



Public Document Pack

North Devon Council

Brynswothy Environment Centre

Barnstaple

North Devon EX31 3NP

K. Miles

Chief Executive.

STRATEGY AND RESOURCES COMMITTEE

A meeting of the Strategy and Resources Committee will be held in the Barum Room - Brynsworthy on **MONDAY, 7TH MARCH, 2022 at 10.00 am.**

(NOTE: A location plan for the Brynsworthy Environment Centre is attached to the agenda front pages. From the 7 May 2021, the law requires all councils to hold formal meetings in person. The council is also ensuring that all venues used are Covid secure and that all appropriate measures are put in placeThere are a limited number of spaces available for members of the public to attend. Please check the Council's website for the latest information regarding the arrangements that are in place and the requirement to book a place 2 working days prior to the meeting

Taking part in meetings (northdevon.gov.uk)

Members of the Strategy and Resources Councillor Worden (Chair)
Committee

Councillors Crabb, Knight, Lane, Lofthouse, Patrinos, Pearson, Prowse, L. Spear, Wilkinson and Yabsley

AGENDA

1. Apologies for absence
2. To approve as a correct record the minutes of the meeting held on 7 February 2022 (attached). (Pages 7 - 22)
3. Items brought forward which in the opinion of the Chair should be considered by the meeting as a matter of urgency.
4. Declarations of Interests.
(Please telephone the Corporate and Community Services team to prepare a form for your signature before the meeting. Interests must be re-declared when the item is called, and Councillors must leave the room if necessary).
5. To agree the agenda between Part 'A' and Part 'B' (Confidential Restricted Information).

PART 'A'

6. **Approval and Release of Section 106 Public Open Space Funds - Mortehoe**
(Pages 23 - 26)

Report by Project, Procurement and Open Space Officer (attached).

7. **Allocation of affordable housing commuted sums - Beechfield Road, Fremington** (Pages 27 - 32)

Report by Service Lead – Affordable Housing (attached).

8. **Barnstaple Environment Agency Flood Improvement Defences** (Pages 33 - 38)

Report by Head of Property, Place and Regeneration (attached).

9. **Team Devon Devolution Discussions**

Chief Executive to report.

PART 'B' (CONFIDENTIAL RESTRICTED INFORMATION)

Nil.

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

25.02.22



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 Brynsworthy, the full address is:
Brynsworthy 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 $\frac{1}{2}$ mile take the first right, BEC is about $\frac{1}{2}$ 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 sign in using the Track and Trace App and follow the signage and instructions in order to access the Meeting Rooms. Alternatively, dial 8253 for Corporate and Community Services if you have any problems.



This page is intentionally left blank

NORTH DEVON COUNCIL

Minutes of a meeting of Strategy and Resources Committee held at Barum Room - Brynsworth on Monday, 7th February, 2022 at 10.00 am

PRESENT: Members:

Councillor Worden (Chair)

Councillors Crabb, Knight, Lane, Lofthouse, Patrinos, Pearson, Prowse and L. Spear

Officers:

Chief Executive, Director of Resources and Deputy Chief Executive, Senior Solicitor and Monitoring Officer, Public Protection Manager, Accountancy Services Manager, Head of Governance and Project and Procurement Officer

Also Present:

Councillors Jenkins, D. Spear and Tucker

98. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Wilkinson and Yabsley.

99. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 6 DECEMBER 2021 (ATTACHED).

RESOLVED that the minutes of the meeting held on 6 December 2021 (circulated previously) be approved as a correct record and signed by the Chair.

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

(a) Levelling Up White Paper

The Chief Executive provided an update on the Government White Paper on Levelling Up which had been released last week. Guidance had also been published on the UK Shared Prosperity Fund. He advised that a useful summary had been produced by the Local Government Association and District Councils Network which had been circulated to all Councillors. The UK Shared Prosperity Fund would be devolved to local government and each Local Authority would be allocated a sum of money rather than a bid process. Each Local Authority would be required to draw up an investment plan which would be submitted to Central Government for approval. The investment plans would be required to be in place by the summer of 2022. The plan needed to reflect the priorities of the Local Authority and of those for the area

for the medium term. The paper also detailed information regarding the devolution of powers to Local Government. Initial discussions had taken place with other Devon District Councils regarding the setting up of a joint committee rather than the appointment of an elected Mayor. Further in depth discussions were required with the other District Councils and a special Councillor briefing would be held to discuss the priority areas and investment plan.

The Leader advised that the Devon Leaders and Chief Executives would be holding a special meeting to discuss this issue further.

101. DECLARATIONS OF INTERESTS.

There were no declarations of interest received.

102. APPROVAL AND RELEASE OF SECTION 106 PUBLIC OPEN SPACE FUNDS - GEORGEHAM AND LEE BAY

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 two projects within the communities of Georgeham and Lee Bay.

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

- Georgeham Parish Council: Enhancement of the Pavilion at Georgeham Playing field – the Parish Council had been approached by the football club to request the use of the playing field or their club to practice at long term. In order to help support the new club, the parish council intend to refurbish the pavilion on site to upgrade the changing rooms, toilet facilities and external patio area.
- Lee Bay Memorial Hall: New Air source heating system - the Hall intend to install an air source heat pump system into the building in order to provide more comfort for all users, especially in the colder months, but also to aid in the maintenance of the building. The air source heating system had a more positive impact on the environment and sustainability.
- Funding of the section 106 contributions as detailed in paragraph 5 of the report.

RESOLVED that:

(a) £13,641.64 be allocated to Georgeham Parish Council towards the pavilion at Georgeham Playing field; and

(b) £5,600 be allocated to the Memorial Hall, Lee CIO towards the cost of air source heating system.

RECOMMENDED:

(c) that the capital programme be varied by £19,241.64 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor and Monitoring Officer, for external projects.

103.

HACKNEY CARRIAGE AND PRIVATE HIRE POLICY - THE STATUTORY TAXI AND PRIVATE HIRE VEHICLE STANDARDS

The Committee considered a report by the Public Protection Manager (circulated previously) regarding the adoption of a revision to the Hackney Carriage and Private Hire Licensing Policy.

The Public Protection Manager highlighted the following:

- Consultation had been undertaken with the trade which had been appended to the report.
- Consideration of the consultation responses and refinement of the proposed amendments had been presented to the Licensing and Community Safety Committee at its meeting on 18 January 2022.
- The revised Policy brought the policy in line with the Department for Transport Taxi and Private Hire Vehicle Standards and would require drivers to sign up to the Disclosure and Barring Service and undertake safeguarding trading.
- Further changes to the policy would be considered by the Licensing and Community Safety Committee at its meeting in March 2022 and presented to the subsequent Strategy and Resources Committee.

RESOLVED that:

- (a) the proposed draft North Devon Council Hackney Carriage and Private Hire Licensing Policy found within Appendix A, as per the recommendation of Licensing and Community Safety Committee on the 18 January 2021 be approved;
- (b) a nominal fee of £10 for taxi and private hire driver safeguarding training be approved, if there was a need for the Council, to book such training on behalf of a driver and that this fee was proposed in order that the Council may recover its costs appropriately.

104.

PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 3 OF 2021/22

The Committee considered a report by the Director of Resources and Deputy Chief Executive (circulated previously) regarding the Performance and Financial Management for Quarter 3 of 2021/22.

The Accountancy Services Manager highlighted the following:

- The revenue budget for 2021/22 was approved at Council on 24th February 2021 at £13,639,000.
- As at 31 December 2021, the latest forecast net budget was £13,550,000, which produced a forecast budget surplus of £89,000. Details are shown in "Appendix A – Variations in the Revenue Budget".
- Included within the approved budget a government grant had been factored in, in relation to Covid-19 pressures of £536,710 and also budgeted for £375,000 of additional costs and reduced income, these were already

incorporated into Appendix A along with the latest forecast for each service area.

- The above grant of £536,710 had been approved and received and it was also anticipated that £80,000 re-imbursement for Quarter 1 loss of Sales, Fees and charges, would be received from the continued Government 75% income reimbursement scheme. This has now been revised down to £64,000 and the change incorporated into Appendix A.
- As at 31 March 2021 the Collection Fund reserve balance was £9,810,252. This earmarked reserve was created to deal with the timing impacts of the Collection Fund (Business Rates), which ensured the revenue budget was not unduly affected in the year the taxes were collected. Collection Fund deficits/surpluses were reversed out to bring the revenue account back to the budgeted figure for the year; the deficits/surpluses were recovered/distributed in the following financial years. This reserve included an £8,660,000 balance that would be utilised in 2021/22 and 2022/23 to mitigate timing differences of business rate reliefs awarded in 2020/21 from an accounting perspective impact over the next two financial years; thus leaving the fund reserve with a residue balance of £1,150,000 protection against future volatility.
- An additional provision had been included within the forecast figures shown in Appendix A for the National Pay Award potentially being settled higher than the original 1% budgeted amount. Negotiations were ongoing between the Unions and the Employers and the outcome of these discussions would be reflected within the next report.
- “Appendix B – Movement in reserves and Balances” detailed the movements to and from earmarked reserves in 2021/22.
- Full details of the Strategic Contingency Reserve movements and commitments were detailed in “Appendix C – Strategic Contingency Reserve”.
- The 2021/22 Capital Programme was detailed in “Appendix D – Capital Programme 2021/22”.
- The Budget and Financial Framework report to Full Council on 24 February 2021 outlined the Capital Programme for the 2021/22 financial year of £22,419,916, project underspends were brought forward of £917,121 and further variations of £5,692,492 were approved as part of the performance report changes in year, giving a revised capital programme of £29,029,529.
- Overall variations of (£5,223,597) were proposed to the 2021/22 Capital Programme as detailed in paragraph 4.4.3 of the report.
- The overall Capital Programme for 2021/22 to 2024/25 was £47,013,021 and broken down as follows:
 - 2021/22 £23,805,932
 - 2022/23 £15,778,023
 - 2023/24 £6,717,192
 - 2024/25 £711,874
- The Programme of £47,013,021 was funded by Capital Receipts/Borrowing (£28,274,889), External Grants and Contributions (£17,049,046) and Reserves (£1,689,086).
- Proposed release of Funds for the 2021/22 Capital Programme as detailed in paragraph 4.4.10 of the report.
- Treasury Management as detailed in paragraph 4.5 of the report.
- Debt Management as detailed in paragraph 4.6 of the report.

Agenda Item 2

Strategy and Resources Committee - 7 February 2022

- Service plan and performance information as detailed in Appendix E of the report.

In response to questions from the Committee, the Accountancy Services Manager advised the following:

- Trade Waste Software was no longer required as the functionality could be incorporated within the existing software.
- The Covid Budget Management reserve was an earmarked reserve funded from 2020/21 additional income to mitigate potential income reduction pressures during 2021/22 year.

In response to questions from the Committee, the Director of Resources advised the following:

- The Council had experienced difficulties in accessing the property at 16 Castle Street, Barnstaple due to the tenant being unwell for a period of time. Discussions had now taken place which would enable the Council to access the property to undertake the required assessment of works.
- The Council Tax base, as approved by Council on 12 January 2022, included new build properties and other changes such as empty properties coming back into the base which resulted in an overall increased tax base and the Council would receive an estimated additional £70,000 revenue in 2022/23. He would confirm the total number of new build properties and advise Councillors Crabb and Yabsley accordingly.

RESOLVED that:

- (a) the actions being taken to ensure that performance was at the desired level be noted;
- (b) the contributions to/from earmarked reserves be approved (as detailed in section 4.2 of the report);
- (c) the movement on the Strategic Contingency Reserve (as detailed in section 4.3 of the report) be noted;
- (d) funds be released for the capital schemes listed in section 4.4.10 of the report;
- (e) the sections dealing with Treasury Management (section 4.5 of the report), and Debt Management (sections 4.6 and 4.7 of the report) be noted;

RECOMMENDED:

- (f) that Council approve the variations to the Capital Programme 2021/22 to 2024/25 as detailed in section 4.4.3 of the report.

105. REVIEW OF FEES AND CHARGES FOR SERVICES 2022/23

The Committee considered a report by the Director of Resources and Deputy Chief Executive (circulated previously) regarding the review of fees and charges for services 2022/23.

The Accountancy Services Manager highlighted the following:

- This year the guidance was to increase some fees and charges by 2%, although some fees were set by statute and these would be set nationally. Other variations to the 2% increase were set out in paragraphs 4.3 to 4.8 of the report. Even though inflation was currently running much higher than the 2% increase officers have tried to be prudent and fair in the fees that were charged and the impact this had on our customers.
- Building Control fees have been raised by an average of 3% and rounded to the nearest pound, this was to ensure they were competitive in the sector of the market and also that the income recouped the cost of providing the service (detailed in Appendix B of the report).
- Land Charges fees have been set to recoup the cost of providing the service, without changing the current fees the land charges service was still budgeted to recover all the costs and break even (detailed in Appendix D of the report).
- There was one change to the Environment Health fees, as the majority of these were set by statute or set to recover costs, which was the introduction of a £10 fee for taxi and private hire driver safeguarding training (detailed in Appendix E of the report).
- Although it was proposed that the Pannier Market fees be increased by 2% it was proposed to make the charge inclusive of VAT, which enabled the Council to recover the VAT on the planned capital works required for the Pannier Market as part of the Future High Streets Project, which was due to start in 2022/23. Other than the 2% inflationary increase there is no other change to the traders as the loss of income in relation to the VAT change would fall with the Council and this income reduction had been built into the 2022/23 draft budget (detailed in Appendix H of the report).
- Bulky Waste – it was proposed to increase the fees as follows:
 - Up to 2 items £18.00 (5.88% increase)
 - Up to 3 items £26.00 (4% increase)
 - Up to 4 items £33.00 (3.13% increase)
- It was proposed to increase the Garden Waste charge by £5 to £45.
- The net changes in the charges were expected to result in £104,000 of additional income which has been included within the draft 2022/23 budget.

In response to questions from the Committee, the Director of Resources advised the following:

- It was anticipated that the proposed 2% increase on Pannier Market fees would result in an additional £3,500 income. The Chief Executive had recently taken an urgent decision to reduce the Pannier Market fees and it would be proposed that officers could be delegated authority to take this decision again in the future. If the decision was made not to increase the fees, the financial impact could be managed within the existing budget.
- The proposed increase to the Garden Waste charge was to cover the current cost of providing the service which was around £47 cost per household and that the costs of the service were then being paid for by the users. Currently approximately 19,000 households subscribed to the service which had increased over the past 12 months. Neighbouring Authorities were charging a

Agenda Item 2

Strategy and Resources Committee - 7 February 2022

similar fee and Torridge District Council was proposing to increase their fees to £50 in the 2023/24 year. The proposed increase would bring the fee in line with other neighbouring Councils. If the fee was not increased, this would have a £98,000 financial impact on the Council. In 2017, the fee was £36 and the cost of the service was being subsidised. This fee was not increased for 4 years, therefore there were a number of years where the fee was under-inflated.

In response to questions from the Committee, the Chief Executive advised the following:

- That an urgent decision had been recently been made to reduce the Pannier Market fees for up to a maximum four month period. It was proposed that a report would be presented at the Annual Council meeting as part of the review of the Constitution requesting that power be delegated to officers to take this decision ongoing.
- The Government had undertaken consultation a number of months ago on green waste services provided by Local Authorities. The results of the consultation had not yet been received.

RECOMMENDED:

- (a) That there be a 2% increase in fees for 2022/23 financial year, for the following services:
 - a. Allotments – Appendix A
 - b. Trade Waste – Appendix C
 - c. Cemetery fees – Appendix F
 - d. Sports pitches – Appendix G
 - e. Pre-application Planning fees – Appendix K
- (b) That there be a 0% increase in fees for 2022/23 financial year, for the following service:
 - a. Pannier Market Charges – Appendix H
- (c) That the remaining fees be varied by the elements outlined in section 4.3 to 4.8 of the report.

106. REVENUE BUDGET 2022/23, CAPITAL PROGRAMME AND MEDIUM TERM FINANCIAL STRATEGY 2022-23 TO 2027-28

The Committee considered a report by the Director of Resources (circulated previously) regarding the Revenue Budget for 2022/23, Capital Programme and Medium Term Financial Strategy (MTFS) 2022/23 to 2027/28.

The Director of Resources highlighted the following:

- Government Finance Settlement December 2021. The Revenue Support Grant and baseline funding was predominantly the same as for 2021/22. The Rural Services Delivery grant was same as for 2021/22. The New Homes Bonus (MTFS refresh assumed £812,000 which was legacy payment of £435,000 plus approximately £400,000 for 2022/23. The actual New Homes Bonus award was £1.45m. Lower Tier Services grant of £134,000 had been

retained in the funding. The Government had previously advised that this grant would only be received for 2021/22. New "Services" grant had been provided of £206,000 for a one year period only. All Covid 19 additional grant support had been removed. In relation to Council Tax, a referendum was required for Shire Districts if the Authority set an increase of 2% (or more than 2%), or more than £5, whichever was greater. The draft revenue budget for 2022/23 assumed an increase of £5. The overall council Tax income would increase by £244,000 of which £172,000 came from the additional £5 and £72,000 from the increase in Council Tax base. The draft budget factored in £1.750m for retained income growth for Business Rates. The MTFS assumed £1.8m which was made up of £1.2m National Non Domestic Rates growth, Renewable Energy schemes of £400,000 and Devon pool retained income of £200,000.

- Analysis of national Local Government funding from 2012/13 to 2022/23. Funding had reduced from £28.1billion in 2012/13 to £18.5billion in 2019/20 which was a 34% cut. There had been rises in funding since 2019/20, the largest in 2021/22 to 2022/23 of £2.1billion which reduced the overall cut to 20%.
- Core Spending Power analysis by region and authority type for England.
- The MTFS model had been refreshed in October 2021 based upon: the Fair Funding Review which had been planned for 2022/23 had now slipped by one year to 2023/24 and the New Homes Bonus Review that had been planned for 2022/23 which had now slipped to 2023/24. The MTFS refresh had not included: any financial net benefit of further reviews to service areas; income generation and net revenue gains through projects form the Commercialisation Strategy; any new Business Rates growth following the 2023/24 Fair Funding Review; and review and/or price increases to income streams.
- New Homes Bonus provisional level of funding of £1,451,083 for 2022/23. The level of funding 2021/22 was £1,354,430. The MTFS assumed £812,000 for 2022/23, therefore, there was an additional £639,000 compared to the MTFS. In 2023/24 the projected New Homes Bonus income was £506,000, potential reduction of over £945,000 funding on the current level. There was uncertainty regarding future funding and the scheme design.
- Business Rates Retention and forecast levels of income for 2022/23 year.
- Reform of Local Government funding for 2023/24 onwards.
- In 2021/22 Council Tax levels Band D properties had been increased by £5 (equivalent of 2.65%). Rural Councils could increase Council Tax by up to 2% or £5 (whichever higher). By increasing the level by £5 for 2022/23 would increase NDC's proportion of Council Tax for Band D properties from £193.35 to £198.35 (increase of 2.59%).
- Revenue budget cost pressures versus the assumptions included within the MTFS:
 - Salaries pay award and increments now slightly higher than estimated and £612,000 had been built into the draft budget. The MTFS refresh assumed £535,000 increase which was based upon 1.75% in 2021/22 and a further 2% in 2022/23.
 - National Insurance increase of 1.25% which was an additional cost to the draft budget of £76,000.

- Inflation pressure on services for utilities, fuel, contractors as a result of the consumer price index rises (5.1% in November 2020)
- Borrowing costs built into draft budget increased to £722,000. The MTFS refresh assumed £328,000 increase which did not include the impact of the Green Lanes acquisition which would add a further £400,000 to the annual borrowing costs. This increase to borrowing cost being offset by income generated through the Centre.
- Planning income - £100,000 had been included within the draft budget. The MTFS refresh assumed an additional £100,000 increased income. The current year income was up on budget by £180,000.
- Green Lanes - financial implications following the acquisition of Green Lanes in November 2021 and the draft budget for 2022/23. The net rental income for the current year was circa £400,000. £32,000 was required to pay asset management Praxis from November to March. There was minimal borrowing costs for 2021/22 year. It was proposed that £300,000 would be placed into an earmarked reserve for asset management initiatives and legal costs and that £70,000 be placed into an earmarked reserve for income volatility.
- Corporate programmes and resources. Council resources needed to be aligned to enable delivery of priorities within the financial envelope such as: financial planning (capital and revenue budget, MTFS); manpower planning (current teams, capacity and growth). There was a need to plan for medium and long term and not to be reactive to short-term priorities. The resourcing of priorities was longer than a political cycle of 4 years.
- Council staff reductions as a result of the Comprehensive Spending Review. In 2010-11 the Council employed 499 full time equivalent employees. In 2020/21 this had reduced to 405 full time equivalent employees which was a reduction of 94 (19% reduction) since 2010/11.
- Proposed resource changes within the service areas. In 2022/23 an increase of 17 full time equivalent employees (4% increase) was proposed across the service areas. This would result in an increase of £463,000 (3.2% increase) on the £14.3m salary budget. How the additional resource would be funded within the base budget.
- How the draft Revenue Budget for 2022/23 was funded.
- Draft Revenue Budget for 2022/23 (Appendix A) showed a balanced budget and assumed: £5 increase on Band D Council Tax (as in previous years); fees and charges uplift by 2% and Garden Waste subscription increase from £40 (2021/22) to £45 as originally outlined in the MTFS; proposed increase on coastal car parks to £1.50 per hour in summer months and work with Devon County Council colleagues to support measures to alleviate parking issues being experienced; no reductions to Strategic Grants, Climate and Environment, or Community Councillor Grants (Appendix B). The risks of the ongoing impact of Covid 19 on the revenue budget.
- Reserves (Appendix C). General fund balance forecast level at 31 March 2023 was £1.211m (8.8% of the net budget). The recommended level was 5%-10%. Earmarked reserves forecast level at 31 March 2023 was £5.851m. In compliance with the Local Government Act 2003, the Chief Financial Officer assured members of the robustness of the estimates and the adequacy of the proposed financial reserves.

- The MTFS 2022-28 (Appendix D) had now been refreshed and extended for the 2022-28 period. It had been based on a number of assumptions about the future which included: Fair Funding review/New Homes Bonus review planned for 2023/24 (assumed -£2.009m reduction); and ongoing 2% increases in employee salaries (each 1% equated to £140,000). The MTFS in February 2021 originally included gaps of £2.8m (for 2023/24) and £2.9m (for 2024/25) and only assumed a 1% salary increase. Paragraph 4.1.5.7 provided further detail on the budget gap and paragraph 4.1.5.16 provided further detail on what had not been included. Fundamental to bridging future year budget gaps would be further income generation and net revenue gains through the Commercialisation Strategy. Appendix D detailed the modelled projections.
- Capital Programme for 2021/22 to 2024/25. Investment plans for 2021/22 to 2024/25 totalled £47.013m. One business case for capital funding had been submitted for the provision of a rock fall catch fence at South Quay, Ilfracombe and the cost to the Council was £55,000.
- Draft Capital Programme (Appendix E). The total programme for 2021/22 to 2024/25 was £47.068m which would be recommended to Council on 23 February 2022 for approval.
- How the total Capital Programme 2021/22 to 2024/25 would be funded.
- Projected borrowing need in accordance with the 10 year Capital Strategy.
- Risks identified that could affect financial plans.
- Timeline – Council at its meeting on 12 January 2022 approved the Council Tax base; the revenue budget and capital programme would be considered by the Strategy and Resources Committee on 7 February 2022 and Policy Development Committee on 10 February 2022; Council on 23 February 2022 to consider the approval of the revenue budget and capital programme and setting of Council Tax.

In response to questions from the Committee, the Director of Resources advised the following:

- In relation to Seven Brethren project, only the land release fund element had been included within the Capital Programme. No other financial implications for this project had been included yet.
- The Government had not advised Local Authorities that they could not procure assets as part of commercialisation, however they had clamped down on Local Authorities borrowing to procure assets outside of their area and also borrowing to buy assets solely for financial gain. Local Authorities were required to demonstrate the reasons for the borrowing such as for regeneration of the area.
- The proposed increase in the number of the full time equivalent employees within the Governance service was following the promotion of the previous Exchequer Manager to the Head of Governance post. The Exchequer Manager post was now vacant. Some changes would be made to other middle managers posts within the team and there was another vacant post within the service, therefore it was proposed to recruit 1 apprentice to support the whole team. The changes were offset by not replacing vacant posts.
- Green Lanes – it was proposed that £300,000 was placed into an Asset Management reserve. Some of the funds would be used for “white boxing”

units within Green Lanes in preparation for letting, however a large proportion of the reserve would be used for marketing and legal costs and the reconfiguration of units to increase the income revenue streams to the Council. The £300,000 reserve would be spread across the next few years.

- Coastal car parks – it had been proposed to increase car park charges at some coastal car parks for the summer months following an increase in the number of visitors visiting the area and creating issues with parking on the roadside and pavements. Discussions had taken place with Devon County Council regarding on street enforcement, but they did not have sufficient capacity to enforce currently. There was a need to review all car parking charges for 2023/24, undertake a review of the configuration of all car parks and the methods for payment of car parking charges.
- Coastal car parking charges in other areas – Torridge District Council had increased charges at Westward Ho! Car park from £1.20 last year to £1.60 proposed for 2023/24. The charges at Dartmouth car parks was £1.50 per hour. The proposed increase in coastal car parks would bring the charges in line with other neighbouring coastal Local Authorities.
- If the decision was taken not to increase the charges in coastal car parks during the summer months, it would not have an overall impact on the net revenue budget as both the additional income and additional enforcement costs would be removed and therefore no other changes would be required to be made to the budget.

In response to questions from the Committee, the Chief Executive advised the following:

- One option had been to increase all car parking charges, however consideration had been given to the impact that this may have on High Streets and businesses which were still recovering from the pandemic. The option of increasing the car parking charges in some coastal car parks during the summer months was put forward due to a number of problems experienced due to the increase in the number of visitors and lack of on street enforcement. If the increase in coastal car parking charges was not approved, then no additional on street enforcement would be provided in coastal areas. Initial discussions had taken place with the Cabinet Member and officer at Devon County Council (DCC) regarding the secondment of North Devon Council (NDC) enforcement officers to DCC for a period of time each week during the summer period to enforce on street parking in the coastal areas. It was anticipated that there would be a rota of enforcement officers from NDC. DCC had experienced problems with the recruitment of enforcement officers and if DCC were able to successfully recruit enforcement officers there would not be a dedicated resource just for the coastal areas. The car parks at Lynton had not been included within the proposal. The excess charge notice was £25 which some visitors to the area would not find excessive for parking for the day.

RESOLVED that:

Agenda Item 2

Strategy and Resources Committee - 7 February 2022

- (a) the latest forecast for Budget 2021-22 and the proposed contributions to earmarked reserves be noted;
- (b) the Chief Financial Officer's assurance on the adequacy of the reserves and the robustness of the budget in paragraph 4.1.4.6 of the report be noted;
- (c) the Chief Financial Officer's highlighted areas of risk identified within the budget process set out in paragraphs 4.1.4.7 and section 4.3 of the report be noted;
- (d) the latest Medium Term Financial forecast for 2022-2028 as shown in section 4.1.5 of the report be noted;
- (e) subject to approval of (i), that funds are released for the capital schemes listed in section 4.2.2 of the report.

RECOMMENDED that:

- (f) there be an increase of £5.00 in the level of Council Tax charged by North Devon Council for 2022-23 (in accordance with the revised referendum limit ability of £5.00 per Band D property) with a Band D Council Tax level of £198.35;
- (g) the actions identified in sections 4.1.2 to 4.1.4 of the report, which are required to ensure a balanced budget is achieved and therefore recommend to Council the approval of 2022-23 General Revenue Account Budget;
- (h) the Medium Term Financial Strategy 2022-2028 in section 4.1.5 of the report as part of the Policy Framework be adopted;
- (i) the Capital Programme 2021-22 to 2024-25 as highlighted in section 4.2 of the report be approved;
- (j) consideration of an increase in the charges for coastal car parks be incorporated within the overall review of the car parking strategy to be brought back to a future meeting.

107. ADJOURNMENT OF MEETING

RESOLVED that it being 12.25 pm that the meeting be adjourned for a comfort break.

Councillor Lofthouse left the meeting.

RESOLVED that it being 12.35 pm the meeting be reconvened.

108. TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23

The Committee considered a report by the Director of Resources and Deputy Chief Executive (circulated previously) regarding the Treasury Management Strategy Statement for 2022/23.

The Head of Governance highlighted the following:

- Capital Prudential Indicators for 2022/23 and the impact of the capital expenditure and financing. In 2021/22, the net financing need for the year was estimated at £18.065m.
- The Council's Capital Financing Requirement was a key indicator. The projected Capital Financing Requirement (CFR) for 2024/25 was £35.4m.

- In the current financial environment it was prudent to use internal borrowing from reserves and cash balances to fund the CFR to offset some of the borrowing need. A further £12m of external borrowing may be required in 2022/23 to support the approved capital programme, taking the total projected external borrowing to £22.5m for 2022/23.
- From October 2021 the Council entered a vehicle leasing programme with SFS and currently had circa £1.2m of finance leases within the CFR.
- Two key Treasury Indicators: the operational boundary and authorised borrowing limit. Borrowing interest rates as detailed on page 306 of the report.
- Investment Strategy – there were no proposed changes to the investments with investment limits as detailed in page 315 and Appendix A of the report.

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

- Financing of the Capital Strategy was over a 10 year period. The CFR was increasing between 2021/22 and 2024/25.

RECOMMENDED that the Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Statement 2022/2023, including the Treasury Management and Prudential Indicators for 2022/23 to 2024/25, be approved.

109. 10 YEAR CAPITAL STRATEGY 2022 TO 2032

The Committee considered a report by the Director of Resources and Deputy Chief Executive (circulated previously) regarding the 10 Year Capital Strategy for 2022 to 2032.

The Head of Governance highlighted the following:

- The Capital Strategy was a high level review of the corporate priorities, capital investment ambition, available resources, affordability and risk management in the context of ensuring the long term financial sustainability of this authority.
- The Capital Strategy contained the medium (MTFS) and long term strategies in relation to capital funding and affordability.
- The Capital Financing Requirement (CFR) was predicted to remain at a high level but would decrease over the longer term.
- The cost for external borrowing was set to remain above £1.5m over the long term period.

RECOMMENDED that the Capital Strategy 2022/23 to 2031/32 be approved.

110. COUNCIL TAX DISCOUNTS

The Committee considered a report by the Head of Customer Focus (circulated previously) regarding Council Tax Discounts.

The Director of Resources highlighted the following:

- This was an annual report to set the Council Tax Discounts relating to certain properties for the financial year commencing 1 April 2022
- There were no proposed changes to the discounts and levies and it was recommended that they were set at the same level as for 2021/22.

RECOMMENDED that Council makes the following determinations in relation to the classes of dwellings set out below for the financial year commencing 1 April 2022:

- (a) Class A and Class B Unoccupied and furnished properties
Set a 0% discount, therefore levying full council tax.
- (b) Classes A and B do not include any dwelling –
- i. Which consists of a pitch occupied by a caravan or a mooring occupied by a boat.
 - ii. Where a qualifying person in relation to that dwelling is a qualifying person in relation to another dwelling in England, Wales or Scotland which is job related.
 - iii. Which for a qualifying person is job related where that person is a qualifying person in relation to another dwelling in England, Wales or Scotland.
- (c) Class C Unoccupied and substantially unfurnished properties
Set a discount of 100%, for up to three months.
- (d) For the purpose of Class C, in considering whether a dwelling has been unoccupied for any period, any one period, not exceeding six weeks, during which it was occupied shall be disregarded.
- (e) Properties which have been unoccupied and substantially unfurnished for over two years, levy the empty home premium of 200% of the normal liability.
- (f) Properties which have been unoccupied and substantially unfurnished for over five years, levy the empty home premium of 300% of the normal liability.
- (g) Properties which have been unoccupied and substantially unfurnished for over ten years, levy the empty home premium of 400% of the normal liability.

111. COUNCIL TAX REDUCTION SCHEME 2022/23

The Committee considered a report by the Head of Customer Focus (circulated previously) regarding the Council Tax Reduction Scheme.

The Director of Resources highlighted the following:

- The previous Council Tax Benefit scheme was abolished and replaced with localised support scheme for Council Tax in 2013/14. The previous scheme awarded 100% benefit to the claimants.
- The only change to the proposed Council Tax Reduction Scheme 2022/23 was in relation to amendment of the income bands to allow for the uprating of applicable amounts and premiums.
- The resource implications as detailed in paragraph 5 of the report.
- The costs of the scheme had increased in 2021/22 due to an increase in the number of claimants during the Covid pandemic and the Government had awarded the Council Tax Reduction Hardship Fund. The increase in the number of claimants had been included within the draft revenue budget.

RECOMMENDED:

- (a) That Council adopts the Council Tax Reduction scheme as detailed in Appendix A of the report for the 2022/23 financial year;
- (b) That Council approve the Exceptional Hardship Policy in relation to the Council Tax Reduction Scheme, as set out in Appendix B of the report.

112. RURAL SETTLEMENT LIST

The Committee considered a report by the Head of Customer Focus (circulated previously) regarding the Rural Settlement List.

The Director of Resources highlighted the following:

- The Rural Rate Relief Scheme helped qualifying small general stores, post offices, food shops, public houses and petrol stations.
- Appendix A of the report listed the qualifying Rural Settlements with a population of fewer than 3,000. This list had remained unchanged for many years.

RESOLVED that the Rural Settlement List be approved, for the purposes of Rural Rate Relief, of the rural settlements listed in Appendix A to this report.

113. 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 transferring the freehold interest in an area of land at Seven Brethren Bank, Barnstaple and Pannier Market concessions.

The Chief Executive advised that the decision regarding transferring the freehold interest in an area of land at Seven Brethren Bank, Barnstaple had been taken in April 2021 however had not been presented to the Committee for noting.

Chair

The meeting ended at 12.45 pm

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

Report Date: 07 March 2022

Topic: APPROVAL & RELEASE OF S106 PUBLIC OPEN SPACE FUNDS – Mortehoe

Report by: PROJECT, PROCUREMENT AND OPEN SPACE OFFICER

1. INTRODUCTION

1.1. This report seeks to allocate S106 public open space funds towards a number of projects within the district, across communities of Mortehoe.

2. RECOMMENDATIONS

2.1. That Strategy & Resources allocates:

2.1.1. £3,175 to Mortehoe Parish Council towards the enhancement of the pavilion at Meadow Playing Field.

2.2. Subject to approval of 2.1.1 above, that Strategy & Resources Committee recommends Council vary the capital programme by £3,175 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor and Monitoring Officer, for external projects.

3. REASONS FOR RECOMMENDATIONS

3.1. To allocate funds in line with the requirement of S106 agreements.

3.2. To protect and enhance public open space, including land and buildings.

4. REPORT

4.1. Meadow Playing Field Pavilion – Mortehoe Parish Council

Meadow Playing Field is located close to the coastline. The Pavillion serves the community of Woolacombe and Mortehoe. Situated alongside the village Playing Field, the Pavillion provides a small community hall, changing room and toilets. Woolacombe Football Club operate from the site, as well as hosting local groups and clubs such as the Pilates and Toddler sessions.

The current wooden window shutter on the pavilion were installed over 30 years ago as a temporary measure to help protect the building from the harsh coastal weather. However, the shutters are no longer fit for purpose from a security point of view.

Mortehoe Parish Council intend to install metal grill bars across all of the windows of the pavilion to secure the building and also improve the aesthetics of the building given its age.

Agenda Item 6



5. RESOURCE IMPLICATIONS

5.1. Meadow Playing Field Pavilion – Mortehoe Parish Council

Financial – The total project cost is £3,175.

That £3,175 be funded from the S106 capital budget from the following sources:

Development Description	Application Number	Amount
Gordon Lodge, Mortehoe	70987	£2,743
Gordon Lodge, Mortehoe	71686	£432
		Total
		£3,175

The remaining balance will be met by match funding. Any overspend be met by Mortehoe Parish Council.

6. EQUALITIES ASSESSMENT

6.1. An EIA has been completed identifying improvements to the provision.

7. ENVIRONMENTAL ASSESSMENT

7.1. An EAC has been completed to identify any environmental implications to the provision.

8. CORPORATE PRIORITIES

8.1. What impact, positive or negative, does the subject of this report have on:

8.1.1. The commercialisation agenda: n/a

8.1.2. Improving customer focus and/or: n/a

8.1.3. Regeneration or economic development: positive - improvement to local facilities using local suppliers.

9. CONSTITUTIONAL CONTEXT

9.1. Part 3, Annex 1, Delegated

9.2. Article 4.5.22, referred.

Agenda Item 6



10. STATEMENT OF CONFIDENTIALITY

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

11. BACKGROUND PAPERS

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

12. STATEMENT OF INTERNAL ADVICE

12.1. The author (below) confirms that advice has been taken from all appropriate Councillors and Officers: Lucinda Wheeler, Project Procurement & Open Space Officer & Sarah Hambleton, Project, Procurement and S106 Assistant.

This page is intentionally left blank



North Devon Council

Report Date: March 2022 Strategy & Resource Committee

Topic: Allocation of affordable housing commuted sums – Beechfield Road, Fremington

Report by: Service Lead – Affordable Housing, Jaimie Jeyes

1. INTRODUCTION

- 1.1. This report sets out an opportunity to gap-fund two affordable homes for social rent alongside grant funding from Homes England and North Devon Homes. This would involve the allocation of £20,000 of commuted sums.

2. RECOMMENDATIONS

- 2.1. That Strategy and Resource Committee allocates £20,000 of commuted sums to secure two affordable homes for social rent.
- 2.2. That Strategy and Resource Committee recommends that Council vary the Capital Programme by £20,000 as detailed in 2.1 above and that funds be released to North Devon Homes, subject to a Grant Agreement upon such terms and conditions as may be agreed by the Proper Officer and Senior Solicitor and Monitoring Officer.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The grant will enable two affordable homes for social rent alongside North Devon Homes funding and will bring Homes England funding into the area. A family in housing need will have the opportunity to rent their house at a genuinely affordable social rent, which may be more likely to be paid without recourse to benefits.
- 3.2. To increase the supply of social rented housing to contribute to the alleviation of the huge pressures on our housing market, currently worsened by the housing crisis.

4. REPORT

- 4.1. North Devon Homes applied for planning permission for two open market houses on an existing garden area fronting onto Beechfield Road, Fremington (see location below).
- 4.2. Planning permission was granted in September 2020 and North Devon Homes applied for funding from Homes England to convert the approved open market houses into social rents. In addition, as opposed to the affordable rent that in the past has been the grant option from Homes England, these are to be grant aided as social rent. This will require substantial grant per unit of £92,500/unit from Homes England and following discussions with Homes England this is reliant on a contribution of £10,000/unit from North Devon Council as well as the obvious financial input by North Devon Homes.



- 4.3. In turn, this will generate a home at a genuinely affordable rent with a social rent of just £105/week (plus an approximate £2/week service charge) in comparison to an affordable rent at 80% of open market value that would reach £147.18/ week (including service charge)¹.
- 4.4. Small amounts of commuted sums have been identified and due to delays caused by schemes that have fallen through, they are close to their spend deadline (see section 5 below).



- 4.5. Members have two options available to them:

4.5.1. Option 1 - Not to invest £20,000 of commuted sums: Homes England could reduce their grant rate to enable two homes at the more expensive affordable rent at 80% of open market rent. However, this would jeopardise the creation of two social rents, which is required by 75% of those in housing need in the District. This would mean that a family would be paying £40.18/week more than if they were in a social rented home and over a year this would equate to £2,089,36 more housing costs. This can

¹ Rent is calculated as a 52-week rent.



ultimately force a family into being reliant and perhaps trapped for many years in the housing benefit cycle as opposed to managing to work and afford it themselves.

4.5.2. Option 2 - Allocate £20k of commuted sums to secure two social rents (officer recommendation): As per the North Devon and Torridge Local Plan and supporting evidence social rent is the rent level needed by 75% of those in housing need. It is a genuinely affordable product and this means that it can often allow families the opportunity to pay their housing costs without the need to resort to benefits and become trapped in this cycle.

5. RESOURCE IMPLICATIONS

5.1. The grant can be funded from the following sources; aggregating 4 small amounts of monies is an efficient use of resources:

5.1.1. The commuted sum from Lower Kitcott, Meshaw, South Molton (54924) of £5,000 at cost centre 9754.

5.1.2. The commuted sum from Bridge Farm (Round Robin), Burrington, Umberleigh (56110) of £8,125 at cost centre 9754.

5.1.3. The commuted sum from Bridge Farm (Kingfisher Cottage), Burrington, Umberleigh (56110) of £3,750 at cost centre 9754.

5.1.4. £3,125 of the commuted sum from Land adj to The Gables, Eastacombe, Barnstaple (58143) at cost centre 9754.

5.2. Please note that the amounts at 5.1.2-5.1.4 were some of the commuted sums originally allocated to Higher Westaway, Newton Tracey affordable housing scheme allocated at Executive 4/9/2017, where the scheme did not go forward due to a change in the Local Plan.

5.3. During the consultation of a previous report, Burrington Parish Council raised concerns via their ward member about the use of the commuted sums secured in their area (at 5.1.2 and 5.1.3 above). Officers still recommend the use of this fund for the following reasons:

5.3.1. The related s106 that secured the commuted sum is not specific on geography; the amount was for affordable housing in North Devon.

5.3.2. This money will not go far when it comes to the provision of affordable housing. This is the difficulty Officers have in that lots of rural areas are receiving tiny amounts of off-site contributions where a site has to provide e.g. 0.4 of an affordable home in cash rather than on site provision – Officers end up having to combine such funds and spend out of area.

5.3.3. Burrington Community Land Trust have been taking a pause during Covid and this money has to be spent by 2025 (March and June respectively) or returned to the applicant. Other commuted sums available do have a longer spend date as they were secured later – i.e. don't have to be spent until 2028/29 onwards.

5.3.4. In the future, other commuted sums could be used with committee approval if Burrington require £11,875 for affordable housing provision and



it is not available at the time via the Community Housing Fund, funding from Registered Providers or Homes England Affordable Housing Programme.

6. EQUALITIES ASSESSMENT

6.1. This does not adversely affect any of the protected characteristics and on the ground this intervention will have a positive impact on all such groups of society.

7. ENVIRONMENTAL ASSESSMENT

7.1. The construction of the two affordable homes will have a positive impact on the environment in the following ways:

7.1.1. The insulation levels are above building regulations.

7.1.2. Use of air source heating to provide heating and hot water rather than gas boilers, charging points for electric vehicles, LED lighting, other efficient technologies.

7.1.3. Local supply chains are used in the construction process such as the use of local subcontractors

7.1.4. A waste management strategy will be employed for all building processes and materials on site where it is the contractor's policy to maximise the recycling of waste products.

7.1.5. Any landscaping will consider the use of native species

7.1.6. All responsibilities for developing, monitoring and evaluating environmental performance are assigned during the build programme through the construction contractor.

8. CORPORATE PRIORITIES

8.1. What impact, positive or negative, does the subject of this report have on regeneration/economic development:

8.1.1. Attracting nearly £200k of national funding into the District and the creation of jobs using local contractors.

8.1.2. Analysis shows that there has been a 67% reduction in available private rented housing when comparing August 2021 with August 2019 and that North Devon was the worst affected area in the South West, and the 4th worst affected area nationally. This limits housing supply in our general housing market and pushes up open market rents. This can have the effect that people who may have been able to access the private rented sector are being displaced and are now requiring affordable housing for rent.

8.1.3. In addition even when adjusting for population there were still the greatest number of households assessed as homeless at 2.38 households per 1,000 of the population. Despite improving our renewals process and removing applicants no longer wanting to be on the register, there has still

Agenda Item 7



been a 32% increase in applications when comparing 2020 to 2021 (Jan-Nov periods). This put further pressure on our limited affordable housing stock.

9. CONSTITUTIONAL CONTEXT

- 9.1. Part 3 Annexe 1(d) (Delegated).
- 9.2. Article 4.5.19 (Referred)

10. STATEMENT OF CONFIDENTIALITY

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

11. BACKGROUND PAPERS

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

- Planning Application information
- Site Plan
- Location Plan
- Environmental impact assessment
- Confidential – North Devon Homes IMS bid prof-forma for Homes England CME 21-26 funding.

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

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers: Jaimie Jeyes (Service Lead – Affordable Housing).

This page is intentionally left blank



North Devon Council

Report Date: 7th March 2022

Topic: Barnstaple Flood Defences update

Report by: SarahJane Mackenzie-Shapland - Head of Property, Place and Regeneration

1. INTRODUCTION

- 1.1. This report updates members on the provision of Environment Agency (EA) Flood defences for Barnstaple, given re-modelling undertaken by the EA. This remodelling gives rise to the need for members to re-consider the Local Authority stance in relation to development and flood risk.

2. RECOMMENDATIONS

- 2.1. That members agree a revised strategy for safe development in terms of flood risk, to enable officer's to consider applications on a case by case basis, taking into account, mitigation and other social, economic and environmental benefits.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To allow officers to make informed decisions on development proposals whilst protecting those affected and ensuring that the aim to deliver the defences in the long term is still achievable.

4. REPORT

- 4.1 The Barnstaple Flood Defence Improvements Study and the Phase 2 Advanced Design Studies for Mill Road/Pilton Park were completed in 2016. This covered improvements to flood defences to protect Cells A and B which extend from Bradford Water down to the River Yeo, including the Mill Road and Pottington areas of Barnstaple. The work to improve the existing flood defences would make Barnstaple more resilient and help protect the town against the effects of climate change.
- 4.2 This work was included in the EA project pipeline with detailed design work due to commence in 2021 and construction in 2023. The scheme had an estimated cost of £7m, with £5.5m coming from Government Flood Defence Grant in Aid. The funding gap of £1.5m still needed to be found from other sources, which was being investigated by the Council with EA support.
- 4.3 The proposed improved flood defences would include both sides of the River Yeo, with the eastern side laying in Cell C (Pilton Park, The Strand and town centre). Any improvements to the defences would be needed on both banks of the river simultaneously to be effective.
- 4.4 The EA and NDC have worked in partnership for some time to explore the upgrading of flood defences in Barnstaple. This has resulted in the delivery of

Agenda Item 8



new defences at Anchorwood and identified what is required on the opposite bank as described above.

- 4.5 Any improvements on the Town Centre river bank of the River Taw/Yeo would increase protection against climate change for existing properties, extend the lifetime of existing flood defence assets and help unlock brownfield regeneration sites. This was based on the flood model produced in 2016 and the guidance available at the time.
- 4.6 To refine the data contained in their capital programme, the EA carried out some analytical work and an outline cost benefit assessment was conducted in June 2021. This interrogated the 2016 model data, and used their understanding of the underlying flood risks and climate change guidance to examine the current condition and expected lifespan of flood defence assets in Barnstaple.
- 4.7 This review has revealed that the current defences offer a better standard of protection to existing residential properties and have a longer residual life than originally thought. The defences should be able to handle current and future climate change flood risk (sea level rise and increased river flows) until the 2050s and with only minor works the lifetime of the existing defences can be extended to meet these demands.
- 4.8 As such, the Barnstaple flood defence programme is no longer an immediate priority for the EA. As a result the upgraded flood defences have been removed from the EA pipeline programme and the monies are no longer available. DEFRA funding is based on protecting existing properties and does not take into account the release of land for additional housing. This of course has significant implications for the regeneration of Barnstaple, the housing crisis and five year housing land supply as when allocating sites and determining planning applications, sites must show that they are protected from flood risk for the life time of the development (or 100 years for residential development). The models show that the current defences would need upgrading in the next 30 years.
- 4.9 Ongoing discussions have taken place with the EA in relation to both how we consider existing applications and those that will come forward before the realisation of the defence work.
- 4.10 If a planning application is received for residential development in an area at risk of flooding it must first pass the sequential test (i.e the LPA must be satisfied that the development cannot be located elsewhere, or that when applying the sequential test, the wider sustainability benefits outweigh the ability to relocate it). If development can pass the sequential test then the exception test must be applied and show that the development will be safe for its lifetime and won't increase flood risk elsewhere.
- 4.11 Historically this Council as Local Planning Authority has resisted applications that have relied on evacuation plans and safe refuge to meet the exception test and have insisted that if development will be affected by flood risk over the course of its lifetime that the finished floor level of residential accommodation



must be built above the anticipated flood level and that safe access and egress must be achieved.

- 4.12 The Environment Agency advise that the acceptability of safe refuge is at the discretion of the Local Planning Authority in discussion with the Local Authority's Emergency planning officer.
- 4.13 Your officers have met on a number of occasions to consider the acceptability of evacuation and refuge and consider that each case would need to be determined on its individual merits in terms of risk and the planning balance. If mitigation plans are accepted by the emergency services and appropriate evacuation, refuge and mitigation measures can be identified then taking into account, social, economic and other environmental benefits, officers consider we should be supporting proposals rather than delaying the opportunity to boost housing supply and support the regeneration of the town. The mitigation measures might include safe refuge, an emergency evacuation plan across all accommodation, agreement with the emergency services etc.

Flood Defence Programme

- 4.14 Alongside this, your officers and the EA have been discussing the delivery of the flood defences with Homes England to see if they are able to assist in helping with funds and accelerating their delivery, as it would release land for the delivery of housing. These discussions are ongoing. The following is being discussed:
- The amount of land and therefore homes that would be released as a result of the defences,
 - The timing of updated EA modelling work and costings to enable a funding application to be submitted,
 - The relationship of this work with the timing of the Local Plan review and potential site allocations,
 - Any ability to co-fund this work with developer contributions
- 4.15 This work will continue, however, development that is permitted in advance of any funding being secured would not contribute to the number of homes released. This does reduce the Council's ability to obtain funding for the defences and is a risk of permitting development to come forward early but that is for member's to balance against the benefits of doing so, in their decision making. At present there is no guarantee as to the availability of this funding and your officer's will continue to work with colleagues to seek a solution in this regard.

5 RESOURCE IMPLICATIONS

- 5.1 Internal resource required from Planning and Economic Development.

6 EQUALITIES ASSESSMENT

- 6.1 There are no specific equalities matters as a result of this report. Any matters will be considered in the relevant planning application.

Agenda Item 8



7 ENVIRONMENTAL ASSESSMENT

7.1 This report will have a generally positive impact in both the management of flood risk in new development and the efficient use of brownfield land avoiding unnecessary additional pressure on greenfield sites.

8 CORPORATE PRIORITIES

- 8.1.1 What impact, positive or negative, does the subject of this report have on:
- 8.1.2 The commercialisation agenda: A change in approach could accelerate the re-use of Council owned assets.
- 8.1.3 Improving customer focus: Neutral
- 8.1.4 Regeneration or economic development: This decision would allow some sites to be accelerated for regeneration. The flood defence programme would make a significant contribution to the regeneration of the town.

9 CONSTITUTIONAL CONTEXT

9.1 Article of Part 3, Annex 1, paragraph 1 (h)

9.2 Delegated power

10 STATEMENT OF CONFIDENTIALITY

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

11 BACKGROUND PAPERS

The following background papers were used in the preparation of this report:
The Barnstaple Flood Defence Improvements Study
Phase 2 Advanced Design Studies for Mill Road/Pilton park

12 STATEMENT OF INTERNAL ADVICE

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

Ken Miles – Chief executive

Jon Triggs – Director of resources and Deputy Chief Executive

Simon Fuller – Senior Solicitor

Maria Bailey – Planning Manager

Alex Miles – Emergency Planning Officer

Matthew Brown – Lead Planning officer

Cllr David Worden – Council leader

Cllr Malcolm Prowse – Deputy leader and lead member for Economic development and Strategic planning policy

Agenda Item 8



Cllr Robbie Mack – Ward member

This page is intentionally left blank