT LETTER FOR SOUTH HAMS DISTRICT COUNCIL

The Committee received the Council's Annual Audit Letter that summarised the key findings arising from the work that Grant Thornton had carried out at the Council for the year ended 31 March 2015.

In discussion, reference was made to:-

- (a) the Audit Fee. It was noted that the Fee was determined by the Public Sector Audit Appointments (PSAA) and it was set irrespective of the performance of the Council. For 2016/17, it was noted that, in comparison to 2015/16, there would be a 25% reduction in the Council's Audit Fee;
- (b) the key issues and recommendations raised. With regard to the requirement to open up dialogue with the asset software system provider, the Committee was informed that the Capital Accountant was to make contact in the ensuing weeks. Secondly, the S151 Officer confirmed that relevant officers had now been reminded of the importance of narrative descriptions being added to all journals to explain the nature and purpose of a transaction.

It was then:

RESOLVED

That the Annual Audit Letter be noted.

A.26/15

CERTIFICATION WORK FOR SOUTH HAMS DISTRICT COUNCIL FOR YEAR ENDED 31 MARCH 2015

The Committee considered a report produced by Grant Thornton that presented their Certification Work for the Council for the year ended 31 March 2015.

The detailed work undertaken by Grant Thornton on the Council's Housing Benefit Subsidy claim which had a value of £22.4 million was noted by the Committee. In so doing, the Committee acknowledged that there were no amendments to the claim and the subsidy claim was unqualified.

The Committee emphasised the comments expressed by the Grant Thornton representative whereby an 'unqualified opinion' was an uncommon and excellent result for the Council. In recognition of this achievement, it was agreed that the Chairman should write to the Housing Benefit team to thank them for their hard work and commitment to the Council.

It was then:

RESOLVED

1. That the paper be noted; and
2. That the Chairman write to the Housing Benefit team to thank them for their hard work and commitment to the Council.

A.27/15

REPORT ON VALUE FOR MONEY FOR THE COUNCIL

Members considered a report that was produced by Grant Thornton that summarised the findings from their work supporting their Value for Money conclusion, which was required as part of the statutory external audit responsibilities.

During discussion, the following points were raised:-

- (a) The Committee wished to query the 'Amber' rating that was attributed to the Council's General Fund Balance particularly when considering that it was in line with the Council's target balance. In reply, the Grant Thornton representative informed that this rating had arisen in light of the balance being low compared to other similar sized rural local authorities. Specifically on this area of focus, the Committee felt that this was a misleading rating and expressed the view that it would be beneficial to see more information accompanying this rating;
- (b) A Member emphasised the current issues faced by the Council relating to IT systems and data quality and felt that the observations in the presented agenda report whereby 'no issues or concerns had been raised over the quality of date' were now seriously out of date;
- (c) On behalf of the Group Manager – Commercial Services, the Section 151 Officer provided the Committee with an update on the Strategic Waste Review. Members welcomed this update and requested that it be circulated to the wider membership by being included in the Budget papers that were circulated to the Overview and Scrutiny Panel meeting in January 2016;
- (d) It was noted that the rating attributed for 'Executive and Member Engagement' had been incorrectly labelled as 'Amber' and it should in fact be categorised as 'Green';

(NOTE: during consideration of point (e) below, the S151 Officer left the meeting room).

- (e) Members expressed their concerns that the rating for 'Understanding of the Financial Environment' had been downgraded to 'Amber' as a consequence of the S151 Officer no longer being a member of the Council's Senior Leadership Team. Members paid tribute to the tireless and excellent work undertaken by the postholder and recalled the comments expressed at a recent training event whereby Councils were urged to include their S151 Officer role as a member of their respective management teams. The following motion was then **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED**:-

'That consideration be given to the Section 151 Officer role being reinstated to the Council's Senior Leadership Team.'

(NOTE: at this point, the S151 Officer returned to the meeting room).

It was then:

RESOLVED

1. That the report be noted; and
2. That consideration be given to the Section 151 Officer role being re-instated to the Council's Senior Leadership Team.

A.28/15

EXTERNAL AUDIT PROGRESS REPORT AND TECHNICAL UPDATE

A KPMG produced report was considered that sought to provide the Committee with an overview on progress in delivering their responsibilities as the Council's new external auditor. The report also highlighted the main technical issues that were currently having an impact in local government.

In discussion, reference was made to:-

- (a) the need for a radical programme of house building. Members highlighted as a cause for real concern the following comments outlined in the presented agenda report:-

'without a radical programme of house building, average house prices in England could double in just ten years and quadruple in just twenty years.'

- (b) transport infrastructure assets. The new requirement (from 2016/17) to include transport infrastructure assets owned by local authorities in the accounts was causing councils much consternation. The KPMG representative felt that this requirement was less likely to affect district councils. Whilst still awaiting more guidance in this respect, officers confirmed that there was a possibility that the Dartmouth Lower Ferry slipway may be included within the definition of this type of asset.

It was then:

RESOLVED

That the report be noted.

A.29/15

APPOINTING YOUR EXTERNAL AUDITOR

A report was presented by KPMG that outlined what local authorities should be considering when appointing their External Auditors in the future.

In discussion, the following points were raised:-

- (a) The Committee was informed that, as a best guess (and depending upon the choice of procurement approach followed), the appointment process would typically take in the region of six months;
- (b) The long lead-in time for this process was welcomed by Members. Furthermore, Members welcomed the fact that the strength of the Council's financial controls would be reflected in the tendering process;
- (c) With regard to seeking more clarity in relation to the role of the Audit Panel, it was confirmed that CIPFA was in the process of producing guidance in this respect. At the conclusion of a brief debate, the Committee requested receipt of a report at a future meeting that provided more information on the role of the Audit Panel and an indication on the views of neighbouring local authorities.

It was then:

RESOLVED

1. That the contents of the report be noted; and
2. That a report on the role of the Audit Panel and an indication of the views of neighbouring local authorities be presented to a future Audit Committee meeting.

A.21/15 UPDATE ON PROGRESS ON THE 2015/16 INTERNAL AUDIT PLAN

The Committee considered a report that informed it of the principal activities and findings of the Council's Internal Audit team for 2015/16 to 6 November 2015.

In discussion, reference was made to:-

- (a) the alleged misappropriation of Council assets. Members were advised that the court date for the hearing to consider this matter had been confirmed for January 2016;
- (b) T18 Transformation. Officers gave assurances that the audit work on T18 Transformation would include reference to iESE, who had supported the Council during the Programme;
- (c) the Plan being more advanced than indicated in the presented agenda report. As an update, Members were advised that the Council Tax, Business Rates and Treasury Management projects had all now commenced. In addition, the Trade Waste, Car and Boat Parking and Salcombe Harbour project reports had now all been issued in draft form. In conclusion, it was noted that officers were confident that the work scheduled within the agree Plan would be completed before the end of the 2015/16 year;

- (d) the Greater Dartmoor Local Enterprise Action Fund (LEAF) and the South Devon Coastal Local Action Group (LAG). Whilst recognising that the allocation of 50 days of audit work to these projects was as a result of EU legislative requirements, Members reiterated their previously raised concerns that this was unduly excessive and was to the ultimate cost of the Council Taxpayer. Members were informed that the Overview and Scrutiny Panel had requested that representatives for the LEAF and LAG attend its meeting on 17 March 2016 and it may be deemed appropriate by Committee Members to raise questions relating to value for money at this meeting.

It was then:

RESOLVED

That the progress made against the 2015/16 internal audit plan, and any key issues, be noted.

(Meeting commenced at 2.00 pm and finished at 3.50 pm)

Chairman

**MINUTES OF THE MEETING OF THE
OVERVIEW & SCRUTINY PANEL
HELD AT FOLLATON HOUSE, TOTNES ON
THURSDAY, 14 JANUARY 2016**

Panel Members in attendance:			
* Denotes attendance		∅ Denotes apology for absence	
∅	Cllr K J Baldry	*	Cllr D W May
*	Cllr N A Barnes	*	Cllr J T Pennington
*	Cllr J I G Blackler	*	Cllr K Pringle
*	Cllr D Brown	*	Cllr M F Saltern (Chairman)
*	Cllr J P Green	*	Cllr P C Smerdon
*	Cllr J D Hawkins	*	Cllr K R H Wingate
*	Cllr D Horsburgh		

Other Members also in attendance:
Cllrs H D Bastone, I Bramble, J Brazil, P K Cuthbert, R F D Gilbert, M J Hicks, P W Hitchins, J M Hodgson, T R Holway, J A Pearce, R C Steer, R J Tucker, L A H Ward and S A E Wright

Item No	Minute Ref No below refers	Officers in attendance and participating
All		Head of Paid Service and Senior Specialist – Democratic Services
8	O&S.66/15	Section 151 Officer, Senior Specialist – Place and Strategy, Group Manager – Commercial Services and Senior Specialist – Facilities Management
9	O&S.67/15	Executive Director (Service Delivery and Commercial Development) and Contact Centre Manager
10	O&S.68/15	Specialists Manager and COP Lead Development Management
11	O&S.69/15	Support Services Specialist Manager
12	O&S.70/15	Group Manager – Business Development and Specialist – Performance and Intelligence
13(a) and 15	O&S.71/15 (a) and O&S.74/15	Group Manager – Commercial Services

O&S.62/15 MINUTES

The minutes of the meeting of the Overview and Scrutiny Panel held on 19 November 2015 were confirmed as a correct record and signed by the Chairman.

O&S.63/15 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting. These were recorded as follows:-

Cllr J D Hawkins declared a Personal Interest in Item 13(d): 'Task and Finish Group Updates: Events Policy' (Minute O&S.71/15(d) below refers) by virtue of being the Chairman of the Dartmouth Royal Regatta and remained in the meeting during the debate on this item.

O&S.64/15 PUBLIC FORUM

In accordance with the Public Forum Procedure Rules, no items were raised at this meeting.

O&S.65/15 EXECUTIVE FORWARD PLAN

Members were presented with the most recently published Executive Forward Plan. In discussion, Members particularly highlighted the proposed agenda item on 10 March 2016 entitled: 'Income Generation Opportunities/Business Development Update' and felt that it would be useful to receive an update on the Income Generation Opportunities at the next Panel meeting on 25 February 2016.

O&S.66/15 BUDGET PROPOSALS REPORT 2016/17 – UPDATE INFORMATION

The Panel considered a report that updated Members on the figures shown in the Capital and Revenue Budget papers that were presented to the Executive at its meeting on 10 December 2015 (Minutes E.47/15 and E.48/15 refer).

In his introduction, the Leader made particular reference to:-

- the loss of the Revenue Support Grant. The Leader expressed his major disappointment at the central government announcement whereby the Council would receive no Revenue Support Grant funding by 2018/19;
- the four year offer to Councils to have certainty of their funding. The Panel noted that a meeting was to be held later this week between senior finance officers across the county during which the merits of whether or not to accept the four year offer would be discussed further.

In discussion on the draft revenue budget, the following points were raised:-

- (a) As a general point, a Member was of the view that central government cuts were far too severe and key stakeholders needed to take every possible step to reverse this trend. In response, the Leader advised that active and ongoing lobbying was taking place in this regard with both the District Councils Network and Local Government Association particularly pro-active. Furthermore, the Member continued to question why town and parish councils remained exempt from any Council Tax referendum limits;

- (b) It was clarified that the central government funding stream that had been designated solely for homelessness prevention had now been discontinued;
- (c) In respect of the set up costs of the Local Authority Controlled Company, officers advised that they were awaiting a response from the Local Government Association to ascertain whether or not the Council would be entitled to receive a sum of transformation funding from the Department for Communities and Local Government to support this project. It was noted that the cost pressures had been increased (to £150,000 per Council) as a consequence of some further exploratory work that had been undertaken by Grant Thornton. In response to some Member concerns over these rising costs and the projected payback period, officers confirmed that a more detailed agenda item would be presented to Members in the upcoming weeks for consideration;
- (d) A Member felt that it would be helpful for a breakdown of the £230,000 affordable housing contribution to be made available for interested Members. In reply, officers advised that, in light of the reactive nature of this fund and the likelihood that projects may continually emerge, such a breakdown would be difficult to produce;
- (e) With regard to the Base Budget figures, the Section 151 Officer agreed to illustrate (by virtue of a future Members' Bulletin article) how the savings and pressures reconciled in relation to the Transformation Programme savings;
- (f) Officers confirmed that the New Homes Bonus modelling had taken account of feedback provided by lead officers working on the Sherford development proposals.

Specifically on the revenue budget proposals, it was then **PROPOSED** and **SECONDED** that the Executive be advised that the Panel **RECOMMEND** that:-

1. The Council Tax level for 2016/17 should be increased by 1.99%;
2. The anticipated surplus for 2016/17 should be transferred into a contingency reserve; and
3. The themes arising from the Medium Term Financial Strategy be endorsed.

In discussion on the draft capital budget, reference was made to:-

- (i) provision of an external platform lift to link to the Council Chamber. In light of the severity of the Council's budgetary position, a Member questioned the justification for spending £75,000 on a platform lift. In response, Executive Members highlighted the potential income that could be generated by letting this office space and the projected two year payback period for this investment;

- (ii) replacement costs of the existing boilers at Follaton House. Despite offering their help from the offset to support this project, some Members expressed their disappointment that they had not yet been contacted. Following a debate during which the potential for a biomass or ground source heat pump solution was raised, it was concluded that an options appraisal was required. Furthermore, the Panel endorsed the suggestion whereby this project was included in the Commercial Services work plan, with Cllrs Barnes and Wingate being involved from the early stages;
- (iii) the costs of vehicles for the operational locality officers. Officers gave assurances that this proposed capital spend would be held in abeyance until the Locality Service review that was scheduled for the Panel meeting in March 2016;
- (iv) future Disabled Facilities Grant funding. When questioned, officers confirmed that they had received assurances from colleagues at Devon County Council whereby, for 2016/17, the Council would receive at least the same amount on funding as had been allocated for 2015/16.

Specifically on the capital budget proposals, it was **PROPOSED** and **SECONDED** that the Executive be advised that the Panel has considered the agenda report and made comments as outlined in the minutes above.

O&S.67/15 **CONTACT CENTRE UPDATE**

In line with the wish of the Panel at its most recent meeting to see a far greater improvement in performance (Minute O&S.55/15 refers), a report was considered that presented a draft clear action plan for Customer Services.

In discussion, the following points were raised:-

- (a) Members expressed their surprise at the second highest volume phone call type was ordering recycling sacks. These Members felt that there were a number of measures that could be implemented to reduce the burden on the contact centre arising from this call type and it was felt that there was scope for Locality Officers and local ward Members to take on additional responsibility. As a general point, some Members felt that the Council should be utilising the Locality Service more in order to support the Contact Centre;
- (b) Some Members repeated their previously raised viewpoint that staff numbers were insufficient in the contact centre. Officers countered this point by expressing the view that resources should be prioritised towards ensuring that the designed processes were accurate. In addition, since the staff members were currently operating multiple different systems, the Council was not yet in a position to determine whether the staff numbers were appropriate.

Finally, the Head of Paid Service confirmed that once the processes were all in place and functioning correctly, he was committed to reviewing the officer establishment to ensure that resources were allocated in the right place and at the appropriate level;

- (c) It was noted that the budget allocated for agency staff would be spent by the end of March 2015. In response to a request, officers agreed to provide Members with a list outlining how this would impact upon staff numbers;
- (d) In recognising the urgent need for channel shift and improved signposting and communications, Members felt that it would be interesting to receive comparable information outlining the average costs of transactions through the website, telephone calls and face to face respectively;
- (e) A Member felt that the Panel had extensively scrutinised the contact centre over recent meetings and there was now a desperate need to let officers get on with delivering the action plan to drive through service improvements. As a further comfort, it was noted that the contact centre performance figures were to be reviewed by the Senior Leadership Team on a weekly basis;
- (f) It was noted that work was ongoing in an attempt for outgoing calls from the Council to no longer be displayed to the recipient as being from a 'withheld' number.

It was then:

RESOLVED

1. That Members continue to support the work being undertaken to improve Customer Services and monitor performance through regular updates; and
2. That the Action Plan (as outlined at Appendix C) be endorsed.

O&S.68/15 DEVELOPMENT MANAGEMENT SERVICE UPDATE

A report was considered that outlined the measures that had been both implemented and still planned to secure a sustainable improvement in performance in delivering Development Management.

During the debate, some Members expressed their frustrations and concerns specifically in relation to:-

- the poor quality of service being experienced by town and parish councils, who were becoming increasingly frustrated. Officers recognised this point and stated that there was a need for the Council to improve its communications with town and parish councils;

- the need to improve performance quickly or run the real risk of the service being 'designated'. In addition, the view was expressed that customer satisfaction must not be lost sight of when chasing prescribed service targets;
- the problems that had been encountered when elements of the service had gone live on the new Planning system. A Member expressed their regret that the IT systems were currently letting down the service. In taking this point a step further, Members asked that a message be passed back to senior Civica representatives whereby the Panel felt very let down by the service being received by the Council;
- the loss of capacity, experience and local knowledge as a consequence of the Transformation Programme. A Member proceeded to state that there was a need to look at placing additional resources in the service. The Head of Paid Service reiterated the comments that he had expressed during the previous agenda item (O&S.67/15(b) above refers) whereby he was committed to reviewing the officer establishment.

In response, other Members felt that these points were unduly harsh when considering that the presented agenda report was highlighting overall improvements in the Development Management Service.

Nonetheless, a Member **PROPOSED** that:

1. closer liaison take place between Planning Case Officers and town and parish councils in respect of the lead in times for planning applications to ensure that town and parish councils have as much time as possible to consider an application during the consultation process; and
2. closer liaison take place between individual Members and Planning Case Officers.

A Member duly **SECONDED** part 1 of the proposal but, in the absence of a seconder for part 2, there was no debate on this part.

In discussion on part 1, Members acknowledged the comments of the Development Management COP Lead whereby the Council was restricted by the statutory time period for consulting with local town and parish councils and the vote was therefore declared **LOST** on this motion.

It was then:

RESOLVED

1. That the measures that were being implemented to improve performance within Development Management (as outlined at paragraph 4 of the presented agenda report) be endorsed; and
2. That the Head of Paid Service inform senior Civica representatives that the Panel is very disappointed with the level of service being received by the Council to date.

O&S.69/15 HEALTH AND WELLBEING (LEISURE) PROCUREMENT UPDATE

A report was presented that provided an update on the Health and Wellbeing (Leisure) procurement exercise. The lead Executive Member for Customer First provided a timetable of events for the project and expressed his confidence that the Council would receive some positive bid submissions.

In discussion, some Members highlighted the comments outlined in the presented agenda report that described the role to be played by local Ward Members in this exercise. It was therefore deemed unfortunate by a number of Members that they had received no information or contact to date. Officers responded that they would arrange a meeting for all local ward Members in due course. Moreover, at this meeting, greater information would be revealed to Members in respect of costs and the dialogue sessions that had been conducted.

It was then:

RESOLVED

That the progress of the procurement for Health and Wellbeing (Leisure) Services be noted.

O&S.70/15 QUARTER 2 PERFORMANCE INDICATORS

A report was considered that provided Members with information on Key Performance Indicators at the end of quarter 2 for 2015/16.

In discussion, reference was made to:-

- (a) future 'deep dive' reports. The Panel felt that Indicators pertinent to the Contact Centre and Development Management should not be subject to a 'deep dive' report for the foreseeable future. The indicator that was identified by Members as an area of interest for the next meeting was the 'average end to end time benefits new claims (days)';
- (b) the number of days lost due to sickness absence. Some Members welcomed the improvements in the sickness absence indicators;
- (c) the definition of 'narrowly off target be aware'. Officers accepted that this definition currently lacked clarity and it would therefore be re-defined in future quarterly reports;
- (d) the lack of comments accompanying some of the Performance Indicators. Officers confirmed that, for some of the indicators, there was a lack of information as a consequence of the cross over from the old to the new system.

It was then:

RESOLVED

1. That the key Performance Indicators for Quarter 2 be noted and the action detailed to improve future performance has been considered; and
2. That the 'average end to end time benefits new claims (days)' be selected as an area of interest for the next meeting.

O&S.71/15 TASK AND FINISH GROUP UPDATES

(a) Dartmouth Lower Ferry

In light of the report being published in accordance with Section 100(A)(4) of the Local Government Act 1972, it was noted that this agenda item would now be considered at the end of this meeting (Minute O&S.74/15(a) below refers).

(b) Partnerships

It was confirmed that two joint meetings had been held with West Devon Borough Council colleagues and the key theme which was becoming increasingly apparent was that the number of Council partnerships was more than had been initially envisaged.

In terms of next steps, the joint Group was trying to classify the partnerships and, at its next scheduled meeting, would be focusing upon significant partnerships only.

Following the next meeting, and recognising the need to notify and communicate with these partners, it was envisaged that the groups would then revert back to meeting as two separate entities.

(c) Waste and Recycling

The Panel noted the concluding report that had been generated by the Task and Finish Group and wished to put on record its gratitude for Group Members and lead officers in completing an excellent piece of work.

(d) Events Policy

The Group had met for the first time on 13 January 2016 and had agreed its terms of reference. A series of queries had been raised by the Group and these would be followed up at the next scheduled meeting which was to be held during week commencing 11 April 2016.

O&S.72/15 DRAFT ANNUAL WORK PROGRAMME 2015/16

The Panel considered its draft 2015/16 Work Programme and made particular reference to the earlier point whereby it would be useful to be in receipt of an update in Income Generation Opportunities at the next Panel meeting on 25 February 2016.

O&S.73/15 EXCLUSION OF PRESS AND PUBLIC**RESOLVED**

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item of business as the likely disclosure of exempt information as defined in paragraph 4 of Schedule 12A to the Act is involved.

O&S.74/15 TASK AND FINISH GROUP UPDATES**(a) Dartmouth Lower Ferry**

An exempt report was considered that presented the latest findings of the Task and Finish Group and presented the Business Case that had been commissioned to fully explore the cost of the current service.

During the debate, the quality of the Business Case was praised by Members. In addition, it was noted that the work of the Task and Finish Group was to continue, with regular feedback reports being presented to future Panel meetings.

It was then

RECOMMENDED

That the Executive be **RECOMMENDED** that:-

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

(Meeting started at 10.00 am and concluded at 1.00 pm).

Chairman

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**MINUTES OF THE MEETING OF THE DEVELOPMENT MANAGEMENT
COMMITTEE HELD AT FOLLATON HOUSE, TOTNES, ON WEDNESDAY,
20 JANUARY 2016**

Members in attendance

Cllr I Bramble	Cllr J M Hodgson
Cllr J Brazil	Cllr T R Holway
Cllr P K Cuthbert	Cllr J A Pearce
Cllr R J Foss (Vice Chairman)	Cllr R Rowe
Cllr P W Hitchins	Cllr R C Steer (Chairman)
	Cllr R J Vint

Apologies

Cllr B F Cane

Other Members in attendance

Cllrs Baldry, Barnes, Saltern, Tucker, Ward and Wright

Officers in attendance and participating

Item No:	Application No:	
All agenda items		COP Lead Development Management, Planning Officers, Solicitor and Senior Case Manager
27/1859/15/F		DCC Flood Risk Officer, DCC Highways Officer, Representative from Level Ltd, Specialist – Place and Strategy

DM.50/15 DECLARATIONS OF INTEREST

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

Cllr Pearce declared a disclosable pecuniary interest in application **55/2213/15/VAR**: Variation of conditions 3 (approved plans), 9 (landscaping) and 11 (boundary enclosure) of planning consent 55/2134/12/RM to allow resiting and screening of air source heat pump and revisions to boundary treatment – 8 Whimbrels Edge, Thurlestone, by virtue of having already made representations on this application and she left the meeting for the duration of the debate and vote on this item;

Cllr Hodgson declared a personal interest in application **2621/2015/FUL**: Erection of 1no. dwelling on land adjacent to Weir Nook – Weir Nook, Weirfields, Totnes, by virtue of knowing the landowner in a personal capacity and she remained in the meeting and took part in the debate and vote thereon;

Cllr Brazil declared a disclosable pecuniary interest in application **27/1859/15/F**: Erection of 77 dwellings, including all associated public space, landscaping and all other associated external works – Proposed development site at SX 6203 5630, Woodland Road, Ivybridge, by virtue of comments he made at the site inspection for this application. He apologised to his fellow Committee Members and to officers for the comments that he had made and then left the room for the duration of the debate and discussion on this item.

DM.51/15 **MINUTES**

The minutes of the meeting of the Committee held on 16 December 2015 were confirmed as a correct record and signed by the Chairman.

DM.52/15 **PUBLIC PARTICIPATION**

The Chairman announced that a list of members of the public who had registered their wish to speak at the meeting had been circulated.

DM.53/15 **PLANNING APPLICATIONS**

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

**27/1859/15/F SX 6203 5630, Woodland Road, Ivybridge
Parish: Ivybridge**

**Erection of 77 dwellings including all associated public space,
landscaping and all other associated external works**

Speakers included: Objector – Mr Steve Pitcher; Supporter – Mr Andrew West; Town Council Representative – Cllr Ann Laity; Ward Member Cllr Saltern

Officer's Update:

- An email had been circulated to all Councillors regarding the viability assessment;
- Confirmation had been received from the Lead Local Flood Authority that the proposed drainage management scheme would be effective and represented betterment;
- The recommendation was therefore revised to remove the reference to requiring the above confirmation;
- A correction was noted to the last sentence of the third paragraph of the section titled 'Conclusions'. This should have read: 'Of

particular importance are measures to secure a landscape plan and surface water management plan’;

- The proposed Affordable Housing (AH) split is 50% Affordable Rent and 50% Shared ownership;
- The increase to 30% AH had necessitated minor layout amendments at the northern end of the site;
- A Highway Safety Audit had been received and reviewed by Devon County Council Highway Authority on Monday 18 January 2016. This demonstrated that the access, relocated bus stop and pedestrian / cyclist provision had been designed to meet safety standards;
- A revised plan had been received indicating that the main road would be adopted, but that the three spurs would be privately owned. A footpath had been added on the eastern side of the main road and three parking spaces removed;
- Advised that a Travel Plan would be required and that this would be secured as part of the s106 Agreement;
- Advised that in addition to s106 money, the applicant was proposing £28,500 towards cycling and road safety measures (other than the direct provision in the application); and
- Clarified that the Officer recommendation was for conditional approval and that delegated authority be granted to the COP Lead Development Management to finalise the details of the s106 and s278 legal agreements and conditions.

Recommendation: That Conditional Approval of the application be delegated to the COP Lead Development Management subject of conditions, prior satisfactory completion of a Section 106 Agreement, a Section 278 Agreement, and confirmation that the Highways authority have no objections to the proposed access and parking arrangements.

During debate on this item, Members raised concerns regarding specific elements of the design of the proposal, including access to certain properties, access to open space areas, issues of wheelie bin storage and parking arrangements. The DCC Highways Authority representative responded to concerns relating to highways and confirmed that the Highways Authority were satisfied with the proposal. The DCC Flood Risk Officer responded to questions and concerns relating to drainage and flooding on site, and concerns about potential flooding in neighbouring locations as a result of this proposal. The representative from Levvel Ltd responded to Members questions relating to the viability of the proposal.

To conclude the debate on this item, a number of Members expressed their concerns and sought deferral of the application to enable the applicant to reconsider the design of the proposal.

Committee Decision: That the application be deferred to allow the applicant an opportunity to address concerns expressed by councillors with respect to layout and design.

37/831/15/F **SX552 481 Barnicott, Bridgend Hill, Newton
Ferrers
Parish: Newton and Noss**

Provision of new dwelling

Speakers included: Supporter – Mrs Amanda Burden; Parish Council Representative – Cllr Alan Cooper; Ward Member – Cllr Baldry (a written statement from Ward Member Cllr Blackler was also presented)

Officer's Update: N/A

Recommendation: Refusal

Committee Decision: Refusal

55/2213/15/VAR **8 Whimbrels Edge, Thurlestone
Parish: Thurlestone**

Variation of conditions 3 (approved plans), 9 (landscaping) and 11 (boundary enclosure) of planning consent 55/2164/12/RM to allow re-siting and screening of air source heat pump and revisions to boundary treatment

Speakers included: Objector – Mr Steve White; Supporter – Mr Neil Redfearn; Parish Council Representative – Cllr Tony Goddard; Ward Member – Cllr Wright

Officer's Update: N/A

Recommendation: Conditional Approval

Committee Decision: Site Inspection

2621/15/FUL **Land adjacent to Weir Nook, Weirfields, Totnes
Parish: Totnes**

Erection of 1no. dwelling on land adjacent to Weir Nook

Speakers included: Objector – Mr Jonathan Brook; Supporter – Mr Andrew Kirby; Town Council representative – Cllr Rose Adams; Ward Members – Cllr Horsburgh and Cllr Vint

Officer Update: N/A

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accords with plans
3. Material samples to be agreed
4. Parking to be provided and maintained
5. Removal of PD
6. Single storey roof not to be used as a balcony/amenity area
7. High level window in first floor south west elevation
8. Unsuspected contamination
9. Boundary fence on northern boundary with Glenroy to be retained as a solid boundary of the same height to maintain privacy
10. Construction Management Plan to be agreed prior to commencement of development

20/2136/15/F

**1 Longpark Cottages, East Portlemouth
Parish: East Portlemouth**

Householder application for proposed relocation of external garden steps linking lower patio with upper terrace and lawn

Speakers included: Supporter – Mr Paul Fleming; Parish Council Representative – Cllr Lindsay Lindley; Ward Member – Cllr Brazil

Officer's Update: Additional letter from neighbour – material planning considerations not already mentioned in report were reported as update:

- Plans inaccurate
- Patio could be sited elsewhere
- It is the patio that is overbearing, dominant and intrusive not the trellis
- Rear access is important due to fire risk of thatched cottage
- Small fence does not mitigate overlooking

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accords with plans
3. Stairs to be relocated and screen fence erected within three months of date of approval
4. Details of trellis to be approved prior to installation
5. Screen fence to be retained in perpetuity

35/1782/15/LB

**Croppins Coombe, Modbury
Parish: Modbury**

Listed building consent for alterations and extension

Recommendation: Refusal

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accord with plans
3. Schedule of repair and reinstatement of historic roof structure, beams, joists, lintels etc
4. Window and door details
5. Lime mortars, plasters and renders

35/2366/15/F

**Croppins Coombe, Modbury
Parish: Modbury**

Alterations and extensions to existing house and domestic curtilage

Speakers included: Supporter – Mrs Pam Wilcox; Parish Council Representative – Cllr Bernard Taylor; Ward Member – Cllr Lindsay Ward

Recommendation: Refusal

During the debate on this item, a number of Members expressed the view that the proposed design was of such a high standard that it outweighed the reasons for refusal of the application. Members also stated that the applicant had a track record of renovating and supporting heritage within the South Hams. Whilst there was a responsibility to conserve assets, there was nothing that stated the narrative of a building should stop at this point. Other Members appreciated the reasons for refusal and agreed that the proposed extension was not subservient to the building and therefore the application should be refused in line with officer recommendation. A more modest extension would be more appropriate in this setting.

Committee Decision: Conditional Approval

Reasons:

The desirability of sustaining and enhancing a heritage asset and putting it to use.

Conditions:

1. Time
2. Accord with plans
3. Unidentified contaminated land

4. Landscaping
5. Materials samples
6. Details of rooflights, vents, ducts etc
7. Joinery details
8. Archaeological recording

**53/2412/15/F Seagulls, Hallsands, Kingsbridge
Parish: Stokenham**

**Demolition of existing house, provision of new house,
improvements to access parking and landscape**

Speakers included: Objector – Mr Tom Hoeksma; Supporter – Mr John Blaney; Parish Council Representative – Cllr Tim Lynn; Ward Member – Cllr Brazil

Officer's Update: N/A

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Standard Time Limit
2. Accord with Plans
3. Unsuspected Contamination
4. Landscaping – details submitted to be constructed and thereafter maintained for identified period of time
5. Ecology – accord with recommendations
6. Construction Management Plan
7. Vulnerability Assessment (detail of condition delegated to COP Lead Development Management in consultation with Chairman of Development Management Committee and the local Ward Member)

**2695/15/LBC 5 Clifton Place, Salcombe
Parish: Salcombe**

**Listed building consent for replacement of 1no. existing window
and remedial works to exterior render, beneath replacement
window following tidal erosion**

Officer's Update: N/A

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time
2. Accord with Plans

DM.54/15 **PLANNING APPEALS UPDATE**

Members noted the presented list of appeals.

(Meeting commenced at 10.30am and concluded at 6:20 pm)

Chairman

Voting Analysis for Planning Applications – DM Committee 20 January 2016

Application No:	Site Address	Vote	Councillors who Voted Yes	Councillors who Voted No	Councillors who Voted Abstain	Absent
27/1859/15/F	SX 6203 5630, Woodland Road, Ivybridge	Deferral	Cllrs Pearce, Hitchins, Holway, Rowe, Hodgson, Vint, Bramble (7)	Cllrs Cuthbert, Steer, Foss (3)	Cllr Brazil by virtue of declaring an interest (1)	Cllr Cane (1)
37/1831/15/F	Development site at SX 552 481, Barnicott, Bridgend Hill, Newton Ferrers	Refusal	Cllrs Steer, Foss, Cuthbert, Brazil, Pearce, Hitchins, Holway, Rowe, Hodgson, Vint, Bramble (11)	(0)	(0)	Cllr Cane (1)
55/2213/15/VAR	8 Whimbrels Edge, Thurlestone	Site Visit	Cllrs Foss, Bramble, Hodgson, Holway, Brazil, Rowe, Hitchins (7)	Cllrs Cuthbert, Steer (2)	Cllr Pearce by virtue of declaring a DPI (1), Cllr Vint (1)	Cllr Cane (1)
2621/15/FUL	Land adj. to Weir Nook, Weirfields, Totnes	Conditional Approval	Cllrs: Rowe, Steer, Holway, Bramble, Hodgson, Vint, Foss, Brazil (8)	(0)	Cllrs Cuthbert, Pearce, Hitchins (3)	Cllr Cane (1)
20/2136/15/F	1 Longpark Cottages, East Portlemouth	Refusal	Cllrs Brzil, Vint, Hodgson, Cuthbert, Pearce (5)	Cllrs Holway, Rowe, Bramble, Steer, Foss (5) Application Not Refused on Chairman's Casting Vote	(0)	Cllrs Cane, Hitchins (2)
20/2136/15/F	1 Longpark Cottages, East Portlemouth	Conditional Approval	Cllrs Holway, Rowe, Bramble, Steer, Foss (5) Application Approved on Chairman's Casting Vote	Cllrs Brzil, Vint, Hodgson, Cuthbert, Pearce (5)		Cllrs Cane, Hitchins (2)
35/1782/15/LB	Croppins Coombe, Modbury	Refusal	Cllrs Foss, Rowe, Pearce, Cuthbert, Hodgson (5)	Cllrs Holway, Bramble, Vint, Steer, Brazil (5) Application not Refused on Chairman's Casting Vote	(0)	Cllrs Cane, Hitchins (2)
35/1782/15/LB	Croppins Coombe, Modbury	Conditional Approval	Cllrs Holway, Bramble, Vint, Steer, Brazil (5) Application Approved on Chairman's Casting Vote	Cllrs Foss, Rowe, Pearce, Cuthbert, Hodgson (5)	(0)	Cllrs Cane, Hitchins (2)

35/2366/15/F	Croppins Coombe, Modbury	Refusal	Cllrs Foss, Rowe, Pearce, Cuthbert, Hodgson (5)	Cllrs Holway, Bramble, Vint, Steer, Brazil (5) Application not Refused on Chairman's Casting Vote	(0)	Cllrs Cane, Hitchins (2)
35/2366/15/F	Croppins Coombe, Modbury	Conditional Approval	Cllrs Holway, Bramble, Vint, Steer, Brazil (5) Application Approved on Chairman's Casting Vote	Cllrs Foss, Rowe, Pearce, Cuthbert, Hodgson (5)	(0)	Cllrs Cane, Hitchins (2)
53/2412/15/F	Seagulls, Hallsands, Kingsbridge	Conditional Approval	Cllrs Steer, Rowe, Pearce, Cuthbert, Bramble, Hodgson, Holway (7)	Cllrs Vint, Brazil, Foss (3)	(0)	Cllrs Cane, Hitchins (2)
2695/15/LBC	5 Clifton Place, Salcombe	Conditional Approval	Cllrs Holway, Hodgson, Vint, Brazil, Foss, Steer, Pearce, Cuthbert, Rowe, Bramble (10)		(0)	Cllrs Cane, Hitchins (2)

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

Members in attendance:			
* Denotes attendance			
ø Denotes apologies			
*	Cllr H D Bastone	*	Cllr R J Tucker
*	Cllr R D Gilbert	*	Cllr L A H Ward
*	Cllr M J Hicks	*	Cllr S A E Wright

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

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

E.55/15 MINUTES

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

E.56/15 DECLARATIONS OF INTEREST

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

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

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

Question from Ms Barbara Smith to Cllr Tucker:

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

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

Ms Smith asked a supplementary question as follows:

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

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

Question from Mr Dennis Silverwood to Cllr Hicks:

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

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

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

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

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

Question from Mr Alan White to Cllr Ward:

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

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

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

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

Questions from Ms Georgina Allen to Cllr Hicks:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

E.58/15 **REVENUE BUDGET PROPOSALS REPORT 2016-17**

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

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

During discussion, the following points were raised:

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

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

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

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

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

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

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

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

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

Following a brief discussion, it was then:

RESOLVED

That Council be **RECOMMENDED**:

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

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

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

It was then:

RESOLVED

That the report be noted.

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

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

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

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

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

It was then:

RESOLVED

That Council be **RECOMMENDED** to:

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

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

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

E.62/15

PROPOSALS RELATING TO A LOCAL AUTHORITY CONTROLLED COMPANY

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

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

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

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

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

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

It was then:

RESOLVED

That Council be **RECOMMENDED:**

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

E.63/15

COMMUNITY RIGHT TO BUILD ORDERS – DELEGATED PROCEDURES

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

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

It was then:

RESOLVED

That Council be **RECOMMENDED:-**

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

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

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

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

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

It was then:

RESOLVED

That Council be **RECOMMENDED:**

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

E.65/15 **SAFEGUARDING POLICY**

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

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

It was then:

RESOLVED

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

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

RESOLVED

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

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

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

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

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

RESOLVED That:

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

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

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

Chairman

