

NORTH DEVON COUNCIL

Minutes of a meeting of the EXECUTIVE held at the Brynsworthy Environment Centre, Barnstaple on Tuesday 4th September 2018 at 10.00 a.m.

PRESENT: Members:

Councillor Brailey (Leader)

Councillors R. Cann, Jones, Lane, Luggar, Meadlarkin and Yabsley.

Officers:

Chief Executive, Head of Corporate and Community Services, Accountancy Services Manager, Assistant to the Head of Environmental Health and Housing, Project Procurement and Open Space Officer and Senior Corporate and Community Services Officer (BT).

Also Present:

Councillors Edmunds, Moore and Worden.

47 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Barker, Edgell and Moores.

48 MINUTES

RESOLVED that the minutes of the meeting held on 6th August 2018 (circulated previously) be approved as a correct record and signed by the Chairman.

49 LEADER'S ANNOUNCEMENT

(a) Tour of Britain Bike Race

The Leader reported on how successful and well organised the second stage of the Tour of Britain Bike Race had been which had taken place in North Devon on 3rd September 2018 travelling around the District through the Pannier Market in South Molton and finishing in Barnstaple. All areas had been cleared by 6.00 pm last evening. The event had brought in thousands of people into the District.

The Executive thanked the Town Centre Manager for her efforts in helping to make the arrangements for the finish of the race in Barnstaple.

50 DECLARATIONS OF INTEREST

There were no declarations of interest announced.

51 **PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 1 OF 2018/19**

The Executive considered a report by the Leader and the Executive Team (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the Performance and Financial Management for Quarter 1 of 2018/19.

The Accountancy Services Manager highlighted the following:

- The revenue budget for 2018/19 was approved at Council on 21st February 2018 at £12.220m. As at 30th June 2018, the latest forecast net expenditure was £12.236m, an overall net budget deficit of £0.016m. Appendix 1 detailed the variations.
- The original budget for 2018/19 included a forecast to achieve £0.200m worth of salary vacancy savings. The current position forecasts this saving would be exceeded and vacancy savings of £0.259m would be achieved.
- The Recycle More service changes were introduced on 5th June 2017, the take up of the new garden waste service had exceeded expectations and 2017/18 saw a total sign-up of 17,320. This year's income was expected to reach similar levels and as of today 16,950 sign-ups had been made so far this year.
- At 30th June 2018, it had been assumed that there would no change to the £1.252m business rate growth already factored into the budget and would reflect any changes once the update from the Devon-wide pool monitoring within the Quarter 2 report had been received.
- Operational Services were currently experiencing high levels of vehicle costs which was a burden on the revenue budget, the future impact of these costs could be mitigated by varying the capital programme by bringing forward the approved vehicle replacement plan spend of £512,000 from future years into 2018/19.
- The sale of recyclable materials was also an uncontrollable variable where there has been a recent decline in the income, in particular cardboard and paper.
- When the new service was implemented in 2017/18 initial teething problems were encountered and it was necessary to add additional vehicles and staffing resources. As a result of the Webaspx remodelling, 20 budgeted rounds were now operating.
- Appendix 2 Movement in Reserves and Balances detailed the movements to and from earmarked reserves in 2018/19.
- Appendix 3 included full details of the Executive Contingency Reserve movements and commitments.
- Appendix 4 detailed the Capital Programme for 2018/19 to 2020/21.
- The Budget and Financial Framework report to Executive on 5th February 2018 outlined the Capital Programme for 2018/19 financial year of £5.900m. Project underspends of £1.522m were brought forward from 2017/18 year and further variations of £1.204m were approved as part of the performance and financial management report to Executive on 4th June 2018 to produce a revised Capital Programme of £8.626m.

- Further projects totalling £0.041m had been identified for the 2018/19 year following two business cases submitted to the Project Appraisal Group in relation to Website improvement £0.016m and Legal Case Management System £0.025m. These projects scored “high” and have been put forward by the Project Appraisal Group for inclusion in the capital programme as they contribute towards the Council’s corporate objectives. They both can be funded from the underspend in the Replacement of the Planning ICT system.
- Overall variations of £0.993m proposed to the 2018/19 Capital Programme.
- The revised Capital Programme for 2018/19 taking into account the budget variations was £9.619m. The actual spend on the 2018/19 Capital Programme, as at 30th June 2018 was £0.235m. A number of the larger schemes were due to start shortly.
- The breakdown of the overall Capital Programme for 2018/19 to 2020/21 totalling £9.733m.
- The proposed release of funds included within the Capital Programme.
- £16,447 investment interest was earned during the quarter.
- As at 30th June 2018, the Council’s total external borrowing was £1.250m. £7,776 interest was paid at an average rate of 2.03% on the Public Works Loan Board loans during the quarter.
- Non-financial information was contained within paragraphs 5 to 10 in the report. Appendix 5 detailed key performance indicators.

In response to questions, the Executive were advised of the following:

- The costs for the replacement of the Planning ICT system were originally based on the market leader. However, a decision had been made to acquire the ICT system from a company that was moving up the market place. The costs were significantly lower and there were sufficient funds in the budget and the project would be delivered within the timescale.
- In relation to the renewal of green wheelie bin collection services, a 12 month standing renewal was in place. It was not currently possible to implement a recurring card payment system due to technical issues at this stage, however this would be reviewed in the future. All customers were sent reminders of the renewal dates.
- An analysis of debts over 6 years could be undertaken to identify the potential recovery of debts. On some occasions court orders were in place whereby debts were repaid over a long period of time or charging orders were placed on properties which would only be recovered once the property was sold.

Councillor Jones advised that in relation to paragraph 8.6 of the report, the first property had now been acquired. It was anticipated that the exchange of contracts for the second property would take place soon. In relation to paragraph 8.13 and the provision of a 3G Artificial Grass Pitch, an initial examination of the ground had taken place. Traces of asbestos had been discovered and the preferred bidder had indicated that the tender price would therefore be increased. Advice was being sought from the Football Foundation as to whether the original bidders could be approached.

Councillor Edmunds advised that previously Councillors were sent information regarding complaints that had been made and action taken from residents within their wards. This information was no longer sent to Councillors. He had raised this issue previously and had been advised that it was not possible due to IT technical issues at that time. He requested that this information be sent to all Councillors. The Head of Corporate and Community Services advised that he would investigate this issue further.

DECISIONS

- (a) That the actions being taken to ensure that performance is at the desired level be noted;
- (b) That the contributions to/from earmarked reserves be approved as detailed in section 4.2 of the report;
- (c) That the movements on the Executive Contingency Reserve as detailed in section 4.3 of the report be noted;
- (d) That funds be released for the capital schemes listed in section 4.4.11 of the report;
- (e) That the sections in the report dealing with Treasury Management (section 4.5), and Debt Management (sections 4.6 and 4.7) be noted.

RECOMMENDED

- (f) That the variations to the Capital Programme 2018/19 to 2020/21 as detailed in section 4.4.4 of the report be approved.

REASONS FOR DECISIONS/RECOMMENDATION

- (a) To ensure that appropriate action is taken to allow the Council to meet its objectives.
- (b) To inform the Executive of actual results compared to the approved Corporate Plan, as well as progress in delivering service within the revenue budget and Capital Programme.

52 LYNTON AGENCY PERFORMANCE REVIEW 2017/18

The Executive considered a report by the Head of Resources (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the performance review of the Lynton Agency agreement for 2017/18.

In response to questions, the Executive were advised of the following:

- Confirmation that the net surplus of £57,674 referred to in paragraph 6.2 in the report had been returned to North Devon Council. The wording of this paragraph needed to be revised in future reports to clarify whether the surplus had been returned to North Devon Council.

- The review of public conveniences had been previously postponed due to the additional workload demands placed on the Operational Services team due to the Recycle More project. However, discussions had taken place regarding an individual taking over the management of one of the public conveniences block in Lynmouth.

The Executive requested clarification as to whether weed spraying was included within the Agency Agreement, as referred to in the update provided by the Town Clerk of Lynton and Lynmouth Town Council in Appendix 1 of the report, as this was not the responsibility of North Devon Council.

DECISION

That the annual report and that the actions being taken to ensure that performance against the 14 review recommendations was at the desired level be noted.

REASONS FOR DECISION

- (a) A full review of the agency function has been carried out to determine value for money in service provision. Regular reporting will enable transparency over progress and early support and/or intervention if required.
- (b) If the annual report doesn't demonstrate and evidence significant progress towards the recommendations this will enable North Devon Council to exit from the agreement and bring those services back in house.
- (c) To inform the Executive of actual performance against the review recommendations put forward by the review team.

53 FLEXIBILITY ELIGIBILITY STATEMENT OF INTENT (SOI)

The Executive considered a report by the Assistant to the Head of Service for Environmental Health and Housing (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the approval of a Flexibility Eligibility Statement of Intent.

The Assistant to the Head of Service for Environmental Health and Housing highlighted the following:

- The Energy Company's obligation was levied by Central Government on the largest energy providers, based on customer numbers.
- It generated a significant level of funding, which the Government directs them to put into varied schemes across the UK to improve energy efficiency i.e. insulation, new/replacement boilers, internal and external cladding, first time heating schemes.

- The current scheme was called ECO Flex, and this would continue to run in tandem with a new scheme ECO3, the latter was scheduled by Government to commence in October 2018.
- Funding was sourced from the energy providers by intermediaries who then look for customers. Assistance being directed to those in greatest need, according to a combination of guidance produced by the Department of Business, Energy and Industrial Strategy (BEIS) and criteria set local by District Councils.
- The Council would be required to publish its SOI on its website and produce a memorandum of understanding for potential contractors.
- The Council would be required to check customers were eligible and met criteria and undertake appropriate checks on companies operating in the District.
- Customer referrals would be made by GP's and organisations working with vulnerable people.

In response to questions, the Assistant to the Head of Services for Environmental Health and Housing confirmed the following:

- There would be insufficient funds from the national pot, available if all those households recognised in 2015 as being in fuel poverty within the NDC area applied. Households would be assessed and those categorised as being in greatest need would be considered.
- Householders living within housing association properties would not be eligible to apply as there was alternative funding routes available. However, householders residing in properties owned by trusts could potentially be eligible to apply.
- The SOI included the criteria of how households would be assessed. The Statement had been produced using guidance from Central Government and was similar to other Local Authorities in the area.
- Contractors would assist vulnerable people with the completion of the appropriate paperwork.

DECISIONS

- (a) That the SOI, as detailed in Appendix 1 of the report be approved;
- (b) That the Head of Service for Environmental Health and Housing be authorised to arrange for the SOI's publication on the website;
- (c) That the Head of Service for Environmental Health and Housing be authorised to sign and issue a declaration to be used by eligible applicants.

REASONS FOR DECISIONS

- (a) BEIS has laid down a system by which third party contractors can draw down funding to be put to Home Energy Improvements.
- (b) However, those third parties cannot operate within a LA area unless that authority has issued a Statement of Intent (SOI).
- (c) This scheme allowed the Council to put in place a series of controls by which the most needy can access nationally available funding, which otherwise would be unavailable to them.

54 **ADDITIONAL MANDATORY LICENSING OF HOUSES IN MULTIPLE OCCUPATION – IMPLEMENTING THE HOUSING AND PLANNING ACT 2016**

The Executive considered a report by the Head of Environmental Health and Housing (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the implementation of the Housing and Planning Act 2016 and the introduction of additional mandatory licensing of Houses in Multiple Occupation which came into force on 1st October 2018.

The Assistant to the Head of Service for Environmental Health and Housing highlighted the following:

- The Housing and Planning Act 2016 provided local housing authorities with a package of new powers to tackle rogue landlords and drive up standards in the sector.
- These powers included civil penalties of up to £30,000 as an alternative to prosecution, alongside extended rent repayment orders; banning orders for the most serious and prolific offenders; and an extension of Houses in Multiple Occupation (HMO) licensing with the introduction of minimum room sizes and standards for waste storage/disposal.
- In April 2018, the Government also introduced a new regulatory framework regarding minimum standards of energy efficiency in the private rented sector through the Energy Efficiency (Private Rented Property) Regulations 2015.
- The Government had recognised the local community impact of some HMOs and the need for necessary protections to be put in place. Previously mandatory licensing of HMO's applied to properties of three storeys or more with five or more people making up two or more separate households. As from 1st October 2018, properties used as HMOs which housed 5 or more in two or more separate households would, in most cases, require a licence.
- Currently there were 40 licensable HMOs in North Devon, which generated an income of £3,500 per year. It was anticipated that this would increase by 200 and there would a significant increase in workload.
- The licence fee would need to be reviewed to take into account the cost of developing the scheme, processing applications and monitoring and enforcement. This would give the Council the opportunity to increase its capacity to undertake this work on a revenue neutral basis.

- A report would be presented to the Executive on 1st October 2018 detailing the proposed new licence fee.
- North Devon Council's current HMO licences last for 5 years. HMO licences could however be awarded for a period of 1, 2, 3, 4 or 5 years. From 1st October 2018, it was proposed that all HMO licences would be for 2 years.
- The Council would consult stakeholders in 2019/20 on appropriate eligibility criteria for a 5 year consent. Developing policies around earned autonomy represents regulatory best practice.
- It was proposed that the Council adopted the statutory minimum bedroom sizes in the first instance and affords landlords 18 months (the maximum period that a housing authority can specify in the regulations) to comply with the new standards. The Council would however consult stakeholders in 2019/20 on the introduction of higher standards.
- All licences issued from 1st October 2018 would need to include a condition requiring compliance with the Council's waste storage and waste disposal scheme.

In responses to questions, the Assistant to the Head of Service for Environmental Health and Housing confirmed the following:

- If landlords failed to comply with conditions of the HMO licence, the landlord would be prosecuted.
- All HMO's requiring a mandatory license must comply with standards. For existing HMO's landlords would be given a period of time to comply with conditions. The introduction of selective and discretionary licensing schemes for other rented properties will be the subject of a separate report to the Executive in the future.

DECISIONS

That delegated authority be given to the Head of Service Environmental Health and Housing under the provisions of:

- (a) Housing Act 2004.
- (b) The Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018.
- (c) The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) England Regulations 2018.
- (d) The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006.
- (e) The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) England Regulations 2007.

to regulate mandatory HMO licensing in the manner set out in paragraphs 4.1 to 4.18 of the report.

REASONS FOR DECISIONS

To implement the requirements set out in the 2018 statutory instruments on the Licensing of Houses in Multiple Occupation.

55 SOUTH MOLTON SWIMMING POOL

The Executive considered a report by the Project, Procurement and Open Space Officer (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding entering into a formal grant agreement with a trust for the operation of the South Molton Swimming pool.

The Project, Procurement and Open Space Officer highlighted the following:

- South Molton Swimming pool had been operated by South Molton Swimming Pool Trust since its construction in 1996 until 1st July 2018. The operation of the pool has now been passed to another leisure trust, known as 1610 Ltd.
- It was constructed with funding from the Sports Council (now known as Sport England), South Molton Town Council and North Devon Council.
- In recent years, the South Molton Swimming Pool Trust had experienced difficulty in recruiting and retaining new trustees with the relevant skillset to manage and operate the community facility. The trust took a decision in 2017 to seek alternative leisure operator's interest in taking on responsibility for the pool.
- A meeting had been held last year between the trust, South Molton Town Council (as freeholders of the land), North Devon Council and Ward Members to discuss the future. A decision was reached between the Trust and Town Council in terms of transferring the operation and interest over to 1610 Ltd, a leisure trust with knowledge and experience of leisure facilities and specific pool knowledge.
- As grant funding from North Devon Council had reduced in line with the Medium Term Financial Strategy, South Molton Town Council had increased its grant funding for the operation and management of the pool. North Devon Council was looking to phase the withdrawal of grant funding over three years.

The Head of Corporate and Community confirmed that 1610 Ltd was registered as a charity and a company limited by guarantee but that it operated in the commercial market.

DECISIONS

- (a) That the Council enter into a formal grant agreement with 1610 Ltd for 2018/2019;

- (b) That the grant payment for 2018/2019 be agreed in line with the current budget of £17,670;
- (c) That a grant agreement be prepared subject to terms approved by the Head of Corporate and Community Services.

REASONS FOR DECISIONS

- (a) To provide a valuable facility to the market town of South Molton and its surrounding rural parishes.
- (b) To formalise the grant payment and give 1610 certainly for the current financial year.
- (c) To provide funding during this transitional period.

Chairman

The meeting ended at 10.59 a.m.

NOTE: The above decisions shall not take effect until the five clear working days have elapsed from the date of publication: 6th September 2018.