



Public Document Pack

North Devon Council
Brynsworthy Environment Centre
Barnstaple
North Devon EX31 3NP

K. Miles
Chief Executive.

To: All Members of the Council
and Chief Officers

NOTE: PLEASE NOTE THAT PRAYERS WILL BE SAID AT 5.55 P.M. PRIOR TO THE COUNCIL MEETING FOR ANY MEMBER WHO WISHES TO ATTEND

COUNCIL MEETING

YOU ARE HEREBY SUMMONED to attend a meeting of **NORTH DEVON COUNCIL** to be held in the Barum Room - Brynsworthy on **WEDNESDAY, 20TH NOVEMBER, 2019** at **6.00 pm.**

A handwritten signature in black ink, appearing to read 'K. Miles', is written over a light blue horizontal line.

Chief Executive

AGENDA

1. Apologies for absence
2. To approve as a correct record the minutes of the meeting held on 25th September 2019 (attached) (Pages 9 - 22)
3. Chair's announcements
4. Business brought forward by or with the consent of the Chair
5. Replies to any questions submitted by the Public and/or to receive Petitions under Part 4, Council Procedures Rules, Paragraphs 8 and 9 of the Constitution
6. To consider motions of which notice has been submitted by Members in accordance with Part 4, Council Procedure Rules, Paragraph 11 of the Constitution
 - (a) To consider the following notice of motion from Councillor Patrinos:

The Devon and Somerset Fire and Rescue Service (DSFRS) is due to take a decision on 18th December 2019 that might significantly affect the lives of everyone in North Devon. The decision might be to

close some fire stations and reduce the number of fire engines and staffing levels elsewhere.

The closures that will most directly impact North Devon are of the fire stations in Woolacombe, Appledore and Porlock. Some of these are outside our boundaries but will nevertheless affect us because engines move to provide cover whenever one is on call, but the closures will reduce this ability.

The removal of some of the fire stations' engines that will most directly impact North Devon will be at Lynton and Crediton.

The reduction in cover due to staffing reductions that will most directly impact North Devon are in Barnstaple, Ilfracombe and Tiverton. DSFRS undertook a consultation exercise as part of this process of potential change. However, it was significantly and fundamentally flawed in a variety of ways. The consequence of these flaws is that any decision taken based on the consultation is also flawed. To determine that this is so will require the decision to be judicially reviewed.

Other councils across Devon and Somerset are considering whether to contribute or earmark contributions to a Judicial Review fund.

The motion is: That this Council earmark a £3,000 contribution to the funding of a potential Judicial Review.

7. Declarations of Interest

(NB. Members only need to re-declare any interests previously declared at Committee and Sub-Committee meetings if the item is discussed at Council).

8. Chair's replies to any questions to Council by Members submitted under Part 4, Council Procedures Rules, Paragraph 10 of the Constitution

9. To agree the agenda between Part 'A' and Part 'B' (Confidential Restricted Information).

PART A

10. **Honorary Aldermen**

Presentation of certificates by the Chair of the Council to the Honorary Aldermen appointed at the meeting of Council on 25th September 2019.

11. **Devon and Somerset Fire and Rescue Service - Community Safety/Prevention**

Presentation by Mark Quick, Watch Manager, Community Risk, Devon and Somerset Fire and Rescue Service in pursuance to minute 15(c) of the meeting of the Policy Development Committee held on 12th September 2019.

12. **Report of the Leader of the Council** (Pages 23 - 26)
Report by Leader of the Council (attached).
13. **Questions by Members**
Questions to the Leader or the Chair of a Committee submitted under Part 4, Council Procedure Rules, paragraph 10.4 of the Constitution.
14. **Devon County Council/North Devon Council response to the Climate Declaration**
Lead Member for Climate Change to report.
15. **Performance and Financial Management Quarter 2 of 2019/20** (Pages 27 - 60)
(NOTE: A copy of the report that was considered by the Strategy and Resources Committee on 4th November 2019 is attached).
 - (a) Report of the Policy Development Committee
To receive the report of the Policy Development Committee held on 14th November 2019 (to follow).
 - (b) Report of meeting of the Strategy and Resources Committee
To receive the report of the meeting of the Strategy and Resources Committee held on 4th November 2019 (to follow).
16. **Mid Year Treasury Management Review** (Pages 61 - 76)
(NOTE: A copy of the report that was considered by the Strategy and Resources Committee on 4th November 2019 is attached).
 - (a) Report of the Policy Development Committee
To receive the report of the Policy Development Committee held on 14th November 2019 (to follow).
 - (b) Report of meeting of the Strategy and Resources Committee
To receive the report of the meeting of the Strategy and Resources Committee held on 4th November 2019 (to follow).
17. **Amendment to Constitution** (Pages 77 - 82)
Report by Senior Solicitor (attached).
18. **Braunton Marsh Internal Drainage Board**
In pursuance to minute 28 (a) (iii) of the meeting held on 24th July 2019, to consider the appointment of up to two Members to the Braunton Marsh Internal Drainage Board.

(NOTE: Paragraph 5 of Schedule 1 of the Land Drainage Act 1991 states that:
“In appointing a person to be a member of an internal drainage board a charging authority shall have regard to the desirability of appointing a person who—
(a) has knowledge or experience (including knowledge of the internal drainage district in question or commercial experience) of some matter relevant to the functions of the board; and
(b) has shown capacity in such a matter.”)

19. **Heart of the South West Joint Committee Governance Arrangements** (Pages 83 - 94)

Report by Chief Executive (attached).

20. **Minutes of Committees**

Council is recommended to note the schedule of Committee minutes and approve recommendations as listed below:

(a) Licensing and Community Safety Committee (Pages 95 - 98)

(i) 8th October 2019

(b) Planning Committee (Pages 99 - 108)

(i) 4th October 2019

(ii) 9th October 2019

(c) Policy Development Committee (Pages 109 - 112)

(i) 15th October 2019

(ii) 14th November 2019 (to follow).

(d) Strategy and Resources Committee (Pages 113 - 124)

(i) 7th October 2019

(A) Minute 44: Civil Penalty Notice Policy – Housing and Planning Act 2016

(B) Minute 45: NDC’s Homelessness Review and Strategy

(C) Minute 47 (d): Approval and Release of Section 106 Public Open Space Funds – Bishops Nympton, Heasley Mill and Fremington

(ii) 4th November 2019 (to follow)

(A) Minute 66 (b): Approval and Release of Section 106 Public Open Space Funds – Heanton Punchardon and South Molton

PART B (CONFIDENTIAL RESTRICTED INFORMATION)

Nil.

If you have any enquiries about this agenda, please contact Corporate and Community Services, telephone 01271 388253

12.11.19

GUIDANCE NOTES FOR RULES OF DEBATE AT MEETINGS OF COUNCIL

Part 4, Council Procedure Rules of the Constitution

The basics

At a meeting of Full Council, Members shall stand when speaking unless unable to do so and shall address the Chair.

While a Member is speaking, other Members shall remain seated unless rising for a point of order, a point of information or in personal explanation.

No speeches may be made after the mover had moved a proposal and explained the purpose of it until the motion has been seconded.

Unless notice of motion has already been given, the Chair may require it to be written down and handed to him before it is discussed.

When seconding a motion or amendment, a member may reserve their speech until later in the debate.

Speeches must be directed to the question under discussion or to be personal explanation or point of order.

A speech by the mover of a motion may not exceed 5 minutes without the consent of the Chair.

Speeches by other Members may not exceed 3 minutes without the consent of the Chair, unless when the Council's annual budget is under discussion, the leader of each political group on the Council may speak for up to 5 minutes or such longer period as the Chair shall allow.

The rules of Question Time

At a meeting of the Council, other than the Annual meeting, a Member of the Council may ask the Leader or the chair of a committee any question without notice upon an item of the report of a committee when that item is being received or under consideration by the Council.



North Devon Council protocol on recording/filming at Council meetings

The Council is committed to openness and transparency in its decision-making. Recording is permitted at Council meetings that are open to the public. The Council understands that some members of the public attending its meetings may not wish to be recorded. The Chairman of the meeting will make sure any request not to be recorded is respected.

The rules that the Council will apply are:

1. The recording must be overt (clearly visible to anyone at the meeting) and must not disrupt proceedings. The Council will put signs up at any meeting where we know recording is taking place.
2. The Chairman of the meeting has absolute discretion to stop or suspend recording if, in their opinion, continuing to do so would prejudice proceedings at the meeting or if the person recording is in breach of these rules.
3. We will ask for recording to stop if the meeting goes into 'part B' where the public is excluded for confidentiality reasons. In such a case, the person filming should leave the room ensuring all recording equipment is switched off.
4. Any member of the public has the right not to be recorded. We ensure that agendas for, and signage at, Council meetings make it clear that recording can take place – anyone not wishing to be recorded must advise the Chairman at the earliest opportunity.
5. The recording should not be edited in a way that could lead to misinterpretation or misrepresentation of the proceedings or in a way that ridicules or shows a lack of respect for those in the recording. The Council would expect any recording in breach of these rules to be removed from public view.

Notes for guidance:

Please contact either our Corporate and Community Services team or our Communications team in advance of the meeting you wish to record at so we can make all the necessary arrangements for you on the day.

For more information contact the Corporate and Community Services team on **01271 388253** or email **memberservices@northdevon.gov.uk** or the Communications Team on **01271 388278**, email **communications@northdevon.gov.uk**.

North Devon Council offices at Brynsworth, the full address is:
Brynsworth Environment Centre (BEC), Roundswell,
Barnstaple, Devon, EX31 3NP.

Sat Nav postcode is EX31 3NS.

At the Roundswell roundabout take the exit onto the B3232, after about ½ mile take the first right, BEC is about ½ a mile on the right.

Drive into the site, visitors parking is in front of the main building on the left hand side.

On arrival at the main entrance, please dial 8253 for Corporate and Community Services.



NORTH DEVON COUNCIL

Minutes of a meeting of NORTH DEVON COUNCIL held at Barum Room - Brynsworthy on Wednesday, 25th September, 2019 at 6.00 pm

PRESENT: Members:

Councillor Biederman (Chair)

Councillors Hunt, Barker, Bulled, Bushell, Campbell, Cann, Crabb, Davis, Davies, Gubb, Henderson, Knight, Lane, Leaver, Lovering, Lofthouse, Ley, Luggar, Mack, Mackie, Orange, Patrinos, Prowse, Roome, D. Spear, L. Spear, Topham, Topps, Tucker, Turton, Walker, Wilkinson, Worden and York

Officers:

Chief Executive, Head of Resources and Senior Solicitor/Monitoring Officer

44. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Chesters, Fowler, Pearson, Phillips, Saxby and Yabsley.

45. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 24TH JULY 2019 (ATTACHED)

RESOLVED that the minutes of the meeting held on 24th July 2019 (circulated previously) be approved as a correct record and signed by the Chair.

46. CHAIRMAN'S ANNOUNCEMENTS

(a) Road closure

The Chair advised Council of the proposed road closure from the Roundswell roundabout to Brynsworthy Environment Centre which would take place at 8.00 p.m and therefore the meeting would need to be finished by that time.

(b) Chair Civic Service – 22nd September 2019

The Chair thanked everyone for attending his Civic Service at Fremington on Sunday 22nd September 2019. He also thanked the Corporate and Community Services team for their assistance in organising the event.

47. BUSINESS BROUGHT FORWARD BY OR WITH THE CONSENT OF THE CHAIRMAN

There were no items of business brought forward by or with the consent of the Chair.

48. REPLIES TO ANY QUESTIONS SUBMITTED BY THE PUBLIC AND/OR TO RECEIVE PETITIONS UNDER PART 4, COUNCIL PROCEDURES RULES, PARAGRAPHS 8 AND 9 OF THE CONSTITUTION

(a) To receive the following question from Katherine Armitage:

“Have NDDC noted that any future illness, debilitating adverse effects to themselves, their staff & the public are completely uninsurable by any agency or underwriter for the effects from EMF's/RW's (Microwave Radiation of all levels)? If there are no concerns regarding Health & Safety on ANY level to any person then why is there no insurance available? Given that the above are uninsurable, where do the Public Health & Safety guidelines stand for NDDC members, staff & the general public? What evidence of proof to public Health & Safety was provided & by which INDEPENDENT scientific medial?” Background information (circulated previously)

A written response to the question was tabled.

Katherine Armitage tabled a leaflet on 5G produced by the Physicians' Health Initiative for Radiation and Environment.

(b) To receive the following question from Stewart Johnston:

“How can North Devon District Councillors justify the roll out of 5G in Devon? which has been shown to particularly effect children who are more vulnerable to microwave technology due to their developing brains and which a report from Devon resident Barrie Trower has shown to have an impact on human fertility (<https://www.youtube.com/watch?v=DLVlbPtNrVo&t=2412s>) which will in turn have an adverse effect on future generations?” Background information (circulated previously).

A written response to the question was tabled.

In response to the comments made by Katherine Armitage and Stewart Johnston, the Chair advised that the Council would continue to monitor the situation and that any Member could submit a notice of motion for consideration at Council to lobby the Government.

49. TO CONSIDER MOTIONS OF WHICH NOTICE HAS BEEN SUBMITTED BY MEMBERS IN ACCORDANCE WITH PART 4, COUNCIL PROCEDURE RULES, PARAGRAPH 11 OF THE CONSTITUTION

Councillor Davis declared a prejudicial interest as Chair of the Peninsula Rail Force and left the meeting during the consideration thereof.

(a) To consider the following notice of motion from Councillor Worden

Councillor Worden presented his notice of motion to Council.

It was moved by Councillor Worden and seconded by Councillor Crabb that “It has recently been reported that Allan Cook chairman of the High Speed 2 (HS2) rail project has warned the Department for Transport that its cost could rise by £30bn over the original £56 billion budget. This Council is concerned that this ridiculously expensive system will have little, if any, direct economic, social or infrastructure benefits for the South West and North Devon. While we have dated and frail rail connections the existing rail links between London and the north are much superior to what we have. The recent report by the New Economics Foundation “A Rail Network For Everyone – Probing HS2 And Its Alternatives”, includes the suggestion that the current HS2 funding should be allocated for other regional rail improvements to improve local connectivity across the whole country. This Council, therefore calls on the government to scrap the HS2 scheme and instead make further improvements to the Barnstaple to Exeter line and investigate the feasibility of extending the rail links e.g. to Bideford, Braunton and providing a direct line to Taunton from Barnstaple.”

RESOLVED that it has recently been reported that Allan Cook chairman of the High Speed 2 (HS2) rail project has warned the Department for Transport that its cost could rise by £30bn over the original £56 billion budget. This Council is concerned that this ridiculously expensive system will have little, if any, direct economic, social or infrastructure benefits for the South West and North Devon. While we have dated and frail rail connections the existing rail links between London and the north are much superior to what we have. The recent report by the New Economics Foundation “A Rail Network For Everyone – Probing HS2 And Its Alternatives”, includes the suggestion that the current HS2 funding should be allocated for other regional rail improvements to improve local connectivity across the whole country. This Council, therefore calls on the Government to scrap the HS2 scheme and instead make further improvements to the Barnstaple to Exeter line and investigate the feasibility of extending the rail links e.g. to Bideford, Braunton and providing a direct line to Taunton from Barnstaple.

50. DECLARATIONS OF INTEREST

There were no declarations of interest announced.

51. CHAIRMAN'S REPLIES TO ANY QUESTIONS TO COUNCIL BY MEMBERS SUBMITTED UNDER PART 4, COUNCIL PROCEDURES RULES, PARAGRAPH 10 OF THE CONSTITUTION

There were no questions submitted to Council by Members under Part 4, Council Procedures Rules, Paragraph 10 of the Constitution.

52. NORTH DEVON LINK ROAD IMPROVEMENT SCHEME

Council received a presentation by Simon Hill, Principal Engineer, Devon County Council regarding the North Devon Link Road Improvement Scheme.

He outlined the Options Appraisal process that been undertaken in 2015 to improve links between the M5 and northern Devon, which included options to improve public transport, dualling the carriageway, improving junctions and improving links. Costs and environmental impact were taken into consideration as part of the appraisal process and it was agreed that the scheme submitted to the Department of Transport for funding would focus on the strategic access to northern Devon (South Molton to Barnstaple) and improve key junctions between Barnstaple and Bideford. The benefits of the scheme would: improve journey time between the M5 and northern Devon; improve safety along the route, improve peak hour capacity between Barnstaple and Bideford; improve connectivity to emerging developments; net Environmental Benefit; and new or improved pedestrian facilities at six locations. He outlined details of the £93m scheme and the support received following consultation that had been undertaken with the public, local businesses and landowners. Representatives from North Devon Council sat on the Project Steering Board, had attended value management workshops, sent letters of support, sought contributions from local developers as part of the Section 106 process, and submitted consultation response during the planning and appraisal processes. Following the submission of the Strategic Outline Business Case the Government had awarded £83m towards the £93m scheme. He outlined the proposed timetable for the scheme as follows: Winter 2019 determination of the planning application and completion of the Compulsory Purchase orders; Summer 2020 submission of the full business case to the Government; Autumn 2020 works to commence; and Winter 2024 works to be complete.

A leaflet detailing the North Devon Link Road Improvement Scheme was tabled.

In response to questions, Simon Hill advised that the provision of overtaking lanes allowed a break up of trains of vehicles which built up behind slower mover vehicles. There were currently no overtaking opportunities from South Molton to Barnstaple other than overtaking on the other side of the road. Breaking up the train of vehicles would enable junctions to work well. Average speed cameras would be installed. Phases 2 and 3 of the project would include improvements to the roundabouts at Lake and Portmore. The contractor would be required to keep two lanes operational at all times during the three year contract, however there would be two occasions that there would be night time closures for bridge installation. Improving journey time

was irrelevant, the improvement of the network resilience, safety and capacity at roundabouts were important. A strategic review of traffic movements would be linked into the review of the North Devon and Torridge Joint Local Plan.

In response to a question from Councillor Davies in relation to the planting of 20,000 trees and the amount of CO₂ emissions that could be stored in trees, Simon Hill advised that he would provide a separate response to the question raised.

In response to questions, Councillor Davis (in her capacity as Devon County Council Cabinet Member for Infrastructure, Development and Waste) advised that the funding awarded by the Government could only be used for improvements to roads. There would still be a requirement for the provision of wider roads with the move to the use of electric vehicles as it was unlikely that the level of traffic would reduce. The bid for phase 2 of the project had been submitted to Government. All trees planted were indigenous. The Cedars Inn roundabout did not form part of the strategic road network and was therefore not included within the scheme.

Councillor Worden advised that consideration would be given to the appointment of a Member to the Project Steering Board.

Council thanked Simon Hill for his attendance.

53. REPORT OF THE LEADER OF THE COUNCIL

Council noted a report by the Leader of the Council (circulated previously) regarding work that had been undertaken since the last Council meeting.

The Leader advised that the Council had received an additional £17,000 from the Government for Brexit. Parkwood had been awarded the contract for the new Leisure Centre and it was anticipated that work would commence in March/April 2020 and complete by the end of August 2021.

54. QUESTIONS BY MEMBERS

The following question was submitted in advance of the meeting and responses provided by the Leader was circulated separately:

- (a) Question to Councillor Worden from Councillor Lane “With the three weekly black bin service being a success in the trial areas and improving recycling rates....What strategy does the Council have for improving the Waste and Recycling service going forward?” Councillor Worden’s response “Some successful results were achieved through the trial area. However, in advance of a report being presented to Committee with options for extending the trial, a full Vanguard systems review of the service is being undertaken to address issues such as missed collections, fleet capacity and known service inefficiencies. Once completed Officers will report to Members on the options for future service delivery. This is to resolve existing issues and to ensure that the existing service is resilient to any future

changes.” In response to a supplementary question, the Chief Executive advised that there was no specific time for the completion of the Vanguard systems review. There was a need for the Council to be satisfied that there was more resilience in place and whether further investment was required for the vehicle fleet and plant prior to consideration of rolling out the three weekly collection. It was anticipated that a report would be presented to the Strategy and Resources Committee within the next 2-3 months.

**55. DEVON COUNTY COUNCIL/NORTH DEVON COUNCIL
RESPONSE TO THE CLIMATE DECLARATION**

Council received an update from the Lead Member for Climate Change regarding actions that had been undertaken following the decision to sign up to the Devon Climate Declaration at the last meeting of Council on 24th July 2019. She advised that in respect of becoming carbon neutral, Exeter University would be producing the Council’s baseline data. She provided an update on the work that had been undertaken by the Net Zero Task force. She also provided an update on the work being undertaken by the Council and advised that two officers would be providing assistance. It would impact upon all areas of the Council’s work and be incorporated into the service planning/budget setting process. The Council was exploring the installation of charging points into Council owned car parks and an assessment would be undertaken regarding the number of trees required to be planted to capture carbon and improve links to the green infrastructure. Climate Change was discussed at the Parish Forum meeting on 19th September 2019 and that a further Forum meeting would be arranged to engage with Parish and Town Councils. Councillor Pearson was working with 361 Community Energy and had arranged a Climate Action Plan workshop on 26th October 2019 for Parish and Town Councils. She was also working with the Woodland Trust as part of the national tree week, week commencing 30th November 2019. She requested that following the appointment of the Climate Change Working Group at the last meeting of Council, that any Members wishing to sit on the working group to advise the Senior Corporate and Community Services Officer.

It was agreed that an update on the Devon County Council/North Devon Council response to the Climate Declaration be included as a standing item on future agenda.

The Lead Member for Climate Change advised that a written report would be included on the agenda for future meetings.

The Chief Executive advised that the Head of Place was leading on the Environment and North Devon futures and had set up an officer working group to produce a draft costed response plan.

56. APPOINTMENT OF INDEPENDENT MEMBERS TO THE HARBOUR BOARD

Council considered a report by the Harbour Master (circulated previously) regarding the appointment of Independent Members to the Harbour Board.

It was moved by Councillor Wilkinson and seconded by Councillor Campbell that the recommendation in the report be adopted.

RESOLVED that Mr Bert Gear and Mr Tim Gibbs be appointed as Independent Members on the Ilfracombe Harbour Board for a four year period with effect from 25th November 2019 until 24th November 2023.

57. CORPORATE PLAN

Council considered a report by the Chief Executive (circulated separately) and the draft Corporate Plan and consultation responses (circulated previously).

The Chief Executive advised that a cross party working group had been formed to consider the strategic priorities for the Council. Based on the views of that Group, four corporate priorities were identified and incorporated into the draft Corporate Plan. The draft Corporate Plan and delivery plan (identifying specific actions that would be undertaken in order to contribute towards delivery of the Plan) were presented to the Strategy and Resources Committee on 5th August 2019 and the Policy Development Committee on 18th July 2019 which were recommended for approval. The draft Corporate Plan and delivery plan were subject to public consultation, who were supportive of the four corporate priorities. The level of responses was good in comparison to other consultations. The delivery plan would continually be kept under review. Following the adoption of the Corporate Plan, work would commence on producing the policies and strategies required to deliver the priorities which would require approval by Members.

Councillor Lovering declared a personal interest as she was attending a training course at Petroc funded by the NHS which the Northern Devon Healthcare Trust had introduced to help with the current staffing shortages.

It was moved by Councillor Worden and seconded by Councillor Patrinos that the recommendation in the report be adopted.

RESOLVED that the Corporate Plan be adopted.

58. PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 1 OF 2019/20

Council considered the Performance and Financial Management report for Quarter 1 of 2019/2020 to the Strategy and Resources Committee on 5th August 2019 (circulated previously).

(a) **Report of the Policy Development Committee**

Councillor D. Spear, Chair of the Policy Development Committee presented the Committee's report on the Performance and Financial for Quarter 1 2019/20 (circulated previously).

(b) **Report of meeting of the Strategy and Resources Committee**

Councillor Worden, Chair of the Strategy and Resources Committee reported the recommendations of the Strategy and Resources Committee on the Performance and Financial Management for Quarter 1 of 2019/2020 (circulated previously).

In response to a question, the Head of Resources advised that the forecast overspend for Operational Services was largely due to the number of missed collections and the employment of additional staff. As the Chief Executive had previously advised, a full Vanguard systems review of this service area was being undertaken to address issues such as missed collections and fleet capacity. The Quarter 1 overspend was mitigated with the savings achieved from the Works and Recycling Shared Savings scheme.

It was moved by Councillor Worden and seconded by Councillor Crabb that "minute 27 (f) of the meeting of the Strategy and Resources Committee held on 5th August 2019 be adopted".

RESOLVED that minute 27 (f) of the meeting of the Strategy and Resources Committee held on 5th August 2019 be adopted.

59. OUTSIDE BODY APPOINTMENT - BRAUNTON MARSH INTERNAL DRAINAGE BOARD

The Chief Executive advised that in pursuance to minute 28 (a) (iii) of the meeting held on 24th July 2019, Council had deferred the appointment of Members to the Braunton Marsh Internal Drainage Board as it was understood that Councillors appointed needed to represent the Braunton area. Following further investigation, the position regarding the appointment of Members to the Board was still unclear and therefore recommended that the consideration of the appointments be deferred for further clarification.

It was moved by Councillor Leaver and seconded by Councillor Bushell "that consideration of the appointments to the Braunton Marsh Internal Drainage Board be deferred pending further clarification being sought regarding the appointment of Members to the Board".

RESOLVED that consideration of the appointments to the Braunton Marsh Internal Drainage Board be deferred pending further clarification being sought regarding the appointment of Members to the Board.

60. REPORT BY GOVERNANCE COMMITTEE

Council considered and noted the report by the Chair of the Governance Committee (circulated previously).

61. CONSTITUTION AMENDMENT - HEAD OF PLACE DELEGATED POWERS

Council considered the amended wording of paragraph 7.2 of the Head of Place's delegated powers as recommended by the Planning Committee on 11th September 2019 in pursuance to minute 30(c) of the meeting held on 24th July 2019.

It was moved by Councillor Ley and seconded by Councillor Ley that the amended wording of paragraph 7.2 of the Head of Place's delegated powers as recommended by the Planning Committee on 11th September 2019 be adopted.

RESOLVED that amended wording of paragraph 7.2 of the Head of Place's delegated powers as recommended by the Planning Committee on 11th September 2019 be adopted as follows:

"7.2 To consider and determine any application (excluding applications that are specifically referred to elsewhere in this section) submitted pursuant to the Planning Acts or any regulations or orders made pursuant to the Planning Acts (as revoked and replaced or amended from time to time) excluding an application:

in respect of which the Head of Place receives within 28 days, unless agreed otherwise with the Head of Place, of an application being registered, a written representation from a Member(s) containing sound planning reasons for the application to go to Planning Committee for decision. Should the Head of Place be minded to refuse the request to suspend delegation they must consult with the Chair of Planning Committee. If the Head of Place and Chair (or Vice-Chair if the application is called in by the Chair) of the Planning Committee cannot reach an agreement after consultation then the application will be brought to the Planning Committee for consideration. Factors to be weighed by the Head of Place include the extent of public interest (recognising that this in of itself does not constitute material planning grounds), the wider community impact, the decision is a finally balanced one and/or the planning matters under consideration are of broad significance."

62. MINUTES OF COMMITTEES

(a) **Appointments Committee**

RESOLVED that the following minutes of the Appointments Committee (circulated previously) be noted and adopted as follows:

(i) 23rd July 2019

(A) Minute 4: Appointment of Monitoring Officer
(NOTE: Council noted that this recommendation was adopted by Council on 24th July 2019)

(b) **Building Control Joint Committee**

RESOLVED that the following minutes of the Building Control Joint Committee (circulated previously) be noted and adopted as follows:

(i) 18th July 2019

(c) **Governance Committee**

RESOLVED that the following minutes of the Governance Committee (circulated previously) be noted and adopted as follows:

(i) 22nd July 2019

(A) Minute 15: Letter of representation (NOTE: Council noted that recommendation was adopted by Council on 24th July 2019)

(ii) 3rd September 2019

(d) **Planning Committee**

RESOLVED that the following minutes of the Planning Committee (circulated previously) be noted and adopted as follows:

(i) 14th August 2019

(ii) 11th September 2019

(A) Minute 20: Constitution Amendment – Head of Place Delegated Powers (NOTE: Council noted that this recommendation had been considered under minute 61 on the agenda)

(e) **Harbour Board**

RESOLVED that the following minutes of the Harbour Board (circulated previously) be noted and adopted as follows:

(i) 13th August 2019

(A) Appointment of Independent Members to the Harbour Board (NOTE: Council noted that this recommendation was be considered under minute item 56)

(f) **Policy Development Committee**

RESOLVED that the following minutes of the Policy Development Committee (circulated previously) be noted and adopted as follows:

(i) 18th July 2019

(A) Minute 9: Corporate Plan (NOTE: Council noted that this recommendation was considered under minute 57)

(ii) 12th September 2019

(g) **Strategy and Resources Committee**

RESOLVED that the following minutes of the Strategy and Resources Committee (circulated previously) be noted and adopted as follows:

(i) 5th August 2019

(A) Minute 26: Corporate Plan (NOTE: Council noted that this recommendation was considered under minute 57)

(B) Minute 30: Proposed Amendments to Dangerous Wild Animal and Zoo Licensing fees

(C) Minute 31 (c): Approval and release of section 106 Funds, Braunton BMX Track, Braunton

(ii) 2nd September 2019

(A) Minute 35 (c): Approval and Release of Section 106 Public Open Space Funds – Chulmleigh

(B) Minute 38 (b): CCTV Services

Chairman

The meeting ended at 7.51 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of Council.

This page is intentionally left blank

NORTH DEVON COUNCIL

Minutes of a meeting of NORTH DEVON COUNCIL held at Barum Room - Brynsworthy on Wednesday, 25th September, 2019 at 5.45 pm

PRESENT: Members:

Councillor Biederman (Chair)

Councillors Barker, Bulled, Bushell, Campbell, Cann, Crabb, Davis, Davies, Gubb, Henderson, Hunt, Knight, Lane, Leaver, Lovering, Lofthouse, Ley, Luggar, Mack, Mackie, Orange, Patrinos, Prowse, Roome, D. Spear, L. Spear, Topham, Topps, Tucker, Turton, Walker, Wilkinson, Worden and York

Officers:

Chief Executive, Head of Resources and Senior Solicitor/Monitoring Officer

40. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Chesters, Fowler, Pearson, Phillips and Yabsley.

41. BUSINESS BROUGHT FORWARD BY OR WITH THE CONSENT OF THE CHAIRMAN

There were no items of business brought forward by or with the consent of the Chair.

42. DECLARATIONS OF INTEREST

There were no declarations of interest announced.

43. APPOINTMENT OF ALDERMEN/ALDERWOMEN

Council considered a report by the Chief Executive (circulated previously) regarding the appointment of Aldermen/Alderwomen.

It was moved by Councillor Bushell and seconded by Councillor Lofthouse "that the appointment of Honorary Aldermen/Alderwomen be not appointed on block and that appointments be voted on for each individual".

An amendment was moved by Councillor Prowse and seconded by Councillor Barker "that the appointment of Honorary Aldermen/Alderwomen be made on block".

RESOLVED that the appointment of Honorary

Aldermen/Alderwomen be made on block.

It was moved by Councillor Prowse and seconded by Councillor Worden that the recommendation be adopted.

RESOLVED that the following people be appointed to be Honorary Aldermen/Alderwomen in recognition of the long and eminent service that each has given to North Devon Council, to local government and to the community:

Des Brailey
Michael Edmunds
Faye Webber

Chairman

The meeting ended at 5.56 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of Council.

NORTH DEVON COUNCIL

COUNCIL 20TH NOVEMBER 2019

LEADER'S REPORT

Since the last full council meeting Ken Miles and I have held a series of meetings in order to speak to all our staff. We have been able to inform them of the council's priorities and corporate plan and to give all staff the opportunity of expressing to us their concerns or ideas about how we can improve our services. I have also spent a morning with the customer service team listening to what residents are phoning in about. I was extremely impressed with the way our customer service team responded to all those who were contacting our council that day.

It was also pleasing to see on Inside Out (BBC1) on Monday 28th October North Devon Council being praised as a good example for other Councils to copy. This was a feature concerning providing accommodation for those who are homeless. We have put in a submission for a national award for the housing initiative of the year. Basically this is about transformational change which has been undertaken by our staff to improve the opportunities for homeless households which at the same time saves the Council money. This initiative included establishing a £1.2 million capital programme to buy property for temporary accommodation. We now own eight properties and even with borrowing costs and running costs, the Council has secured an overall net saving of between £10,000-£15,000 for each unit. For example not having to use so much bed and breakfast facilities has drastically cut our costs and the new measures put in place have seen a £150,000 reduction in costs this year on what we were spending on temporary accommodation back in 2017/18 year. Homelessness applicants have also been provided with better quality accommodation which is more suitable for their needs.

The second submission we have made is for the team of the year award. This is about 'Safe Sleep' and the interagency collaboration providing safety, care and opportunity for rough sleepers. I love the fact that the team has developed a collaborative ethos which has led to a unique integration of services in North Devon.

The third submission is about the campaigns that we have carried out with the Environmental Wardens and the Communications team around fly tipping/littering.

We have been doing an in-depth review of the waste and recycling service in conjunction with Vanguard. This has included consultation with staff, management and the public and ideas for improvement are now being considered and in some cases changes have already been made. For example, some of our systems have not been good enough to ensure that we provide a cost efficient service.

I am pleased to say that the signing of the contract for the new leisure centre in Barnstaple is imminent and work is due to start in the spring and will be hopefully completed by August 2021.

It was good to attend the cutting of the ribbon for the Barnstaple museum extension and to see what an excellent addition it is. It is providing an excellent visitor attraction.

District Councils throughout Devon appear to be well on their way to adopting plans to reduce their carbon footprint and protect the environment. At the recent Devon District Council forum most stated that they are hoping to agree their action plans by early in the New Year.

Since the last full Council meeting many NDC members have attended a very successful environment workshop organised by 361 Community Energy. 361 Community Energy is a not for profit organisation, helping to fight climate change and alleviate fuel poverty in Northern Devon. For those eligible they offer a completely free of charge service called LEAP (Local Energy Advice Partnership). To be eligible you must have a low income or receive tax credits or housing benefit or receive a disability related benefit or have a long term illness or disability. If you qualify you are entitled to a free home visit from a home energy advisor. They will check to see if residents are on the cheapest energy tariffs, install free simple energy saving measures, give energy efficiency hints and tips etc. They can be contacted on 0800 060 7567.

Our council also has money available for grants for properties for those who have a disability. This includes:

1. A new small works' grant for urgent repairs.
2. Putting in place a specific grant for stair lifts where the applicant is not subject to a financial test of resources.
3. Increasing the 'top up' funding available for energy efficiency measures, where energy providers are part funding energy efficiency measures under their Energy Company Obligation (ECO), to £2,000 per property.

ECO is designed to support households that are deemed to be vulnerable and in fuel poverty. So far over 400 households have benefited from the current arrangements. We are hoping to extend this and make a very positive contribution towards the new Corporate Priority of 'cherishing and protecting the environment'.

Since the last full council we have had Heart of the South West and Local Enterprise Partnership meetings in Exeter where we discussed with south west councils ideas to put jointly to government about green growth and improving productivity in Devon and Somerset and the possible effects on our economy of Brexit. Of course all of this may change as we now know that we are to have a General Election on December 12th. By the time you are reading this we will know the names of all the candidates

Agenda Item 12

for North Devon as the nominations close on 14th November. Postal vote applications need to be received by 5.00 p.m on 26th November and will be sent out on Thursday 28th November by 1st Class post. Electors will receive a poll card giving instructions of the times of the poll and the venue where they may vote. The count this time will be in the Tarka Tennis centre, not in the Leisure Centre.

I have just heard the good news that we have been shortlisted for two awards from the Local Government Chronicle. This is in the team of the year and in the communication campaign categories. That is brilliant for a relatively small council like ours. Please make a point of congratulating all those involved.

David Worden
Leader North Devon Council

11th November 2019.

This page is intentionally left blank



Open

NORTH DEVON COUNCIL

REPORT TO: STRATEGY AND RESOURCES
Date: 4th November 2019
TOPIC: PERFORMANCE and FINANCIAL MANAGEMENT
QUARTER 2 of 2019/20
REPORT BY: HEAD OF RESOURCES

1 INTRODUCTION

- 1.1 This is one of the series of regular quarterly reports on the council's overall operational and financial performance. The report covers financial as well as operational performance. It mainly covers the quarter from July to September 2019.
- 1.2 Section 4 deals with headline financial performance. More detailed performance information is available in Appendix E.

2 RECOMMENDATIONS

- 2.1 That the actions being taken to ensure that performance is at the desired level be noted.
- 2.2 That the contributions to/from earmarked reserves be approved (section 4.2)
- 2.3 That the movements on the Strategic Contingency Reserve (section 4.3) be noted.
- 2.4 That council approve the variations to the Capital Programme 2019/20 to 2021/22 (sections 4.4.4)
- 2.5 That funds are released for the capital schemes listed in section 4.4.11
- 2.6 That the sections dealing with Treasury Management (section 4.5), and Debt Management (sections 4.6 and 4.7) be noted.

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that appropriate action is taken to allow the council to meet its objectives.
- 3.2 To inform Members of actual results compared to the approved Corporate Plan, as well as progress in delivering service within the revenue budget and Capital Programme

4 PRIORITY – RESOURCES

4.1 Revenue

- 4.1.1 The revenue budget for 2019/20 was approved at Council on 25th February 2019 at £12.518m.

- 4.1.2 As at 30 September 2019, the latest forecast net budget is £12.605m, which produces a **budget deficit of £0.087m**. (Q1 deficit was £0.028m) We will be working towards reducing this throughout Q3 and Q4 as set out in the measures below in paragraph 4.1.5. Details of all variances are shown in “Appendix A – Variations in the Revenue Budget”.
- 4.1.3 The original budget for 2019/20 included a forecast to achieve £0.239m worth of salary vacancy savings. The current position forecasts this will be achieved this year; of which £0.232m has been identified at 30th September 2019.
- 4.1.4 Operational Services have seen increasing pressure in Q2 on various budgets due to increased levels of missed collections and higher levels of sickness absence. Employee costs are currently forecast to exceed the budget by £0.229m, the main reasons contributing to this overspend are increased use of agency and overtime to cover the inefficiencies above.
- 4.1.5 The Head of Operational Services has outlined plans to address some of these issues by:
- Introducing changes to the workshop to reduce vehicles off the road - The working hours of the vehicle workshop has been extended as part of a trial to increase vehicle availability and to reduce overtime both in the workshop and on the collection crews. The number of technicians has also been increased from 5 to 6 as part of the trial. Previously the workshop has been operating between 6am and 5pm with one technician in at 6am. The workshop will now be operating between 6am and 6pm with two technicians in from 6am to 2pm, two from 8am to 4pm, and two from 10am to 6pm. Productivity will be closely monitored to establish the level of repairs / maintenance that are undertaken between 6am & 7am and 3pm & 6pm (the vehicles need to be available to the collection staff between 7am and 3pm). The intention is to complete more work outside of core hours and to minimise reduced vehicle availability from breakdowns and maintenance. This in turn will reduce / remove the need for collection crews to work beyond 3pm or on a Saturday to “catch up” due to the lack of vehicle availability.
 - Challenging the resource allocation across all Works and Recycling manual sections has identified that the street cleansing team can be reduced by 2 (over the winter months) and they will now be redeployed to assist with cover on the refuse and recycling services which in turn will see a positive reduction in the number of agency staff used for cover. In addition an analysis of winter tonnages has been undertaken for the green collection service. Resource requirements have been challenged across the 10 day collection cycle and crew sizes have been reduced accordingly (in consultation with the staff) this creates a pool of staff that will now be redeployed to cover holiday and sickness across black and recycling services which will produce a positive reduction in agency support. Weekly usage of agency and overtime will now be tracked against the revised projections.
 - The average number of days lost to sickness in Works and Recycling is currently 16.3 days per person compared to 11.1 days per person in 2018/19. The budget includes an average of 10 days per person so the increased level of 16.3 is placing an adverse pressure on the budget which is

being addressed as follows. Officers of Works and Recycling are working closely together with Human Resources to reduce current levels by reviewing each individual case, referring staff to Occupational Health for up to date medical advice on staff capability. All sickness absence reviews will be updated, staff targets will be set and monitored and the Capability Policy will be used to reduce absence levels.

- 4.1.6 The sale of recyclable materials is an uncontrollable variable where we have seen a recent decline in the income, in particular cardboard and paper, current projections show an income deficit of £0.090m.
- 4.1.7 The Shared Savings Scheme income is our 50% contribution from Devon County Council savings from the reduction in residual waste collected. The £0.028m additional income is the estimate based on current activity and estimated savings per tonne.
- 4.1.8 There has been a reduction in the forecast planning fee income of £0.190m due to a reduction in the larger applications received, this is in line with other authorities experiencing the same pressure. A further decline in large applications could worsen this projection.
- 4.1.9 The Business Rate retention scheme was introduced in April 2013 which sees Billing authorities receive a 'baseline' funding but in addition they are exposed to the risks and rewards of retaining a proportion of the income collected. This exposure is mitigated by participation in the Devon-wide pool that collates all of the Business Rate growth and decline and returns a share of the impact to each local authority.
- 4.1.10 At 30th September 2019, we are assuming a £0.200m increase to the business rates growth already factored into the budget, the growth is now estimated at £1.702m, this estimate is based on the update received from the Devon-wide Pool.
- 4.1.11 At the 30th September 2019 total external borrowing was £1.250m. The timing of any future borrowing is dependent on how the authority manages its treasury activity and due to current low interest rates and reduced returns on investments it is prudent for the Council to 'internally borrow' and use these monies to fund the Capital Programme.
- 4.1.12 The recommended level of general fund balance is 5%-10% of the council's net revenue budget (£0.626m to £1.252m). The forecast general fund reserve at 31 March 2019 is £1.161m, which is a level of 9.3%.

4.2 Earmarked Reserves 2019/20

4.2.1 “Appendix B – Movement in reserves and Balances” details the movements to and from earmarked reserves in 2019/20.

4.3 Strategic Contingency Reserve

4.3.1 Full details of the Strategic Contingency Reserve movements and commitments are attached as “Appendix C – Strategic Contingency Reserve”

4.4 Capital

4.4.1 The 2019/20 to 2021/22 Capital Programme is attached as “Appendix D – Capital Programme”

4.4.2 The Budget and Financial Framework report to Executive 4th February 2019 outlined the Capital Programme for the 2019/20 financial year of £9.609m. Project under spends of £1.234m were brought forward from 2018/19 year and further variations of £14.710m and (£14.653m) were approved as part of the performance and financial management reports to Strategy and Resources on 3rd June 2019 and 5th August 2019 to produce a revised Capital Programme of £10.900m.

4.4.3 A capital funding bid for a further £0.030m was submitted to the Project Appraisal Group (PAG) in relation to Refurbishment of Lower Lyndale Public Toilets, Lynmouth. The project is to be funded from the repairs fund. This project has been scored medium to high and has been put forward by the Project Appraisal Group.

4.4.4 Overall variations of (£1.888m) are proposed to the 2019/20 Capital Programme as follows:

▪ **Other variations (+ and -) to 2019/20 Capital Programme £502,036**

Scheme	Amount (£)	Notes
S106 Public Open Space, Bickington, Ilfracombe and North Molton	30,744	Strategy and Resources Committee 1 st July 2019
S106 Public Open Space, Braunton BMX Track	17,648	Strategy and Resources Committee 5 th August 2019
S106 Public Open Space, Chulmleigh and Ilfracombe	43,708	Strategy and Resources Committee 2 nd September 2019
Refurbishment of Lower Lyndale Public Toilets, Lynmouth	30,000	Quarter 2 PAG business case
Coastal Protection and Shoreline Management Plan	(7,658)	Information from budget holder
Leisure Provision at Seven Brethren Bank	(13,206)	Information from budget holder
Disabled Facility Grants	400,800	Additional grant from Better Care Fund

▪ **Budget virement (transfer) between projects 2019/20**

Scheme	Amount (£)	Notes
Land Release Fund - Highways	(1,146,230)	Change of scheme name – Virement
Land Release Fund - Seven Brethren	1,146,230	Change of scheme name - Virement

▪ **Project movements (to)/from future years – (£2,390,395)**

Scheme	Amount (£)	Notes
Material Recovery Facility – Infrastructure	(760,000)	Move from 2019/20 to 2020/21
Disabled Facility Grants	(328,617)	Move from 2019/20 to 2020/21
Barnstaple Bus Station Refurbishment	(53,807)	Move from 2019/20 to 2020/21
Pannier Market re-roofing works	(481,000)	Move from 2019/20 to 2020/21
Digital Transformation Asset and Financial	(40,000)	Move from 2019/20 to

Scheme	Amount (£)	Notes
Management		2020/21
Public House corner of Castle Street	(90,000)	Move from 2019/20 to 2020/21
Affordable Housing Fund	(90,000)	Move from 2019/20 to 2020/21
S106 Affordable Housing Higher Westaway, Newton Tracey	(45,000)	Move from 2019/20 to 2020/21
Marine Drive car park resurfacing, Ilfracombe	(65,000)	Move from 2019/20 to 2020/21
Resurfacing to various car parks	(104,004)	Move from 2019/20 to 2020/21
Leisure Provision at Seven Brethren	(332,967)	Re-profile of spend to 20/21 and 2021/22

▪ **Other virements (transfer between projects 2020/21)**

Scheme	Amount (£)	Notes
Land Release Fund - Flood Defence	(1,000,000)	Change of scheme name
Land Release Fund - Seven Brethren	1,000,000	Change of scheme name

4.4.5 The revised Capital Programme for 2019/20 taking into account the budget variations above is £9.012m.

4.4.6 Actual spend on the 2019/20 Capital Programme, as at 30 September 2019 is £2.408m. A number of the larger schemes are due to start shortly.

4.4.7 The overall Capital Programme for 2019/20 to 2021/22 is £30.471m and is broken down as follows:

- 2019/20 £9.012m
- 2020/21 £11.677m
- 2021/22 £9.782m

4.4.8 The Programme of £30.471m is funded by Capital Receipts / Borrowing (£14.056m), External Grants and Contributions (£14.010m) and Reserves (£2.405m).

4.4.9 The timing and realisation of capital receipts can be impacted by events beyond the control of the Council and we have been able to manage cash flows for projects through internal borrowing.

4.4.10 We also have authority to borrow from the Public Works Loan Board (PWLB) as outlined in the Treasury Management Annual Investment Strategy and the Council currently has external borrowing of £1.250m.

4.4.11 Release of Funds – 2019/20 Capital Programme

4.4.12 Once funds have been included in the Capital Programme the Constitution requires a separate decision to release those funds. Accordingly the schemes below need the funds to be released so that spending can start within the following three months:

- | | |
|--|------------|
| • Land Release Fund – Seven Brethren | £2,146,230 |
| • Refurbishment of Lower Lyndale PCs, Lynmouth | £30,000 |
| • Disabled Facility Grants | £400,800 |

4.5 Treasury Management

4.5.1 Bank Rate remained at 0.75% during the quarter.

4.5.2 The average 7 day LIBID (inter-bank bid rate), the Council's benchmark rate at 30th September 2019, was 0.57% (previous year 0.43%).

4.5.3 The return earned on the Council's investments was 0.70% (previous year 0.49%).

4.5.4 £62,206 investment interest was earned during the half year period. (The 2019/20 interest receivable budget is £70,000)

4.5.5 As at 30th September 2019, the Council had total external borrowing of £1.250m.

4.5.6 £12,760 interest was paid at an average rate of 2.04% on the PWLB loans during the half year period. (2019/20 interest payable budget is £42,000)

4.6 Debt Management

4.6.1 The three major areas of credit income are Council Tax, Business Rates and General Debtors.

4.6.2 As billing authority, the Council annually raises the bills for Council Tax (£50m) and Business Rates (£30m).

4.6.3 Collection rates are controlled through monitoring:

- the level of write offs
- levels of previous years' outstanding debt
- the level of income collection in the year against the annual sums due to be collected.

4.6.4 The council's budget is based on the assumption that eventually 97.5% of sums due will be collected. To ensure this level is achieved, year on year levels of write offs approved are controlled against a ceiling of 2.5% of annual debt.

4.6.5 The outstanding amounts at 30th September 2019 are as set out below:

Age in Years	Council Tax		Business Rates	
	2018/19 £'000	2019/20 £'000	2018/19 £'000	2019/20 £'000
1 – 2	1,172	1,229	288	110
2 – 3	579	679	137	60
3 – 4	353	377	92	43
4 – 5	222	245	26	17
5 – 6	136	151	37	31
Over 6	211	213	60	43

4.6.6 Irrecoverable debts from previous years not exceeding £1,500 can be written off with the authorisation of the Chief Financial Officer. Decisions on whether to write off debts over £1,500 rest with the Chief Financial Officer, in consultation with the Leader of the Council. As at 30th September 2019 the amount of accounts written off was as follows:

Less than £1,500			More than £1,500	
No. of accounts	Amount		No. of accounts	Amount
629	£60,045.49	Council Tax	84	£82,788.73*
17	£14,142.46	Business Rates	43	£161,588.04**
97	£32,618.56	Housing Benefits	7	£39,841.58

* 30,556.45 due to bankruptcy (see section 4.6.8)

** 119,171.68 due to bankruptcy and company insolvency (see section 4.6.8)

4.6.7 The monitoring of in year collection is carried out against national performance indicators targets of sums collected in year as a percentage of the Net Sums Due for that year.

4.6.8 The majority of the write offs are individual bankruptcy and company insolvency and in a number of cases include liabilities for previous years. In these cases we are unable to recover the debt. However, if at a later date a dividend is paid, the money is allocated to the account and the relevant amount written back on.

4.6.9 The other main reason for write offs is where the person has gone away (no trace). However, write offs are reviewed and where we find the persons contact address the write off is reversed and recovery action continues.

4.6.10 The levels of collection are:

	Achieved 2018/19	Achieved 2019/20
Council tax	56.14%	55.63%

Business rates	57.31%	57.45%
-----------------------	--------	---------------

4.6.11 The Authority has received funding from major preceptors to help support the billing and collection of Council Tax and Business Rates which we hope will see an increase in the above collection levels.

4.7 General Debtors

4.7.1 The level of general invoices raised was £5.88m at 30th September 2019 (previous year £4.21m).

4.7.2 A summary of outstanding debt, by age, is set out below with comparison to the previous year.

Age of debt	30 Sept 2018	30 Sept 2019
	£'000	£'000
3 weeks to 6 months	281	675
6 months to 1 year	40	172
1 to 2 years	67	136
2 to 6 years	279	300
Over 6 years	17	24
TOTAL	684	1,307

4.7.3 The movement in the aged debt above from 2018 to 2019 includes circa £0.240m in relation to housing deposits and £0.250m for planning S106 fees, for which there are payment plans in place for both areas of debt.

4.7.4 In accordance with the Constitution, irrecoverable debts not exceeding £1,500 can be written off with the authorisation of the Head of Financial Services. The Chief Financial Officer, in consultation with the Leader of the Council, must authorise write off of debts over £1,500.

4.7.5 As at 30th September 2019, the amounts written off were as follows:

Number of Invoices	Written offs - £1,500 & under	Number of Invoices	Written offs - over £1,500
37	£17,607	2	£3,550

5 Equalities Assessment

5.1 There are no equality implications anticipated as a result of this report.

6 Constitutional context

Article and paragraph	Appendix and paragraph	Referred or delegated power?	A key decision?	In the Forward Plan?
7.12	13, para 4.7	Delegated power	No	No

7 Statement of Internal Advice

7.1 The authors (below) confirm that advice has been taken from all appropriate Councillors and officers.

8 Background Papers

None

Author: Jon Triggs, Head of Resources

Date: 15th Oct 2019

Lead Member: Councillor Ian Roome

Ref: I:\Projects\Single Report\2019-20 Q2\Q2 Perf & FM - Exec.doc

Agenda Item 15

Appendix A

Service and Cost Area	Qtr 1 £m	September £m	Movement £m
Temporary Accommodation / Homelessness	(0.020)	(0.030)	(0.010)
Environmental Health & Housing	(0.020)	(0.030)	(0.010)
BEC Utilities	0.037	0.003	(0.034)
Rental income	0.038	0.036	(0.002)
Corporate Rates	(0.009)	0.013	0.022
ICT Maintenance	(0.008)	(0.015)	(0.007)
Revenues costs	(0.010)	(0.015)	(0.005)
Parish Grants	0.000	(0.010)	(0.010)
Grant income	(0.044)	(0.034)	0.010
Resources	0.004	(0.022)	(0.026)
Museum income & Rates	0.016	0.016	0.000
Sports Repairs and maintenance	0.000	(0.040)	(0.040)
Members Allowances	0.000	(0.035)	(0.035)
Various	0.000	(0.007)	(0.007)
Corporate & Community Services	0.016	(0.066)	(0.082)
Works & Recycling Employees	0.089	0.229	0.140
Works & Recycling Vehicle costs	(0.009)	(0.012)	(0.003)
Works & Recycling Tipping Charges	0.000	0.008	0.008
Works & Recycling Bulk Haulage	(0.012)	0.023	0.035
Works & Recycling Trade Waste income	0.010	0.036	0.026
Works & Recycling Recycling Credits	0.000	(0.014)	(0.014)
Works & Recycling Shared Savings Scheme	(0.082)	(0.028)	0.054
Works & Recycling Recycling Sales	0.028	0.090	0.062
Works & Recycling Garden Waste income	(0.012)	(0.012)	0.000
Works & Recycling Other	0.004	(0.008)	(0.012)
Contribution from Crematorium	0.012	0.012	0.000
Cemetery Fee income	0.000	(0.010)	(0.010)
Bus Station cleaning & income	0.000	(0.003)	(0.003)
Car Parks income	(0.015)	(0.010)	0.005
Car Parks rates	0.027	0.030	0.003
Operational Services	0.040	0.331	0.291
Harbour Utilities	(0.010)	(0.010)	0.000
HR Professional Fees	0.020	0.000	(0.020)
Land Charges fees	(0.005)	0.000	0.005
Various	(0.007)	(0.007)	0.000
Corporate Services	(0.002)	(0.017)	(0.015)
Planning Employees	(0.051)	(0.059)	(0.008)
Planning fee income	0.065	0.190	0.125
Pannier Market overtime	0.013	0.005	(0.008)
Pannier Market income	0.037	0.033	(0.004)
CCTV Employees	(0.004)	(0.005)	(0.001)
CCTV Income	0.000	0.010	0.010
Building Control Partnership	0.000	(0.030)	(0.030)
Economic Development Employees	0.000	(0.007)	(0.007)
Place	0.060	0.137	0.077
Business Rates Growth	(0.050)	(0.200)	(0.150)
Interest Receivable	(0.020)	(0.030)	(0.010)
Interest Payable	0.00	(0.016)	(0.016)
Other	(0.070)	(0.246)	(0.176)
Total	0.028	0.087	0.059

Agenda Item 15

Appendix B

Earmarked Reserves	Opening Balance 1st April 2019	Transfer to Reserves	Transfer from Reserves (to Capital)	Transfer from Reserves (to Revenue)	Transfer between Reserves	Closing Balance 31st March 2020
Collection Fund Reserve	1,017,220			-353,322		663,898
Community Housing Fund -Housing Enabling	603,270			-50,750		552,520
Capital Funding Reserve	522,387		-175,427			346,960
Repairs Fund	355,323	236,290	-63,618	-245,290		282,705
Crem Earmarked Reserve	204,887					204,887
Crem Equipment Replacement Reserve	180,000					180,000
Planning Enquiries Fund	196,590			-20,000		176,590
Strategic Contingency Reserve	143,392	62,340		-32,240		173,492
Digital Transformation Financial Systems	271,002		-98,500			172,502
Vehicle Renewals Fund	26,000	250,000	-106,000			170,000
Economic Development Reserve	227,120			-64,000		163,120
Local Plans Fund	166,497		-38,772			127,725
Second Homes Council Tax Reserve	125,289					125,289
New Homes Bonus Reserve	57,398	100,000	-48,436			108,962
Council Tax Support Scheme Reserve	107,339			-27,420		79,919
Improvement Programme Reserve	122,497		-43,226			79,271
CCTV Reserve	71,000					71,000
Tarka Tennis Surface replacement	57,873	13,000				70,873
Self Build & Custom Housebuild	57,302					57,302
Provision for Brexit Reserve	17,484	34,968				52,452
Land Charges Personal Search Reserve	50,179					50,179
Land Charges Earmarked Reserve	50,000					50,000
Prevention CLG Grant Reserve	45,317					45,317
Rough Sleeper Initiative - DCLG grant	42,237					42,237
P C Planned Maintenance Fund	40,156					40,156
Community Consultation	38,383					38,383
Specialist Domestic Abuse Reserve	27,467					27,467
Neighbourhood Planning	25,000					25,000
Brownfield Land Registers and Permission	23,817					23,817
Community Protection Vehicles Reserve	12,000	6,000				18,000
Development Control Fund	15,600					15,600
Habitat Directive Reserve	11,270					11,270
Car Parking Reserve	30,496			-23,869		6,627
Town & Parish Fund	5,159					5,159
IER Funding	10,264			-5,160		5,104
External Professional Services Reserve	13,040			-10,140		2,900
Greensweep Replacement Fund	32,703		-30,000			2,703
Local Welfare Support reserve	10,541			-10,000		541
Noise Equipment reserve	12,000	2,000		-13,871		129
Office Accommodation Reserve	20,041			-20,000		41
Leisure Centre Replacement Reserve	31,142			-31,140		2
Waste Shared Savings Reserve	90,000			-90,000		0
Theatres Reserve	9,466			-9,466		0
Museum development fund	850			-850		0
District Council Election	50,000	52,900		-102,900		0
Office Technology Reserve	212,413	115,000	-267,413	-60,000		0
Ilfracombe Watersports Centre Reserve	28,873			-28,873		0
	5,468,284	872,498	-871,392	-1,199,291	0	4,270,099

This page is intentionally left blank

Strategic Contingency Reserve 2019-20 - Original (9980) (8245)	
Resources Available	£
Balance brought forward 1st April 2019	(143,392)
Budget Contribution to Exec Contingency Reserve 2019/20	(62,340)
	(205,732)
B/F from 2018/19	£
Junction 27 - Economic impacts on North Devon (Exec 3/3/15)	10,000
Watersports Centre, Ilfracombe Exec 5/9/16 (0485/11210)	11,740
North Devon Fisherman's Association - Exec 4th June 2018 (subject MM funding clarification)	500
Urgent Works Bunksland Farm, East Anstey - Exec 4th February 2019	10,000
2019/2020 Approvals	£
Total Approvals	32,240

This page is intentionally left blank

Project	Original Budget 2019/20 £	Spend as at 30th Sept 2019	Variance	Original Budget 2020/21 £	Original Budget 2021/22 £
Chief Executive and Corporate					
Website Improvement	5,455	0	5,455	0	0
Office Technology Fund - End User Assets and IT Assets in Data Centre	333,313	19,171	314,142	140,250	197,770
ICT Improve Back-up and Recovery Capabilities	216,140	0	216,140	0	0
ICT Skype for Business	193,329	22,270	171,059	0	0
	748,237	41,441	706,796	140,250	197,770
Corporate and Community					
Museum of Barnstaple - Long Bridge Wing	1,041,732	724,736	316,996	0	0
21:21 (Transformation Project)	43,226	8,855	34,371	0	0
Committee Administration System	28,397	11,395	17,002	0	0
S106 Contributions - Various projects	479,843	106,701	373,142	0	0
Tarka Tennis Artificial Grass Pitch	794,535	333,897	460,638	0	0
Leisure Provision at Seven Brethren	1,352,757	0	1,352,757	5,748,252	7,629,390
	3,740,490	1,185,584	2,554,906	5,748,252	7,629,390

Project	Original Budget 2019/20 £	Spend as at 30th Sept 2019	Variance	Original Budget 2020/21 £	Original Budget 2021/22 £
Environmental Health & Housing					
Affordable Housing delivery Grant	5,000	0	5,000	0	0
Affordable Housing Fund	0	0	0	90,000	0
S106 Affordable Housing - Higher Westaway, Newton Tracey	0	0	0	45,000	0
Wessex Loan and Grant Scheme	56,573	0	56,573	0	0
Home Energy Solutions	250,000	98,219	151,781	0	0
Disabled Facilities Grant Programme	1,202,784	302,090	900,694	1,607,617	979,000
Provision of temporary accommodation	489,844	14,876	474,968	0	0
	2,004,201	415,185	1,589,016	1,742,617	979,000
Operational Services					
Works Unit Vehicles	418,823	189,885	228,938	116,000	976,000
Rolling Road - for Workshop	30,000	0	30,000	0	0
Material Recovery Facility - Infrastructure	0	0	0	760,000	0
	448,823	189,885	258,938	876,000	976,000

Project
Place
Land Release Fund - Seven Brethren
Replacement Planning ICT system

Original Budget 2019/20 £	Spend as at 30th Sept 2019	Variance
1,146,230	82,423	1,063,807
42,981	29,021	13,960
1,189,211	111,444	1,077,767

Original Budget 2020/21 £	Original Budget 2021/22 £
1,000,000	0
0	0
1,000,000	0

Resources
Barnstaple Bus Station re-furbishment
Marine Drive Car Park Resurfacing - Ilfracombe
Ilfracombe Harbour - Kiosks
Jubilee Gardens reserved car park retaining wall
Resurfacing to various car parks
Retaining Wall - Watersmeet Car Park Lynton
Retaining Wall - Cross Street Car Park Lynton
Public Maintenance - Public House corner of Castle St & 16 Castle St
Refurbishment Lower Lyndale Public Toilets, Lynmouth
HR and Payroll System
Pannier Market Re-roofing works

2,118	1,118	1,000
0	0	0
127,884	52,688	75,196
31,447	0	31,447
2,980	2,980	0
22,000	0	22,000
9,500	0	9,500
0	0	0
30,000	0	30,000
98,500	0	98,500
19,000	0	19,000

53,807	0
65,000	0
0	0
0	0
104,004	0
0	0
0	0
90,000	0
0	0
0	0
481,000	0

Project
Water Sports Centre Ilfracombe
Digital Transformation Asset and Financial Management System

Original Budget 2019/20 £	Spend as at 30th Sept 2019	Variance
36,852	16,583	20,269
0	0	0
380,281	73,369	306,912

Original Budget 2020/21 £	Original Budget 2021/22 £
1,336,619	0
40,000	0
2,170,430	0

Resources - Non Treasury

Acquisition of Sub Lease Plot 1 Seven Brethren
--

500,000	390,750	109,250
500,000	390,750	109,250

0	0
0	0

9,011,243	2,407,658	6,603,585
------------------	------------------	------------------

11,677,549	9,782,160
-------------------	------------------

Appendix E

Table A: High level status of all service plan actions tracked on Pentana

	Completed	Overdue	Cancelled	Not due	Total
Totals	382	4	46	49	480
Since the last report included in the total	14		4		

Table B: Service plan actions that have been cancelled authorised by SMT

Action	Reason
OS Crem 03 17/18 5 year plan to Improve disabled access and health and safety in gardens/buildings. Upgrade all paths and provide new covered area(s).	This action is a duplicate of CREM 02 16/17.
OS W&R 01 19/20 Recycle More Project Waste Services Review	OS W&R 01 19/20 Recycle More Project Waste Services Review
OS W&R 02 19/20 Recycle More Project Waste Services Review	This is a duplicate of OS W&R 02 18/19.
OS W&R 04 19/20 Review Trade Waste Service	This action is a duplicate of OS W&R 05 17/18

Table C: Service Plan Actions (14) completed

Action	Closure Note	Due Date	Completed Date
C&C L 03 17/18 Investigate / complete purchase of polygons of land in Council ownership	The Case Management System is in place.	31-Dec-2018	09-Jul-2019
CE ICT 01b 17/18 Investigate a new application delivery platform & the best way to migrate to Windows 10.	Closure Note: ICT will be using the latest version of ZCM to deliver applications to a delivery platform.	31-Jan-2020	04-Oct-2019

Table C: Service Plan Actions (14) completed

CE ICT 02 18/19 Replacement programme of our existing Wyse / PCs with upgraded Wyse terminal or alternative e.g. Chrome Book / Tablet	Closure Note: All staff aligned to a work persona, ICT assets selected for each of those ICT users. Purchasing to take place October 2019 and roll out in November 2019.	31-Mar-2020	04-Oct-2019
CE ICT 04 17/18 21:21 Phase II	Closure Note: The programme is not adding any value to those project still in delivery as these are being managed in ICT.	30-Apr-2020	04-Oct-2019
CE ICT 04 18/19 Work with DCC + other District Council WAN partners to investigate a new supplier for the Devon WAN contract	Closure Note: DCC negotiated an extended contract with Update until August 2021.	31-Aug-2019	04-Oct-2019
CEM 01 15/16 "Memorial Safety Memorials identified failed testing need to be made safe"	Works all completed	30-Sep-2019	09-Oct-2019
CEM 01 16/17 "Phase 2 Memorial Safety Memorials identified failed testing need to be made safe"	Works complete	30-Sep-2019	09-Oct-2019
EH&H 04 17/18 Establish a NDC Housing Development Company	Reported to S&R Cttee Oct 2019 who have endorsed Housing working further on Local Housing Companies by (1) translating strategy into a detailed business plan and (2) using enforcement powers to bring empty homes back into use as part of such work.	31-Oct-2019	11-Oct-2019
EH&H 06 17/18 Establish a direct access/emergency hostel	Officers have secured the Salvation Army Hall in Barnstaple to provide SWEP this year (19/20).	30-Sep-2019	11-Oct-2019
ICT 05 16/17 Specification & tender of new telephony and unified communications solution.	Closure Note: Specification and tender of telephony and cloud contact centre complete. Project now in delivery with Go Live date due December 2019	31-Dec-2019	04-Oct-2019
L 03 16/17 Case Management System	This has now been implemented.	31-May-2019	12-Jul-2019
OS W&R 07 19/20 Review Transfer Shed Usage/Vehicle Parking.	Complete. Food waste and asbestos has to be stored in the transfer Hall in accordance with oy EA site permit and conditions.	30-Sep-2019	10-Oct-2019

Page 49

Table C: Service Plan Actions (14) completed

P PBP 06 19/20 Coastal Communities Fund R5 bids	Bids were submitted but unfortunately not successful on this occasion.	30-Apr-2019	12-Jul-2019
PL&C 15 15/16 Build major extension to the museum	Building work complete September 2019. Building works delayed caused project to overrun. Soft opening of museum planned for 21st October 2019.	31-Jul-2019	08-Oct-2019

Table D: Actions where Heads of Service have requested a revision to the due date and these have been approved by SMT

HoS	Code	Description	Current due date	Revised due date request	Reason & (if applicable Officer) requesting this change
Ken Miles	C&C C&C 01 19/20	Review the Design Print and Post service	30 September 2019	31-Mar-2020	SMT agreed that the necessity to move the Post Room to BEC had been mitigated, but still wished a full review of the service to be concluded in relation to use, contracts & viability of the business. Full review report required.
Jeremy Mann	EH&H 05 17/18	Establish Selective Licensing in Ifracombe (Part 3 Housing Act 2004)	31-Aug-2019	31-Dec-2019	The scale and complexity of the issues impacting on both the owner occupied sector and private rented section across the district will require detail consideration.
Jeremy Mann	H 03 15/16	Temp accommodation for homeless households.	31 March 2019	30 Nov 2019	SMT approved an extension of time Original date 31 March 2016 now November end 2019 to allow officer to formally report on the success of this initiative.
Jeremy Mann	H 10 16/17	Discounted sale processes	30-Sept-2019	30-Jun-2020	SMT approved an extension of time from original date of 30 June 2016 to 30 June 2020. * Consultation planning/planning policy November 2019. * Public consultation January to Mid February 2020. * Policy Committee March 2020 * Full Council April 2020

Table D: Actions where Heads of Service have requested a revision to the due date and these have been approved by SMT

Ricky McCormack	OS CREM 01 19/20	Improve flower tribute area - Aspen and Rowan	31-July-2019	30-April-2020	SMT approved an extension of time. Original date 31 July 2019 to 30 April 2020. Internal resources are being deployed for the Leisure Centre and Water Sports Centre hence requesting this extension of time.
Ricky McCormack	OS CREM 02 19/20	Stop flooding of summerhouse area in memorial gardens	30-Jun-2019	30-April-2020	SMT approved an extension of time. Original Date 30 June 2019 to 30 April 2020. Works to commence 21 October 2019.
Ricky McCormack	OS CREM 03 19/20	Improve disabled access on south perimeter of Painters (perimeter of Poets) in memorial gardens	31-July-2019	28-Nov-2019	Works commencing 21/10/19 - completion anticipated 15/11/19.
Ricky McCormack	OS W&R 05 17/18	Review Trade Waste Service	31-Dec-2017	30-Apr-2020	SMT approved an extension of time. Original due date 31 December 2017 revised due date 30 April 2020. The Trade Waste Review continues and this week crews have taken the May baseline and have been tasked with reporting back to Andy D exactly what is being collected, regardless of how we got to that situation - an absolute truthful baseline needs to be determined. This will then allow remodelling of the Trade rounds and then determine if we have the capacity and capability of expanding our offer. Any changes to Fees and Charges must be taken through the appropriate budget scrutiny and Member approval.

Table D: Actions where Heads of Service have requested a revision to the due date and these have been approved by SMT

Ricky McCormack	OS W&R 10 17/18	Recycling Process Hall	31-Dec-2017	30-Sept-2020	SMT approved an extension of time. Original date 31 December 2017 now 30 September 2020. The fire suppression and other initiatives need to be discussed as part of the wider changes to W&R.
Ricky McCormack	PARK 06 16/17	To take operational control and enforcement of the Park & Change site at Chivenor	30-Sept-2019	30-April-2020	SMT approved an extension of time. Original date 30 April 2016 to 30 April 2020.
Jon Triggs	R 01 19/20	Implementing 'Making Tax Digital' for VAT	30-Sept-2019	31-Dec-2019	The new MTD software has been tested and we are planning to dual run for September's VAT return, with the first live submission due for October's VAT return.
Jon Triggs	R 02 19/20	Upgrade Civica Financials to v19.0 and roll out web financials to other departments	30-Sept-2019	31-Dec-2019	SMT approved a holding Extension of Time until December end 2019. Civica are making the delivery of this project complex due to multiple Account Managers being responsible for issue resolution during the User Acceptance Testing period.
Jon Triggs	R 03 18/19	Upgrade of R&B ICT Software to improve customer experience	3-Sept-2019	30-Jun-2020	SMT approved an extension of time until 30 June 2020 to enable all Phases to be delivered.

Table E: Outstanding Service Plan Actions (4)

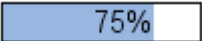
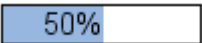
Code	Description	Progress Bar	Latest Note	Original Due Date	Due Date
<p>CE P 07 17/18 Complete review of business processes to ensure external customer focus.</p>	<p>Work has been substantially completed on reviewing core business activities with associated training notes. However, a further review is now required to demonstrate specific engagement with the customer.</p>		<p>10-Oct-2019 Process review (Vanguard) has been initiated to start tomorrow 09/10/19 for planning applications and enforcement with a timetable to compete by 13/11/19. Teams have been assembled internally who are embedded within the system.</p> <p>In January 2020 we have planned to analyse the difference in end to end determination periods to ascertain progress.</p> <p>As part of Phase 2 of the ICT project we have identified several other subjects that require reviews such as S106; we have begun development of the monitoring module of MasterGov package</p>	<p>31-Dec-2017</p>	<p>30-Sep-2019</p>
<p>H 13 16/17 Off-site contributions process</p>	<p>Plan the proactive and efficient use of NDC's current pot of commuted sums and possible future sums aligning this with the most appropriate schemes. May sit within Affordable Housing Delivery Plan or as separate policy document with Executive approval.</p>		<p>11-Oct-2019 • AH SPD external research delayed (1st consultant's report deficient & then Altair took more time than expected due to the complexity of affordability issues where there is not existing "standard"/methodology for affordability). due for completion Oct 2019. Consultation planning/planning policy Nov 2019. LPWG Dec 2019. Public consultation Jan 2020 – mid Feb 2020; Policy Cttee March 2020, Full Council April 2020.</p> <p>• Request extension until the 30th June 2020.</p>	<p>30-Sep-2016</p>	<p>30-Sep-2019</p>

Table E: Outstanding Service Plan Actions (4)

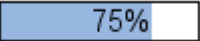
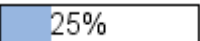
<p>P 02 16/17 Upgrade the planning database (data and spatial)</p>	<p>Upgrade the planning database (data and spatial) to provide a better quality of information storage for both internal use and public access. PAG required as part of a revised corporate ICT strategy.</p>		<p>10-Oct-2019 MasterGov went live on 03/07/19; development has begun to digitalise the planning service and hold listed building/ Tree Protection Order registers, S106 monitoring module and Policy monitoring. We are also working with our supplier and ICT to plan for mobile and remote working solutions</p>	<p>30-Apr-2017</p>	<p>31-May-2019</p>
<p>Page 55 RS 04 16/17</p>	<p>To implement the requirements of the Enterprise Bill 2015/16</p>		<p>This action was closed without approval from SMT to cancel this action.</p> <p>The action has been re-opened - where SMT can consider the reasons for cancellation.</p> <p>Officers (JWM and PC) attended the Food standard Agency's Strategic update event on the 1st October.</p> <p>New draft standards have the potential to increase the time needed to administer the council's current primary authority relationships.</p> <p>The draft documents are available at https://www.food.gov.uk/primary-authority-national-inspection-strategy.</p> <p>PC(Food/ HSW Lead) will review the potential impact of these changes and report with recommendations in Q1 2020/21.</p> <p>In the interim it is proposed to cancel this action.</p>	<p>01-Aug-2019</p>	<p>11-Oct-2019</p>

Table F: Key Performance Indicators : Last year's data + this year's results

PI Code & Short Name	Performance Data Q1 2018/19 & 2019/20	Performance Data Q2 2018/19 & 2019/20	Performance Data Q3 2018/19 & 2019/20	Performance Data Q4 2018/19 & 2019/20	Year End Target	Year End Result	Current Target	Latest Note & History
Planning								
NI 155 Number of affordable homes delivered (cumulative ¹)	42	58	100	146		146		
	28	45						
NI 157a Percentage of major applications processed within 13 weeks	61	100	85	100	45	86.5	45	
	83	90						
NI 157b Percentage of minor planning applications processed within 8 weeks	95	97	98	100		98.75	75	
	91	95.19						
NI 157c Percentage of other applications processed within 8 weeks	98	99	99	98	85	98.5		
	95	95.68					85.00	
Waste & Recycling								
L82(i) Total percentage domestic waste recycled or composted	49.16	48.02	42.6	41.8			46.00	Quarter data not yet available
	50.91							
Finance								
BV8 Percentage of invoices paid on time	97.39	93.13	95.99	97.28	97	95.95		
	96.52	95.76					97.00	

¹ NI 155 changed from Gross to Cumulative

BV9 Percentage of Council Tax collected	28.81	56.14	82.98	97.07	98.00	97.07	98.00	
	28.59	55.63						
BV78a (M) Speed of processing - new Housing Benefit/Council Tax Benefit claims	23.2	24.7	19.6	16.9	28.00	21.1	28.0	
	21.5	17.3						
BV10 Percentage of Non-domestic Rates Collected	32.14	57.31	81.89	97.04	99.05	97.04	99.05	
	31.96	57.45						

PI Code & Short Name	Performance Data Q1 2018/19 & 2019/20	Performance Data Q2 2018/19 & 2019/20	Performance Data Q3 2018/19 & 2019/20	Performance Data Q4 2018/19 & 2019/20	Year End Target	Year End Result	Current Target	Latest Note & History
Property & Technical								
L728 Percentage of the gross internal area of the investment estate currently let	95.40	95.40	95.40	95.40				
	95.21	98.26						
168 Income per car park P&D ticket	July £1.72	Sept £1.71	Dec £1.59	April £1.69			1.78	
	June £1.69	Sept £1.74						

Page 57

PI Code & Short Name	Performance Data Q 2018/19 & 2019/2020	Performance Data Q2 2018/19 & 2019/20	Performance Data Q3 2018/19 & 2019/20	Performance Data Q4 2018/19 & 2019/20	Year End Target	Year End Result	Current Target	Latest Note & History
Building Control								
L300 Building Regulation Full Plan applications determined in 2 months	99	97	96	97	95%	97.25%	95%	
	99	96						
L301 Building Regulation Applications examined within 3 weeks	95	92	87	89	95%	90.75%	95%	
	84	90						
L302 Average time to first response (Days)	11	13	12	12	10	12	10	
	12	10						
Customer Services & Communications								
L999 Feedback Customer Satisfaction %	57%	50%	38%	39%	50%	46%	50%	
	57%	49%			50%			
L997 Customer Service Satisfaction %	95%	91%	98%	94%	90%	94.5%	90%	
	95%	92%			90%			
L998 Media Satisfaction % Annual							90%	
	Annual				90%	100%		

Environmental Health & Housing								
LEHH014 Food Hygiene Interventions Completed	137	288	472	636	664	636		
	91	301			892			
LEHH015 Percentage of Food Hygiene Due Interventions Completed	26	69.9	63.5	95.8	100	95.8	100	
	10.2				100			
LEHH016 Housing Options - Number of Homelessness Prevented & Relieved	130	123	188	191		632	Data only	
	162	165						
LEHH017 Housing Options - Number of Households Accommodated in Temporary Accommodation	28	33	28	32		121	Data Only	
	24	37						
LEHH019 Housing Standards - Number of DFG's Completed & Monies Paid	7	23	73	96		96	Data only	Total value - £515,067.90
	20	68				96		
LEHH026 Number of NDC Lets Through DHC	69	41	66	60		236	Data only	Broken down by bed size: 1 Bed = 22, 2 Bed=37, 3 Bed = 12, 4 Bed =0
	70	71						

Page 20 of 20

LEHH020 Housing Standards – the level of unmet demand for DFGs	282,301	297,509	261,228	279,468			Data only	
	269,616	163,468					Data only	

2. Constitution Context

Appendix and paragraph	Referred or delegated power?
5.5	Delegated

3. Statement of Internal Advice

3.1 The author (below) confirms that advice has been taken from all appropriate Councillors and officers.

Author: Sarah Higgins Date: 15th October 2019 Reference: Executive Performance Report November 2019



Open

NORTH DEVON COUNCIL

REPORT TO: STRATEGY AND RESOURCES

Date: 4th NOVEMBER 2019

TOPIC: Treasury Management Strategy Statement and Annual Investment Strategy

MID-YEAR REVIEW REPORT 2019/20

REPORT BY: CHIEF FINANCIAL OFFICER

1. INTRODUCTION

1.1 This mid year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2019/20 financial year (appendix A);
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure and prudential indicators;
- A review of the Council's investment portfolio for 2019/20;
- A review of the Council's borrowing strategy for 2019/20;
- A review of any debt rescheduling undertaken during 2019/20;
- A review of compliance with Treasury and Prudential Limits for 2019/20.

2. RECOMMENDATIONS

The Committee is asked to recommend to full Council that:

- 2.1 The changes to the prudential indicators be approved.
- 2.2 The report and the treasury activity be noted.

3. REASONS FOR RECOMMENDATIONS

3.1 This Council is required through regulations issued under the Local Government Act 2003 to produce a mid year treasury report reviewing treasury management activities and the prudential and treasury indicators for 2019/20. This report meets the requirements of the CIPFA Code of Practice on Treasury Management (revised 2017).

3.2 This Council is also required under the Code to give prior scrutiny to the treasury management reports by the Policy Development Committee before they are reported to the full Council.

4. REPORT

4.1 Treasury Management Strategy Statement and Annual Investment Strategy update

The Treasury Management Strategy Statement (TMSS) for 2019/20 was approved by this Council on 25th February 2019.

The underlying TMSS approved previously requires revision in the light of economic and operational movements during the year. The proposed changes are set out below:

Prudential Indicator 2019/20	Original Estimate £000	Revised Prudential Indicator £000
Capital Financing Requirement	6,440	5,462
Authorised Borrowing Limit	11,000	22,500
Maturity Structure of Debt over 10 years	50%	90%

Section 4.3 of this report gives further information on the Capital Financial Requirement. The Authorised borrowing limit and the maturity structure of debt over 10 years have been amended to reflect the Leisure Centre capital project.

4.2 The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the budget.

Capital Expenditure by Service	2019/20 Original Estimate £000	Current Position 30/09/19 £000	2019/20 Revised Estimate £000
Chief Executive & Corporate	675	41	748
Corporate & Community	3,095	1,186	3,741
Environmental Health & Housing	2,602	415	2,004
Operational Services	1,209	190	449
Place	1,044	112	1,189
Resources	984	464	880
Total	9,609	2,408	9,011

Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2019/20 Original Estimate £000	2019/20 Revised Estimate £000
Supported	0	0
Unsupported	9,609	9,011
Total spend	9,609	9,011
Financed by:		
Capital receipts	(650)	(650)
Capital grants	(6,074)	(6,230)
Capital reserves	(1,316)	(871)
Total financing	(8,040)	(7,751)
Borrowing requirement	1,569	1,260

4.3 Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

Prudential Indicator – Capital Financing Requirement

The forecast Capital Financing Requirement has reduced as a result of slippages to the capital programme as shown below. For example the projects for the Pannier Market Roof and Recycling Process Hall Infrastructure have now moved into 2020/21.

Prudential Indicator – the Operational Boundary for external debt

	2019/20 Original Estimate £000	2019/20 Revised Estimate £000
Prudential Indicator – Capital Financing Requirement		
Total CFR	6,440	5,462
Movement in CFR from 1/4/19		751
Prudential Indicator – the Operational Boundary for external debt		
Borrowing	2,500	1,250
Other long term liabilities	0	0
Total debt (year-end position)	2,500	1,250

4.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need, which will be adhered to if this proves prudent.

	2019/20 Original Estimate £000	Current Position 30/09/19 £000	2019/20 Revised Estimate £000
Gross borrowing	2,500	1,250	1,250
Plus: other long term liabilities	0	0	0
Total debt	2,500	1,250	1,250
CFR (year end position)	6,440		5,462

The Chief Financial Officer reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator.

A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit that represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	2019/20 Original Indicator £000	2019/20 Revised Indicator £000
Borrowing	10,500	22,000
Other long term liabilities	500	500
Total	11,000	22,500

The Leisure Provision at Seven Brethren report considered by Full Council on 13th March 2019, approved the increase in authorised borrowing limit to £22m from 2020/21. Amending the authorised borrowing limit now will provide some flexibility for limited early borrowing for the Leisure Centre capital project, if prudent to do so.

4.5 Investment Portfolio 2019/20

Treasury Management Investments

In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in appendix A, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the current 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impacts on banks, prompts a low risk and short term strategy. Given this risk

environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

The Council held £18.6m of investments as at 30 September 2019 (£8.56m at 31 March 2019) and the investment portfolio yield for the first six months of the year was 0.70% against the benchmark 7 day LIBID of 0.57%.

The Chief Financial Officer confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2019/20.

The Council's budgeted investment return for 2019/20 was £70,000. As at 30th September 2019 £62,203 investment interest was earned in the half-year period.

Investment Counterparty Criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

Non-Treasury Management Investments

The major changes required by the 2017 Treasury Management and Prudential Codes relate to non-treasury investments in other financial assets and property, primarily for financial return.

The Council is currently considering a more detailed commercialisation strategy and a report will be coming to Members in due course.

Whilst the Council currently has no plans for material investments in property or other financial assets during 2019/20, it has purchased a light industrial unit at Seven Brethren and will consider other small scale opportunities if appropriate.

4.6 Borrowing

The Council's capital financing requirement (CFR) for 2019/20 is £5.46m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the Public Works Loan Board (PWLB), or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

At present, the Council has projected total external borrowing of £1.25m and utilising £4.21m of cash flow funds in lieu of borrowing. This is a prudent and cost effective approach in the current economic climate but will require ongoing monitoring of economic conditions.

It is not anticipated that further borrowing will be undertaken during this financial year but that will be dependent on the progress of the Leisure Centre project and movements in PWLB / market borrowing rates during the second half of the financial year.

Total Borrowing:

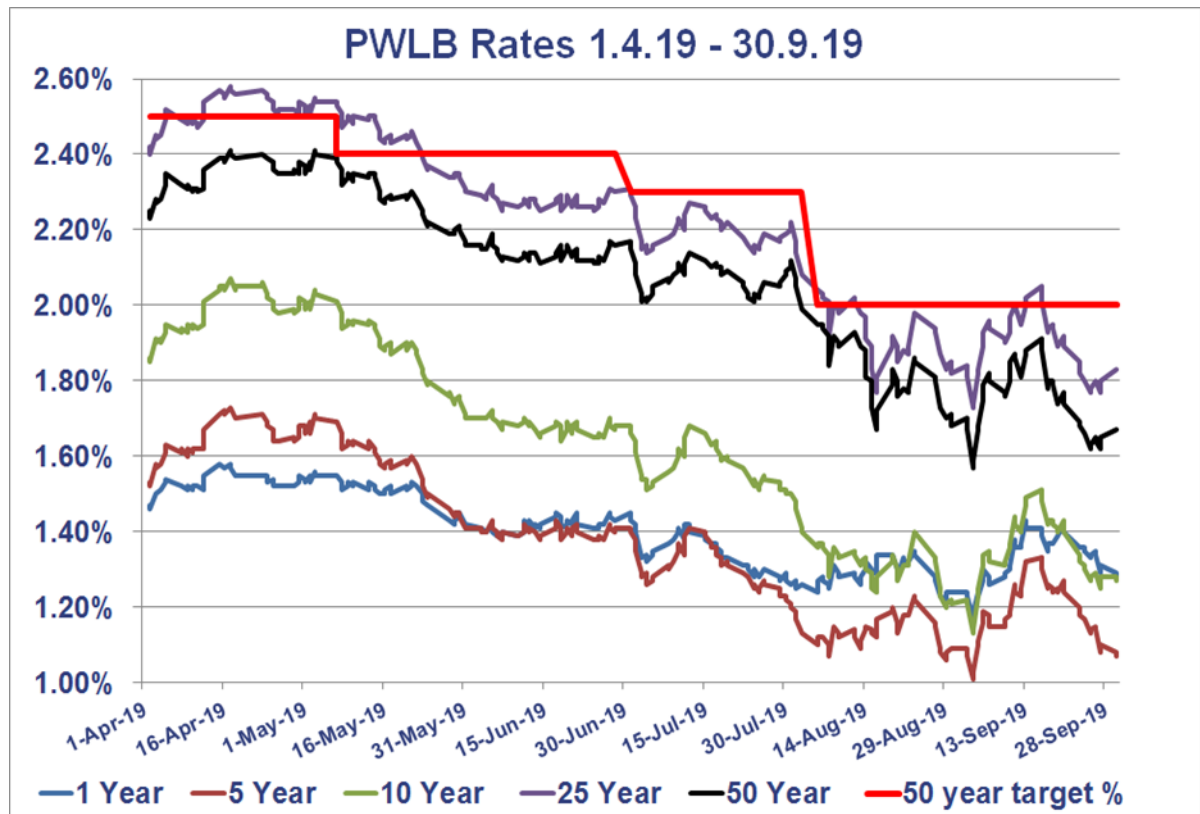
Lender	Principal (£000)	Type	Interest Rate	Loan period	Maturity date
PWLB	£750	Fixed interest rate	2.44%	5.6 years	May 2020
PWLB	£500	Fixed interest rate	1.43%	10 years	Aug 2026

The graph and table below show the movement in PWLB certainty rates for the first six months of the year to date. PWLB rates have been on a falling trend during this period and longer rates have almost halved to reach historic lows. The 50 year PWLB target (certainty) rate for new long term borrowing fell from 2.50% to 2.00% during this period.

During October 2019, HM Treasury announced, with immediate effect, that it was increasing the margin that applies to new loans from the PWLB by 100bps (one percent) on top of usual lending terms. This is in part due to some local authorities substantially increasing their use of the PWLB in recent months, as the cost of borrowing has fallen to record lows. This has effectively restored interest rates to the levels available in 2018.

We will continue to monitor how the markets react to this change and the implications for any future borrowing.

PWLB certainty rates 1 April 2019 to 30 September 2019



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.17%	1.01%	1.13%	1.73%	1.57%
Date	03/09/2019	03/09/2019	03/09/2019	03/09/2019	03/09/2019
High	1.58%	1.73%	2.07%	2.58%	2.41%
Date	15/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019
Average	1.40%	1.37%	1.62%	2.20%	2.07%

4.7 Debt Rescheduling

No debt rescheduling was undertaken during the first six months of 2019/20.

5. RESOURCE IMPLICATIONS

5.1 As detailed in the report.

6. EQUALITIES ASSESSMENT

6.1 There are not any equalities implications anticipated as a result of this report, as the purpose of this report is to present the Council's financial position only.

7. CONSTITUTIONAL CONTEXT

Article and paragraph	Referred or delegated power?
Part 4 Financial Procedure Rules (Article 13.8)	Delegated
Article 4.4	

8. STATEMENT OF CONFIDENTIALITY

8.1 This report contains no confidential or exempt information under the provisions of Schedule 12A of 1972 Act.

9. BACKGROUND PAPERS

9.1 Background papers will be available for inspection and will be kept by the author of the report.

10. STATEMENT OF INTERNAL ADVICE

10.1 The author (below) confirms that advice has been taken from all appropriate Councillors and Officers.

Author: Jon Triggs, Head of Resources

Date: 15th October 2019

Reference: T:\Technical\Adam\Treasury Management\ TM Mid Year Report 2019_20.doc

This page is intentionally left blank

APPENDIX A: ECONOMICS AND INTEREST RATES**1) Economic Update**

UK. This first half year has been a time of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on or 31 October, with or without a deal. However, in September, his proroguing of Parliament was overturned by the Supreme Court and Parliament carried a bill to delay Brexit until 31 January 2020 if there is no deal by 31 October. MPs also voted down holding a general election before 31 October, though one is likely before the end of 2019. So far, there has been no majority of MPs for any one option to move forward on enabling Brexit to be implemented. At the time of writing, (first week in October), the whole Brexit situation is highly fluid and could change radically by the day. Given these circumstances and the likelihood of an imminent general election, any interest rate forecasts are subject to material change as the situation evolves. If the UK does soon achieve a deal on Brexit agreed with the EU, including some additional clarification wording on the Irish border backstop, then it is possible that growth could recover relatively quickly. The MPC could then need to address the issue of whether to raise Bank Rate when there is very little slack left in the labour market; this could cause wage inflation to accelerate which would then feed through into general inflation. On the other hand, if there was a no deal Brexit and there was a significant level of disruption to the economy, then growth could weaken even further than currently and the MPC would be likely to cut Bank Rate in order to support growth. However, with Bank Rate still only at 0.75%, it has relatively little room to make a big impact and the MPC would probably suggest that it would be up to the Chancellor to provide help to support growth by way of a fiscal boost by e.g. tax cuts, increases in government departments and services annual expenditure budgets and expenditure on infrastructure projects, to boost the economy.

The first half of 2019/20 has seen UK **economic growth** fall as Brexit uncertainty took a toll. In its Inflation Report of 1 August, the Bank of England was notably downbeat about the outlook for both the UK and major world economies. The MPC meeting of 19 September reemphasised their concern about the downturn in world growth and also expressed concern that the prolonged Brexit uncertainty would contribute to a build-up of spare capacity in the UK economy, especially in the context of a downturn in world growth. This mirrored investor concerns around the world which are now expecting a significant downturn or possibly even a recession in some major developed economies. It was therefore no surprise that the Monetary Policy Committee (MPC) left Bank Rate unchanged at 0.75% throughout 2019, so far, and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit. However, it is also worth noting that the new Prime Minister is making some significant promises on various spending commitments and a relaxation in the austerity programme. This will provide some support to the economy and, conversely, take some pressure off the MPC to cut Bank Rate to support growth.

As for **inflation** itself, CPI has been hovering around the Bank of England's target of 2% during 2019, but fell to 1.7% in August. It is likely to remain close to 2% over the next two years and so it does not pose any immediate concern to the MPC at the current time. However, if there was a no deal Brexit, inflation could rise towards 4%, primarily as a result of imported inflation on the back of a weakening pound.

With regard to the **labour market**, despite the contraction in quarterly GDP growth of -0.2%q/q, (+1.3% y/y), in quarter 2, employment continued to rise, but at only a muted rate

of 31,000 in the three months to July after having risen by no less than 115,000 in quarter 2 itself: the latter figure, in particular, suggests that firms are preparing to expand output and suggests there could be a return to positive growth in quarter 3. Unemployment continued at a 44 year low of 3.8% on the Independent Labour Organisation measure in July and the participation rate of 76.1% achieved a new all-time high. Job vacancies fell for a seventh consecutive month after having previously hit record levels. However, with unemployment continuing to fall, this month by 11,000, employers will still be having difficulty filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to a high point of 3.9% in June before easing back slightly to 3.8% in July, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.1%. As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. The latest GDP statistics also included a revision of the savings ratio from 4.1% to 6.4% which provides reassurance that consumers' balance sheets are not over stretched and so will be able to support growth going forward. This would then mean that the MPC will need to consider carefully at what point to take action to raise Bank Rate if there is an agreed Brexit deal, as the recent pick-up in wage costs is consistent with a rise in core services inflation to more than 4% in 2020.

In the **political arena**, if there is a general election soon, this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up although, conversely, a weak international backdrop could provide further support for low yielding government bonds and gilts.

USA. President Trump's massive easing of fiscal policy in 2018 fuelled a temporary boost in consumption in that year which generated an upturn in the rate of strong growth to 2.9% y/y. Growth in 2019 has been falling back after a strong start in quarter 1 at 3.1%, (annualised rate), to 2.0% in quarter 2. Quarter 3 is expected to fall further. The strong growth in employment numbers during 2018 has reversed into a falling trend during 2019, indicating that the economy is cooling, while inflationary pressures are also weakening. The Fed finished its series of increases in rates to 2.25 – 2.50% in December 2018. In July 2019, it cut rates by 0.25% as a 'midterm adjustment' but flagged up that this was not to be seen as the start of a series of cuts to ward off a downturn in growth. It also ended its programme of quantitative tightening in August, (reducing its holdings of treasuries etc). It then cut rates again in September to 1.75% - 2.00% and is thought likely to cut another 25 bps in December. Investor confidence has been badly rattled by the progressive ramping up of increases in tariffs President Trump has made on Chinese imports and China has responded with increases in tariffs on American imports. This trade war is seen as depressing US, Chinese and world growth. In the EU, it is also particularly impacting Germany as exports of goods and services are equivalent to 46% of total GDP. It will also impact developing countries dependent on exporting commodities to China.

EUROZONE. Growth has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1 and then fell to +0.2% q/q (+1.0% y/y) in quarter 2; there appears to be little upside potential to the growth rate in the rest of 2019. German GDP growth fell to -0.1% in quarter 2; industrial production was down 4% y/y in June with car production down 10% y/y. Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars. The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity

supporting world financial markets by purchases of debt. However, the downturn in EZ growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth. At its March meeting it said that it expected to leave interest rates at their present levels “at least through the end of 2019”, but that was of little help to boosting growth in the near term. Consequently, it announced a third round of TLTROs; this provides banks with cheap borrowing every three months from September 2019 until March 2021 which means that, although they will have only a two-year maturity, the Bank is making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank’s eligible loans. However, since then, the downturn in EZ and world growth has gathered momentum so at its meeting on 12 September, it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a resumption of quantitative easing purchases of debt. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and unsurprisingly, the ECB stated that governments will need to help stimulate growth by fiscal policy. On the political front, Austria, Spain and Italy are in the throes of forming coalition governments with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The recent results of two German state elections will put further pressure on the frail German CDU/SPD coalition government.

CHINA. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress also still needs to be made to eliminate excess industrial capacity and to switch investment from property construction and infrastructure to consumer goods production. The trade war with the US does not appear currently to have had a significant effect on GDP growth as some of the impact of tariffs has been offset by falls in the exchange rate and by transshipping exports through other countries, rather than directly to the US.

JAPAN - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

WORLD GROWTH. The trade war between the US and China is a major concern to financial markets and is depressing worldwide growth, as any downturn in China will spill over into impacting countries supplying raw materials to China. Concerns are focused on the synchronised general weakening of growth in the major economies of the world compounded by fears that there could even be a recession looming up in the US, though this is probably overblown. These concerns have resulted in government bond yields in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited ammunition available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US), and there are concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks. The latest PMI survey statistics of economic health for the US, UK, EU and China have all been sub 50 which gives a forward indication of a downturn in growth; this confirms investor sentiment that the outlook for growth during the rest of this financial year is weak.

2) Interest rate forecasts

The Council's treasury advisor, Link Asset Services, provided the following forecast:

Link Asset Services Interest Rate View											
	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
3 Month LIBID	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20
6 Month LIBID	0.80	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40
12 Month LIBID	1.00	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60
5yr PWLB Rate	2.20	2.30	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00	3.10
10yr PWLB Rate	2.50	2.60	2.80	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40
25yr PWLB Rate	3.10	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00
50yr PWLB Rate	3.00	3.20	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90

The above forecasts have been based on an assumption that there is some sort of muddle through to an agreed deal on Brexit at some point in time. Given the current level of uncertainties, this is a huge assumption and so forecasts may need to be materially reassessed in the light of events over the next few weeks or months.

It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit. In its meeting on 1 August, the MPC became more dovish as it was more concerned about the outlook for both the global and domestic economies. That's shown in the policy statement, based on an assumption that there is an agreed deal on Brexit, where the suggestion that rates would need to rise at a "gradual pace and to a limited extent" is now also conditional on "some recovery in global growth". Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. If there were a no deal Brexit, then it is likely that there will be a cut or cuts in Bank Rate to help support economic growth. The September MPC meeting sounded even more concern about world growth and the effect that prolonged Brexit uncertainty is likely to have on growth.

Bond yields / PWLB rates. There has been much speculation recently that we are currently in a bond market bubble. However, given the context that there are heightened expectations that the US could be heading for a recession, and a general background of a downturn in world economic growth, together with inflation generally at low levels in most countries and expected to remain subdued, conditions are ripe for low bond yields. While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last thirty years. We have therefore seen over the last year, many bond yields up to ten years in the Eurozone actually turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby ten year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities. However, stock markets are also currently at high levels as some investors have focused on chasing returns in the context of dismal ultra-low interest rates on cash deposits.

What we have seen during the last half year is a near halving of longer term PWLB rates to completely unprecedented historic low levels. There is though, an expectation that financial markets have gone too far in their fears about the degree of the downturn in

US and world growth. If, as expected, the US only suffers a mild downturn in growth, bond markets in the US are likely to sell off and that would be expected to put upward pressure on bond yields, not only in the US, but due to a correlation between US treasuries and UK gilts, which at various times has been strong but at other times weaker, in the UK. However, forecasting the timing of this and how strong the correlation is likely to be, is very difficult to forecast with any degree of confidence.

One potential danger that may be lurking in investor minds is that Japan has become mired in a twenty year bog of failing to get economic growth and inflation up off the floor, despite a combination of massive monetary and fiscal stimulus by both the central bank and government. Investors could be fretting that this condition might become contagious.

Another danger is that unconventional monetary policy post 2008, (ultra-low interest rates plus quantitative easing), may end up doing more harm than good through prolonged use. Low interest rates have encouraged a debt fuelled boom which now makes it harder for economies to raise interest rates. Negative interest rates could damage the profitability of commercial banks and so impair their ability to lend and / or push them into riskier lending. Banks could also end up holding large amounts of their government's bonds and so create a potential doom loop. (A doom loop would occur where the credit rating of the debt of a nation was downgraded which would cause bond prices to fall, causing losses on debt portfolios held by banks and insurers, so reducing their capital and forcing them to sell bonds – which, in turn, would cause further falls in their prices etc.). In addition, the financial viability of pension funds could be damaged by low yields on holdings of bonds.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.

One risk that is both an upside and downside risk is that all central banks are now working in very different economic conditions than before the 2008 financial crash. There has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for eleven years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could, therefore, over or under-do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. In 2018, Italy was a major concern due to having a populist coalition government which made a lot of anti-

austerity and anti-EU noise. However, in September 2019 there was a major change in the coalition governing Italy which has brought to power a much more EU friendly government; this has eased the pressure on Italian bonds. Only time will tell whether this new unlikely alliance of two very different parties will endure.

- Weak capitalisation of some **European banks**, particularly Italian banks.
- **German minority government.** In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD had a major internal debate as to whether it could continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018. However, this makes little practical difference as she has continued as Chancellor, though more recently concerns have arisen over her health.
- **Other minority EU governments.** Austria, Sweden, Spain, Portugal, Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Italy, Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU. There has also been rising anti-immigration sentiment in Germany and France.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- **Geopolitical risks**, for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **Brexit** – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.



NORTH DEVON COUNCIL

REPORT TO: COUNCIL
Date: 20th November 2019
TOPIC: CHANGES TO CONSTITUTION
REPORT BY: MONITORING OFFICER

1 INTRODUCTION

- 1.1 This report recommends minor changes to the Constitution, in particular the Employee Procedure Rules. The changes are to bring the Constitution into line with the relevant legislation and to correct an error that had arisen in the version presented to Council for adoption.

2 RECOMMENDATIONS

- 2.1 That the amended Officer Employment Rules attached as an Appendix are adopted as part of the Constitution.
- 2.2 That reference to Chief Officers is removed from the Functions of the Appointments Committee under Annexe 1 of Part 3 of the Constitution.
- 2.3 That 3.16 of the Scheme of Officer Delegations is amended to:-

“To appoint, discipline and/or dismiss officers in accordance with Council policies and procedures, including the power to nominate any other officer to undertake such powers, except where that power is reserved to a Committee or to Full Council under the Officer Employment Procedure Rules set out within Part 4 of the Constitution.”

- 2.4 That the Contract Procedure Rules be amended by the addition of the wording in para 4.6 below.

3 REASONS FOR RECOMMENDATIONS

- 3.1 To bring the Constitution back into line with legislation, to ensure consistency and to correct an error.

4 REPORT

- 4.1 A report was taken to Full Council on the 25th February 2019 which highlighted some changes that had been made to the Constitution under delegated powers. One such change was to make it clear that Independent Persons were

only required to sit on the Appointments Committee when dealing with the dismissal of the Head of Paid Service, Chief Financial Officer and Monitoring Officer. Those changes were intended to bring the wording of the Constitution into line with the legislation. However those changes did not come through very clearly when the new Constitution was subsequently adopted earlier this year.

- 4.2 In particular, the Officer Employment Rules, which are set out in Part 4 of the Constitution, still included a procedure which called for 2 Independent Persons to be included when dismissing other Chief Officers.
- 4.3 Those Rules also currently state that the appointment and dismissal of other Chief Officers is a function of Full Council. Chief Officers are defined as including those that report direct to the Head of Paid Service/Chief Executive and so, given the current structure of the Council, would include officers sitting below Head of Service level. It is not appropriate that those officers should be the subject of what is a more stringent recruitment process and so changes are also proposed to ensure that the higher level of scrutiny is reserved to the statutory chief officers namely the Head of Paid Service, Monitoring Officer and Chief Financial Officer.
- 4.4 A revised version of the Officer Employment Rules is therefore attached as an Appendix to this report and the recommendation is that these are adopted.
- 4.5 It is also recommended that consequential changes are made to the Scheme of Officer Delegations and Appointments Committee functions to make it clear that the function of appointment and disciplinary action/dismissal of officers is the role of the Head of Paid Service other than as provided for under the Officer Employment Rules.
- 4.6 The final recommendation is in respect of the Contract Procedure Rules in part 4 of the Constitution. Due to a printing error, when the Constitution went to Full Council for adoption, some wording was omitted. After paragraph 24.1(d)(ii), the following words should be included:-
- “(iii) does not shift the economic balance in favour of the supplier,*
- (iv) does not extend the scope of the contract considerably, or*
- (v) put in place a new contractor other than where this is allowed pursuant to paragraph 24.1(c), and/or*
- (e) the value of the modification (or the cumulative modifications where there is more than one) is less than:-*
- (i) the relevant procurement threshold provided by the regulations, and*
- (ii) 10% of the initial contract value for services or supplies contracts or 15% of the initial contract value for works contracts*
- Provided also that the modifications do not alter the overall nature of the contract”*

5 RESOURCE IMPLICATIONS

5.1 There are no resource implications.

6 CONSTITUTIONAL CONTEXT

Article or Appendix and paragraph	Referred or delegated power?
Part 3 Annexe 1	Delegated

7 STATEMENT OF CONFIDENTIALITY

7.1 This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

8 BACKGROUND PAPERS

8.1 The following background papers were used in the preparation of this report:

- Constitution
- Disciplinary Policy
- Regulations

The background papers are available for inspection and kept by the author of the report.

9 STATEMENT OF INTERNAL ADVICE

9.1 The author (below) confirms that advice has been taken from all appropriate Councillors and Officers.

Author: Trevor Blatchford (Monitoring Officer) Date: 8th November 2019

Appendix

OFFICER EMPLOYMENT PROCEDURE RULES

This part deals with the appointment and dismissal of staff.

PRESCRIBED STANDING ORDERS

These Rules incorporate the standing orders prescribed under the Local Authorities (Standing Orders)(England) Regulations 2001 as amended

DEFINITIONS

“Chief Officer” means the Statutory Chief Officers, Non Statutory Chief Officers and the Deputies of those persons as defined within s2 of the Local Government and Housing Act 1989

“Chief Financial Officer” shall mean any officer appointed under s151 of the Local Government Act 1972

“Head of Paid Service” shall mean the officer appointed under section 4(1) of the Local Government and Housing Act 1989

“Independent Persons” means a person appointed by the Council under s28(7) of the Localism Act 2011

“Monitoring Officer” means any officer appointed under s5 of the Local Government and Housing Act 1989

“Proper Officer” means the Human Resources Manager

“Relevant Independent Person” means an Independent Person appointed by the Council or where there are fewer than two such persons, such Independent Persons as have been appointed by another authority.

1. **RECRUITMENT AND APPOINTMENT**

1.1 **Declarations**

1.1.1 The Council has drawn up procedures which include a requirement that any candidate for an appointment as an Officer must state in writing whether they have any relationship with any councillor or officer of the Council;

1.1.2 No candidate so related to a Councillor or an Officer will be appointed without the authority of the Head of Paid Service or where the relationship is between the candidate and the Head of Paid Service, the authority of the Proper Officer.

1.2 **Seeking support for appointment**

1.2.1 The Council will disqualify any applicant who directly or indirectly seeks the support of any Councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.

- 1.2.2 No Councillor or employee of the Council will seek support for any person for any appointment with the Council.

2. **RECRUITMENT OF CHIEF EXECUTIVE/HEAD OF PAID SERVICE AND CHIEF OFFICERS**

Where the Council proposes to appoint a Chief Executive/Head of Paid Service or a Chief Officer, including on a joint basis with another public body, and it is not proposed that the appointment be made exclusively from among their existing Officers, the Council will:

2.1 draw up a statement including the following:

- 2.1.1 the duties of the Officer concerned; and
- 2.1.2 any qualifications or qualities to be sought in the person to be appointed;
- 2.2 make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
- 2.3 make arrangements for a copy of the procedures mentioned in paragraph 1 to be sent to any person on request.

3. **PROCEDURE FOR RECRUITMENT OF HEAD OF PAID SERVICE MONITORING OFFICER AND CHIEF FINANCIAL OFFICER**

- 3.1 The appointment of the Head of Paid Service, Monitoring Officer and Chief Financial Officer shall be the responsibility of the Full Council following a recommendation on the appointment from the Appointments Committee.
- 3.2 The Appointments Committee or a Sub Committee of it shall carry out the interview process and will make a recommendation on the appointment to the Full Council.
- 3.3 In respect of the appointment of the Monitoring Officer and Chief Financial Officer, the interview process shall be chaired by the Head of Paid Service or a person nominated by him.

4. **PROCEDURE FOR THE DISMISSAL OF HEAD OF PAID SERVICE, MONITORING OFFICER AND CHIEF FINANCIAL OFFICER**

- 4.1 The dismissal for disciplinary reasons of the Head of Paid Service, Monitoring Officer and Chief Financial Officer shall be the responsibility of Full Council.
- 4.2 Before taking a decision, Full Council shall receive advice from a panel consisting of the Appointments Committee or a Sub Committee of it, two or more Relevant Independent Persons and such other persons as may be considered appropriate by Full Council (“the Panel”)

4.2 The Panel must be appointed at least 20 working days before the meeting of Full Council at which a decision is to be made as to whether to dismiss the officer.

- 4.3 The Council shall appoint to the Panel the Relevant Independent Persons in accordance with the following priority order:-
- (a) A relevant Independent Person who has been appointed by the authority and who is a local government elector,
 - (b) Such other Relevant Independent Person appointed by the Council,
 - (c) A Relevant Independent Person appointed by another authority.

5. **RESPONSIBILITY FOR RECRUITMENT OR DISMISSAL OF OTHER OFFICERS**

5.1 The function of the appointment and dismissal of and taking disciplinary action against any other officer will be discharged by the Head of Paid Service subject to any delegations contained within Part 3 of this Constitution, and shall not be the responsibility of Councillors.

5.2 Councillors will not be involved in disciplinary action against any Officer below Chief Officer except where such involvement is necessary for any investigation or inquiry or where the Council's procedures as adopted from time to time allow a right of appeal to Councillors.

6. **SUSPENSION**

6.1 The Head of Paid Service, the Chief Finance Officer, or the Monitoring Officer may be suspended whilst an investigation takes place into alleged misconduct. The suspension will be on full pay and must terminate no later than 2 months after the suspension takes effect.

7. **APPEALS**

None of the above shall prevent a Councillor serving as a member of an appeals committee or body established to consider an appeal by:

- 7.1 any person against any decision relating to the appointment of that person as a member of staff of the authority; or
- 7.2 a member of staff of the authority against any decision relating to the dismissal of, or taking disciplinary action against, that member of staff unless the dismissal relates to a capability issue, misconduct, some other substantial reason, some other statutory enactment or planned retirement where the member of staff has less than six months notice – in these instances the appeal shall be conducted by a senior officer.



NORTH DEVON COUNCIL

Open

REPORT TO: COUNCIL

Date: 20TH NOVEMBER 2019

**TOPIC: HEART OF THE SOUTH WEST JOINT COMMITTEE
GOVERNANCE ARRANGEMENTS**

REPORT BY: CHIEF EXECUTIVE

1 INTRODUCTION

1.1 This report provides an update for the Constituent Authorities on the Joint Committee's governance arrangements and budgetary position for 2019/20. The report contains recommendations for amendments to the Committee's Arrangements document following the governance review.

2 RECOMMENDATIONS

2.1 The Council is recommended:-

2.1.1 to approve the amendments (shown in italics) to the Committee's list of functions in the Arrangements document (Appendix A) attached

2.1.2 to note the updated budget position for 2019/20, and

2.1.2 to agree the appointment of Somerset County Council as the administering authority until 22nd January 2022

3 REASONS FOR RECOMMENDATIONS

3.1 In recent months the Joint Committee has reviewed and updated its governance arrangements in the light of experience since its establishment in early 2018 and in response to changing Government policy and local circumstances. Some changes are required to the Committee's Arrangements document as a result and these need to be formally agreed by the Constituent Authorities. It is essential that the Joint Committee remains: fit for purpose, represents a sustainable way of working into the future; and delivers value for the resources committed to it by the Constituent Authorities.

4 REPORT

4.1 Review of the role and functions of the Joint Committee

4.1.1 The Constituent Authorities have previously agreed one addition to the list of delegated functions by giving the Joint Committee the function of agreeing the

local authorities' input into the development of the HoSW Local Industrial Strategy (LIS).

4.1.2 In addition to the above policy development, the need to review the governance arrangements arose from:

- Changes in Government policy away from large devolution 'deals' to a more targeted dialogue on key themes of relevance to the local authorities and partners, eg, housing. The Joint Committee's influencing role has become increasingly important as recognised by Ministers, local MPs and Government officials. The ambition remains to draw down additional functions, powers and funding from Government.
- The evolution of the Joint Committee's role from agreeing policy (the HotSW Productivity Strategy) to overseeing delivery of the Strategy alongside the LEP.
- The developing relationships with other key local partnerships to ensure that there are appropriate reporting lines, ie, HotSW LEP Joint Scrutiny Committee, Peninsula Transport Board, Great South West, HotSW Local Transport Board.

4.1.3 Accordingly, the Committee has refined its focus into the following areas:

- Strategic policy development
- Influencing Government / key agencies to achieve direct intervention, support, funding and powers
- Designing and delivering strategic HotSW responses to 'Government' offers
- Designing and delivering public sector reform where this will deliver improved productivity, eg in health and education
- Delivering at scale –(beyond what individual councils can achieve)
- Oversight of the Delivery Plan – working with the HotSW LEP to ensure delivery of the HotSW Productivity Strategy.

It is not proposed at this stage to request the delegation of further functions from the Constituent Authorities to the Joint Committee.

These refinements to the focus of the Committee have been reflected in amendments to the list of functions contained in the Joint Committee's 'Arrangements' document – see Appendix A attached.

4.1.4 The subject matter focus for the Joint Committee will fall into the following areas of the Delivery Plan:

- Housing – including bid(s) for strategic housing deal(s) designed, submitted and agreed resulting in additional investment into HotSW
- Major Route Corridor Study agreed and completed
- Agreed HotSW LIS which meets our transformational objectives
- Successful engagement plan with MPs / Ministers

- Successful operational phase of the Brexit work in collaboration with Government
- Preparation for / response to offers of public sector reform to improve productivity
- Agreement and submission of Coastal Communities proposal to Government seeking additional Government support for our coastal communities
- Development of the JC's investment framework required to deliver the Productivity Strategy within a new national funding environment.
- Enable the partners to prepare for and respond to opportunities arising from the Comprehensive Spending Review and the Shared Prosperity Fund.

4.2 Joint Committee Political Arrangements

- 4.2.1 The Committee has agreed to change its meeting arrangements to achieve a better balance between formal decision-making meetings (fewer) and more opportunities for informal engagement and challenge sessions.

In addition, two informal engagement sessions will be arranged per annum to engage relevant Portfolio Holders and Directors on Joint Committee business.

4.3 Joint Committee Management Support Arrangements

- 4.3.1 Comprehensive management support arrangements have been in place to support the partnership (and latterly the Joint Committee) since 2015. These have been recently reviewed and refined. To minimise direct support costs impacting on the Committee's budget, most of the officer resource is provided by the Constituent Authorities on an 'in-kind' voluntary basis. In addition, Somerset County Council was appointed as the Administering Authority to the Joint Committee to support and run the Joint Committee and its meetings. SCC has been paid for undertaking this role from the Joint Committee budget. Other direct budget contributions towards the Committee support costs have been allocated to refund those Constituent Authorities who have provided officer resources for project management capacity and administrative support to the Brexit Resilience and Opportunities Group.

- 4.3.2 The diagram in Appendix B shows the revised management support arrangements of the Joint Committee.

The revised arrangements provide for:

- A CEx Executive Group to lead the work of the Joint Committee and to include theme leads from the Delivery Plan. The membership of this Group is set out in Appendix B.
- Use of existing Devon and Somerset Chief Executives' and Leaders' meetings to support the work of the Committee;
- 1 x joint meeting per annum of the Devon and Somerset Chief Executives.
- Better alignment of the Joint Committee's support arrangements with the LEP.

- A Policy and Technical Officer Group of senior policy officers to focus on: delivery of the Delivery Plan; monitoring progress/measuring performance; and drafting responses to national policy changes.
- A dedicated and resourced programme management function, (funded from the Joint Committee’s budget) to manage Joint Committee business on behalf of the CEx Executive Group and in addition to the Administering Authority role. This arrangement was initially agreed for 6 months (April to Oct 2019) pending a review of the work load.

4.4 Appointment of Administering Authority

4.4.1 At the time of the establishment of the Joint Committee, the Constituent Authorities agreed to appoint Somerset County Council as the Administering Authority for the Joint Committee for a two-year period from 22 January 2018. With this appointment coming to an end early in the new year the HotSW Chief Executives’ Executive Group has considered an appointment for the next two year period (as required by the Joint Committee’s ‘Arrangements’ document).

4.4.2 The view of the HotSW Chief Executives’ Executive Group is that Somerset County Council has done an excellent job of supporting the Committee and their recommendation is to reappoint the County Council to the Administering Authority role for a further two year period from 23 January 2020 to 22 January 2022. The Joint Committee will consider this recommendation at its meeting on the 27th September and it is likely to be agreed. In anticipation of this approval, the Council is recommended to agree to the reappointment of Somerset County Council as the Administering Authority to the Joint Committee for the period from 22 January 2020 to 21 January 2022.

4.5 Joint Committee Budget Position

4.5.1 The Joint Committee remains completely reliant on the Constituent Authorities for its budget and there are no obvious sources of additional funding to support running costs or delivery of its work programme.

The Joint Committee budget as at the end of March 2019 was as follows:

Constituent Authorities	Contributions – 18/19 £	Expenditure – 18/19 £
County Council x2	10,500	40,000 – Administering Authority costs (including staffing, venue hire, publicity costs) 16,346 – Brexit admin support costs 9750 – Housing audit
Unitaries x 2	4,000	
Districts / National Park Authorities x 15	1,400	
Underspend carried forward	66838	

from Devolution Budget		5000 – Housing conference 8759 - Transport consultancy 660 - Portfolio-holder event costs
Total	116,838	80513 36,325 (carry forward to 2019/20)

4.5.2 The Joint Committee budget covers the costs of running the Committee and the work programme. Contribution levels for each council tier are based on population levels. The Committee agreed earlier this year that a larger annual budget was likely to be required to fund work programme priorities in future years and approved ‘in principle’ to seek the agreement of the Constituent Authorities to double the 2018/19 core contributions as a one-year arrangement so giving maximum contributions in 2019/20 of:

County Council - £21,000

Unitary Council - £8,000

District Council / National Park Authorities – £2,800

For 2019/20 the Constituent Authorities have been invoiced for 50% of the amounts stated above. A second invoice was to be sent to each Constituent Authority for the other 50% in the autumn if the budget proved to be insufficient to fund the work required in 2019/20 and only if fully costed work programme proposals were available to justify the request.

The overall budget position for 2019/20 is detailed in the table in 4.5.3. There are no plans to invoice the Constituent Authorities for the second budget contribution for 2019/ 20 because of the need to take stock of the direction of the Committee’s work programme following the recent elections and delays in progressing discussions with Government as a result of Brexit. As it stands the contributions collected from the Constituent Authorities (£48,600) together with the underspend carried forward from 2018/19 (£36,326) totalling £84,926 is sufficient to cover the planned and anticipated costs for 2019/20 of £60k. A key unknown aspect of the work programme is the preparations for Brexit and the budget impacts of any work which the Committee may wish to commission. This will be kept under review in the coming months as the position becomes clearer.

4.5.3

Income	£ (,000)
Constituent Authority contributions	48,600 - committed 48,600 – in principle
2018/19 underspend	36,326
<u>Total</u>	133.5 (of which 48.6k is in principle)

Expenditure	£ ,000
Administering Authority Programme Office	20 – committed (for the year) 10 – committed (April to Sept) (Oct to March 2020 tbc but estimated at £10k)
Brexit Resilience and Opportunities Group – officer support costs	10 – in principle (April to Sept) (Oct onwards tbc but estimated at up to £10k)
Housing Task Force	Tbc
Growth Corridor Work	Tbc
MP/ Ministerial engagement	Tbc
Brexit work programme	Tbc
Coastal Communities proposal	Tbc
<u>Total</u>	£60k (including anticipated commitments detailed above)

- 4.5.4 Further discussions are planned as to how to establish a financially stable Joint Committee budget for future years as a pre-requisite to preparing a budget proposal for 2020/21 for submission to the Constituent Authorities.

5 RESOURCE IMPLICATIONS

- 5.1 There are no resource implications associated with the recommendations other than as set out in the report.

6 EQUALITIES ASSESSMENT

- 6.1 There are not any equalities implications anticipated as a result of this report.

7 CONSTITUTIONAL CONTEXT

Article or Appendix and paragraph	Referred or delegated power?
Part 2 Article 4, paragraph 4.5.18	Delegated

8 STATEMENT OF CONFIDENTIALITY

8.1 This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

9 BACKGROUND PAPERS

9.1 The following background papers were used in the preparation of this report:

- See attached Appendices A and B and the Joint Committee Arrangements and Inter Authority Agreement

The background papers are available for inspection and kept by the author of the report.

10 STATEMENT OF INTERNAL ADVICE

10.1 The author (below) confirms that advice has been taken from all appropriate Councillors and Officers.

Author: Ken Miles

Date: 31st October 2019

Reference: T:\Democratic\Committee\Reports\Council\2019.11.20\2019.11.20 Heart of the South West JC Governance Review.docx

This page is intentionally left blank

APPENDIX A – EXTRACT FROM THE JOINT COMMITTEE’S ARRANGEMENTS DOCUMENT

2. Joint Committee Functions:

2.1 The only delegated functions of the Joint Committee relate to:

- (a) the approval of the HotSW Productivity Strategy; and
- (b) *the development and endorsement of the HotSW Local Industrial Strategy (LIS) (noting that final approval of the HotSW LIS rests with the HotSW Local Enterprise Partnership (LEP) and the Government.*

All other matters referred to in 2.3 below are ‘referred’ matters where the Joint Committee will make recommendations to the Constituent Authority or Authorities for decision. Additional delegated or referred functions may be proposed for the Joint Committee in the future by the Joint Committee or any of the Constituent Authorities but shall only be agreed if approved by all of the Constituent Authorities.

2.2 The principle of subsidiarity will apply to the relationship between the Joint Committee, the Constituent Authorities and local Sub-Regional Partnerships with decisions being made at the most local and appropriate level on all matters to do with the delivery of the Productivity Strategy and in relation to the other functions of the Joint Committee.

2.3 The Joint Committee shall:

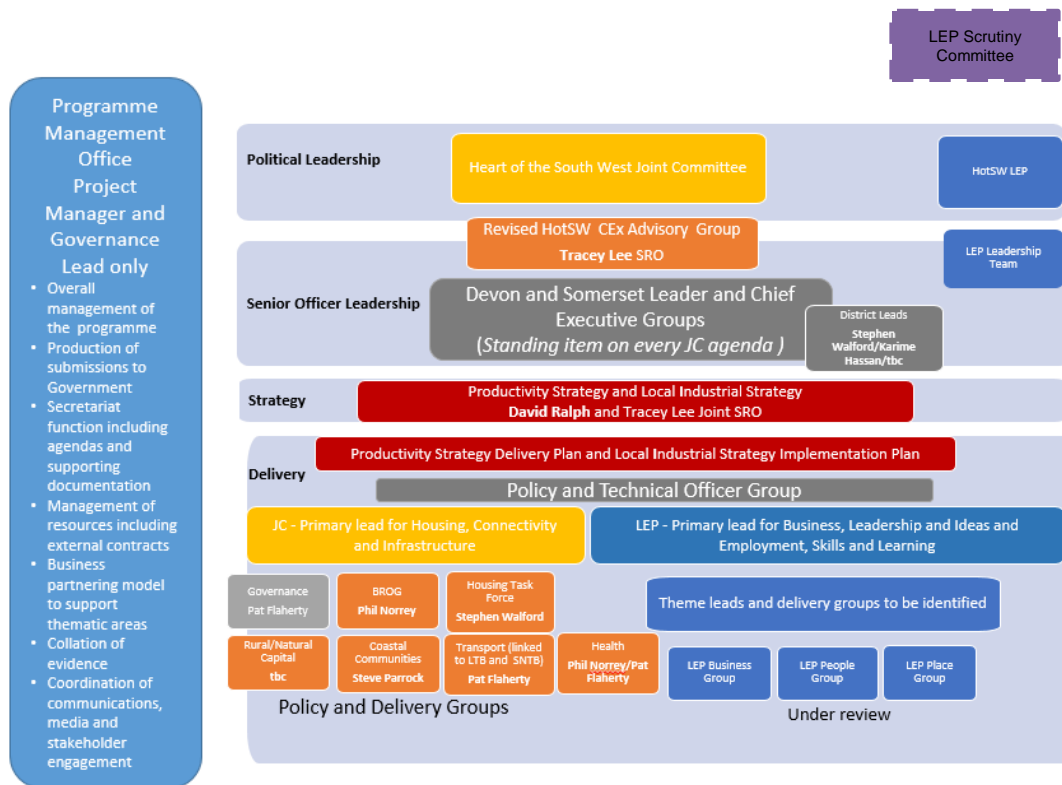
- (a) Develop and agree the HotSW Productivity Plan in collaboration with the LEP.
- (b) *Maintain oversight of the HotSW Delivery Plan = working alongside and in collaboration with the LEP using each other’s strengths and roles to ensure delivery of the HotSW Productivity Strategy.*
- (c) *Continue discussions /negotiations with the Government and Government agencies to achieve direct intervention, support, funding and powers to the benefit of the HotSW and assist with the delivery of the Productivity Plan and the LIS, working with the LEP.*
- (d) Continue discussions / negotiations with the Government / relevant agencies to secure delivery of the Government’s strategic infrastructure commitments, eg, strategic road and rail transport improvements.
- (e) *Design and deliver the strategic HotSW response to ‘Government’ offers and respond to Government calls for evidence if appropriate.*
- (f) *Design and deliver public sector reform where this will deliver improved productivity to the HotSW, eg health, education.*
- (g) *Deliver at scale (beyond what individual councils can achieve).*
- (h) Work with the LEP to identify and deliver adjustments to the LEP’s democratic accountability and to assist the organisation to comply with the revised (November 2016) LEP Assurance Framework. This includes endorsing the LEP’s assurance framework on behalf of the Constituent Authorities as and when required.

However, this is subject to the Framework being formally approved by the LEP's Administering Authority.

- (i) Ensure that adequate resources (including staff and funding) are allocated by the Constituent Authorities to enable the objectives in (a) to (e) above to be delivered.

APPENDIX B

HotSW Joint Committee Support Structure



Chief Executives' Executive Group Membership and Roles

Theme/Role	Lead	Body
HotSW Leaders SRO	Tracey Lee	JC (PCC)
Productivity Strategy SRO	Tracey Lee/David Ralph	JC (PCC)/LEP
LIS SRO	David Ralph/Tracey Lee	LEP/JC (PCC)
BROG	Phil Norrey	JC (DCC)
Governance lead	Pat Flaherty	JC (SCC)
Housing lead	Stephen Walford	JC (MDDC)
Transport lead	Pat Flaherty	JC (SCC)
Coastal Communities lead	Steve Parrock	JC (TC)
District Council Leads X 3	Stephen Walford (Devon - Rural) Karime Hassan (Devon - City/Urban) Stuart Brown (Somerset)	JC (MDDC/ECC/MDC)
Rural/Natural Capital lead	Kevin Bishop	JC (DNP)
Health theme	Via Phil Norrey and Pat Flaherty in the short term	JC (DCC/SCC)

This page is intentionally left blank

NORTH DEVON COUNCIL

Minutes of a meeting of Licensing and Community Safety Committee held at Barum Room - Brynsworthy on Tuesday, 8th October, 2019 at 10.00 am

PRESENT: Members:

Councillor Tucker (Chair)

Councillors Cann, Biederman, Bulled, Chesters, Gubb, Henderson, Luggar, Mack, D. Spear, L. Spear and York

Officers:

Licensing Service Lead (HB), Senior Solicitor/Monitoring Officer (TB), Public Protection Manager (KN) and Corporate and Community Services Officer (AD)

7. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Campbell and Hunt.

8. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 18TH JUNE 2019 (ATTACHED)

RESOLVED that the minutes of the meeting held on 18th June 2019 (circulated previously) be approved as a correct record and signed by the Chairman.

9. DECLARATIONS OF INTERESTS

There were no declarations of interest received.

10. ITEMS BROUGHT FORWARD WHICH IN THE OPINION OF THE CHAIRMAN SHOULD BE CONSIDERED BY THE MEETING AS A MATTER OF URGENCY

a) Order of Agenda.

RESOLVED that item 8 be considered ahead of item 6 on the agenda.

11. DEVON AND CORNWALL POLICE CRIME PANEL UPDATE

The Committee received an update from Councillor Biederman, as follows:

Four meetings a year were held in Plymouth at the City Council buildings. The Crime Commissioner had published the annual report for 2018-19 at the 14th June 2019 meeting. Of particular interest was a presentation given on the issue of summer policing in Devon and that a bid for funding for

special circumstances had been made, if successful this funding would help with additional resources needed during summer months when the local population could increase by as much as 125,000. A letter had been presented to London in regard to this extra funding needed.

The Committee requested that Councillor Biederman convey to the Panel that there needed to be an emphasis on recruitment of Police Community Support Officers (PCSOs) but that the resources to train new recruits were not available.

Councillor Biederman advised that the next meeting of the Devon and Cornwall Crime panel was provisionally booked for Friday 15th November 2019 at 10.30 am. The Chairman asked Members to forward any questions they may have to Councillor Biederman ahead of this date. Parish crime statistics should be available on the website but information for Fremington was not there, it appeared to be included under the Barnstaple area.

12. REVIEW OF NORTH DEVON COUNCIL'S SEX ESTABLISHMENT POLICY

The Public Protection Manager provided the Committee with a summary of the Review of North Devon Council's Sex Establishments Policy (circulated previously), which included the following:

- There was no legal obligation to have a policy for sex establishments but that it was prudent to have one.
- The policy covered Sex Shops, Sex Cinemas and Sexual Entertainment Venues
- The Council had not licensed any sex establishments and had not received any applications for a licence since the policy was last reviewed
- North Devon Council introduced its policy in 2011 and revisited it in 2014
- The changes made were to details such as the geographical area and population numbers
- The amendments were minor and as such there was no need for a consultation to be held

In response to a question about online sales and a business that operated out of a warehouse facility, the Public Protection Manager advised that no licence would be needed in relation to such a business. The Act was introduced at a time when the internet was not a reality and so new legislation would be needed if online sales were to be regulated.

In reply to a question on defining the term proximity, the Public Protection Manager advised that each case would be determined on its own merits and that as proximity could not be defined by distance alone it was appropriate not to define proximity.

RESOLVED, that on consideration of the draft sex establishment policy that

due to the limited changes proposed that no consultation be undertaken at this time.

RECOMMENDED, that the draft sex establishments policy be approved by the Strategy and Resources Committee.

13. HACKNEY CARRIAGE AND PRIVATE HIRE POLICY - THE INSTITUTE OF LICENSING 'GUIDANCE ON DETERMINING THE SUITABILITY OF APPLICANTS AND LICENSEES IN THE HACKNEY AND PRIVATE HIRE TRADE'

The Committee considered a report by the Licensing Service Lead, the Hackney Carriage and Private Hire Policy – The Institute of Licensing ‘Guidance on Determining the Suitability of Applicants and Licensees in the Hackney and Private Hire Trade’, (circulated previously). The Licensing Service Lead gave the following summary information:

- This review had been presented to Committee two years ago but due to unavoidable circumstances had not been implemented
- There was not a legal obligation to have such a policy but was best practice to have one in place
- The Institute of Licensing Document would be the basis for the consultation that it was hoped would be carried out and from the results a clear picture of which parts of the guidance to adopt would be gained
- New requirements for drivers to maintain their certificates through the Disclosure and Barring Service (DBS) would mean electronic checks for any disclosures would be possible at any point during the term of a driver’s licence
- A caution would be regarded in the same way as a conviction
- Previous conviction for exploitation or abuse (either physically, emotionally, or financially) would mean an applicant is not licensed
- Where an applicant had been convicted of sex and indecency offences, regardless of how long ago, a licence would not be granted
- Approval was being sought to hold a consultation for a period of six weeks with the hope to bring back to Committee in the early new year, 2020

In response to a question about using the Council’s social media to highlight the safety of using the taxi service that the Council licensed the Licensing Service Lead Officer advised this could be done as part of a Christmas Safety campaign.

In response to a question on how the Council were notified of offences committed, the Senior Solicitor advised the Committee that the courts did not have the resources to notify Local Authorities on the outcome of individual cases. Councillor Henderson advised Committee that for a fee there was a service that could be subscribed to whereby on entering a postcode you would find a list of all convictions made in that area, providing an occupation was declared this could be used to find convictions for taxi drivers. The Service Lead Licensing Officer advised the Committee that serious

offences were notified to the Authority by the Police but for minor misdemeanours the Council were reliant on the Applicant notifying the Authority.

In response to a question about the adoption of a new policy and whether this would affect existing licences, the Senior Solicitor confirmed that the policy would not have any retrospective effect.

RESOLVED that:

- (a) the report be noted;
- (b) a six week consultation exercise be undertaken with the taxi trades, general public and anybody with an interest in taxis; and
- (c) proposed amendments to the policy resulting from the consultation be presented to Committee in a further report.

14. DATE OF NEXT CRIME AND DISORDER SUB-COMMITTEE AND APPOINTMENT OF CHAIR

The Corporate and Community Services Officer updated the Committee of the date and location of the next meeting of the Crime and Disorder Sub-Committee, Thursday 31st October 2019 at 10 am in Bideford Town Hall.

The Corporate and Community Services Officer asked for nominations for Chairman of the Crime and Disorder Sub-Committee.

Two nominations were received each of whom were voted on in turn.

RESOLVED that Councillor Tucker be appointed Chairman of the Crime and Disorder Sub-Committee for the 2019/20 municipal year.

15. LICENSING AND COMMUNITY SAFETY SUB-COMMITTEE

RESOLVED that the minutes of the meeting of the Licensing and Community Safety Sub-Committee A (circulated previously) held on 8th August 2019 be approved as a correct record and be signed by the Chairman of the Sub-Committee.

Chairman

The meeting ended at 11.08 am

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.

NORTH DEVON COUNCIL

Minutes of a meeting of Planning Committee held at Site inspection on Friday, 4th October, 2019 at 10.00 am

PRESENT: Members:

Councillor Ley (Chairman)

Councillors Davies, Gubb, Lane, Leaver, Mackie, D. Spear and L. Spear

Officers:

Development Management Officer, Devon County Council, (PY), Planning Officer, (JM) and Corporate and Community Services Officers, (AD and GT)

Also Present:

Peter James, Chairman of Combe Martin Parish Council, Christine Wyer, Councillor Combe Martin Parish Council and Mr Andrew Bates, Applicant.

21. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Chesters, Fowler, Knight, Tucker and Yabsley.

22. DECLARATION OF INTERESTS

There were no declarations of interests.

23. 10.00 AM (APPROX.) 70265: RETROSPECTIVE APPLICATION FOR CHANGE OF USE FROM DWELLING (CLASS USE C3) TO BED & BREAKFAST (CLASS USE C1), LION HOUSE, VICTORIA STREET, COMBE MARTIN, ILFRACOMBE, DEVON, EX34 0LZ

The Committee received the following statement from the Corporate and Community Services Officer:

“Any observations which are made during the course of this site visit by Members of the Planning Committee are limited to those issues identified by the Head of Place in consultation with the Chair of the Planning Committee and the Ward Member of Members of the area where the application site is located, as set out in Part 3, Annexe 2 of the North Devon District constitution.

Such observations are made after viewing the site and on the basis of the limited information available on site.

Any such observations are not, nor should they be taken as an indication that the application is acceptable or unacceptable. A full presentation and consideration of all the planning issues will be made when the matter was determined by the Planning Committee.”

The Committee considered the reasons for the site inspection as outlined by the Planning Officer (circulated previously), those being:

- To consider the highway impacts of the development
- To observe the context of the development in relation to the road network access onto Kiln Lane and the A399

The Planning Officer briefly outlined the application (circulated previously), advising that this was for a retrospective application for change of use from a dwelling (Use Class C3) to Bed and Breakfast (Use Class C1). The Planning Officer’s plan showed the floor print of the property and confirmed there had been no external changes to the property. The carpark used by the property was situated to the west of the property.

The Development Management Officer, Devon County Council, advised the Committee of the objections Development Management Highways had, namely that the increased vehicular movements would be significant, inadequate visibility from and emerging vehicles, gradient of the lane and lack of pedestrian footpath.

In response to a question about ownership and access rights to the carpark the Applicant responded that his property owned five spaces on the far right hand side of the carpark, and highlighted another five spaces allocated for the sole use of the nearby properties.

In response to a question about how many properties accessed Kiln Lane the Ward Member advised the Committee that it was eight.

The Applicant advised the Committee that he advocated to his guests that access to the carpark should be from Kiln Lane while to exit the site onto the A399 visitors should travel east, (a right turn out of the carpark) towards Olive plants that had been positioned to create screening at the front of Lion House.

The Development Management Officer confirmed Kiln Lane was an adopted road.

The Development Management Officer explained to the Committee that the retaining wall created the perception of less space and reduced the visibility accessing and exiting the A399.

The Committee then departed on foot from the carpark and walked up the lane towards the property to observe the exit onto the A399 and noted the visibility.

The Committee then traversed down the lane to the western access from the A399 noting the gradient of the lane as they walked. The Committee observed the visibility of accessing this right- hand turn into Kiln Lane from the A399.

In response to a question on recorded incidents at the location, the Highways Officer advised there were none but the Inspector had stated that this didn't detract from the potential dangers.

In response to a question on whether line markings could help the Highways Officer replied there was nothing that could be changed to improve the situation.

The Committee requested the following information be available at the Planning Committee on Wednesday 9th October 2019:

- The full report for a previous appeal decision on application 58748
- The Outline of the carpark
- Confirmation on the number of properties that used Kiln Lane

Chairman

The meeting ended at 10.31 am

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.

This page is intentionally left blank

NORTH DEVON COUNCIL

Minutes of a meeting of Planning Committee held at Barnstaple Rugby Club Main Room - Barnstaple Rugby Club on Wednesday, 9th October, 2019 at 10.00 am

PRESENT: Members:

Councillor Ley (Chair)

Councillors Chesters, Davies, Fowler, Gubb, Knight, Lane, Leaver, Mackie, Prowse, D. Spear, L. Spear, Tucker and Yabsley

Officers:

Lead Planning Officer (South), Solicitor, Planning Officer and Senior Planning Officer

Also Present:

Councillors Jenkins and Worden

24. APOLOGIES FOR ABSENCE

There were no apologies for absence received.

25. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 11TH SEPTEMBER 2019

RESOLVED that the minutes of the meeting held on 11th September 2019 (circulated previously) be approved as a correct record and signed by the Chair subject to all references to paragraph 7.2 in minute 20 being amended to "paragraph 7.2 (c)".

26. ITEMS BROUGHT FORWARD WHICH IN THE OPINION OF THE CHAIRMAN SHOULD BE CONSIDERED BY THE MEETING AS A MATTER OF URGENCY

(a) Order of agenda

RESOLVED that the order of the items on the agenda be considered in the following order: item 8, item 7 and item 6.

27. DECLARATION OF INTERESTS

The following declarations of interest were announced:

Councillor Prowse Planning application 70262: Prejudicial interest

as had business dealings with the applicants.

Councillor Yabsley Planning application 70296: Disclosable Pecuniary Interest as the applicant and owner of the site.

28. 70296: ERECTION OF ONE AGRICULTURAL BUILDING, LAND AT LITTLE YEO, WITHERIDGE

Councillor Yabsley declared a Disclosable Pecuniary interest in the above application and left the room during the consideration thereof.

The Committee considered a report by the Head of Place (circulated previously – now appended).

RESOLVED (unanimous) that the application be APPROVED as recommended by the Head of Place.

29. 70265: RETROSPECTIVE APPLICATION FOR CHANGE OF USE FROM DWELLING (USE CLASS C3) TO BED & BREAKFAST (USE CLASS C1), LION HOUSE, VICTORIA STREET, COMBE MARTIN

The Committee considered a report by the Head of Place (circulated previously – now appended).

Following the site inspection undertaken by the Committee on 4th October 2019, the Senior Planning Officer clarified the number of properties that accessed Kiln Lane which were as follows: 10 authorised residential properties, 4 unauthorised residential properties, farm at the top end of the lane and one building which was used for storage and distribution. The authorised residential properties generated 6 to 8 vehicle movements per day, therefore the maximum movements would be between 60 to 80 per day. The number of vehicle movements for the farm was unknown. The vehicle movements for the unauthorised residential properties were between 24 to 32 per day and between 4 to 6 for the holiday unit. The consent of the application could potentially generate a 30% increase in vehicle movements for authorised uses.

The Senior Corporate and Community Services Officer read a letter received by the Chair from Combe Martin Parish Council to the Committee in support of the application.

Andrew Bates (applicant) addressed the Committee.

The Highways Officer (PY) advised that he was in agreement with the applicant that the standard method had been used to calculate the number of vehicle movements per day. The calculation made had been based on the location of the site. It was not considered that the number of vehicle movements calculated would be as high as calculated. Although it was acknowledged that the applicant marketed the

property for cyclists and walkers, it would still generate additional traffic movements and 16 to 20 movements per day were considered to be significant. The arrangement of Kiln Lane and the horizontal alignment and inadequate visibility from the junction with the A399 were substandard which may result in incidents due to the highway deficiency. This has been reinforced by a dismissed appeal for a new dwelling with access off of Kiln Lane. The critical question was whether it generated additional traffic and the proposal would result in additional traffic. The A399 was a high road class and was restricted to 30mph. If an accident occurred with a vehicle travelling at this speed it would result in an impact of vehicles and pedestrians.

In response to questions, the Senior Planning Officer advised that the property had five bedrooms. If a home owner provided less than half of the bedrooms for bed and breakfast, this would not constitute a material change of use. However, in this case only one bedroom would be used by the owner and four would be used for bed and breakfast and along with the amenity use and the number of vehicle movements generated constituted a material change of use. The classification of the property was C3, residential property. Airbnb was a marketing tool and not a use classification of a property. Previously the property was a public house and in 2002 was changed to a residential use. If the property was to revert to a public house it would result in a material change of use.

In response to a question, the Lead Planning Officer advised that an advisory note could be recommended requesting the applicant to provide safety advice to customers regarding the use of the Kiln Lane junction with the A399 for accessing and egressing the property.

In response to a question, the Highways Officer (PY) advised that other commercial and tourist venues provide guidance on their websites and literature regarding accessing the venue.

RESOLVED (12 for, 0 against and 1 abstained) that the application be APPROVED as the number of vehicle movements from this use did not warrant refusal and the economic benefit accrued towards tourism in the area outweighed the highways concerns raised subject to:

- (a) The wording of conditions being delegated to the Head of Place;
- (b) A condition be included that the prior approval of extraction and ventilation fans for the kitchen be obtained;
- (c) That an advisory note be included on the consent requesting that the applicant provide safety advice to customers regarding the use of the Kiln Lane junction with the A399 for accessing and egressing the property.

30. ADJOURNMENT OF MEETING

RESOLVED that the meeting be adjourned to enable a five minute comfort break.

RESOLVED that the meeting be re-convened to consider the remaining business.

31. 70262: CONVERSION OF EXISTING BUILDINGS TO CREATE 14 DWELLINGS TOGETHER WITH ERECTION OF 7 NEW DWELLINGS & ASSOCIATED WORKS, THE OLD TANNERY, SOUTH MOLTON

Councillor Chesters declared a prejudicial interest in the above application and left the meeting.

The Committee considered a report by the Head of Place (circulated previously – now appended).

The Lead Planning Officer advised that the Heads of Terms of the section 106 agreement had now been agreed with the applicant and recommended that the Head of Place be delegated authority to secure the heads of terms of the section 106 agreement. The off site public open space contribution had been reduced to £58,148.

Matt Steart (agent) addressed the Committee.

Councillor Worden (Ward Member and on behalf of South Molton Town Council) addressed the Committee.

In responses to questions, the Lead Planning Officer advised that further to the Landscape and Countryside Officer’s consultation response, the applicant had submitted the correct version of the Tree Protection and Arboricultural Impact Assessment and therefore the matter had been resolved. The existing provision of residential parking on the site was a commercial arrangement and could stop at any time. It was not within the remit of the applicant to resolve parking for existing residents. The scheme provided two parking spaces for every dwelling and two visitor parking spaces. Two spaces were also provided on the site for the occupiers of numbers 77 and 77a East Street.

In response to questions, the Highways Officer (MC) advised that there had been no recorded vehicle collisions at the site entrance despite the substandard arrangements of the access. There was no opportunity to improve the access to the site. The existing provision of on-street parking along East Street, resulted in the reduction of speed of vehicles. There would not be an increase in traffic entering and exiting the site. Large vehicles accessing the site currently would cease.

Councillor Yabsley declared a personal interest as a Devon County Council Member for the area.

In response to further questions, the Lead Planning Officer advised that Devon County Council was currently undertaking a review of on street parking and pedestrian safety in South Molton and it was recommended that representations be made to Devon County Council regarding these issues. The application had a neutral impact on the highway issues in East Street. The advice from the Highways Authority was that there would be a net increase in safety as the number of large vehicles accessing the site would cease. On site parking would be provided and that parking rights for other third parties could not be granted. Off site works for the re-alignment of the pavement would be secured. Additional recording work has been commissioned to address the comments of the Devon County Council's Archaeologist, which had not yet been received. Given the proximity of the Brook it was important to ensure that surface water runoff was controlled to greenfield run off rates so as not to cause any issues downstream. Additional information has been requested by DCC as Lead Local Flood Authority was commissioned. The Bark Shed would be used for either covered car parking or uncovered parking. The Conservation Officer had expressed concern regarding its demolition and this issue was still outstanding and delegated authority was sought to resolve this issue. The use of building materials was a mixed pallet. The Conservation Officer had requested that units 15-21 be redesigned three times. The site was within the development boundary of South Molton. The scheme would be unlikely to be viable with the exclusion of the new builds. Delegated authority had been requested to resolve issues identified in the report that were awaiting clarification.

RESOLVED (8 for, 0 against, 2 abstained) that the application be APPROVED as recommended by the Head of Place subject to:

- (a) That the Head of Place be delegated authority to resolve those issues identified in the report that were awaiting clarification and to apply appropriate conditions as required by the consultees to address the issues raised, secure the heads of terms of the section 106 agreement and seek a reduction in the construction hours as detailed in condition 8 on Monday to Fridays;
- (b) That representations be made to Devon County Council requesting that: a comprehensive review of on street parking in East Street be undertaken; an assessment of traffic speeds which were considered excessive; an assessment of whether a weight restriction would be appropriate and whether a formal pedestrian crossing was required at the eastern end of East Street.

Chairman

The meeting ended at 11.50 am

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.

This page is intentionally left blank

NORTH DEVON COUNCIL

Minutes of a meeting of Policy Development Committee held at Barum Room - Brynsworthy on Tuesday, 15th October, 2019 at 10.00 am

PRESENT: Members:

Councillor D. Spear (Chair)

Councillors Hunt, Jenkins, Mack, Walker and York

Officers:

Also Present:

Councillors Mackie and L. Spear.

17. APOLOGIES

Apologies for absence were received from Councillors Campbell and Roome.

18. DECLARATIONS OF INTEREST.

There were no declarations of interest received.

19. NATIONAL HEALTH SERVICE - LONG TERM PLAN

The Committee welcomed John Finn, Associate Director of Commissioning, Northern Devon and Eastern/Planned Care and Cancer, NHS Devon Clinical Commissioning Group.

The Associate Director of Commissioning, Northern Devon and Eastern/Planned Care and Cancer, NHS Devon Clinical Commissioning Group advised that the National Health Service (NHS) Long Term Plan set out the direction for the NHS over the next five years, explaining how it would spend the £20.5 billion additional funding to meet rising demand to deliver the national standards specified in the Long Term Plan.

He added that there would be a shift in focus to address determinants of wellbeing and improve population health through collaboration in planning and delivery at place. These determinants were split into the following areas:

- Health and care integration.
- Prevention and early support.
- Health inequalities.

- The wider determinants of health.
- Giving children the best start.
- Living well in older age.

He explained that the inclusion of housing was a notable and welcome addition from the NHS together with an acknowledgement of the wider determinants of health and the role of other statutory organisations. The plan signalled continuity rather than change and balanced the national direction with local autonomy. This was set out over three broad areas:

- Improving quality and outcomes.
- New service models.
- More action on prevention and health inequalities.

He advised that Devon along with every other area would have an integrated care system in two years' time, which would be focussed on population need. Devon would also shape its own local long term plan by the autumn. As part of the Sustainability and Transformation Partnerships, Councils and the NHS had identified the following challenges in Joint Strategic Needs Assessment and other information:

- An ageing and growing population.
- Balancing access to services in both urban and rural localities.
- Complex patterns of deprivation linked to earlier onset of health problems in more deprived areas (10-15 year gap).
- Housing issues (low incomes/high costs/poor quality in private rental sector).
- Giving every child the best start in life and ensuring children were ready for school.
- Poor mental health and wellbeing, contributed by social isolation and loneliness.
- Poor health outcomes caused by modifiable behaviours.
- Pressures on services (especially unplanned care) caused by increasing long-term conditions, multi-morbidity, mental health and frailty.
- Unpaid care and associated health outcomes.
- Shifting to a prevention and early intervention focus.

He outlined the Joint Health and Wellbeing strategy priorities for Devon, Plymouth, Devon and Torbay together with the common areas of priority between the strategies, which were:

- Common vision around reducing health inequalities and addressing wider determinants of health.
- Mental health across the life course.
- A focus on communities, housing and the built environment.
- Giving children the best start in life.
- A focus on living well, encouraging health lifestyles and prevention.
- Maintaining independence and good health into older age.

He explained the significant opportunity for district and city council influence putting their work on the wider determinants of population health at the heart of Devon's long term plans. There would be a refresh of the Devon Joint Health and Wellbeing Strategy, which was the process by which the systems would work together. The Joint Health and Wellbeing Strategies across wider Devon were key pieces of evidence that set the system priorities and dictated where the focus needed to be. He explained the engaging and influencing opportunities, which covered the areas of cancer, digital and urgent care together with building on system progress through partnership working. He outlined the collaborative work through democratic elected member contribution, system leadership, leadership in communities and engaging partners.

The Committee asked questions of the Associate Director of Commissioning, Northern Devon and Eastern/Planned Care and Cancer, NHS Devon Clinical Commissioning Group and discussed the future plans for Northern Devon.

RESOLVED:

- (a) that there was to be no reduction in any of the services within the Northern Devon area that were currently provided by the NDDH;
- (b) that a recruitment drive be held to attract potential employees to NDDH with the emphasis being on promoting great confidence in its future;
- (c) to support the campaign to fully reinstate nursing bursaries;
- (d) that an opportunity be created for senior representatives of Councils and health bodies to discuss the social determinants of health related to housing, education, transport, employment and the police authority;
- (e) that there be a greater emphasis in relation to mental health services in young people to address the shortfall in services and resources for the younger demographic in society;
- (f) that local health authorities and the government look into the lack of resources into mental health services for adolescents;
- (g) that education play an active role in the One North Devon partnership;
- (h) to place greater emphasis on healthcare for those marginalised in society;
- (i) that efforts be doubled to improve digital services to rural areas;
- (j) that the Associate Director of Commissioning, Northern Devon and Eastern/Planned Care and Cancer, NHS Devon Clinical Commissioning Group do everything within his powers to improve

mental health funding for the Northern Devon area; and

- (k) that the Associate Director of Commissioning, Northern Devon and Eastern/Planned Care and Cancer, NHS Devon Clinical Commissioning Group and his appropriate colleagues be invited to attend a future meeting of the Committee to discuss the work that had been undertaken within the areas of mental health and social care together with a comparison of pilots that were currently in operation across the county focussing on how joint working and joint funding was impacting upon the population of Northern Devon.

The Associate Director of Commissioning, Northern Devon and Eastern/Planned Care and Cancer, NHS Devon Clinical Commissioning Group thanked the Committee for the opportunity to attend the meeting.

Chairman

The meeting ended at 12.18 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.

NORTH DEVON COUNCIL

COUNCIL: 20TH NOVEMBER 2019

RECOMMENDATIONS OF THE STRATEGY AND RESOURCES COMMITTEE HELD ON 7TH OCTOBER 2019

Minute 44: Civil Penalty Notice Policy – Housing and Planning Act 2016

RECOMMENDED that Council adopt the Civil Penalty Notice Policy in Appendix A, and give delegated authority to the Head of Service for Environmental Health and Housing to use these powers in the 2016 Act, to serve Civil Penalty Notices and apply for Rent Repayment Orders.

Minute 45: NDC's Homelessness Review and Strategy

RECOMMENDED that the NDC's Homelessness Review and Strategy (Appendices A and B respectively) be approved by Council subject to reference to the Exmoor National Park Local Plan being included within the Strategy.

Minute 47 (d): Approval and Release of Section 106 Public Open Space Funds – Bishops Nympton, Heasley Mill and Fremington

RECOMMENDED:

- (d) That Council vary the capital programme by £91,957.42 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor.

This page is intentionally left blank

NORTH DEVON COUNCIL

Minutes of a meeting of Strategy and Resources Committee held at Barum Room - Brynsworthy on Monday, 7th October, 2019 at 10.00 am

PRESENT: Members:

Councillor Worden (Chair)

Councillors Barker, Lane, Leaver, Lofthouse, Patrinos, Pearson, L. Spear, Wilkinson and Yabsley

Officers:

Head of Resources, Senior Solicitor/Monitoring Officer, Head of Environmental Health and Housing, Project and Procurement Officer, Service Lead Housing Advice and Homelessness and Service Lead Housing Market Balance

Also Present:

Councillors Jenkins, Ley and D. Spear

39. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Prowse.

40. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 2ND SEPTEMBER 2019 (ATTACHED).

RESOLVED that the minutes of the meeting held on 2nd September 2019 (circulated previously) be approved as a correct record and signed by the Chair.

41. ITEMS BROUGHT FORWARD WHICH IN THE OPINION OF THE CHAIRMAN SHOULD BE CONSIDERED BY THE MEETING AS A MATTER OF URGENCY.

(a) Brexit Update

The Head of Resources provided the Committee with an update on the Council's position in relation to Brexit. The Council had appointed the Chief Executive as the Council's Brexit Lead officer. There were regular meetings via the Local Resilience Forum and the Brexit Resilience and Opportunities Group which was a multi-disciplinary group discussing national and regional issues. Phil Norrey was the regional representative and collected local issues from local representatives which were fed through to Central Government each week. The Council had been granted approximately £50k to prepare for Brexit. This was intended to prepare both the Council and the community. Central Government have issued a communications tool which had been passed to the Customer and Corporate Communications

Manager. Central Government had also issued Operation Yellowhammer which sets out risk assessments on some of the main potential issues.

He advised that the regional issues to note were as follows: Plymouth port had been classified as a non-priority port and had not received the same level of funding as ports such as Dover. They were trying to increase capacity but were drawing up plans for a lorry park somewhere in Plymouth, which could be one of the main roads. Plymouth was a main port for the export of fish and shellfish products and the concern was that businesses across the South West would be affected. There were also issues around export certificates and delays in issuing. HMRC were offering training to export intermediaries and it now seemed that Environmental Health Officers could sign licences.

He further advised that potential fuel issues had been identified as an issue, but no firm answer had been given. Another Local Authority had spoken with a fuel supplier who refused to disclose their plans as they considered that they were commercially sensitive. Local authorities were having various engagement sessions with businesses to try to highlight any issues or impacts. In relation to agriculture, a letter had been submitted on behalf of the Heart of the South West to DEFRA seeking various asks. A copy of the letter would be circulated to the Committee. There was a concern that foodbanks may have additional demand but less supplies.

He reported that as a Council we have been considering the various risks that might affect the Council or the community and these have been fed back to Phil Norrey. Possible fuel shortages have been looked into which would have an impact on our services and also local services such as buses. The Council had considered purchasing an additional fuel tank. Discussions have taken place with North Devon+ regarding putting in place some possible support for the situation post Brexit. The support could include signposting people to the right places to talk to about different issues such as business rates relief, tax etc.

In response to questions, the Head of Resources advised that the procurement of an additional fuel tank of similar size would cost approximately £30,000, and would provide storage of fuel which would last 10 days. The existing fuel tank was coming to the end of life and would need to be replaced in the near future. If there was a fuel shortage, the Council would prioritise which vehicles were used. The option of hiring a fuel tanker could be explored. The potential reduction in the supply of foodbanks had not been quantified. There was a need for the Council to consider prioritising the use of the funding awarded by the Government to assist communities and businesses.

RESOLVED that a letter be sent to Michael Gove and the Brexit Minister Stephen Barclay to express the Council's serious concerns that a No Deal Brexit would have on residents, vulnerable people, farmers and businesses.

42. DECLARATIONS OF INTERESTS.

The following declaration of interest was announced:

Councillor E. Spear Item 7: Personal interest as a private landlord.

43. BATSWORTHY WINDFARM UPDATE

The Committee considered a joint report by the Head of Environmental Health and Housing and Service Lead Environmental Protection (circulated previously) regarding an update on the current status of the Council's regulation of the noise related planning conditions associated with Batsworthy Cross Windfarm.

The Head of Environmental Health and Housing highlighted the following:

- The Noise Consultant (HLA) carried out measurements at two locations (The Ridge and St Michael's/All Angels). These measurements were made between December 2018 and May 2019. The Council has also secured sufficient measurements at the Birchwood House proxy location to allow a proper judgement to be made on whether the windfarm was compliant with the noise limits in this area.
- The Council's acoustic consultant had concluded that despite the inability to derive precise values for wind farm noise levels directly from the measurements, using the procedures in the Method Statement, there was reasonable certainty that the wind farm was compliant with the noise limits at St Michael's and All Angels. Measurements reported at the proxy location for Birchwood House, however, indicated that further mitigation was required to achieve compliance.
- On 16th August 2019, the Council advised the operator this situation and requested that a mitigation strategy be provided within 30 days. The operator had requested an additional reasonable amount of time which had been agreed.
- An update report would be presented to the Committee on 4th November 2019 in light of the non-compliance.

In response to questions, the Head of Environmental Health and Housing advised that the conditions of the planning consent allowed the operator to adjust settings to comply with the conditions and that this was monitored and evidenced to ensure compliance. He gave assurance and commitment to the residents that the Council would regulate to ensure full compliance. The operator had requested a further 30 days extension.

Francis King (Nutcombe, Ash Mill) addressed the Committee.

In response to the issues raised by Francis King, the Head of Environmental Health and Housing advised that the Council would investigate the statutory noise nuisance and would liaise with the Service Lead Environmental Protection upon his return.

Jane Faust addressed the Committee.

In response to the issues raised by Jane Faust, the Head of Environmental Health and Housing advised that the Council was committed to regulate planning conditions 37 and 38 and the statutory noise nuisance.

In response to further questions, the Head of Environmental Health and Housing advised that the report to be presented to the next meeting of the Committee would include an update on the regulation of compliance with planning conditions 37 and 38 and the statutory noise nuisance. Originally noise compliance monitoring was undertaken at six locations close to Batsworthy Cross Windfarm. Because inadequate data was collected, the Council had requested the operator to carry out further noise measurements at three of those locations. The regulation of the conditions 37 and 38 was provided by Planning and the Environmental Protection teams.

RESOLVED that the current position be noted and that a further update report be presented to the Committee on 4th November 2019.

44. CIVIL PENALTY NOTICE POLICY - HOUSING AND PLANNING ACT 2016

Councillor D. Spear declared a personal interest as a private landlord.

The Committee considered a report by the Head of Environmental Health and Housing (circulated previously) regarding the adoption of a Civil Penalty Notice Policy under the provisions of the Housing and Planning Act 2016.

The Head of Environmental Health and Housing highlighted the following:

- Powers to serve Civil Penalty Notices (CPNs) and apply for Rent Repayment Orders (RROs) under the Housing and Planning Act came into force on the 6th April, 2017.
- To be able to use these powers, the Council must have its own policies in place and a draft Civil Penalty Notice Policy had been produced as set out in Appendix A.
- 1 in 5 private rented sector properties had a Category 1 hazard which had an impact on the wellbeing of the occupiers.
- The maximum level of Civil Penalty to be charged was £30,000.
- The Council would only consider a Civil Penalty in a situation where there would be a 'realistic prospect of a conviction' if the case was to be prosecuted and would follow sound principles of enforcement.

Councillors Lane and Yabsley declared personal interests as private landlords.

In response to questions, the Head of Environmental Health and Housing advised that the long term use of AirBnB was not considered to be an issue. The Category 1 hazard was informed by the Energy Performance Categorisation. The income received from Civil Penalty sanctions would be retained to supplement future regulatory interventions.

RECOMMENDED that Council adopt the Civil Penalty Notice Policy in Appendix A, and give delegated authority to the Head of Service for Environmental Health and Housing to use these powers in the 2016 Act, to serve Civil Penalty Notices and apply for Rent Repayment Orders.

45. NDC'S HOMELESSNESS REVIEW AND STRATEGY

The Committee considered a report by the Senior Housing Officer (Housing Needs) (circulated previously) regarding the approval of a new homelessness review and strategy for 2019-2024.

The Service Lead - Housing Advice and Homelessness highlighted the following issues:

- Statutory requirement for the Council to publish a homelessness review and strategy every five years.
- The Ministry of Housing, Communities and Local Government deadline was December 2019.
- The Council had commissioned consultants (HQN) to complete an independent review and strategy.
- The key findings of the homelessness review.
- Statistics of main prevention and relief outcomes from July to March 2018/19 under the provisions of the Homelessness Reduction Act in comparison to national data.
- Key challenges.
- Key themes for the new strategy.

In response to questions, the Service Lead - Housing Advice and Homelessness advised that monthly meetings were held with Planning Enforcement whereby issues such as people occupying properties with holiday occupancy restrictions, to enable officers to work with them at an early stage to try to mitigate them from becoming homeless. The Freedom Centre was now fully operational. The Council currently leased some one bedroomed properties from North Devon Homes for a period of approximately 12-14 months for single or couple occupancy.

Councillor Leaver declared a personal interests as a Trustee of Encompass South West.

In response to a question regarding no reference to the Exmoor National Park within the strategy, the Head of Environmental Health and Housing advised that a report could be produced which included evidence of need arising in relation to the provision of affordable housing on Exmoor.

In response to a question, the Service Lead for Affordable Housing advised that the old Local Plan provided for Local Needs Dwellings under policy HSG4. Individual local needs dwellings were allowed on single unit sites. Sites of more than one unit had to provide 50% affordable housing. Under the new Local Plan Local Needs Dwellings were covered under policy DM24 and numbers were not limited to one. Such units were not genuine affordable housing (due to their often expensive nature) but tend to be valued 25-30% below open market value. It was suggested that the Joint Local Development Plan Working Group investigate the application of the policy around appropriate marketing at a level that reflects a local needs restriction to ensure local buyers can access such housing as well as issues around renovations; local connection cascade timeframes and requests for removal of restrictions. The

Service Lead for Affordable Housing had been involved in a number of planning consultations around Local Needs Dwellings and would like to discuss further.

RECOMMENDED that the NDC's Homelessness Review and Strategy (Appendices A and B respectively) be approved by Council subject to reference to the Exmoor National Park Local Plan being included within the Strategy.

RESOLVED:

- (a) That a further report be brought to the Committee on work being undertaken by the Council with occupants residing in properties with holiday occupancy restrictions;
- (b) That the Joint Local Development Plan Working Group be requested to investigate the following:
 - (i) The anomaly between the existing Joint Local Plan and the previous Local Plan whereby properties that have been converted to holiday lets under the previous Local Plan would now gain planning permission for residential occupancy under the current Joint Local Plan and to seek a proposed route to amend the designation in a structured way; and
 - (ii) The application of the policy around appropriate marketing at a level that reflects a local needs restriction to ensure local buyers can access such housing as well as issues around renovations; local connection cascade timeframes and requests for removal of restrictions.

46. ADJOURNMENT OF MEETING

RESOLVED that the meeting be adjourned to enable a five minute comfort break.

RESOLVED that the meeting be re-convened to consider the remaining business.

47. APPROVAL AND RELEASE OF SECTION 106 PUBLIC OPEN SPACE FUNDS - BISHOPS NYMPTON, HEASLEY MILL AND FREMINGTON

The Committee considered a report by the Project, Procurement and Open Space Officer (circulated previously) regarding the allocation of section 106 public open space funds towards projects in Bishops Nympton, Heasley Mill and Fremington.

The Project, Procurement and Open Space Officer advised that the Bishops Nympton Parish Hall scheme had already taken place. As the project for which the section 106 contribution was sought had already been provided, there was a risk of the developer seeking a repayment. The risk was relatively low and would be

passed to the Parish Hall Committee as part of the funding agreement. The funding would be used to repay the majority of the loan that was taken out by the Hall committee to build the club.

RESOLVED:

- (a) That £50,530.38 be allocated to Bishops Nympton Parish Hall towards construction of Bishops Nympton Community Club;
- (b) That £5,000 be allocated to Heasley Mill Village Hall towards the improvement of the village hall car park;
- (c) That £36,427.04 be allocated to Fremington Parish Council towards creation of the car park as part of the Beechfield extension.

RECOMMENDED:

- (d) That Council vary the capital programme by £91,957.42 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor.

48. URGENT DECISIONS TAKEN BY THE CHIEF EXECUTIVE

The Committee considered and noted the two urgent decisions that had been made by the Chief Executive in accordance with paragraph 3.49, Annexe 2, Part 3 of the Constitution in relation to the use of Wessex for the legal set-up of Community Land Trusts and technical support for the delivery of community-led affordable housing schemes and procurement of an independent certifier for the Leisure Centre project.

In response to a question in relation to the decision taken for procurement of an independent certifier for the Leisure Centre project and the inclusion of * against consultees names, the Head of Resources advised that these consultees were consulted in February 2019 as part of the original bid for funding, however the waiver was not required until funding was known to be successful.

49. EXCLUSION OF PUBLIC AND PRESS AND RESTRICTION OF DOCUMENTS

RESOLVED:

- (a) That, under section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item as it involved the likely disclosure of exempt information as defined by Paragraph 3 of Part 1 of Schedule 12A of the Act (as amended from time to time), namely information relating to the financial or business affair of any particular person (including the authority holding that information);
- (b) That all documents and reports relating to the item be confirmed as

“Not for Publication”.

50. AFFORDABLE HOUSING SUPPLY IN NORTH DEVON AND LOCAL HOUSING COMPANIES

The Service Lead Affordable Housing introduced Matt Caroll, Director and David Howson, Associate Director of Altair who had been commissioned, through the Local Government Association’s Housing Advisers Programme, to support the Council in understanding and appraising North Devon’s current affordable housing environment and to develop possible options for the Council to become a stock-owning local authority.

The Committee received a presentation by Matt Caroll, Director and David Howson, Associate Director of Altair regarding their findings.

In response to questions, David Howson advised that a housing company board could consist of four or five people for a small retained programme made up of both officers and Members of the Council. The Council could become a shareholder and such an agreement would be put in place.

In response to questions, the Head of Resources advised that if we did look to go down the company route it would be separate to the Council and therefore a Director appointed would be responsible to the company. It could operate in a similar manner to North Devon+ whereby the Chief Executive of the Council was also a Director of North Devon+. If the Council supported the setting up of a Housing Company, then the Council could consider borrowing from the Public Works Loan Board.

51. READMITTANCE OF PUBLIC AND PRESS

RESOLVED that the public and press be re-admitted to the meeting.

52. A VISION FOR THE DEVELOPMENT OF A NDC HOUSING COMPANY

The Committee considered a joint report by the Head of Environmental Health and Housing and Service Lead Affordable Housing (circulated previously) regarding a vision for the development of a Council Housing Company.

The Service Lead Affordable Housing highlighted the following:

- The report from Altair recognised that the delivery of affordable housing across North Devon has been strong in recent years. The report supported the direct intervention by the Council to provide much needed houses for people in acute need, even if this was at a relatively modest level of additional supply. The report stated that developing and managing new affordable homes would help the Council alleviate the current issues faced by people with restricted access to current affordable housing provision and help mitigate against future risk of the current challenges deteriorating further. It also suggested that direct intervention is a more effective and timelier response than, for example, relying on a new provider to enter the local market.

- There were two ways for a North Devon Council Housing Company to establish its stock of housing; essentially to 'build' or 'purchase'.
- Returning empty properties into use may provide an opportunity to get the Housing Company established.
- The need to bring empty private sector dwellings back into use was a key Government objective that was part of a wider strategy to tackle affordability. The Council's new administration had also expressed its desire to take empty homes. The number of vacant dwellings was increasing each year. In 2018, there were 600 long term vacant properties.
- A recent BBC documentary entitled, '*Empty Housing Scandal*' has showcased some of the good work being undertaken by Councils.
- The Council could acquire empty properties as a result of its regulatory activity. The Council could then dispose of this accommodation to the local housing company. Initially this could be trialled on a small number of properties. The Council had experience of managing a small number of properties for the provision of temporary accommodation.
- Potential model for delivery for the Council as detailed in paragraph 4.9 of the report.
- If the Committee was supportive of the principle of setting up a Local Housing Company, then a detailed report and business plan would be produced for consideration prior to a decision being taken.

Councillor Lofthouse declared a personal interest as a Member of the Bridge Trust.

RESOLVED:

- (a) That the contents of the Altair housing supply report and the accompanying presentation delivered by the consultants at Committee be noted;
- (b) That the principle of setting up a Local Housing Company to ultimately increase the supply of affordable housing be supported;
- (c) That the principle of any delivery model including the proactive use of Council's enforcement powers to bring empty homes back into use be endorsed.

53. WAIVER TO CONTRACT PROCEDURE RULES FOR THE APPOINTMENT OF A CONSULTANT FOR RESEARCH

The Committee noted that the Council's bid to this year's Local Government Association Housing Advisers Programme requesting £50,000 for the associated consultancy work for the next stage of work of establishing a Local Housing Company and the potential use of empty homes had been unsuccessful and therefore the report had been withdrawn.

Chairman

The meeting ended at 12.41 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.