

NORTH DEVON COUNCIL

Minutes of a meeting of Strategy and Resources Committee held in the Barum Room - Brynsworthy on Monday, 5th August, 2024 at 10.00 am

PRESENT: Members:

Councillor Clayton (Chair)

Councillors Bell, D Knight, R Knight, C Leaver, Maskell, Milton, Prowse and Wilkinson

Officers:

Chief Executive, Director of Resources and Deputy Chief Executive, Senior Solicitor and Monitoring Officer, Head of Customer Focus, Head of Environmental Enhancement, Finance Manager and Housing Manager

Also Present in person:

Councillors Haworth-Booth and Walker

32. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Crabb, Hunt and P. Leaver.

33. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 1 JULY 2024

RESOLVED that the minutes of the meeting held on 1 July 2024 (circulated previously), be approved as a correct record and signed by the Chair.

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

There were no items brought forward which in the opinion of the Chair should be considered by the meeting as a matter of urgency.

35. DECLARATIONS OF INTERESTS.

The following declarations of interest were announced for transparency:

Councillor Maskell – item 12 Devon Housing Commission Report, non- registrable interest as owned a second home for holiday letting.

Councillor Prowse – item 12 Devon Housing Commission Report, non- registrable interest as owned a property which was privately let.

36. TO AGREE THE AGENDA BETWEEN PART 'A' AND PART 'B' (CONFIDENTIAL RESTRICTED INFORMATION).

RESOLVED to change the order of the agenda and move this item to item 13, immediately preceding the item in Part B.

37. PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 1 OF 2024/25

The Committee considered a report by the Director of Resources and Deputy Chief Executive (circulated previously), regarding Performance and Financial Management Quarter 1 of 2024/25.

The Finance Manager highlighted the following:

- The revenue budget for 2024/25 was approved at Council on 21 February 2024 at £16,432,690.
- As at 30 June 2024, the latest forecast net budget was £16,419,690, which produces a budget surplus of £13,000. Details were shown in Appendix A – Variations in the Revenue Budget of the report.
- The original budget for 2024/25 included a forecast to achieve £250,000 worth of salary vacancy savings. The current position forecasted that the Council would achieve £143,000 based on known vacancies to date, but it was anticipated that the budget of £250,000 would be achieved by the end of the financial year.
- The National pay award was currently being considered by the Unions; however if the 2024-25 pay award exceeded the budgeted 4% included in the original budget then the Council would look to fund any shortfall from the Budget Management reserve, which currently had a balance of £528,627.
- As at 1 April 2024 the Collection Fund reserve balance held was £1,790,180. 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 a £1,246,078 balance that would be utilised in 2024/25 (£1,012,856) and 2025/26 (£233,222) to mitigate timing differences of business rate reliefs awarded in 2023/24 that from an accounting perspective impact over the next two financial years; thus leaving the fund reserve with a residue balance of £544,105 protection against future volatility.
- At the 30 June 2024 total external borrowing was £6,000,000. The timing of any future borrowing was dependent on how the Authority managed its treasury activity.
- Due to project spend slippages in the Capital programme and using the cash flow balances for internal borrowing, an estimated reduction in borrowing

costs and a potential underspend of £100,000 on the interest payable revenue budget.

- The Budget and Financial Framework report to Full Council 21 February 2024 outlined the Capital Programme for the 2024/25 financial year of £20,258,368. Project underspend and further variations of £4,356,379 were approved as part of the performance and financial management report to Strategy and Resources Committee, to produce a revised 2024/25 Capital Programme of £24,614,747.
- The Programme of £30,905,987 is funded by Capital Receipts / Borrowing (£13,411,234), External Grants and Contributions (£15,417,968) and Reserves (£2,076,785).
- Release of Funds – Capital Programme:
 - S106 Anchorwood Bank £11,170.
- Section Five of the report detailed a summary of updates on the Corporate Plan, Key results and performance indicators.

In response to a question on the impact to the Council if the pay award were settled at a half percent or full percentage higher than currently budgeted for, the Director of Resources and Deputy Chief Executive explained that the majority of staff were on a pay scale that if the current pay offer was accepted by the Unions, would attract £1,290 pay increase and that this would have no material variance on the overall provision built into the budget. However, a 1% variant to this would impact the budget by an additional £180,000.

In response to a question on the cause of the reduced recycling collection figures stated in section 5, on page 33 of the report, the Director of Resources and Deputy Chief Executive advised that due to a time lag in reporting the June 2024 figures were not included in the report and that when these are added in it was anticipated that the totals would look in line with expected figures.

In response to a question about when to expect an update on the Rough Sleeper future funding. The Director of Resources and Deputy Chief Executive replied that funding was expected to be similar to previous years and would be announced in the autumn.

In response to a question on what KR 12b LPI 192 was (as seen on page 33 of the agenda), the Director of Resources and Deputy Chief Executive explained that this was a reference to the Key Performance Indicator given in more detail in Appendix E of the report (as seen on page 74).

In response to a question about whether, there would be an increased cost to the Council in relation to building more homes and the new Biodiversity Net gain levy. The Chief Executive confirmed it was likely there might be issues regarding the impact on developers in relation to the Biodiversity Net Gain measures.

RESOLVED:

- (a) That the actions being taken to ensure that performance was at the desired level be noted;

- (b) That the contributions to/from earmarked reserves be approved as detailed in section 4.2 of the report;
- (c) That the movement on the Strategic Contingency Reserve as detailed in section 4.3 of the report be noted;
- (d) That funds be released for the capital schemes listed in section 4.4.8 of the report;
- (e) That the sections dealing with Treasury Management, Debt Management and General Debtors as detailed in sections 4.5 to 4.7 of the report be noted;
- (f) That section 5 of the report, dealing with the Corporate Plan, Key results and Performance indicators be noted.

RECOMMENDED:

- (g) That Council approve the variations to the Capital Programme 2024/25 to 2026/27 as detailed in section 4.4.3 of the report.

38. HOUSEHOLD SUPPORT FUND

The Committee considered a report by the Head of Customer Focus (circulated previously) in relation to the Household Support Fund.

The Head of Customer Focus highlighted the following:

- The first Household Fund opened in October 2021 and North Devon Council (NDC) was currently administering the fifth version of the fund. The amount of funding provided for this latest scheme, running from April 2024 to September 2024, was £253,000. Since 2021, NDC had awarded over £1.6million to the most vulnerable households in North Devon.
- For the current scheme, NDC had deployed almost 90% of the funding meaning we have needed to suspend our application scheme over the summer weeks to allow us to re-open for September for the colder autumn period.
- Taking note of our situation, Devon County Council had awarded an additional £20,000 to allocate to our application scheme from the wider household fund they had available.
- As NDC administers in-house using existing resources, the direct administrative costs were kept minimal. Due to this there was an un-allocated administration grant of approximately £30,000.
- To allow the Council to be able to guarantee the application scheme was able to remain open until end of September and to maximise the benefit of the scheme to the most vulnerable households in North Devon, we are requesting this £30,000 un-allocated administration grant was made available for further applications.

Councillor C Leaver thanked those officers involved in the administration of the grants.

RESOLVED:

- (a) That re-allocation of up to £30,000 of admin grant funding to the application scheme be approved and

- (b) That the additional £20,000 grant allocated to North Devon Council from Devon County Council to support the scheme within North Devon be noted.

39. MATERIAL RECOVERY FACILITY INFRASTRUCTURE UPDATE

The Committee received an update on the Material Recovery Facility Infrastructure project.

The Head of Environmental Enhancement gave the following update:

- There was nothing exceptional to report which was positive news as this meant nothing untoward had cropped up.
- The programme was on track in terms of budget and programme.
- Environmental Agency had carried out a site visit and were pleased with the works and the drainage plans.
- The new machinery was due to arrive in pieces in December 2024 to be put together in January 2025.

The Chair thanked the Head of Environmental Enhancement for the update.

40. SETTING UP A CAR PARK CHARGES WORKING GROUP

The Committee received an update from the Chief Executive on the setting up of a Car Park Charges Working Group.

The Chief Executive highlighted the following:

- The purpose of setting up this working group was to get ahead of issues that might need discussion before budget setting commenced.
- Members should consider if they wanted the group to be politically balanced or whether just nominating three members from each of the three political parties was sufficient.

In response to a question about the title of the group, the Chief Executive advised that primarily this was a task and finish group whose aim was to feed into the budget and any incidental issues, such as size of car parking bays, could be looked at but the main focus would be review of charges.

RESOLVED

- (a) That group leaders to be emailed requesting three members from each party to make up the task and finish car park charges review;
- (b) That the Car Park Strategy would be emailed to members as a good resource; and
- (c) That monthly meetings would be set up for September, October, November and December.

41. HOUSING UPDATE (REFLECTING CURRENT CHALLENGES)

The Committee received an update on Housing from the Service Manager (Housing Team).

The Service Manager (Housing Team) highlighted the following:

- There were currently 24 rough sleepers in North Devon, 4 of whom had no local connection to North Devon.
- The Freedom Centre had seen an increase of people approaching them. They were currently seeing 65 people a day at the Freedom centre for food, not all of these were homeless people, which highlighted the difficulties being faced by people.
- There was an increase in single homelessness with a priority need.
- 75 units of temporary accommodation currently being used, 25 of those single homelessness.
- The priorities that were being seen were from those suffering with physical or mental health issues.
- The reasons for this increase had been identified as a result of changes in the social care system. A change in thresholds meant more people were not meeting the supported accommodation threshold but still met the priority needs threshold and therefore became the Council's responsibility to accommodate.
- There was lack of socially rented properties available to move those in temporary accommodation to and this blockage meant fewer temporary placements were available.
- The cost of private rentals in the area were significantly higher than the Local Housing Allowance (LHA) rate. For example, the cost to rent a room in a shared house was £550 to £650 per month whereas the LHA rate for such a property was only £425.
- This deficit in people being able to afford private rental meant they were remaining in temporary accommodation longer as the Council had accepted a duty to house them into suitable long-term accommodation.
- Further changes that would have an impact on the need for single person accommodation were due to take place regarding the contract with Devon County Council for those living in supported care.
- As of March 2025 DCC would be ending funding to supported accommodation.
- The reduced budget of £500,000 was to be shared amongst the 8 districts in Devon with Local Authorities bidding for funding from this budget.
- Ways to distribute this funding fairly were being looked at. One possibility was basing funding on the number of people who had approached the Council for help with housing.
- Rental reforms were proceeding for Royal Assent and this would mean the end of section 21 no fault evictions, however current landlords' had concerns over this and would be looking to sell their properties.
- A lot more people were in debt, low-income workers struggling to live would be unable to find a new rental based on their low income.
- Devon Home Choice currently had 2300 live applications on their system.
- There were 4800 properties with Social Landlords in the area but only 250 vacancies in a year so only 11% of people on the Devon Home Choice list would be rehoused within a year.
- The majority of properties being requested, 51%, were for one bed properties.

- The Council was in communication with local landlords looking to lift age restrictions. Most single person properties were limited to those over 55 or 65 years of age.
- Clearsprings, who were employed by the home office, managed refugee resettlement. The type of property they secured for this purpose was Houses in Multiple Occupation.
- Mears were a similar company but employed by the MOD for those refugees who had a connection with the armed forces.
- There were currently 2800 refugees in transit accommodation in Pakistan and other parts of the UK.
- The NHS were looking for accommodation for overseas staff working in the area.
- There were now increased demand for housing for 18 year olds leaving care.
- Early prison releases beginning in September 2024 would affect the housing needs in the area especially as HMP Exeter was nearby.

In response to whether this type of update could be provided as a written report, the Chief Executive explained that normally it would be but as so many changes were coming through at the moment a verbal report was the only option.

The information presented today could be made available to Members and emailed to them.

The Committee noted the update.

42. DEVON HOUSING COMMISSION REPORT

The Committee considered a report by the Chief Executive (circulated previously) regarding the Devon Housing Commission Report.

The Chief Executive highlighted the following:

- The Devon Housing Commission was created following discussions between Devon Local Authorities at the Devon Housing Task Force.
- The Devon Housing Commission was chaired by Lord Best who had considerable knowledge of housing matters.

The Chief Executive handed over to the Lead Member for Housing.

The Lead Member for Housing highlighted the following:

- This recently published report set out how to try to resolve issues being faced by Local Authorities across Devon.
- Ilfracombe had its own section in the report as seen on page 141 of the report.
- Eviction was discussed on page 158 of the report with a recommendation to Government to end section 21 no-fault evictions.
- A table on page 163 of the report detailed the number of non-decent dwellings in Devon, North Devon ranked 12th out of 297 local authorities with 11,724 properties out of 44,357 deemed as non-decent.

- The table on page 164 of the report showed the proportion of non-decent homes by tenure.
- In Annex One, on page 188 of the report, a table showed North Devon Tourist Accommodation figures for towns and villages. Top of this table was Morteohoe with 47% of the village's properties being used as second homes and holiday lets.
- Annex Two, on page 190 of the report, showed a case study carried out in South Hams in relation to data on short-term lets in the area.
- It was hoped data on this could be collated for North Devon and used in a future report.
- Lord Best would be visiting with local MP's in mid-September.

The Lead Member for Housing ended his update by giving thanks to Lord Best for this report and his hard work on the issue.

The Chief Executive drew the Committees attention to page 94 of the report and in the second column the following paragraph:

- "The Commission recommends that Devon County Council utilise a significant proportion of receipts from second homes Council Tax to help meet the county's housing and infrastructure needs. (2.8)".

He went on to say that, a letter could be sent to all Devon authorities urging them to use the collected council tax funds for housing.

RESOLVED:

- (a) That the Devon Housing Commission Report be noted and a letter of thanks be sent to Lord Best;
- (b) The recommendations contained within the Devon Housing Commission report be noted;
- (c) A letter of representation to be sent to the MP and Government, in particular to make reference to section 3.4, Ilfracombe of the report; and
- (d) Approve the support of wider monitoring of recommendations through the Combined County Authority and/or Northern Devon Futures of other group.

43. EXCLUSION OF PUBLIC AND PRESS AND RESTRICTION OF DOCUMENTS

RESOLVED:

- (a) That, under Section 100A(4) of the Local Government Act 1972, the Public 2 and Press be excluded from the meeting for the following item Belles Place, Ilfracombe – Funding Request, as it involved the likely disclosure of exempt information as defined by Paragraph 3 of Part 1 of the Schedule 12A of the Act (as amended from time to time), namely information relating to the financial or business affairs of any particular person (including the authority holding that information); and
- (b) That all documents and reports relating to the item be confirmed as "Not for Publication".

44. BELLES PLACE, ILFRACOMBE - FUNDING REQUEST

The Committee considered a report by the Director of Resources and Deputy Chief Executive, (circulated previously), regarding Belle's Place, Ilfracombe – Funding Request.

The Director of Resources and Deputy Chief Executive highlighted the following:

- The service provided free hot meals each day to people who were disadvantaged/socially isolated. More intensive support was provided to people who presented in crisis. They also operated a school uniform 'swap shop' and provided hot showers to some people who have the meals.
- A number of statutory/ commissioned services made use of the facility to effectively engage with their clients:
 - Together-Devon, drug and alcohol support, three days a week
 - North Devon Council outreach, 1 day a week
 - Dental services, 1 day a week
 - Covid-19/flu jabs, as required
 - Hepatitis Trust, screening, 1 day a month; and
 - GP surgeries
- The community café and centre worked with other voluntary groups to provide support with physical / mental wellbeing and peer support groups. It provided a food bank as well as the hot meals.

RESOLVED:

- (a) That the funding request to provide a one-off financial contribution for the 2024/25 financial year be approved; and
- (b) That a £4,000 grant contribution to Belle's Place, Ilfracombe, from the Economic Financial Hardship Reserve be approved.

Chair

The meeting ended at 11.52 am

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