

NORTH DEVON COUNCIL

Minutes of a meeting of Strategy and Resources Committee held at Virtual - Online meeting on Monday, 3rd August, 2020 at 10.00 am

PRESENT: Members:

Councillor Worden (Chair)

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

Officers:

Chief Executive, Head of Resources, Lead Officer - Planning Policy, Senior Solicitor/Monitoring Officer, Senior Regeneration Officer, Head of Environmental Health and Housing, Accountancy Services Manager, Head of Place, Project and Procurement Officer and Planning Policy Officer

Also Present:

Councillors Mackie, D. Spear, Tucker and York

154. VIRTUAL MEETING PROCEDURE - BRIEFING AND ETIQUETTE

The Chair outlined the virtual meeting procedure and etiquette to the Committee and attendees.

The Senior Corporate and Community Services Officer confirmed the Members and Officers that were present at the meeting.

155. APOLOGIES FOR ABSENCE

There were no apologies for absence received.

156. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 6 JULY 2020 (ATTACHED).

RESOLVED that the minutes of the meeting held on 6 July 2020 (circulated previously) be approved as a correct record and signed by the Chair.

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

(a) Parkwood Leisure

The Chief Executive advised that an urgent decision had been taken in April 2020 to pay Parkwood Leisure £40,000 towards losses they had incurred due to government restrictions imposed on leisure centres due to the COVID 19 pandemic. Parkwood Leisure had submitted a further request for financial support for the month of May for a similar amount. Parkwood had incurred costs during the closure for running costs and had requested £48,000. The request was received too late for inclusion on the agenda. There was national support for leisure providers and other Local Authorities were paying grants of a larger amount. The Head of Resources had reviewed the costs and it was recommended that with the Committee's support a further urgent decision be taken to award £40,000 to Parkwood Leisure. He was unable to confirm whether any further requests for funding would be received from Parkwood Leisure. The dry facilities were now open and the swimming pools would be re-open in September.

The Committee supported the Chief Executive in taking an urgent decision to award £40,000 to Parkwood Leisure to cover losses experienced in the month of May due to Covid 19.

158. DECLARATIONS OF INTERESTS.

The following declaration of interest was announced:

Councillor Worden Item 11 – personal interest as a member of
South Molton Town Council

**159. PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 4
2019/20**

The Committee considered a report by the Head of Resources (circulated previously) regarding the Performance and Financial Management Quarter 4 2019/20.

The Accountancy Services Manager highlighted the following:

- The revenue budget for 2019/20 was approved at Council on 25 February 2019 at £12,518,000 and as at 31 December 2019, the Council was reporting a net surplus of £6,000 against the budget.
- As at 31 March 2020 the final outturn position was a budget surplus of £241,000, which was an overall movement of £235,000 from the latest forecast at quarter 3. The reasons for the movement were detailed in Appendix A of the report.
- The original budget for 2019/20 included a forecast to achieve £214,000 worth of salary vacancy savings. This was exceeded by £31,000 giving an overall actual saving of £245,000.
- A review of procedures and processes within Works and Recycling was carried out at quarter 2 and we set targeted spend in respect of the vehicle workshop, challenging resources across all Works and Recycling services and to reduce sickness levels. As a result of these changes we factored in a targeted reduction in overtime and agency costs within the quarter 2 projections. The quarter 3 position forecast a net deficit position of £312,000 for the services, the outturn position has shown this deficit to increase by a further £57,000 in the final quarter due to further pressure on employees,

vehicle costs and tipping charges. However, the level of overspend seen in the final quarter, some of which would have been impacted by events of the last 2 weeks of March, was around 50% the level of budget variance seen in the first three quarters.

- As at 31 December 2019 additional Business Rates income was forecast of £200,000. The outturn position improved on this by a further £6,000 with overall business rate growth of £206,000.
- As at 31 March 2020 the Collection Fund reserve balance was £732,620. This was a healthy balance which provided some protection against future volatility.
- From the revenue budget surplus of £240,615, it was proposed to set aside this amount into earmarked reserves as detailed in paragraph 4.1.8 of the report.
- The Covid-19 pandemic has had, and will continue to have a considerable impact upon the Council. The government's lockdown announced on 23rd March 2020, had meant that many businesses have been forced to close, significantly impacting on the local economy and upon sources of core income to the Council. In addition the Council had incurred additional expense ensuring the most vulnerable in our community were cared for, the homeless were kept safe during this period and ensuring that key front-line services such as collecting waste and recycling were maintained throughout the crisis.
- These additional costs have not had a dramatic impact on the financial outturn for 2019/20 as the pandemic only started to make a notable impact upon the public and businesses in the last two weeks of March. The impact was being felt with losses across major income sources such as parking, commercial waste, planning fees and income from our pannier market, together with reductions in the collection of taxation income from council tax and business rates.
- As part of closing the year-end accounts for 2019/20 we looked at the amount of debt outstanding to the Council and have reviewed the level of bad debt provision made and increased some areas of the provision to ensure that we prudently make provision for any impact from the pandemic. Any such increased provision cost was accounted for within the 2019/20 accounts and included within the overall outturn surplus shown in this report. Of course, it is early days in terms of the recovery and these provisions are estimates; however they will be monitored ongoing through this year and reported as part of in-year monitoring as the true scale of its impact on the Council's finances will be felt during 2020/21.
- Appendix B "Movement in Reserves and Balances" detailed the movements to and from earmarked reserves in 2019/20.
- Appendix C "Strategic Contingency Reserve" detailed the movements and commitments.
- Appendix D "Capital Programme 2019/20". The revised Capital Programme was £8,127,275. Actual spend on the Capital Programme for 2019/20 financial year was £5,453,943. The variance against the budget of £8,127,275 is (£2,673,332); all of which would be carried forward into the 2020/21 Capital Programme to fund on-going projects. In order to pay for the £5,453,943 capital investment the Council funded this from £3,976,541 received from external sources in the form of grants and other assistance,

£604,986 of internal resources held specifically for capital projects, £328,655 from capital receipts and £543,761 from internal borrowing.

- Appendix E “Capital Programme 2020/21 to 2022/23.
- Project under spends of £2,673,332 from 2019/20 year were brought forward to produce a revised Capital Programme for 2020/21 year of £15,295,360; 2021/22 financial year of £10,739,664 and the 2022/23 financial year of £2,701,570.
- Further variations of £715,224 were proposed to the 2020/21 to 2022/23 Capital Programme as detailed in paragraph 4.4.8 of the report.
- The Programme of £29,451,818 is funded by Capital Receipts / Borrowing (£14,844,331), External Grants and Contributions (£12,035,158) and Reserves (£2,572,329).
- Once the funds had been included within the Capital Programme the Constitution required a separate decision to release those funds. The schemes detailed in paragraph 4.4.14 detailed the schemes where funds needed to be released so that funding could start within the following three months.
- Treasury Management (paragraph 4.5) and Debt Management (paragraphs 4.6 and 4.7) of the report.
- Appendix F “Service Plan Performance Indicators”.

In response to questions, the Head of Resources advised the following:

- It was disappointing that the overspend for the Waste and Recycling service had continued. The income was volatile. Work was being undertaken with managers in relation to reducing the level of sickness absence. Work was also being undertaken to review the infrastructure such as the delivery of the vehicle fleet and workshop and to make the process as efficient as possible. It was important that the service infrastructure was stable prior to consideration of rolling out the three weekly collection of residual waste.
- The number of vehicles held under the operators licence had increased from 48 to 61 to ensure that the correct level was being held in line with the number of vehicles. There were no additional costs to this element.
- The remaining budget for the Watersports Centre was £1.3m as detailed in Appendix E which was over two financial years. The original budget was £1.5m with funding secured from the Coastal Communities fund. The costs for building the centre at Larkstone was now estimated to be nearer £2.8m.. The Council had submitted a funding bid to the Local Enterprise Partnership for further government funding two weeks ago and was awaiting the outcome. If the bid was unsuccessful, then other options would be explored to make the project viable. The project needed to be viable in both revenue and capital expenditure. Once the funding was in place, then the Council would seek to deliver the project in the most economic and viable way and mitigate the concerns that had been previously raised.
- Even though the Council had a positive financial outcome for the year 2019/20, the Council faced unprecedented financial pressures for this and future financial years. The Government had awarded funding of just under £1.2m to the Council towards additional cost pressures. The Government had also recently made an announcement regarding fees and charges income and

the Council was awaiting further technical guidance. The Council have experienced significant loss in income areas such as car parks revenue and are anticipating losses in collection of Council Tax and Business Rates. The Council was continuing to lobby the Government regarding further financial contributions as opposed to spreading the taxation losses over a three year period. As soon as confirmation had been received the budget and Medium Term Financial Plan would be revised and brought to Members.

- Many service plan deadlines had been revised and extended as a result of the Covid19 pandemic.

In response to a question, the Head of Place advised the following:

- Deadlines for actions P PBP 05 19/20, CE P 02 18/19 and CEP 07 17/18 had been extended to dates in 2021/22. He would review the completion dates to ensure that the dates were accurate and that actions were delivered as soon as practical.

In response to a question, the Chief Executive advised:

- That the Corporate Plan would be refreshed following the outcomes of the Peer Review. The Plan would then filter down to service plans. Members would have the opportunity to work with officers from October 2020 onwards and the service plans would be presented to Committee early next year.

RESOLVED:

- (a) That the actions being taken to ensure that performance is at the desired level be noted;
- (b) That the contributions to/from earmarked reserves as detailed in paragraph 4.2 be approved;
- (c) That the movements on the Strategic Contingency Reserve as detailed in paragraph 4.3 be noted;
- (d) That funds be released for the capital schemes listed in paragraph 4.4.14;
- (e) That the sections dealing with Treasury Management (paragraph 4.5) and Debt Management (paragraphs 4.6 and 4.7) be noted.

RECOMMENDED:

- (f) That Council approve the variations to the Capital Programme 2020/21 to 2022/23 in paragraph 4.4.8.

160. NORTH DEVON LAUNCHPAD 2030 - COVID 19 RECOVERY STRATEGY

The Chair advised that an updated report had been published prior to the meeting today which contained some minor amendments. He advised the Committee that the meeting would adjourn following item 9 for a short period to enable Members the opportunity to read the document.

161. NORTH DEVON COUNCIL ENVIRONMENTAL POLICY 2020

The Committee considered a report by the Climate Action Team, Environment and Climate Change Lead Members and Head of Place (circulated previously).

Councillors Leaver and Pearson as Lead Members presented the report to the Committee and highlighted the following:

- The background and reasons for producing a draft Environment Policy.
- The draft Policy had been based on the Stroud policy.
- It was a statement of intent and would underpin the environment management policy and actions for the Council.
- Tough targets had been set, however these would be reviewed every two years. Any targets set for greater than 10 years would not be achieved.
- Other Councils had achieved progress as dedicated officers had been appointed.

Steve Pitcher and Taz Pollard (members of the public) addressed the Committee.

The Chief Executive advised that the appointment of officers was the responsibility of the Head of Paid Service and therefore recommendation 2.1 (e) would need to be amended to recommend the appointment to the Head of Paid Service. He expressed concern regarding the target date of the Council becoming carbon neutral as an organisation by 2025 as it would raise expectations of the public. The Council had competing priorities with an ever reducing pool of funds and there was a need for the Council to continue to deliver its services. 4 ½ years to become carbon neutral would be extremely difficult to achieve. It would be difficult to know where the target was achievable until an Environment/Climate Change Officer was in post. The post could be funded from within an existing budget. The Devon Climate Change Declaration was originally 2050, but had now been revised to 2030. If the 2025 target was adopted there would be a need for the Council to change its priorities and make cuts in other areas to achieve the target. Devon County Council had officers in place working on the Devon Climate Change Declaration.

RESOLVED:

- (a) That the North Devon Council Environmental Policy 2020 (Appendix A) be approved for consultation and engagement purposes subject to the consultation being made clear with the inclusion of “the Council aspires to achieve net zero carbon neutral as soon as practically possible and prior to 2030”;
- (b) That the Environmental Policy be brought back to Committee for adoption after a six week consultation period and subject to any amendments that result;

- (c) That the Head of Paid Service be recommended to create a temporary post of Environment/Climate Change Officer to support the implementation of the Environmental Policy 2020 and development and delivery of the Strategy and Action Plan, including Climate Action Plan;
- (d) That all Council services identify representatives to sit on an Environmental Project team.

162. ADJOURNMENT OF MEETING

RESOLVED that it being 12.01 pm the meeting be adjourned for 10 minutes to enable the Committee the opportunity to read the amended report in relation to item 8 “North Devon Launchpad 2030 – Covid 19 Recovery Strategy” and that the meeting be reconvened at 12.11 p.m.

163. NORTH DEVON LAUNCHPAD 2030 - COVID 19 RECOVERY STRATEGY

Following the adjournment of the meeting, the Committee agreed to consider the report regarding North Devon Launchpad 2030 – Covid 19 Recovery Strategy as only minor amendments had been made.

The Committee considered a report by the Head of Place (circulated previously) regarding the North Devon Launchpad 2030 – Covid 19 Recovery Strategy.

The Head of Place advised that only minor amendments had been made to the report following responses received from the Senior Management Team and updates had been made to statistics and dates. The section regarding governance partnership arrangements had been largely removed from the report and had been replaced by the inclusion of general terms for governance and roles.

RESOLVED:

- (a) That the activity undertaken so far by the Council and its partners to respond to the impacts of COVID-19 be noted;
- (b) That the draft 2030 Vision and its use for consultation be approved;
- (c) That the COVID-19 Recovery Framework be approved.

164. APPROVAL AND RELEASE OF SECTION 106 PUBLIC OPEN SPACE FUNDS - BICKINGTON

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 a project in Bickington.

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

- Currently Babbages play area was closed due to the safety of the play equipment.
- Fremington Parish Council had undertaken consultation and identified equipment as detailed in paragraph 4.1 of the report.
- The project would be fully funded by section 106 contributions as detailed in paragraph 5.1 of the report.

RESOLVED:

- (a) That £23,816 be allocated to Fremington Parish Council towards the enhancement of Babbages play area, Bickington;

RECOMMENDED:

- (b) That Council be recommended to vary the capital programme by £23,816 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor, for external projects.

165. APPROVAL AND RELEASE OF SECTION 106 PUBLIC OPEN SPACE FUNDS - SOUTH MOLTON

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 a project in South Molton.

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

- The project would enhance the footpaths around the recreation ground and community woodlands.
- South Molton Town Council was the owner of the vast amount of open space in South Molton.
- The existing footpath was relatively narrow and in poor condition which created difficulty for members of the community such as push chair and wheelchair users to use safely.
- The funding details were contained in paragraph 5.1 of the report.

Councillor Worden declared a personal interest as a member of South Molton Town Council. He advised that the footpath area became wet and the footpath had not been previously constructed to a sufficient standard for access for push chair and wheelchair users.

RESOLVED:

- (a) That £17,648.61 be awarded to South Molton Town Council towards the enhancement of the footpaths at the Recreation Ground and Community Woodland;

RECOMMENDED:

- (b) That Council be recommended to vary the capital programme by £17,648.61 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor, for external projects.

166. LEE BAY HOTEL SITE DESIGN GUIDE

The Committee considered a report by the Head of Place (circulated previously) regarding the Lee Bay Hotel site design guide.

The Planning Policy Officer highlighted the following:

- The Lee Bay Hotel had been disused since it ceased trading in 2005.
- A planning application for development of the site was refused in 2019. The Planning Committee as part of the decision for refusal resolved that a design guide be prepared to provide guidance for the type and scale of redevelopment that would be acceptable on this site.
- A design guide could not be considered as a formal supplementary planning document, however it could be agreed for use as a material planning consideration.
- In view of the range of landscape and heritage constraints affecting this site, the design guide was prepared in partnership with the AONB Manager and the Council's Conservation Officer. It was also shared with Lee and Lincombe Residents Association, Ilfracombe Town Council and the site developer, with amendments made as a result of the comments received.
- The Design Guide identifies the types of scale of development that were considered suitable for the site.

RESOLVED that the Lee Bay Hotel site Design Guide (appendix A) be adopted as a material planning consideration.

167. COMMUNITY-LED HOUSING IN NORTH DEVON - UPDATE

The Committee considered and noted a report by the Affordable Housing Service Lead (circulated previously) regarding an update on the progress being made in community-led housing in North Devon.

The Head of Environmental Health and Housing advised that five community land trusts had been established and 57 units of accommodation had been provided. The social value was greater than in a more urban setting.

168. NIL COST ELECTRIC VEHICLE CHARGING SOLUTIONS

The Committee considered a joint report by the Head of Place and Senior Regeneration Officer (circulated previously) regarding "nil cost" electric vehicle charging solutions.

The Senior Regeneration Officer highlighted the following:

- On 6 January 2020, the Committee resolved that the Parking Manager investigate “nil cost” alternative Electric Vehicle charging solutions to the DELETTI agreement.
- Suppliers of rapid chargers were requesting lease arrangements of 7-20 years. Parking Services have therefore chosen car parks which they do not envisage a future change of use. 19 car parks had been identified and put forward as detailed in Appendix B.

In response to questions, the Senior Regeneration Officer advised the following:

- The list of car parks would be put forward to the supplier and they would then undertake a desk top survey. They would take into account the amount of electricity that could be supplied to the site. Therefore, chargers would not be necessarily installed in all of the car parks put forward and some would be ruled out.
- Only rapid chargers would be installed which would take 30-60 minutes. Other solutions for fast and slower charges would be investigated further in the future.
- If the Council selected a profit share scheme, the supplier would receive the net profit and the Council would receive a share of the profit or rent.
- All costs would be met by the supplier and the Council would not incur any costs. The Council might experience a slight decrease in car park income.
- The Council would use the DELETTI contract and could include a requirement to remove infrastructure at the end of the contract.
- The Parking Service had requested that a maximum of one charger is included within each car park.
- As the suppliers are private investors, there was a limit to how many chargers they could provide. However some suppliers had advised that they would provide additional chargers if there was demand.

The Head of Place advised that the Climate Action Team could consider the provision of electric charging solutions in other areas and how to include this within planning policies.

In response to a question, the Head of Resources advised that the Council had not yet paid the £12,000 to Devon County Council as part of the collaboration agreement. He would confirm the position and report back to Members.

The Project, Procurement and Open Space Officer advised that live competitive tenders could not be reported to a formal meeting of the Committee.

RESOLVED that it being 1.01 pm that the meeting continue in order for the remaining business to be transacted.

RESOLVED:

- (a) That the Head of Place be delegated authority in consultation with the Leader and Ward Members to put forward the list of

car parks for future Electric Vehicle point solutions;

- (b) That authority be delegated to the Head of Place to determine submissions and tenders and to appoint a contractor to deliver a new Electric Vehicle solution within the Council owned and operated car parks subject to:

(a) compliance with the Council's Contract Procedure Rules and relevant laws relating to procurement;

(b) prior consultation with the Head of Resources, Car Park Manager and Property Team and Lead Members.

169. URGENT DECISIONS TAKEN BY THE CHIEF EXECUTIVE

The Committee noted the urgent decisions that had been made by the Chief Executive in accordance with paragraph 3.48, Annex 2, Part 3 of the Constitution (circulated previously) regarding pavement licensing (constitution) and pavement licensing (fee).

Chair

The meeting ended at 1.05 pm

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