



Public Document Pack

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

M. Mansell, BSc (Hons),
F.C.P.F.A.
Chief Executive.

OVERVIEW AND SCRUTINY COMMITTEE

A meeting of the Overview and Scrutiny Committee will be held in the Barum Room - Brynsworthy Environment Centre on **TUESDAY, 12TH FEBRUARY, 2019 at 2.00 pm.**

(NOTE: A location plan for the Brynsworthy Environment Centre is attached to the agenda front pages. There are limited car parking spaces in the Visitors parking area. If no spaces are available, please find an alternative space. Please ensure that you enter your name and car registration details in the book in front of the entrance door)

Members of the Overview and Scrutiny Councillor Patrinos (Chairman)
Committee

Councillors Bonds, J Cann, Chesters, Crabb, Croft, Ley, Mathews, Roome, Spear, Webber, White and Worden

AGENDA

1. Apologies
2. To approve as correct records the minutes of the meetings held on 10th January and 15th January 2019 (attached)
3. Items brought forward which in the opinion of the Chairman should be considered by the meeting as a matter of urgency.
4. Declarations of Interest
(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 'B' (Confidential Restricted Information).

PART 'A'

INTERNAL ITEMS:

6. **Quarterly Performance and Financial Management Report 2018/19 Quarter 3.**
(Pages 1 - 40)

Report by the Leader and Executive Team to Executive on 4th February 2019 (attached) together with minute extract of the Executive on 4th February 2019 (to follow).

7. **Review of Charges and Fees for services 2019/20.** (Pages 41 - 90)

Report by the Leader and the Executive Team to Executive on 4th February 2019 (attached) together with minute extract of Executive of 4th February 2019 (to follow).

8. **Revenue Budget 2019/20, Capital Programme and Medium Term Financial Strategy 2019-2023.** (Pages 91 - 134)

Report by the Leader and the Executive Team to Executive on 4th February 2019 (attached) together with minute extract of Executive of 4th February 2019 (to follow).

9. **Treasury Management Strategy 2019-2020.** (Pages 135 - 164)

Report by the Leader and the Executive Team to Executive on 4th February 2019 (attached) together with minute extract of Executive of 4th February 2019 (to follow).

10. **10 Year Capital Strategy 2019-2020.** (Pages 165 - 174)

Report by the Leader and Executive Team to Executive on 4th February 2019 (attached) together with minute extract of the Executive of 4th February 2019 (to follow).

11. **Police and Crime Commission Update.**

Vice Chairman to report.

12. **NHS update.**

Chairman to report.

13. **Work programme/Forward Plan.** (Pages 175 - 176)

To consider the Overview and Scrutiny Committee work programme/forward plan 2018/19.

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

4.02.19



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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.

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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 ½ mile take the first right, BEC is about ½ a mile on the right.

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

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



NORTH DEVON COUNCIL

Minutes of a meeting of Overview and Scrutiny Committee held at Barum Room - Brynsworthy Environment Centre on Thursday, 10th January, 2019 at 2.00 pm

PRESENT: Members:

Councillor Patrinos (Chairman)

Councillors Mathews, J Cann, Chesters, Croft, Ley, Spear and Worden

Officers:

Head of Corporate and Community Services and Head of Resources

Also Present:

Councillors Leaver, Mackie and Moore

53. APOLOGIES

Apologies for absence were received from Councillors Bonds, Roome and White.

54. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 15TH NOVEMBER 2018 (ATTACHED)

RESOLVED, that the minutes of the meeting held on 15th November 2018 (circulated previously) be approved as a correct record and signed by the Chairman, subject to the following amendment:

- (i) The amendment of minute 48 under question 16 to delete the reference to (who? Is this Wright?).

55. DECLARATIONS OF INTEREST

There were no declarations of interest announced.

56. IMPACT OF AGRICULTURAL SECTOR ON NORTHERN DEVON ECONOMY.

Also Present:

Councillor Pennington – Torrington District Council.

Mr Topham – Non-Elected Member, Torrington District Council.

Julie Edwards	Mole Valley Farmers
Victoria Eveleigh	West Ilkerton Farm
Richard Tucker	National Farmers Union
David Knight	Exmoor Hill Farmers Network
Norman Rottenbury	South Molton Sheep Group
Mark Fogerty	Bicton College

The Chair welcomed the representatives from various areas of the agricultural industry to the meeting. He explained the purpose of the meeting which was to support the Council objective of increasing prosperity in our area. Because agriculture was the sector that shaped North Devon more than any other it underpinned the rest of our economy by attracting the businesses and tourists that provide incomes for our people. He then explained that the Committee would pose questions to the panel in relation to various aspects of the agricultural industry.

The Committee posed the following questions to the panel:

1. *How do you see the agricultural sector of North Devon's economy changing in the next five to ten years?*

National Farmer's Union (NFU): North Devon was an extremely varied part of the country and every sector of the farming sector would be affected. Going forward there was likely to be a lot of diversification into holiday lets and wind and solar energy. The Agricultural Bill would likely see a shift in farming to larger farms with an increase in the use of technology. The farming community would need to be open to change going forward. He added that the UK was currently 60% self-sufficient in food production with the highest standards in the world that need to be protected.

Mole Valley Farmers: There would be a rapid change that supports the agriculture industry following the implementation of the Agricultural Bill. The retail industry was heavily involved in the development of innovative products to develop businesses and increase profits. Businesses had to be profitable in order to invest, which was key to expand and develop farms to meet the demands of the industry. Sales in relation to animal feed had increased and the reduction in the use of antibiotics ensured that UK products were not undermined by cheaper imports. She added that if farmers decided to sell up, the production cycle would be lost and would not recover for an extremely long time.

South Molton Sheep Group: Policy makers at government level were going down the environmental route and the Agricultural Bill focussed heavily on the environment. The majority of farmers were born and bred to produce food and his own business had contributed to 80 different firms in the previous 12 months through the production of land.

Exmoor Hill Farmer's Network: The process to produce meat from a cow took three years from conception to slaughter so it was necessary to take a long term view in policy making if farms were to survive.

West Ilkerton Farm: There was the potential for a lot of small farmers to go out of business following the implantation of the Agricultural Bill and BREXIT. An agricultural recession was a real threat particularly to the North Devon economy.

2. *What do you think are the main benefits the Agriculture Bill brings to farmers in North Devon? How could the Bill be improved?*

Bicton College: Being part of the European Union was beneficial to the farming community as it provided a certain amount of protection. Once the UK has left the European Union there were fears of lower quality products being imported to replace home grown and reared produce. Farmers were also supported financially by the European Union and the impact of BREXIT would be wildly felt through the farming community. There were also concerns from the beef and sheep farmers that the basic payment, that so many relied upon would be phased out and if that was lost a large proportion of farms would be unprofitable. There was potential for volatility in the value of produce over the next few years and a lot of financial support would be required to support reduced incomes.

National Farmer's Union: There was no mention of food within the Agricultural Bill, which was disappointing.

Exmoor Hill Farmer's Network: The Agricultural Bill was in bare bone format and could be added to. There was a huge opportunity for local farmers with the support of North Devon Council to lobby the government to ensure that they achieved the greatest benefits possible from the Bill.

West Ilkerton Farm: On the positive side, the Agricultural Bill did make reference to upland farmers and marginal areas both of which were relevant to the North Devon area.

3. *In 2013 more than a third of farmers nationally were over 65. How do you think this challenge might be met?*

Exmoor Hill Farmer's Network: The statistics in relation to the figure was not fully representative as the information was drawn from the person named on the forms. There were a lot of members of younger generations involved within the family but their names were not listed on the paperwork. He added that there was a growing number of younger farmers working within the North Devon area. There were also a growing number of farmers who had no-one to inherit their farms together with a growing number of people who wanted to branch into the farming industry. Whilst farming provided a relatively low income a great deal of financial investment was required to set up a farming business even with the option of tenant farming.

South Molton Sheep Group: There was a real challenge for young people to make their way within the farming profession if they did not come from farming families.

National Farmer's Union: There was an image problem with the farming industry together with a lot of misconceptions about the profession. A good

business acumen was essential, which also included a multitude of skills in relation to animal welfare, land management and knowledge of soil quality to run a successful operation. There was a shortage of skilled workers coming through the education system together with a lack of understanding of where food came from. Recruitment to the farming industry was vital and would benefit from greater support from the education authorities.

Mole Valley Farmers: Employees often visit local farms to offer technical advice and support. There were a growing number of young farmers and an appetite to improve and promote the image of the industry. Data analysis was an essential part to develop profitable businesses going forward. Devon County Council provided support to Farmwise, which was a one day annual event held in Exeter for local schools. The event was so popular that there was a waiting list of schools who wished to be involved. However, there were costs associated with travelling.

Exmoor Hill Farmer's Network: Farmwise was a really good event and would work particularly well within the North Devon area.

West Ilkerton Farm: The involvement of young people within the industry was vital to securing the future of the farming industry. Employers such as Mole Valley Farmers and other local employers was key to ensuring the future of young people within the industry. The Exmoor Hill Farmers Network was very beneficial in terms of the social aspect, as many farmers worked alone and rarely interacted with other workers within the profession.

4. *What local change have you seen that can be attributed to climate change and what do you expect in the future?*

West Ilkerton Farm: In regards to climate change, it was difficult to attribute weather conditions to what was part of the natural cycle and the impact of global warming. There had been more extreme weather events in recent times and an increase in the frequency of storms. Diseases in animals such as red water fever were more common place and a number of farmers had reduced their stock to reduce the risk of loss. There was a growing requirement to weatherproof farmers to provide shelter for animals during periods of severe weather. However, such improvements and maintenance was very costly therefore many farmers worked through damage limitation.

Mole Valley Farmers: There was no longer any distinction between the seasons and farmers were having to purchase additional feed to support their animals. Heat stress in dairy cattle was also a problem during the heatwave of 2018.

National Farmer's Union: Grass growth rates were recorded on a weekly basis. However, the industry had yet to experience the full impact of last summer's extreme weather. There was a risk of cold weather before the end of the winter, which could lead to a food shortage. Local farmers were always on hand to assist with the clearing of roads in rural areas during periods of heavy

snowfall which was an invaluable social support service that was provided without any recompense for the time and cost involved.

5. Have you encountered any delays caused by a lack of vets at abattoirs to carry out sanitary and phytosanitary (SPS) controls?

Exmoor Hill Farmer's Network: There had been no delays at the present time. However, with a vast number of abattoir vets and abattoir employees being of European nationalities things could be very different following BREXIT.

National Farmer's Union: Testing for tuberculosis (TB) was a very difficult and costly exercise and a huge amount of work for veterinarians. There had been a reduction in the number of abattoirs as a result of the compliance with the stringent regulations.

6. Last year the Prince's Countryside Fund said grazing livestock farms, in particular, faced the unwelcome prospect of "slipping away" without urgent support to help them remain productive and viable after Brexit. Does this seem true to you and do you think the Agriculture Bill might address the problem?

National Farmer's Union: Sharing production data would be advantageous to ensure greater efficiency. There was a lot of grass in the North Devon area, which in turn supported the dairy process.

Bicton College: Beef and sheep farmers were reliant on grass and were therefore a vulnerable sector with 50-75% of their income coming from the basic payment leaving them very vulnerable to changes in subsidy arrangements such as proposed in the Agriculture Bill.

Mole Valley Farmers: You cannot manage a business if you don't measure and certain amount of responsibility needed to be taken by retailers to work with local farmers to improve their businesses and land management.

7. What are your views of the impact of a UK/USA or UK/Argentina trade agreement that covers agricultural production?

Mole Valley Farmers: The government would be keen to do a trade deal and the agricultural sector must not become the sacrificial sector. America would be keen to export beef and chlorinated chicken into the UK in a market where local farmers could produce a better product. Reassurance from the government was required at national and regional levels that the standards would be equivalent or better than the current levels. Production for a niche sector would not be a profitable or viable option.

National Farmer's Union: Farmers had no issue with producing food for supermarkets provided that it was labelled properly. There was concerns in relation to the use of chemicals for crop spraying by the

Americans in food production, which had been banned in the EU for the previous 20 years. There were positive examples of the importance of promotion of home grown products in countries such as Australia

Exmoor Hill Farmer's Network: There were big opportunities on the east coast of America to trade UK lamb and mussels together with the demand for organic milk and marketing would be the key to the success of that.

Bicton College: Any trade deal that was agreed like for like would be difficult for farmers to compete with and it was a very complex process. There was also a risk that agriculture could be used as a pawn in any trade deal negotiations as that had happened previously.

The Committee discussed the significant tariffs that the UK would face under the World Trade Organisation whilst any trade deals were negotiated.

8. *I've read that upland sheep and cattle farms are particularly vulnerable to about changed because of their usually small size impact on making their viability? Do you feel that is true?*

Exmoor Hill Farming Network: Sites of Special Scientific Interest (SSSI) came with a vast tier of regulations in themselves and were very complex to manage.

South Molton Sheep Group: Upland farmers had one choice of farming either beef or sheep.

West Ilkerton Farm: The Agricultural Bill might benefit upland farmers in terms of the support it potentially provided. However, there were so many conflicting issues within the legislation that it wasn't clear at the present time.

National Farmer's Union: Farmers were also being given conflicting advice from different organisations, which was very confusing.

9. *What is your view of the present measures in force to reduce the incidence of Bovine TB?*

Exmoor Hill Farmer's Network: The National Trust did not permit for their tenant farmers the culling of badgers on its land, which was a significant stumbling block for tenant farmers. The inoculation programme was to inoculate the badgers as opposed to the cattle and for the programme to be successful the badgers had to be inoculated every 12 months. Badgers were a protected species and could not be controlled as vermin. There was also a wider benefit to culling for the hedgehog population, as the badger was the only animal that could unroll a hedgehog.

The National Farmer's Union: Statistics had shown a significant reduction of TB in culling areas as opposed to inoculating. To trap the badgers prior to inoculation, peanuts were put into cages to entice the badgers. However, badgers like peanuts and the same badgers would return for the peanuts and be re-inoculated and therefore the programme was not successful in

vaccinating all of the badgers. If cattle were inoculated with the TB vaccine, the UK would not be allowed to trade within the European Union. There was still a lot to be learnt about the disease. All costs associated with badger controls were supported by each independent farmer and not taken from the public purse. Each participant was fully trained prior to any involvement with culling.

The Committee thanked the panel for explaining the inoculation and culling processes.

10. As I understand it trade in animals between the EU and third countries, which would be the UK if we leave, can only take place at Border Inspection Posts, which are relatively few and without the capacity to handle the volumes traded between UK/EU. What is your view on the impact that would have on the production of animals in the UK & especially in ND? (Defra Planning suggests that animals in transit for live export that are stuck in long queues at ports will need to be slaughtered. Does that seem alarmist to you?)

National Farmer's Union: North Devon trading with France, which was a key market in Europe would become impractical for the perishable goods such as milk. The exporting of fresh produce such as salad crops on a daily basis would have an even shorter lifespan and there were concerns in relation to animal welfare.

11. Whatever the outcome of Brexit, would it benefit the North Devon economy and its communities if more food was grown and sold locally? And if yes, what steps need to be taken to achieve this?

Exmoor Hill Farming Network: A good starting point would be a local abattoir within the North Devon area.

National Farmer's Union: Planning rules were a stumbling block in terms of the change of use for production. Locally produced food was best environmentally together with development funds to develop skills the skills base required. Farm shops were on the increase and the appetite was there to develop and grow local produce. Investment in the assistance of business support and sponsorship was required together with work within schools to promote farming as an industry.

West Ilkerton Farm: As a business currently produced their own ham and beef on site. However, that was a niche market and local hotels and restaurants had specific requirement in terms of the cut of meat and the volume of the cut that they required on a twice weekly basis and the practicalities of meeting the demand were not viable because only the prime cuts were sought.

Mole Valley Farmer's: Greater awareness over the different cuts of meat was required to encourage the public to explore different options.

12. With 61% of the UK being self-sufficient and a General Election scheduled for May 2022 would you ask MPS to guarantee food self-sufficiency prior to the next election?

Exmoor Hill Farmer's Network: In terms of self-sufficiency, the UK could only be self-sufficient in home grown food products. It would help if the government sourced all the food it procured for the NHS, the Army and schools from local UK sources.

13. BREXIT would see an impact on many environmental aspects, what educational prospects were there going forward for young people within food production?

Bicton College: The environmental pressure was increasing all of the time with any land that didn't meet the criteria being intensively farmed and students would need to be experts in all areas. The management of farming businesses would be more complicated and a specific skills set would be required.

National Farmer's Union: From an environmental point of view, farmers would not want to contaminate water supplies with pesticides and the utilisation of technology to support the use of fertilisers to keep soil within fields and not the rivers would be an advantageous tool.

Mole Valley Farmers: Soil samples were now taken to ascertain the correct fertilisers required.

14. BREXIT would be the biggest change in trading and Policy in decades. How would that process be managed without a trade deal?

National Farmer's Union: There was a big market for products and with the French farming protests on our behalf, the status quo offered the least amount of change.

Mole Valley Farmers: A lot of farmers voted to leave the European Union. However, the European Union provided a lot of security to farming businesses and it would be of greater benefit to the farmers to remain within the European Union.

Exmoor Hill Farmer's Network: It is often suggested that farmers mostly voted to leave the EU but there was no evidence to support that.

15. Farming is a complex industry. What could the Council do to assist with the stability of food production going forward?

Exmoor Hill Farmer's Network: The procurement of local food products in schools and other organisations would be advantageous. In the longer term, the education of all schoolchildren about food looking at its origins and how it was sourced.

Mole Valley Farmers: Events like Farmwise would be a really positive way of engaging with schoolchildren.

16. 20 years ago the consensus amongst older farmers was sell off farming land and younger generations were not encouraged to choose the profession. Was that still the case?

Exmoor Hill Farmer's Network: The attitudes towards the younger generation's involvement with farming had changed significantly with younger members of the family actively encouraged to be involved within the business.

17. Do you believe that without diversification by the smaller farmer a lot of them would not remain viable?

West Ilkerton Farm: There were several different options available to farmers who wished to diversify. For example holiday lets were once a popular alternative. However, supply now outweighs the demand and conversion of agricultural buildings for that purpose was very expensive. Farmers were now looking at other alternatives such as wind turbines, solar farms and biomass boilers and in situations where the majority of income was generated by other alternatives the business was not technically classed as a farm.

18. Was there a support network available to farmers to support mental health and wellbeing? How might BREXIT affect this?

Exmoor Hill Farm Network: Mental health support was very area specific and the Network did its best to engage with farmers where possible. Regular social events were held together with support groups through farmers clubs.

National Farmer's Union: The biggest threat to farming at the present time was the uncertainty surrounding mental health. Often the people affected were the very people that you wouldn't expect to be and it was vital to ensure that those people were reached.

Mole Valley Farmers: Sedgemoor Livestock Market held a farmers walk in clinic every Saturday with two trained nurses who were supplied by the NHS available to speak to people. Since this was set up in 2018, 200 farmers had sought assistance through the service.

Exmoor Hill Farmer's Network: A similar clinic was also being set up at Cutcombe market within the next month.

The Chairman addressed the Committee summarised the aspirations for the future, which were:

- The implementation of a GCSE in Agriculture.

- Improved access through the planning system to assist businesses in their diversification.
- The streamlining of food inspection paperwork.
- Food procurement at all levels of government and greater education for children in relation to food.
- Inviting farmers into schools to discuss careers in agriculture.
- Greater support for mental health.
- Lobbying to improve the Agriculture Bill so that it supported food production as well as the environment.
- Lobbying the government to try and reduce trading position and unnecessary volatility.
- Supporting schools attending Farmwise.

The Committee thanked the members of the panel for their attendance at the meeting.

57. ADJOURNMENT OF MEETING

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

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

58. TREASURY MANAGEMENT MID-YEAR REPORT.

The Committee considered the Treasury Management Mid-Year Report by the Chief Financial Officer together with the minute extract of the Executive held on 3rd December 2018 (circulated previously).

The Head of Resources advised that the mid year report had been completed in compliance with CIPFA's Code of Practice on Treasury Management.

He highlighted the following:

- There was an additional set of appendices from page 63 of the report onwards, which made reference to treasury management practices for non-treasury investments. The appendices had been included to allow the Council to look into investing in commercial activities in the future and needed a strategy in place going forwards.
- The capital financing requirement (CFR) had been increased from the original estimate of £4.2m to the revised prudential indicator of £4.8m following an approved increase in the funding for temporary accommodation. However, the Council was only borrowing £1.5m externally.
- The current position of capital expenditure was detailed on pages seven and eight of the report, which indicated the revised borrowing estimate of £1.2m.

- The Council's budgeted investment interest return for 2018/19 was £60,000. As at 30th September 2018 £39,972 investment interest was earned in the half year period.
- There were no difficulties in complying with prudential indicators.

RESOLVED, that that the decisions and recommendations of the Executive be endorsed.

The Committee thanked the Head of Resources for his report.

59. COMPENSATION PAYMENTS.

The Customer Feedback and Service Improvement Officer presented a report in relation to Compensation Payments to the Committee (circulated previously), which detailed the payments from 1st June to end of November 2018.

She advised that there had been a number of compensation payments made to Customers in relation to the Waste and Recycling Service adding that the percentage was relatively small given the number of customers that used the service. The green waste service was a paid for service, so compensation payments in that area had increased. There had been no Ombudsman decisions in relation to any of the complaints.

In response to a question regarding the compensation amounts that been made, the Customer Feedback and Service Improvement Officer advised that the payments were not proportional to the fee paid by customers. Instead it was assessed on each individual case and circumstance.

In response to a question regarding the installation of BARTEC in all vehicles, the Customer Feedback and Service Improvement Officer advised that there was now enough systems for each vehicle within the fleet.

In response to a question regarding a compensation payment of £500 for miss advice from a contractor, the Head of Resources advised that the responsibility was on the Council to ensure that the information was correct. He added that the payment came from the Environmental Health and Housing Budget.

The Customer Feedback and Service Improvement Officer advised that the three month break in green waste collections over the winter months had been reduced to two months following feedback from customers.

Resolved, that the report be noted.

The Committee thanked the Customer Feedback and Service Improvement Officer for her attendance at the meeting.

60. POLICE AND CRIME COMMISSION UPDATE.

The Vice Chairman addressed the Committee and advised that there was nothing to report at the present time.

61. NHS UPDATE.

The Chairman advised that he attended the meeting of the Torridge District Council's Overview and Scrutiny Committee on Wednesday 9th January 2019 where Doctor John Womersley had been invited as a guest.

He questioned Doctor Womersley regarding the 44 area footprints in England and the development of their own five year plan by autumn 2019. Doctor Womersley replied that it was their ambition to create GP networks with 30-50k patients, which would not be largely different from the current situation.

RESOLVED, that the update be noted.

62. WORK PROGRAMME/FORWARD PLAN.

The Committee considered the Work Programme/Forward Plan (circulated previously).

The Chairman addressed the Committee regarding the recording of meetings and whether Members were happy for this to continue going forward.

The Vice Chairman supported the recording of future meetings adding that all Members should be referred to as Councillor in the meeting and not by their Christian names.

The Chairman requested that the Clerk ring members of the Committee to ensure a quorum for the special meeting on 15th January 2019 following the indication by several members that they were no longer able to attend the meeting.

In response to a question regarding the consideration of Batsworthy at a future meeting, the Head of Corporate and Community Services advised that there was a heavy agenda for the February meeting and that to consider the item properly it would need to be single item agenda.

RESOLVED, that it being 5.00pm the meeting continue to allow for the remaining business to be transacted.

RESOLVED:

- (a) that the Work Programme be noted;
- (b) that all future meetings of the Committee be recorded;

- (c) that the Clerk to the Committee contact Members to seek dates of availability for a special meeting to discuss Batsworthy.

Chairman

The meeting ended at 5.10 pm

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NORTH DEVON COUNCIL

Minutes of a meeting of Overview and Scrutiny Committee held at Barum Room - Brynsworthy Environment Centre on Tuesday, 15th January, 2019 at 2.00 pm

PRESENT: Members:

Councillor Patrinos (Chairman)

Councillors J Cann, Chesters, Croft, Ley and Spear

Officers:

Chief Executive, Head of Environmental Health and Housing, Head of Operational Services, Head of Corporate and Community Services, Head of Place, Business Information Systems Manager and Housing Services Manager

63. APOLOGIES

Apologies for absence were received from Councillors Bonds, Mathews, Roome, White and Worden.

64. DECLARATIONS OF INTEREST

There were no declarations of interest announced.

65. SERVICE PLANS.

The Chairman addressed the Committee and advised that although all service plans had been provided within the agenda, four had been selected for discussion with the appropriate Heads of Services or Business Managers present at the Committee. He advised that other plans could be discussed if the Committee had any questions. It had been agreed that the Head of Operational Services, Head of Environmental Health and Housing Services, Head of Place and the BIS Manager be invited to attend the Committee to present their service plans. He invited each to address the Committee with a short summary of their service plan, after which questions would be received from the Committee.

(a) ICT

The Committee welcomed the BIS Manager to the meeting.

The Committee considered the Service Plan for 2019/20 for ICT (circulated previously).

The BIS Manager addressed the Committee and confirmed that the next 12 months would be very busy for the IT department. Their works included the moving of the email system to Office 365, upgrading to 'Windows 10', installing the new desktop solutions, upgrading servers and introducing a new telephony system.

In response to questions from the Committee, the BIS Manager confirmed that:

- All agendas and minutes would be accessible via the new Committee Management System (Modern.gov) from May 2019. This would be via iPads which would be issued to all Councillors following the elections in May 2019. Only those with a medical reason for requiring paper copies would be exempt.
- Council emails would no longer be accessible via mobile phones. They would be accessed via the iPads. This enabled added security to the email system.
- There would be no facility to print from the iPads as they would not be connected to the Council's printers.
- Full training would be provided by the Corporate and Community Services team.

She provided the following information to the Committee:

- ICT 01 (New 2019/20) Objective one – Upgrade all 2008 R2 servers to 2012 or 2016. It was now considered that the cost would be in the region of £58k although this could not be confirmed until further suppliers had been approached and their costs established.
- ICT 03 (2018/19) Objective one – Work with DCC to negotiate an extension to the existing contract, for which there is no current option. This work was being carried out between North Devon Council, Torridge District Council and Mid Devon District Council together. It covered how the Councils linked sites. It was essential that all of the contract was negotiated and the existing contract extended as a change to supplier could incur additional costs. A meeting was to be held with Devon County Council (DCC) next month.

The Committee thanked the BIS Manager for her attendance at the meeting.

(b) ENVIRONMENTAL HEALTH AND HOUSING SERVICES

The Committee welcomed the Head of Environmental Health and Housing Services and Housing Services Manager to the meeting.

The Committee considered the Service Plan for 2019/20 for Environmental Health and Housing Services (circulated previously).

The Head of Environmental Health and Housing Services explained that the first two objectives listed on the plan were the most significant areas of change. These were:

- H1 (New 2019/20) Objective two – Mitigate the effects of the reduction in the Government grant funding which is currently supporting homelessness prevention services and the provision of temporary accommodation. This included the mitigation of the effect of the decommissioning of eight units of

temporary accommodation with North Devon Homes at the end of August 2019.

- H2 (New 2019/20) Objective two – Provide safe sleep/severe weather provision for rough sleepers beyond 31st March 2019.

In response to questions from the Committee, the Head of Environmental Health and Housing Services advised of the following:

- There was not currently a 'policy vacuum' although there were numerous references throughout the plan of new policies being required. Procedures had constantly developed as funding had reduced or changed. The team required new delivery models and strategies. A constant state of change had been experienced due to new Government policies and financial cuts.
- The increased demand on the team's services were a concern. New ideas and solutions were being developed and new models for temporary accommodation provision were being considered. They were looking at various sources of additional funding
- A number of the actions remained on the plan from the previous year as further time was required to complete them.
- The situation regarding temporary accommodation had been alleviated by the Council's purchase of properties for this purpose.
- Changes in food safety laws were anticipated following Brexit although no specific details were yet known.
- The Flexible Homelessness Support Grant (FHSG) had been received for a number of years (reducing gradually) and the final grant payment would be received during 2019/20.
- The team was under pressure due to the increased demand for their services coupled with the loss of Government funding (the FHSG).
- Additional funding had been obtained for homelessness and rough sleeping. Further bids would be made for Government resources.

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

- Discussions had taken place with the Temporary Accommodation and Homelessness Cross-Party working group.
- Two of the properties purchased by the Authority would be in operation by the end of June 2019, with a further ready by the end of Quarter two, and another at a date to be confirmed. The availability of these properties, and associated costs and savings, had been modelled into the budget.
- The team did engage with individuals presenting as homeless in rural areas outside of the main towns but asked that the Committee members forward any details of any new cases to her team to help ensure no one was missed.

In response to further questions from the Committee, the Head of Environmental Health and Housing Services advised of the following:

- L1 (new 2019/20) – Objective two: Increase the capability of the Licensing Service: there had been increased demands on the Licensing Staff and the

employment of an additional 0.5 full time staff member would be considered via the Senior Management Team as per the standard procedure.

- A number of the actions from 2018/19 were on the service plan, despite being completed. These had not been removed as he had wanted it acknowledged that these had been completed and note the hard work carried out by the team to do so.
- H1 (New 2019/20) Objective two – Mitigate the effects of the reduction in the Government grant funding which is currently supporting homelessness prevention services and the provision of temporary accommodation. With the projected loss of funding of £0.062m in 2019/20, which would increase to £0.300m in 2020/21 it was proposed to undertake a fundamental review of the commissioning of these services. The reorganisation of the services had been discussed with the Chief Executive. Any reorganisation, in relation to staff, would be completed well in advance of the action date of March 2021.

The Chief Executive confirmed that changes would be completed within the next three months in order to minimise any period of stress for the staff. He added that the key issue was how the Authority could spend the same or similar amount of money but turn it into more staff. Something else may need to be dropped at the expense of this as it was a huge priority. He, and the Head of Environmental Health and Housing Services were currently working on the issues.

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

- Eight new units had been rented from North Devon Homes however, discussions were ongoing with an alternative provider who may be able to provide units at a lower cost.
- The Homelessness Reduction Act commenced 1st April 2018. It had brought in new duties for Local Authorities which included earlier involvement in cases where risk of homelessness was identified within 56 days not 28 as previously, plus Relief duty; to provide temporary accommodation for 56 nights with limited exceptions.
- A major change was the nature of the cases being covered.
- An impact of the new act was the increase in cases. There had been six times as many applications taken this year compared to last year (202 in 2017/18, 1193 for the first 3 quarters of 2018/19). In 2017/18 86 house-holds were classed as duties against 748 in 2018/19.

The Chief Executive address the Committee and confirmed that he felt that the issue of homelessness was perhaps presented in an unsophisticated way to the general public as they would immediately focus on the rough sleepers and people they saw on the streets asking for money, whereas many of those presenting to the Authority would never be seen by the public. Many had different issues and problems which may not have necessarily been housing problems. Issues such as alcohol and drug dependency were problems which could have been the original cause of their homelessness and which may result in them being back on the streets despite accommodation being found. It was a very complex debate which the team were

working hard to solve. The problem would not necessarily be fixed with the building of new homes.

In response to questions from the Committee, the Head of Environmental Health and Housing Services advised of the following:

- RS 04 (new 2016/17) To implement the requirements of the Enterprise Bill 2015/16. This started in April 2017 and has a target date for completion of March 2019. NDC were the primary authority for five or six significant businesses which trade nationally. There was opportunity for the Council to develop this area of work. It was discretionary and it could be elected not to do it however, he saw this as complementary to the Authority's Corporate Plan. There was potential benefit to the Authority for new business start-ups etc and he was reluctant to remove it from the plan. The date would require an extension to the first quarter of 2019 (June 2019 as there were a number of changes to be done.

The Committee thanked the Head of Environmental Health and Housing for his attendance at the meeting.

(c) Planning / Place

The Committee welcomed the Head of Place to the meeting.

The Committee considered the Service Plan for 2019/20 for Place (circulated previously).

The Head of Place addressed the Committee and confirmed that:

- The plan covered Economic Development, Town Centres, Strategic Planning and Development.
- There were many actions for Economic Development due to the nature of the work which tends to be project based
- There had been some delays in developing the corporate wide Growth Agenda programme due to the resources required to work on the Garden Town bid (ED4 2019/20) and other priorities. The outcome of the bid was expected in Spring 2019.
- It was difficult to capture next year's activity precisely due to the nature of the business and the likelihood of future funding opportunities coming forward in year. The example of the Garden Towns Initiative is one that was not planned for with information only becoming available in August of 2018. Likewise an opportunity to secure development funding for the town centre has come available just before Christmas through the Future Town Centres Fund. However, the North Devon Growth Agenda would be a priority in the coming months as it provided the key underlying principles by which the Council would work internally and with partners to achieve the corporate priority for growth
- Related areas of work include the One Public Estate initiative which could greatly impact the Growth Agenda through the better use of public sector

resources. The Economic Strategy was being refreshed, working with Torrington District Council (TDC) towards a 'Northern Devon' vision, as the Council did through joint working on the Joint Local Plan.

- A number of major schemes were included in the plan, including the Town Centre Vision, Ilfracombe, Westacott and Seven Brethren.
- Less major schemes included Coastal Communities, Ilfracombe Seafront Masterplan, South Molton Economic Plan and Innovation Strategy for North Devon and Torrington.

In response to questions from the Committee, the Head of Place advised that:

- The Garden Town bid, if successful, would provide the opportunity for better planning of the town. The team would learn from limitations experienced in the existing approaches to developing towns take lessons learned into the mainstream of planning for growth.
- It had been noted previously that infrastructure had not always been in place early enough. He hoped to enable better-planned schemes for the Barnstaple district with infrastructure provided in advance of development. Structure and sustainability would need to be right and go beyond the timescale for the existing Local Plan (2031) this plan. Sites were being considered in and around Barnstaple.
- The idea of a new settlement, such as Cranbrook, Exeter, had not been dismissed. It had been discussed during the Cross Party Working Group meetings and Growth Workshops. However, it had become clear that the Council would have needed to be much further advanced in the development of the concept and plans for a possible new settlement area before serious consideration could be made. Officers felt, with the support of Homes England, the further development of Barnstaple and reinforcement of its role as the sub-regional centre was most likely to be successful at the current time.
- SPD 4 P 07d 15/16 – Objective one: Secure the adoption of a Community Infrastructure Levy Scheme (CIL): Nothing had yet been adopted as the Government review was still under way. Therefore the Section 106 scheme was still being used.
- ED 9 (2019/20) – Objective one: Coastal Communities Fund R5 Bids: The Environment Agency was working with the Ilfracombe Regeneration Board to consider the sea defence design. Any works done would include landscaping of the area. The Council's contribution to the scheme was small but was part of a larger initiative. Any spend would be authorised via the appropriate Committees.
- Although, historically, many planned projects in the Ilfracombe area may not have been successful, the Council was now looking to develop a wide range of projects in the area (Ilfracombe Water Sports Centre, Harbour development etc) which together would make the works more viable.

The Chief Executive advised that the Environment Agency (EA) had made presentations regarding the schemes to prevent Ilfracombe from flooding, such as the building of a breakwater, they (the EA) had not committed to building or financing

such a scheme. The funds required to build a breakwater would be a major amount not available to the Council or the EA without adoption at a national strategic level.

In response to questions from the Committee, the Head of Place advised that:

- SPD 2 (2019/20) – Objective one: Provide new Gypsies and Travellers Transit Site. The Joint Local Plan had now been adopted and the Inspector had identified the need to identify suitable sites. The Authority would have to identify sites and make plans for this or it could be hard to refuse speculative applications in the future. Potential sites across both NDC and TDC areas had been visited but no sites had yet been found. The possibility of purchasing land in order to secure such sites was being considered. It was noted that any sites which had flood risks could not be used.
- The scheme costed by the chosen contractor for the Ilfracombe Water-Sports Centre had been over budget. The aim was to invite further tenders. An ‘open day’ event had been held recently giving the opportunity for possible contractors to come and view the plans prior to submitting a bid. There was pressure for the project to be progressed and the monies spent by a set deadline. Some additional funding from the Coastal Communities had been secured.
- The Environment Agency had identified various ‘flood cells’ across Ilfracombe and funds had been set aside for phase one of the flood defence works.
- A masterplan would be developed, with the Estates Team, in relation to the various sites across the district, such as the Civic Centre and Lace Factory sites. There was substantial opportunity in the area. It was believed that Devon County Council (DCC) were looking to market some of the Civic Centre site and that the Police were looking to rationalise their estate across Devon. DCC held the funds although this did not imply that the responsibility was solely theirs. There would be high costs involved in developing the site, and also implications in selling costs. The principle of One Public Estate was to identify areas for expansion. Where public bodies may wish to expand but have no land available could be considered with others who had land but no need to expand. It would enable organisations to work together and prevent public bodies from simply selling land to the highest bidder without regard to the need in the area.

The Committee thanked the Head of Place for his attendance at the meeting.

(d) OPERATIONAL SERVICES

The Committee welcomed the Head of Operational Services to the meeting.

The Committee considered the Service Plan for 2019-2020 for Operational Services (circulated previously).

The Head of Operational Services addressed the Committee and confirmed:

- The remodelling of the black waste and green rounds had been planned.

- The new Waste Plant on the neighbouring site to BEC was nearly finished and was expected to be operational on 11th February 2019. After this date the Authority would send the waste there, rather than Deepmoor.
- New waste/recycling infrastructure was being considered as the equipment/vehicles etc would require updating as they wore out.
- Funding bids towards such expenses had been submitted.

In response to questions from the Committee, the Head of Operational Services advised:

- The waste from the service did not go to China, but to UK firms for processing although the UK market was currently saturated. He was not aware whether any of these companies then dealt with China.
- The income generated did not cover the cost of the waste and recycling collections, although it did support it. The service would continue to be provided by the Authority. The costs of making the collections would need to be balanced.
- There were no legal requirements to meet recycling targets (i.e. the 50% target) although recent Government talks had suggested a target of 65% as a target for 2030. Government Strategy indicated that there could be set regulations on what must be collected by Local Authorities.
- OSW9 – Objective two – Recycling Hall: Investment in the region of £0.750m would be required to redesign the entire process hall. This would enable the handling of all the recycling if all residents were to recycle at maximum capacity. It would also enable greater versatility as at present there could be no additional stimulation of the recycling services as the existing hall could not process it.
- Approximately 40 minutes per round, plus mileage, would be saved on each round, each day. One round had already been removed, with the possibility of a further decrease in the black rounds.

The Chief Executive explained that any additional savings created by the opening of the new DCC waste site had already been factored into the budget for 2019/20. The costs of the new process hall would have to be borrowed. No decision had yet been made by Council and a specific plan would be required depending on the course of action decided by Members.

In response to further questions from the Committee, the Head of Operational Services advised:

- There had been a 45% 'take-up' rate of the Green Waste collection service. 35% had been expected.
- Approximately 1000 customers did not re-sign up for the service for a further year, however, over 1000 brand new customers signed up to the service.
- At Deepmoor, the waste goes to a composter where it is then made into a 'soil improver' (as it is not high enough quality to be a compost) owned by DCC. This is then sold to local farmers.

- TDC had been approached and the services of NDC offered. It was noted that they had declined the offer and had advised they were looking to provide their own facility.

The Chief Executive added that he had been advised that TDC would need to factor in the change of the location of the DCC plant away from Deepmoor. TDC advised that they themselves would require a new location for their own depot facility. An offer had been made of the fields near BEC but this was declined as the operational centre needed to be nearer Torridge.

The Committee thanked the Head of Operational Services for his information regarding the service plan.

(e) CORPORATE AND COMMUNITY SERVICES

The Head of Corporate and Community Services addressed the Committee and confirmed that:

- There were a number of service plans included in the agenda which were under his responsibility.
- Among those, the biggest projects/actions were part of the Parks, Leisure and Culture Service Plan where the Leisure Centre, Museum Extension and Theatres were detailed.
- The report regarding the Leisure Centre project would be presented to Executive at the end of February 2019. There had been a huge amount of work done on the project and it was hoped that the borrowing on the project would balance out the fees received to be 'cost neutral'.
- Saturday (12th January 2019) had been the day on which the management of the Theatres had been handed over from Parkwood to Selladoor Worldwide. There had been a few issues which would be resolved within the next week.
- New ICT systems had been introduced into Legal, Customer Services and Corporate and Community Services (Modern Gov).
- The new Modern Gov system, and the issuing of iPads to all Members and Senior Staff, would eliminate the need for paper agendas for the Committees.

The Committee thanked the Head of Corporate and Community Services for his information regarding the service plan.

RESOLVED that the Service Plans be noted.

Chairman

The meeting ended at 3.42 pm

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NORTH DEVON COUNCIL

REPORT TO: EXECUTIVE
Date: 4th February 2019
TOPIC: PERFORMANCE and FINANCIAL MANAGEMENT
QUARTER 3 of 2018/19
REPORT BY: THE LEADER and the EXECUTIVE TEAM

1 INTRODUCTION

1.1 This is one of the series of regular quarterly reports on the council's overall operational and financial performance. The report covers financial as well as operational performance. It mainly covers the quarter from October to December 2018.

1.2 Sections 4 to 9 deal with headline performance issues. More detailed performance information is available in Appendix 5.

2 RECOMMENDATIONS

2.1 That the actions being taken to ensure that performance is at the desired level be noted.

2.2 That the contributions to/from earmarked reserves be approved (section 4.2)

2.3 That the movements on the Executive Contingency Reserve (section 4.3) be noted.

2.4 That council approve the variations to the Capital Programme 2018/19 to 2020/21 (sections 4.4.3 and 4.4.6)

2.5 That funds are released for the capital schemes listed in section 4.4.12

2.6 That Executive notes the sections dealing with Treasury Management (section 4.5), and Debt Management (sections 4.6 and 4.7).

3 REASONS FOR RECOMMENDATIONS

3.1 To ensure that appropriate action is taken to allow the council to meet its objectives.

3.2 To inform the Executive of actual results compared to the approved Corporate Plan, as well as progress in delivering service within the revenue budget and Capital Programme

4 PRIORITY – RESOURCES AND ASSET UTILISATION

Councillor RICHARD EDGELL & Councillor GLYN LANE

4.1 Revenue and

4.1.1 The revenue budget for 2018/19 was approved at Council on 21st February 2018 at £12.220m.

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- 4.1.2 As at 31st December 2018, the latest forecast net expenditure is £12.239m, which is £0.019m over budget. Details are shown in “Appendix-1 Variations in the Revenue Budget” and we anticipate that the small variance can be reduced further throughout the remainder of the financial year.
- 4.1.3 The original budget for 2018/19 included a forecast to achieve £0.200m worth of salary vacancy savings. The current position forecasts this will be exceeded and vacancy savings of £0.225m will be achieved.
- 4.1.4 The “Recycle more” service changes were introduced on the 5th June 2017; the take up of the new garden waste service has exceeded our expectations, 2017/18 saw a total sign up of 17,320. This year’s income is expected to exceed last year’s total by 570 properties.
- 4.1.5 Within the overall £0.019m net budget deficit there are various cost pressures and one-off savings. I am pleased to report that the budget pressures seen within waste and recycling have not increased any further at the quarter 3 forecast. There has been a significant reduction in the forecast planning fee income of £0.159m due to a reduction in the larger applications received, which is in line with other authorities experiencing the same pressure. However I can report that we are forecasting additional Business Rates Retention income of £0.200m over and above the budgeted £1.252m Business Rates growth which has resulted in maintaining the net budget deficit at a similar level reported at quarter 2.
- 4.1.6 The Business Rate retention scheme was introduced in April 2013 which sees Billing authorities receive a ‘baseline’ funding but in addition they are exposed to the risks and rewards of retaining a proportion of the income collected. This exposure is mitigated by participation in the Devon-wide pool that collates all of the Business Rate growth and decline and returns a share of the impact to each local authority. I am pleased to report that there is an estimated one-off additional income from the 100% Business Rates Retention pilot for 2018/19 of £0.750m; this additional income has been earmarked to the following reserves to help fund future projects:
- £0.350m Capital Funding reserve
 - £0.150m Improvement Fund reserve
 - £0.190m Economic Development reserve
 - £0.060m Office Technology reserve
- 4.1.7 At the 31st December 2018 total external borrowing was £1.250m. The timing of any future borrowing is dependent on how the authority manages its treasury activity and due to current low interest rates and reduced returns on investments it is prudent for the Council to ‘internally borrow’ and use these monies to fund the Capital Programme.
- 4.1.8 The recommended level of general fund balance is 5%-10% of the council’s net revenue budget (£0.611m to £1.222m). The forecast general fund reserve at 31 March 2019 is £1.161m, which is a level of 9.5%.

4.2 Earmarked Reserves 2018/19

4.2.1 “Appendix-2 Movement in Reserves & Balances” details the movements to and from earmarked reserves in 2018/19.

4.3 Executive Contingency Reserve

4.3.1 Full details of the Executive Contingency Reserve movements and commitments are attached as “Appendix-3 Executive Contingency Reserve”.

4.4 Capital

4.4.1 The 2018/19 to 2020/21 Capital Programme is attached as “Appendix-4 Capital Programme”.

4.4.2 The Budget and Financial Framework report to Executive 5th February 2018 outlined the Capital Programme for the 2018/19 financial year of £5.900m. Project under spends of £1.522m were brought forward from 2017/18 year and further variations of £1.204m, £0.993m and (£1.836m) were approved as part of the performance and financial management reports to Executive on 4th June 2018, 4th September 2018 and 5th November 2018 to produce a revised Capital Programme of £7.783m.

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4.4.3 Further variations of (£2.254m) are proposed to the 2018/19 Capital Programme as follows:

▪ **Other variations (+ and -) to 2018/19 Capital Programme – £631,906**

Scheme	Amount (£)	Notes
S106 Chulmleigh, Projects and Play Areas	88,258	Executive 5 th November
Acquisition of Sub Lease Interest Plot 1 Seven Brethren Bank	400,000	Executive 3 rd December
S106 Greenways Play Area and Blakes Hill Road Play Area	38,005	Executive 7 th January
S106 Braunton, Enhancement of Village Green	8,990	Executive 7 th January
Disabled Facilities Grant	96,653	Additional income

▪ **Project movements to/from future years – (£2,885,837)**

Scheme	Amount (£)	Notes
Disabled Facilities Grants	90,087	From 2019/20 to 2018/19
Wessex Loan and Grant Scheme	(56,573)	From 2018/19 to 2019/20
Barnstaple Bus Station Public Convenience	(52,846)	From 2018/19 to 2019/20
Affordable Delivery Housing Grant	(5,000)	From 2018/19 to 2019/20
Affordable Housing Fund	(90,000)	From 2018/19 to 2019/20
S106 Affordable Housing – Higher Westaway Newton Tracey	(45,000)	From 2018/19 to 2019/20
Provision of Temporary Accommodation	(211,480)	From 2018/19 to 2019/20
Museum Of Barnstaple – Long Bridge Wing	(762,281)	From 2018/19 to 2019/20
Tarka Tennis Artificial Grass Pitch	(850,000)	From 2018/19 to 2019/20
Jubilee Gardens Reserved Car Park Retaining Wall	35,000	From 2019/20 to 2018/19
Resurfacing To Various Car Parks	(45,545)	From 2018/19 to 2019/20
Website Improvement	(5,455)	From 2018/19 to 2019/20
Office Technology Fund	(28,822)	From 2018/19 to 2019/20

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Scheme	Amount (£)	Notes
Office Technology Fund	(69,307)	From 2018/19 to 2019/20
ICT Asset Replacement Planning Mobile Devices	(43,734)	From 2018/19 to 2019/20
ICT Improve Back-up And Recovery	(29,602)	From 2018/19 to 2019/20
Water Sports Centre Ilfracombe	(402,456)	From 2018/19 to 2019/20
Vehicle Replacement Programme	(312,823)	From 2018/19 to 2019/20

- **Budget virement (transfer) between projects**

Scheme	Amount (£)	Notes
Barnstaple Bus Station Public Convenience	(2,000)	Budget virement
Replacement Roof – Tea on The Tow	2,000	Budget virement

4.4.4 The revised Capital Programme for 2018/19 taking into account the budget variations above is £5.529m.

4.4.5 Actual spend on the 2018/19 Capital Programme, as at 31st December 2018 is £3.128m.

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4.4.6 Further variations of £0.045m and are proposed to the 2019/20 Capital Programme as follows:

▪ **Other variations (+ and -) to 2019/20 Capital Programme – £44,535**

Scheme	Amount (£)	Notes
Tarka Tennis Artificial Grass Pitch	(55,465)	Reduction in costs
Acquisition of Sub Lease Interest Plot 1 Seven Brethren Bank	100,000	Executive 3 rd December

▪ **Budget virements (transfer) between projects**

Scheme	Amount (£)	Notes
Office Technology Fund	(69,307)	Budget virement
ICT Improve Back-up and Recovery	69,307	Budget virement
ICT Asset replacement Planning Mobile Devices	(43,734)	Budget virement
Office Technology Fund	43,734	Budget virement

4.4.7 The overall Capital Programme for 2018/19 to 2020/21 is £12.842m and is broken down as follows:

- 2018/19 £5.529m
- 2019/20 £6.313m
- 2020/21 £1.000m

4.4.8 The Programme of £12.842m is funded by Capital Receipts (£2.349m), External Grants and Contributions (£8.964m) and Reserves (£1.529m).

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

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

4.4.11 Release of Funds – 2018/19 Capital Programme

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

- Jubilee Gardens reserved car park retaining wall £35,000
- Replacement Roof – Tea on the Tow £2,000
- Disabled Facility Grants £96,653

4.5 Treasury Management

4.5.1 Bank Rate remained at 0.75% during the quarter.

4.5.2 The average 7 day LIBID (inter-bank bid rate), the Council's benchmark rate at 31st December 2018, was 0.48% (previous year 0.16%).

4.5.3 The return earned on the Council's investments was 0.54% (previous year 0.32%).

4.5.4 £67,789 investment interest was earned during the three quarter period.
(2018/19 interest receivable budget is £60,000)

4.5.5 As at 31st December 2018, the Council had total external borrowing of £1.250m.

4.5.6 £20,605 interest was paid at an average rate of 2.03% on the PWLB loans during the three quarter period. (2018/19 interest payable budget is £40,000)

4.6 Debt Management

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

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

4.6.3 Collection rates are controlled through monitoring:

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

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

4.6.5 The outstanding amounts at 31st December 2018 are as set out below:

Age in Years	Council Tax		Business Rates	
	2017/18 £'000	2018/19 £'000	2017/18 £'000	2018/19 £'000
1 – 2	904	986	327	253
2 – 3	495	519	141	111
3 – 4	307	320	45	73
4 – 5	186	197	58	25
5 – 6	109	118	42	36
Over 6	179	171	45	58

4.6.6 Irrecoverable debts from previous years not exceeding £1,500 can be written off with the authorisation of the Chief Financial Officer. Decisions on whether to write off debts

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over £1,500 rest with the Chief Financial Officer, in consultation with the Leader of the Council. As at 31st December 2018 the amount of accounts written off was as follows:

Less than £1,500			More than £1,500	
No. of accounts	Amount		No. of accounts	Amount
681	£62,294.51	Council Tax	125	£132,482*
94	£38,630	Business Rates	54	£284,980**
120	£28,973	Housing Benefits	12	£58,821

* £56,762 due to bankruptcy (see section 4.6.8)

** £233,605 due to bankruptcy and company insolvency (see section 4.6.8)

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

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

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

4.6.10 The levels of collection are:

	Achieved 2017/18	Achieved 2018/19
Council tax	83.53%	82.98%
Business rates	83.04%	81.89%

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

4.7 General Debtors

4.7.1 The level of general invoices raised was £5.96m at 31st December 2018 (previous year £4.40m).

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

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Age of debt	31 Dec 2017	31 Dec 2018
	£'000	£'000
3 weeks to 6 months	404	438
6 months to 1 year	90	86
1 to 2 years	200	53
2 to 6 years	178	297
Over 6 years	29	19
TOTAL	901	893

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

4.7.4 As at 31st December 2018, the amounts written off were as follows:

Number of Invoices	Written offs - £1,500 & under	Number of Invoices	Written offs - over £1,500
98	£21,086	2	£16,397

5 PRIORITY – LOCAL PLAN AND REGENERATION

Councillors PAT BARKER and JEREMY YABSLEY

- 5.1 Barnstaple Pannier Market hosted the 11th North Devon FOODfest in October, showcasing the tastiest treats the district has to offer, with over 70 exhibitors, street food and entertainment.
- 5.2 New sign posts have been installed in Ilfracombe, as part of a joint project with Ilfracombe Town Council to improve tourist links in the town. The new posts direct visitors to places of interest and attractions around the town, such as the High Street, theatre and harbour.
- 5.3 The first joint North Devon and Torridge Local Plan has been adopted and will now shape the future of northern Devon. At a special joint Full Council meeting of both North Devon Council and Torridge District Council in October, councillors from both authorities agreed to adopt the document.
- 5.4 North Devon and Torridge Councils are the first rural authorities in the UK to publish a digital strategy. The joint document, produced with input from a range of public and private stakeholders, recognises the challenges in northern Devon in terms of digital connectivity and seeks solutions to make the area better connected, to drive economic prosperity, opportunity and enhance social inclusion.

6 PRIORITY – THE ENVIRONMENT

Councillor RODNEY CANN

- 6.1 Black and green waste collection rounds have been remodelled to make them more efficient, ready to go live week commencing the 18th February 2019
- 6.2 Research has started into a new bailer for the waste and recycling process hall which will improve the efficiency and health and safety of the recycling process.
- 6.3 Two new refuse trucks have been delivered
- 6.4 A trial of heavy duty recycling sacks has begun in Ilfracombe which aims to see if it can help prevent recycling being blown around the town
- 6.5 Food waste is now being taken to the anaerobic digestion plant in Holsworthy
- 6.6 Christmas collection arrangements worked extremely well this year with the minimum of disruption to our customers.
- 6.7 Fortnightly green waste collections were extended for a further month to include November. Following customer feedback, they are now only monthly in December and January.

7 PRIORITY – HEALTH AND WELLBEING

Councillors DICK JONES and BRIAN MOORES

- 7.1 We received 442 new housing advice and homelessness requests for assistance.

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- 7.2 We assessed and completed 411 statutory homeless decisions in the quarter compared to an average of 50 per quarter last year. This is due to the new Homelessness Reduction Act commencing in April 2018.
- 7.3 We accepted homelessness duties to 229 households in the quarter, compared to an average of 22 households per quarter last year. This is due to the new Homelessness Reduction Act commencing in April 2018.
- 7.4 We successfully prevented or resolved homelessness for 188 households in the quarter (a 47% increase compared to the last quarter).
- 7.5 We provided temporary accommodation for 52 households during the quarter period (an increase of 27% compared to the last quarter)
- 7.6 There were 28 households in our temporary accommodation at the end of the quarter (a decrease of 15% compared to last quarter).
- 7.7 We registered 347 new applications on Devon Home Choice (a 31% increase in new applications compared to the last quarter)
- 7.8 We assisted 66 households into social housing vacancies through Devon Home Choice (a 61% increase compared to the last quarter)
- 7.9 Safe Sleep (our overnight provision for rough sleepers) provided overnight accommodation for 65 rough sleepers over the quarter with 17 of those individuals being successfully rehoused.
- 7.10 37 new rough sleeper cases were received in the quarter. 54 successful outcomes were achieved in the quarter.
- 7.11 39 new disabled facility grant applications were received in the quarter and 43 installations were completed.
- 7.12 A new policy was adopted to allow North Devon home owners to benefit from ECO Flex/ECO 3 funding for energy efficiency measures.
- 7.13 A new policy, standards and fees have been adopted to allow the council to implement the government's additional mandatory licensing regime for houses in multiple occupation.
- 7.14 Devon is to receive £475,000 in support of survivors of domestic abuse funded by Ministry of Housing Communities and Local Government (MHCLG). In a joint bid, sponsored by North Devon Council, all Devon districts and Devon County Council got behind Splitz Support Services and North Devon Against Domestic Abuse to attract this latest round of new money.
- 7.15 47 affordable homes were completed in Q3.
- 7.16 16 affordable homes were completed in Q2 (not reported last quarter due to some missing data).
- 7.17 Parracombe Community Trust Limited was registered as a Community Benefit Society – enabled via the Community Housing Fund for their community-led housing project

- 7.18 New swings, a see-saw, a balance agility trail and interactive play equipment have been installed in the Pilton park play area in a £32,000 project to upgrade the facilities.
- 7.19 The play area at Princess Avenue in Ilfracombe is back in full swing following a £45,000 makeover.
- 7.20 North Devon Council has completed a project to revamp the popular play area by removing tired, old equipment and replacing it with new inclusive equipment and a safety surface, using Section 106* contributions from the Shields development.
- 7.21 A new contract has been awarded for the operation of North Devon's theatres. Selladoor Worldwide will be took over the operation of both the Queen's and Landmark theatres in January 2019.

8 PRIORITY – BUSINESS TRANSFORMATION, SERVICE DELIVERY AND PERFORMANCE MANAGEMENT (INCLUDING THE 21:21 BUSINESS TRANSFORMATION PROGRAMME)

Councillors DAVID LUGGAR and GLYN LANE

- 8.1 More services are being digitised to provide more online services. Work on an online temporary events notice is almost complete and once signed off, more licencing forms will be put onto our self-service portal. We are working with planning to get their pre-application process fully digitised. We are working with our software suppliers to provide more self-service via our customer portal.
- 8.2 A further two properties have been purchased for the provision of temporary accommodation
- 8.3 Environmental Health and Housing have had the new ICT desktop refresh rolled out to them
- 8.4 Staff briefings and training is taking place on the council's new violence and aggression policy
- 8.5 Food safety inspections are now taking place on mobile devices so the admin work can be done as the inspection is being carried out. A similar thing will soon be in place for HMO inspections
- 8.6 We are planning to bring in street recycling in the centre of Barnstaple to support the work of the Plastic Free North Devon Consortium
- 8.7 The ipads have arrived to launch the Modern Gov system for the paperless management of the democratic system. No paper agendas will be printed after the next election
- 8.8 Work continues on implementing the new planning system DEF
- 8.9 Work continues on a new legal case management system that will see the service go paperless by May 2019

9 OTHER

Agenda Item 6

- 9.1 Council representatives have been knocking on doors across North Devon to remind residents they need to register to vote.
- 9.2 A joint meeting of North Devon Council and Torrridge District Council heard from a range of health providers and concerned residents about the future of health services in North Devon in November.
- 9.3 North Devon Council's Overview and Scrutiny Committee, together with councillors from Torrridge, invited representatives from the North Devon Healthcare Trust, Devon Partnership Trust, NHS Northern, Eastern and Western Devon Clinical Commissioning Group (CCG) and Healthwatch Devon. Save Our Hospital Services (SOHS), the local pressure group that campaigns to protect our health services, also attended.
- 9.4 Ilfracombe's harbourmaster has picked up an internationally recognised award for services to the port and dredging industry.
- 9.5 Captain Georgina Carlo-Paat received the DPC (Dredging and Port Construction) Magazine Commendation for Services to the Industry Award at a ceremony last month, an achievement which highlights an outstanding individual who has made a positive impact and contribution to the industry.
- 9.6 The North Devon Crematorium has been able to make a charitable donation to the North Devon Children's Holiday Foundation (NDCHF) thanks to its role in a national recycling scheme.
- 9.7 The charity has received £5,000 from the proceeds of the scheme, which enables metals from cremated remains to be safely recycled. The scheme is run by the Institute of Cemetery and Crematorium Management (ICCM) and is only carried out with the consent of the bereaved.

10 Constitutional context

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

11 Statement of Internal Advice

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

12 Background Papers

None

Author: Claire Holm and Jon Triggs

Date: 23rd January 2019

Ref: I:\Projects\Single Report\2018-19 Q3\Q3 Perf & FM - Exec.doc

“APPENDIX-1 VARIATIONS IN THE REVENUE BUDGET”

Service and Cost Area	Qtr 2 £m	Qtr 3 £m	Movement £m
Housing Deposits, Rent in Advance & Repayment	(0.006)	0.001	0.007
Temporary Accommodation	0.020	0.020	0.000
Preventing Repossessions income	(0.010)	(0.010)	0.000
Animal Licence Fees	(0.010)	(0.010)	0.000
Water Sampling	0.000	0.002	0.002
Environmental Health & Housing	(0.006)	0.003	0.009
Revenues & Benefits Grant	(0.050)	(0.060)	(0.010)
Butchers Row income Vacant Units	0.030	0.030	0.000
Public Conveniences	0.000	(0.017)	(0.017)
Water	0.000	0.016	0.016
Various	0.000	(0.002)	(0.002)
Resources	(0.020)	(0.033)	(0.013)
Customer Services Agency	(0.007)	(0.006)	0.001
Museum External income	0.000	0.007	0.007
Member Services employee savings	(0.006)	(0.007)	(0.001)
Corporate & Community Services	(0.013)	(0.006)	0.007
Works & Recycling Employees	0.119	0.124	0.005
Works & Recycling Premises	0.000	0.007	0.007
Works & Recycling Vehicle costs	0.109	0.141	0.032
Works & Recycling Tipping Charges	0.024	0.017	(0.007)
Works & Recycling Bulk Haulage & Sub Contractors	0.007	0.009	0.002
Works & Recycling Trade Waste income	(0.014)	(0.029)	(0.015)
Works & Recycling Recycling Credits	0.012	0.013	0.001
Works & Recycling Savings Sharing Scheme	(0.084)	(0.084)	0.000
Works & Recycling Sale of Recyclable Materials	0.141	0.129	(0.012)
Works & Recycling Garden Waste income	(0.022)	(0.028)	(0.006)
Contribution from Crematorium	(0.020)	(0.020)	0.000
Car Park employees	(0.008)	0.000	0.008
Car Parks Rates	0.000	0.020	0.020
Various	(0.002)	0.002	0.004
Operational Services	0.262	0.301	0.039
Harbour Employee costs	(0.010)	(0.010)	0.000
Harbour Water	0.000	0.012	0.012
HR Various	(0.016)	(0.014)	0.002
Various	(0.002)	(0.009)	(0.007)
Corporate Services	(0.028)	(0.021)	0.007
Economic Development employees	(0.034)	(0.034)	0.000
Planning Employees costs	(0.077)	(0.077)	0.000
Planning Fee income	(0.046)	0.113	0.159
Planning Pre Application income	0.000	(0.014)	(0.014)
Pannier Market employee costs (overtime)	0.000	0.010	0.010
Pannier Market income	0.035	0.050	0.015
CCTV (overtime & agency)	0.002	0.001	(0.001)
CCTV Income	0.000	0.006	0.006
CCTV Equipment	(0.015)	(0.025)	(0.010)
Place	(0.135)	0.030	0.165
Additional Vacancy savings	(0.013)	(0.025)	(0.012)
Business Rates Retention - Additional Income	0.000	(0.200)	(0.200)
Business Rates - Additional Income from Pilot (One-Off)	0.000	(0.750)	(0.750)
Contribution to Earmarked Reserves	0.000	0.750	0.750
Interest Receivable	(0.010)	(0.020)	(0.010)
Interest Payable	(0.010)	(0.010)	0.000
Other	(0.033)	(0.255)	(0.222)
Total	0.027	0.019	(0.008)

“APPENDIX-2 MOVEMENT IN RESERVES & BALANCES”

Earmarked Reserves	Opening Balance 1st April 2018	Transfer to Reserves	Transfer from Reserves (to Capital)	Transfer from Reserves (to Revenue)	Transfer between Reserves	Closing Balance 31st March 2019
Collection Fund Reserve	1,116,557			(422,905)	87,143	780,795
Capital Funding Reserve	226,005	350,000	(85,063)			490,942
Community Housing Fund -Housing Enabling	636,070			(156,050)		480,020
Improvement Programme Reserve	119,025	200,000	(43,226)	(28,463)		247,336
Economic Development Reserve	70,265	190,000		(20,795)		239,470
Repairs Fund	248,300	194,290	(34,859)	(289,290)	112,936	231,377
Office Technology Reserve	103,714	175,000	(53,178)			225,536
Crem Earmarked Reserve	296,591		(138,600)			157,991
Local Plans Fund	147,603	25,000	(21,228)			151,375
Planning Enquiries Fund	146,590	50,000		(68,080)		128,510
Second Homes Council Tax Reserve	125,289					125,289
Crem Equipment Replacement Reserve	120,000					120,000
Council Tax Support Scheme Reserve	160,439			(53,100)		107,339
Digital Transformation Financial Systems	22,558			(13,400)	89,402	98,560
Waste Shared Savings Reserve	90,000					90,000
Executive Contingency Reserve	62,150	79,750	(17,000)	(53,750)		71,150
New Homes Bonus Reserve	94,000		(35,220)			58,780
Tarka Tennis Surface replacement	118,991	8,680	(50,000)	(20,000)		57,671
P C Planned Maintenance Fund	177,936		(12,154)		(112,936)	52,846
CCTV Reserve	50,000					50,000
District Council Election	25,000	25,000				50,000
Land Charges Earmarked Reserve	97,854				(47,854)	50,000
Prevention CLG Grant Reserve	81,133			(35,816)		45,317
Community Consultation	38,383					38,383
Greensweep Replacement Fund	47,000			(9,800)		37,200
Land Charges Personal Search Reserve	37,036					37,036
Self Build & Custom Housebuild	36,356			(3,000)		33,356
Ilfracombe Watersports Centre	25,000	40,000		(35,710)		29,290
Neighbourhood Planning	25,000					25,000
Brownfield Land Registers and Permission	20,130					20,130
Town & Parish Fund	17,544					17,544
Noise Equipment reserve	10,000	2,000				12,000
Community Protection Vehicle Reserve	6,000	6,000				12,000
Habitat Directive Reserve	11,270					11,270
Car Parking Reserve	12,116				(1,337)	10,779
Local Welfare Support reserve	20,541			(10,000)		10,541

Earmarked Reserves	Opening Balance 1st April 2018	Transfer to Reserves	Transfer from Reserves (to Capital)	Transfer from Reserves (to Revenue)	Transfer between Reserves	Closing Balance 31st March 2019
Theatres Reserve	9,466					9,466
Flexible Homelessness Support Grant	9,202			(8,000)		1,202
Devon District Councils Joint Working	1,396				(1,396)	0
Radio link Reserve	7,332				(7,332)	0
IER Funding	21,852			(21,852)		0
HEAT Reserve	13,211			(13,211)		0
General Contingency	4,756			(4,756)		0
Vehicle Renewals Fund	520,000	224,000	(718,000)	(26,000)		0
Leisure Centre Replacement Reserve	52,834			(52,834)		0
Office Accommodation Reserve	40,000			(40,000)		0
Verity Road Signs Reserve	10,000				(10,000)	0
External Professional Services Reserve	8,400			(8,400)		0
Right to Move Reserve	2,834				(2,834)	0
Beach Signs	2,450				(2,450)	0
Business Support Scheme Grant	1,440				(1,440)	0
Landscape Character Assessment Reserve	1,047				(1,047)	0
Major Sports Grants Fund	10,493			(10,493)		(0)
Village Hall Grants Fund	6,389				(6,389)	(0)
Museum Purchases Fund	17,183		(17,183)			(0)
All Weather Pitch	19,787			(19,787)		(0)
Local Authority Mortgage Scheme Reserve	89,402				(89,402)	(0)
West Down Car Park Reserve	538				(538)	(0)
Specialist Domestic Abuse Reserve	104,636			(104,636)		(0)
Museum development fund	16,019		(16,019)			(0)
Homelessness Prevention Programme Reserve	29,068			(29,068)		(0)
Devon Improvement Programme Reserve	4,526				(4,526)	(0)
	5,646,705	1,569,720	(1,241,730)	(1,559,196)	0	4,415,500

“APPENDIX-4 CAPITAL PROGRAMME ”

Project

Original Budget 2018/19 £	Spend as at 31st December 2018	Variance
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Original Budget 2019/20 £	Original Budget 2020/21 £	Original Budget 2021/22 £
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Chief Executive and Corporate
Website Improvement
Office Technology Fund - End User Assets and IT Assets in Data Centre
ICT Improve Back-up and Recovery Capabilities
ICT Skype for Business
Replace existing desktop solution

10,500	0	10,500
53,178	53,178	0
0	0	0
0	0	0
5,519	5,519	0
69,197	58,697	10,500

5,455	0	0
95,270	0	0
98,909	0	0
0	0	0
0	0	0
199,634	0	0

Corporate and Community
Museum of Barnstaple - Long Bridge Wing
21:21 (Transformation Project)
Committee Administration System
Legal Case Management System
S106 Contributions - Various projects
Water sports Centre Ilfracombe
Tarka Tennis Artificial Grass Pitch

1,100,000	536,820	563,180
43,226	0	43,226
52,000	6,112	45,888
24,720	0	24,720
509,039	141,321	367,718
75,794	75,794	0
0	0	0
1,804,779	760,047	1,044,732

811,054	0	0
0	0	0
0	0	0
0	0	0
0	0	0
1,402,456	0	0
794,535	0	0
3,008,045	0	0

Project	Original Budget 2018/19 £	Spend as at 31st December 2018	Variance	Original Budget 2019/20 £	Original Budget 2020/21 £	Original Budget 2021/22 £
Environmental Health & Housing						
Affordable Housing delivery Grant	0	0	0	5,000	0	0
Affordable Housing Fund	0	0	0	90,000	0	0
S106 Affordable Housing - Higher Westaway, Newton Tracey	0	0	0	45,000	0	0
Wessex Loan and Grant Scheme	0	0	0	56,573	0	0
Disabled Facilities Grant Programme	1,000,000	569,760	430,240	710,272	0	0
Provision of temporary accommodation	704,608	682,808	21,800	495,392	0	0
Affordable Housing 16 Castle Street	5,841	2,995	2,846	0	0	0
	1,710,449	1,255,563	454,886	1,402,237	0	0
Operational Services						
Works Unit Vehicles	911,176	800,177	110,999	312,823	0	0
	911,176	800,177	110,999	312,823	0	0
Place						
Land Release Fund - Highways	200,000	7,154	192,846	1,000,000	0	0
Land Release Fund - Flood Defence	0	0	0	0	1,000,000	0
Replacement Planning ICT system	21,228	12,920	8,308	44,363	0	0
	221,228	20,074	201,154	1,044,363	1,000,000	0

Project	Original Budget 2018/19 £	Spend as at 31st December 2018	Variance	Original Budget 2019/20 £	Original Budget 2020/21 £	Original Budget 2021/22 £
Resources						
Barnstaple Bus Station PC	25,924	17,082	8,842	52,846	0	0
Town Station - Pathfield School	18,013	18,013	0	0	0	0
Planned Maintenance	1,580	1,580	0	0	0	0
Marine Drive Car Park Resurfacing - Ilfracombe	12,174	12,174	0	65,000	0	0
Coastal Protection & Shoreline Mgt Plan	0	0	0	7,658	0	0
Winter Storm repairs - Environment Agency	0	0	0	13,206	0	0
Ilfracombe Harbour - Kiosks	132,595	0	132,595	0	0	0
Jubilee Gardens reserved car park retaining wall	35,000	550	34,450	0	0	0
Resurfacing to various car parks	50,063	50,063	0	106,984	0	0
Replacement roof - Old Bus Station - Tea on the Taw	37,185	34,251	2,934	0	0	0
	312,534	133,713	178,821	245,694	0	0
Resources - Non Treasury						
Acquisition of Sub Lease Plot 1 Seven Brethren	400,000	0	400,000	100,000	0	0
Surrender in the long leasehold interest in Gaydon Street Dairy	100,000	100,000	0	0	0	0
	500,000	100,000	400,000	100,000	0	0
	5,529,363	3,128,271	2,401,092	6,312,796	1,000,000	0

Appendix 5

Table A: High level status of all service plan actions tracked on Pentana (was Covalent)

	Completed	Overdue	Cancelled	Not due	Total
Totals	340	37	36	40	453
Completed since the last report included in the total	26				

Table B: Service plan actions that have been cancelled since 1 October – 31 December 2018 authorised by SMT

Action	Reason
Works & Recycling W&R 01 16/17 Waste Services Review	This action is a duplication of OS W&R 02 18/19 Recycle More Project.
W&R 03 16/17 Improve Workforce Environment	This action is just part of the day job.
W&R 13 16/17 Community Clean up events	This action can be removed as this is now the day job, not a new initiative.
Human Resources HR 03 16/17 Health, safety and wellbeing organisational assessment	This action will now be absorbed into the Wellbeing Strategy, which is a new action for the 2019/20 Service Plan process.
Economic Development PD 03 15/16 Roundswell, Barnstaple New Employment Land South of Page 39	This action has been cancelled as this project is led by DCC and not within our control.
PD 04 15/16 Attract investment in retail and leisure offer of the town 16	This action probably underpins a lot of what we do but is fairly vague and difficult to measure.
ED 04 16/17 North Devon Innovation Centre Roundswell, Barnstaple	This action has been cancelled as this is has been included in Roundswell and led by DCC
ED 09 15/16 Support Wave Hub to deliver Tidal Demonstration Zone off Lynmouth	This action probably underpins a lot of what we do but is fairly vague and difficult to measure.

Service Plan Actions (26) completed since 01 October – 31 December 2018

Action	Closure Note	Due Date	Completed Date
Economic Development CE ED 02 17/18 Joint Northern Devon Tourism Strategy	Sally Nelson Closure Note: Action completed.	30-Sep-2018	27-Nov-2018
Human Resources CE HR 01 18/19 Works & Recycling projects	Some progress made on capability negotiating with Unison re Capability Matrix and potential solutions for a Saturday following a Bank Holiday.	31-Mar-2019	19-Nov-2018
CE HR 02 17/18 Works & Reccyling projects (to further discuss with W&R management)	Closure Note: This action has now been closed as this now forms part of the business as usual function.	30-Apr-2020	19-Nov-2018
CE HR 02 18/19 Holiday pay	Making good progress, have figures from payroll just exploring with Unison, 4 or 5.6 weeks and how far back we may be prepared to go in terms of back pay.	30-Apr-2019	19-Nov-2018
CE HR 05 17/18 Holiday Pay	Closure Note: This action has now been completed.	31-Dec-2018	19-Nov-2018
Planning CE P 01 17/18 Adopt the North Devon and Torridge Local Plan.	Closure Note: Adopted.	31-Dec-2018	17-Dec-2018
EH&H Cross Service Strand GSS 01 15/16 Review compliance with the Openness of Local Government Bodies Regulation 2014	The EHHS delegated authority spread-sheet has now been amended with the latest updates to the animal welfare legislation which were brought into effect on 1 October 2018, and the Licensing Team have been re-issued with their individual delegations. Customer Services staff (relevant members only) have now been issued delegated authorities for the work they undertake in respect of licensing, and in this instance delegations surrounding renewals of hackney carriage and private hire vehicles, and their drivers. Veterinarians appointed to undertake inspections of animal welfare establishments, particularly riding stables and dog breeders have now been delegated authority under the updated legislation. Further updates have been undertaken to the over-arching delegated authority spread-sheet and it is significantly more comprehensive; legislation has been updated throughout. The position with the spread-sheet is now one of on-going maintenance, hence the decision to sign off this piece of work.	30-Sep-2018	26-Nov-2018

Service Plan Actions (26) completed since 01 October – 31 December 2018

	I have discussed the position with Bev Triggs, Member Services, who also needs to keep a record of delegated authorities. A decision has been made to locate a shared restricted folder on the Corporate drive that we can both access, this will a. reduce duplicity of information held on our IT systems and b. ensure that Member Services always have the most up-to-date information available at any given time.		
Economic Development ED 02 15/16 Mill Road/Pottington master planning for redevelopment	This project is now included under Growth in the 2019/20 Service Plan.	31-Dec-2018	17-Dec-2018
ED 06 15/16 Support delivery of Phase 4 extension to Pathfields Industrial Estate, South Molton	Sally Nelson Closure Note: Complete and closed.	31-Dec-2018	27-Nov-2018
Environmental Health & Housing EH&H 02 17/18 Greater focus on efforts to prevent homelessness	Recruitment to the options team is now complete. Current and future interventions will now be set by a new NDC Homelessness Strategy which is scheduled to be adopted in Q2. External professional support is currently being procured to support the production of this document.	31-Dec-2018	22-Nov-2018
EH&H 06 17/18 Establish a direct access/emergency hostel	New grant funding has allowed the Council to commission Safe Sleep at the Freedom Centre in Barnstaple until the 31st March 2019. The grant has also increased the pathway for individuals needing both high needs (housing first) and low needs supported accommodation.	31-Mar-2019	22-Nov-2018
Environmental Health & Housing Licensing EH&H L 01 18/19 DEFRA proposes to introduce secondary legislation under the Animal Welfare Act 2006, which would introduce a single 'Animal Establishment Licence'	New policy, fees and delegations adopted on the 26th September 2018.	31-Dec-2018	22-Nov-2018
EH&H L 02 18/19 Review of Gambling Act 2005 Statement of Principles issued under s349 of the Gambling Act 2005	New policy approved at FC 20th November 2018	07-Jan-2019	22-Nov-2018
EH&H L 03 18/19 Review of Licensing Act 2003 Policy in accordance with s5 of the Licensing Act 2003	New policy approved at FC 20th November 2018	03-Jan-2019	22-Nov-2018

Service Plan Actions (26) completed since 01 October – 31 December 2018

Environmental Health & Housing H 02 15/16 Homeless prevention	New Private Sector Access Scheme being delivered in house thro' the appointment of dedicated EH/H staff. New deposits scheme introduced and delivery significantly higher rates of recovery.	31-Mar-2019	22-Nov-2018
Human Resources HR 02 16/17 Review training provision	Closure Note: This is now an annual task/output, following the completion of all appraisals.	30-Jun-2018	19-Nov-2018
Works & Recycling OS W&R 01 17/18 Recycle More Project Waste Recycling Round Review	Recycle rounds Completed by AD (Using Webaspx). Implemented in October 2018. No major issues. Action complete.	31-Oct-2019	23-Nov-2018
OS W&R 01 18/19 Vehicle Workshop Review	Review completed. New structure in place. JD's reviewed. Pay increased. Staff recruited.	30-Apr-2019	23-Nov-2018
OS W&R 03 18/19 Workforce improvement	Workforce review regarding capability process complete. Some staff contracts ended. Vacancies recruited. Virtually at full strength now.	31-Dec-2018	23-Nov-2018
OS W&R 04 17/18 Improve Workforce Engagement	This was completed as part of the Bartec purchase/Introduction.	30-Apr-2020	23-Nov-2018
OS W&R 04 18/19 Cleansing Service - Street Sweeping Review	Action complete. Sweeping review carried out by Supervisors. Staffing levels at optimum level. New vehicles purchased and in service.	30-Sep-2018	23-Nov-2018
OS W&R 05 18/19 Cleansing Service - Toilet Cleaning Review	Review carried out. Staff levels reviewed and satisfactory. Vehicles currently mid life. Process satisfactory.	30-Sep-2018	23-Nov-2018
OS W&R 07 17/18 Cleansing Service - Litter Bins	Litter bin audit carried out. New stock of bins ordered (that we could afford with budget). Fitting taking place.	30-Sep-2018	23-Nov-2018
Planning P 07a 15/16 To adopt the Joint Local Plan	Closure Note: Adopted.	31-Dec-2018	17-Dec-2018
Works and Recycling W&R 02 16/17 Improve Recycling Rates	No closure note.	30-Apr-2020	23-Nov-2018
W&R 09 16/17 Bulky Waste	Bulky waste prices, staffing levels and vehicle reviewed and updated.	01-Apr-2019	23-Nov-2018

Table D: Actions where Heads of Service have requested a revision to the due date and these have been approved by SMT – 01 October – 31 December 2018,

HoS	Code	Description	Current due date	Revised due date or cancellation of action or other change	Reason & (if applicable Officer) requesting this change
Ricky McCormack	W&R 01 18/19	Vehicle Workshop Review	31-Aug-2018	30-Apr-2019	PAG Bid completed and ready to be submitted.
Ricky McCormack	W&R 01 18/19	Recycle More Project	30-Jun-2018	30-Apr-2019	Recycling changes to go live 01 October 2018. Green and black round changes to be implemented February 2019.
Ricky McCormack	PARK 06 16/17	Waste Services Review	30-Mar-2018	30-Jun-2019	This action is a duplication of OS W&R 02 18/19 Recycle More Project.
Ricky McCormack	W&R 09 16/17	Bulky Waste	30-Jun-2018	30-Apr-2019	Now looking to outsource this service. Report going to Executive December 2018.
Ken Miles	C&C C&CS 01 18/19	Introduce new online consultations and engagement software system	31-Jul-2018	31-Mar-2021	Currently on hold due to the implementation of Modern.gov IT software. Request for the target date to be revised to March 2021. The action will be included within the service plan for 2019/20.
Ken Miles	C&C C&CS01 17/18	Introduction and roll out of IT tablets for Councillors to access agenda and minutes for formal meetings of the Council (linked to C&C 02 16/17) or an in-house solution to be obtained)	31-Oct-2018	31-May-2019	EOT to align with the election process in May 2019. A demo of Modern.gov was held on 23/4/18 which Political Group Leaders, SMT and other officers attended whereby positive feedback was received from attendees. A business case has been forwarded to the Project Appraisal Group for scoring and inclusion within the Quarter 4 Performance report to be considered by the Executive on 4/6/18 and then on to Council on 25/7/18.
Jeremy Mann	H 06 16/17	To meet the needs of Gypsy and Travellers	30-Sep-2018	31-Mar-2020	Planning consultant's draft report considered and response provided by Planning Service. Awaiting consultant's further report. Planning estimate November but no set timescale provided from Planning. Further update to be provided by end of Jan 2019.

Table D: Actions where Heads of Service have requested a revision to the due date and these have been approved by SMT – 01 October – 31 December 2018,

					As we need to work with stakeholders to agree use of land and understand the needs of the Gypsy & Travelling community to provide such needs on the land a request is made for a revised due date
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Table E: Outstanding Service Plan Actions (37)

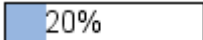



Code	Description	Progress Bar	Latest Note	Original Due Date	Due Date
Customer & Corporate Communications C&C C&C 02 18/19 Communications & Customer Support for round remodelling	Communicating day changes and ensuring customer services staff are equipped with the information for customers		15-May-2018 Extension of Time approved by SMT: The remodelling has been postponed to gauge the number of potential new customers signing up for the green waste service. New due date 30 November 2018.	30-Apr-2018	30-Nov-2018
C&C C&C 04 18/19 Train investigating officers on the new Pentana feedback module	Train officers in how to process and respond to customer feedback using Pentana			31-Dec-2018	31-Dec-2018
Legal C&C L 01 17/18 Review Delegated Powers	No BC or PID required		12-Feb-2018 Approved extension of time for due date: SMT & O&S approved a revision to the due date to December 2018. Addition comments: Dependent on overall project being run by Corporate & Community Support.	31-Dec-2017	31-Dec-2018
C&C L 01 18/19 Implementation of GDPR (training, on-going advice, updating policies, procedures and guidance notes).	-- enter action details here --			31-May-2018	31-May-2018

Table E: Outstanding Service Plan Actions (37)

<p>C&C L 03 17/18 Investigate / complete purchase of polygons of land in Council ownership</p>	<p>Investigate polygon requirements of the council. (Invite Land Registry to present available options to senior management, then complete purchase of identified polygon set). Business Case was provided as part of Land Registration Project</p>	<p>0%</p>	<p>12-Feb-2018 Approved Extension to due date: SMT & OS approved a revised due date of December 2018. Additional Comments: Land Registry have introduced an enhanced range of free public data. Polygon requirements are dependent on progress with the Land Registration project.</p>	<p>31-Dec-2017</p>	<p>31-Dec-2018</p>
<p>Customer & Corporate Communications CCC 01 16/17 (Under ICE Project) Review F2F service delivery across our one stop shops</p>	<p>Review F2F services to ensure value for money and efficiency – Amory Centre and Ilfracombe Centre</p>	<p>90%</p>	<p>24-Oct-2016 Amory Centre surrender drafted and awaiting signing. If paying half towards signposting. B'ple staffed flexibly so staff can be brought back and forth from phones/front desk according to demand.</p>	<p>31-Dec-2018</p>	<p>31-Dec-2018</p>
<p>Customer & Corporate Communications CCC 02 16/17 (Under ICE Project) Use journey and process mapping to reduce interactions to CS by improving back office services i.e W&R assisted collections</p>	<p>Use first point of contact data and experience to identify service improvements and efficiencies, highlighting these to SMT monthly</p>	<p>20%</p>	<p>24-Oct-2016 Now part of a corporate wide project.</p>	<p>31-Dec-2018</p>	<p>31-Dec-2018</p>
<p>Elections CE E&LC 03 18/19 Household Canvass</p>	<p>Household Forms to 46,000 households to collate information for New Register of Electors to be published on 1st December 2018</p>	<p>0%</p>	<p>14-Feb-2018 Additional Information: Cost to be met by budget and cabinet office funding (if received).</p>	<p>30-Nov-2018</p>	<p>30-Nov-2018</p>
<p>Economic Development CE ED 01 17/18 Establish appropriate governance structures to deliver Barnstaple development projects</p>	<p>2018/19: Proposal to Executive. Establish regeneration board/steering group or similar. Deliverable masterplan for Barnstaple with key sites being delivered for regeneration, improvement, and/or housing including car parking: * North Walk * Belle Meadow</p>	<p>50%</p>	<p>27-Nov-2018 Included within Growth</p>	<p>30-Jun-2017</p>	<p>30-Jun-2018</p>

Table E: Outstanding Service Plan Actions (37)

<p style="text-align: center;">Page 53</p>	<p>* Cattle Market car park * Queen Street / Bear Street. * Mill Road / Pottington / Pilton Park. * Seven Brethren (specific project has commenced see 2016/17 action relating to specific 7BB project. OPE funding of £75k for Barnstaple and Ilfracombe site assessment / master planning work. Undertake Barnstaple masterplan. Car parking study now completed. Overarching Flood Study completed. identify key projects and agree programme to deliver. PID required if any NDC site is evaluate as suitable to host development. Undertake site specific work to deliver (mini-masterplans. SDBs/SPDs, marketing, investor engagement, de-risking work). Secure additional external funding where available. 2017/18: Agree approach with key members.</p>				
<p>CE ED 01 18/19 North Devon Growth - Post 2031 Establish a Plan for Growth</p>	<p>Plan for more significant levels of housing and employment growth through innovative and sustainable new communities with the support of partners. Specifically: Instil a culture of growth at NDC. Develop an ambitious vision. Agree appropriate governance.</p>	<p style="text-align: center;">10%</p>	<p>14-Feb-2018 Additional information: LGA grant of £7k secured to support work up to end June 2018. (Vision and agreed programme route map). BID submitted for £100k to support studies / master planning / data etc beyond the point.</p>	<p>30-Jun-2018</p>	<p>30-Jun-2018</p>

Table E: Outstanding Service Plan Actions (37)

	Establish a programme / route map with defined tasks and milestones. Undertaken relevant studies and masterplans.				
CE ED 05 18/19 Up to date Strategic Economic Framework	<p>* Economic Strategy * Inward Investment Strategy * Digital Strategy (new) * Tourism Strategy - identified in an earlier service plan</p> <p>Joint with TDC to cover Northern Devon. Use of internal and ND+ resource. Establish steering group to include key stakeholders already engaged in agendas (Petroc ,ND+ and LEP).</p>	<input type="text" value="0%"/>	14-Feb-2018 Additional Information: Links to Growth Agenda.	30-Sep-2018	30-Sep-2018
<p>Propositions CE ES&LC 04 17/18 Neighbourhood Planning Referendums.</p>	To deliver Planning Referendums as and when.	<input type="text" value="0%"/>	19-Jan-2017 Cost to be calculated, cost to be met by Neighbourhood Referendum funding.	31-Dec-2018	31-Dec-2018
<p>Information, Communication & Technology CE ICT 01a 17/18 Replace V Workspace (our application and desktop virtualisation software product & associated licences</p>	Procurement exercise. PAG Bid required.	<input type="text" value="75%"/>	12-Dec-2018 All of BEC & now some of Lynton House (except PCs) moved to new world.	31-Dec-2017	30-Nov-2018
<p>Planning CE P 02 17/18 Explore options to facilitate sustainable growth beyond plan period.</p>	Review of Local Plan and options for sustainable growth (for example, new growth hub / new settlements / incremental expansion of existing settlements).	<input type="text" value="0%"/>	24-Jan-2017 The identified work will be undertaken as part of the review of the Local Plan in partnership with TDC and possibly DCC / LEP. It will also need to recognise the Neighbourhood Planning agenda.	30-Sep-2018	30-Sep-2018

Page 5

Appendix A

Agenda Item 6

Table E: Outstanding Service Plan Actions (37)

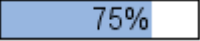

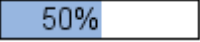

<p>CE P 07 17/18 Complete review of business processes to ensure external customer focus.</p>	<p>Work has been substantially completed on reviewing core business activities with associated training notes. However, a further review is now required to demonstrate specific engagement with the customer.</p>		<p>03-Aug-2018 30 July 2018: SMT approved and Extension of Time: All 'As Is' processes have been mapped and the first 'Could Be' process for pre-applications has been completed. Approved EoT now December 2018.</p>	<p>31-Dec-2017</p>	<p>31-Dec-2018</p>
<p>Pannier Market CE PPM 01 17/18 Plan for improved use of Pannier Market space and environment</p>	<p>2018/19 SP: Title revised to "Review landholding in and around pannier market (offices, toilets. Corn Exchange, cafe. Market Street toilets. Slaughterhouse. Youth House and develop options. Link with Review Operating model for Pannier Market." 2017/18: Assess current condition and usage of spaces. Understand demand and opportunities. Liaise with adjacent landowners / leases. Develop plan around site with income potential.</p>		<p>14-Feb-2018 Approved extension of time: SMT & O&S approved a new due date of September end 2018. Additional information: £30k budget for surveys and architects fees.</p>	<p>31-Mar-2018</p>	<p>30-Sep-2018</p>
<p>Cemetery CEM 01 15/16 "Memorial Safety Memorials identified failed testing need to be made safe"</p>	<p>Business case for funding to deliver project</p>		<p>24-Sep-2018 RMcM: Work is still not fully completed.</p>	<p>31-Dec-2016</p>	<p>31-Jul-2018</p>
<p>CEM 01 16/17 "Phase 2 Memorial Safety Memorials identified failed testing need to be made safe"</p>	<p>Business case for funding to deliver safety of memorials</p>		<p>15-May-2018 SMT Extension of Time Request : September 2018 RMcM Testing is taking place. A new report is to be presented in August 2018.</p>	<p>01-Dec-2017</p>	<p>30-Sep-2018</p>

Table E: Outstanding Service Plan Actions (37)

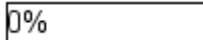




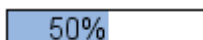
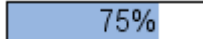

CEM 02 15/16 Extension to Marlborough Road Cemetery	Business Case		24-Sep-2018 RMcM: This has been delayed due to the land owners' questioning how the value of the land is to be calculated.	30-Mar-2018	31-Jul-2018
CEM 02 16/17 Extension to Marlborough Road Cemetery	Business case		18-Mar-2016 This is high risk. Insufficient funds and existing is coming to full capacity. Now on Risk Register	31-Dec-2018	31-Dec-2018
CEM 03 16/17 Increase burial prices in line with neighbouring services	Monitor neighbouring prices and propose increase when appropriate		18-Mar-2016 Review has been conducted 2015. Review again in 2 years.	31-Dec-2018	31-Dec-2018
Economic Development ED 03 16/17 Strengthen Town Centre Partnership model - increase engagement, income and develop action plan	Delivered by town centre manager and key members of TC board.		14-Feb-2018 Approved Extension of Time: SMT & O&S approved a revised due date of December end 2018.	31-Mar-2016	31-Dec-2018
Legal LO 3 16/17 Case Management System	Business Case required		09-Feb-2018 Approved Extension of Time to due date: SMT & O&S approved a revision to the due date of December 2018.	30-Jun-2017	31-Dec-2018
O 03 16/17 Effective and Coordinated management of the bus station	External management of the facility		14-May-2018 SMT approved an extension to time: 31 December 2018. On-going further meetings to discuss lease arrangements to take place with Stagecoach.	30-Jun-2017	31-Dec-2018
Planning P 01 16/17 Review Business Processes for Application Determination and S106 Agreements	Review Business Processes for Application Determination and S106 Agreements to include appropriate arrangements with internal and external consultees (in particular, DCC Legal Services).		02-Aug-2017 Previous note refers; business process has been reviewed and mapped and is in operation by development management staff.	30-Jun-2017	30-Jun-2017
P 05 16/17 Explore options for growth	Explore options for growth through growth points or incremental expansion.		15-May-2018 SMT approved an extension of time until June end 2018: Conclusions expected by that date.	30-Apr-2017	30-Jun-2018

Table E: Outstanding Service Plan Actions (37)

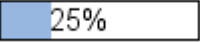
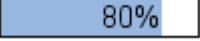
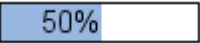


<p>P 07b 15/16 To adopt the Traveller Accommodation DPD and make the relevant pitch provision</p>	<p>2018/19 Revised Description: Prepare and adopt a joint North Devon and Torridge Traveller site allocations DPD</p>		<p>08-Feb-2018 No extension of time was submitted to SMT or O&S for this action so the due date remains at 31 March 2018. Additional Comments: A joint 'call for sites' has been undertaken and a consultant is assessing the suitability of potential sites. Cost savings from joint presentation.</p>	<p>30-Apr-2017</p>	<p>31-Mar-2018</p>
<p>P 07c 15/16 To implement the Community Infrastructure Levy charging schedule</p>			<p>06-Jun-2017 Extension of Time Request: Original due date February 2016 new due date requested March end 2018.</p>	<p>29-Feb-2016</p>	<p>31-Mar-2018</p>
<p>P 07d 15/16 To prepare associated supplementary planning documents, including development briefs</p>			<p>06-Jun-2017 Extension of Time Request: Original due date 30 April 2017 request to change to April 2018. A number of SPD / DPD documents are identified in the LDS to the emerging Joint Local Plan (for example, Affordable Housing and Gypsy and Traveller Accommodation) the these are each being progressing in accordance with individual timetables and the reason for an extension of time.</p>	<p>30-Apr-2017</p>	<p>30-Apr-2018</p>
<p>Parking PARK 07 15/16 End of contract for Payment by mobile phone service for paying for parking</p>	<p>Business case required</p>		<p>23-Jan-2017 To look for a service that provides more flexible approach and that could reduce the cost of the service for the customer. Must be PSI compliant. Looking at alternative P & D machines which may not require mobile phone payment, delay objective for 12 months. The extension of time for this action was agreed as part of the service planning process 2017/18. Approved by SMT & O+S.</p>	<p>30-Apr-2016</p>	<p>31-Dec-2018</p>
<p>Parks, Leisure & Culture PL&C 15 15/16 Build major extension to the museum</p>	<p>If stage 2 HLF application is successful and other external funding is secured, construction</p>		<p>09-May-2017 HLF stage 2 funding secured. Coastal Communities Funding</p>	<p>30-Mar-2018</p>	<p>30-Sep-2018</p>

Table E: Outstanding Service Plan Actions (37)

	will commence in Sept 17. Construction due for completion Sept 18. Decision on JLF stage 2 application is expected in April 2017.		application for £500k successful. Building work due to now start in January 2018		
Pannier Market PM 01 16/17 Review operating model in Pannier Market. Review offer & business model.	2018/19: Research town centre and market trends and investments in UK, analyse Barnstaple offer, trader mix and income etc. Develop options for discussions and agreement. Potential to digitise market. Identify capital works / refurbishment required. 2016/17: Delivered by Economic Development team. No PID or Business Case required.	<input type="text" value="0%"/>	14-Feb-2018 Additional Information: Object is for the market to break even as a minimum. Explore concept of fully digital market. Capital improvements depending on business plan.	31-Mar-2017	30-Sep-2018
Resources R 03 17/18 Increase usage of Corporate E-procurement system	Liaising with service areas with an aim to Increase the number of purchase orders being placed through E-procurement system and review of financial policies	<input type="text" value="0%"/>	09-Feb-2018 Approved revision to due date: SMT & O&S approved new due date of 31 December 2018. Additional Information: Currently 34% of all payments made have a PO from E-procurement system; initial aim is to get this over 50% level. Links to R 02 17/18 above and will follow this project thus why date extended to December 2018.	31-Mar-2018	31-Dec-2018
R 03 18/19 Upgrade of R&B ICT Software to improve customer experience	Upgrade of current ICT system (Civic Open Revenues) and review of customer processes.	<input type="text" value="0%"/>	09-Feb-2018 Order placed September 2017.	31-Dec-2018	31-Dec-2018
R 06 17/18 Update of Strategic Asset Management Plan	Drafting of Asset Management Plan 2017; health check of current TF asset system with view of increased utilisation	<input type="text" value="25%"/>	09-Feb-2018 Approved extension of time to due date: SMT & O&S approved a revision to the due date of 31 December 2018. Additional Information: Estates Officers and Economic Development Manager	30-Sep-2017	31-Dec-2018

Table E: Outstanding Service Plan Actions (37)

			attended CIPFA workshop. internal project team being formed for January 2018. New plan to incorporate strategic investment and link to growth agenda.		
R 08 17/18 North Devon Crematorium refurbishment of existing chapel	Funding agreed by North Devon Crematorium Joint Committee	0%	09-Feb-2018 Approved extension of time to due date: SMT & O&S approved a change to the due date of 31 December 2018. Additional Comments: £160k funding approved by NDC Joint Committee.	31-Mar-2018	31-Dec-2018
Estates V&EM 01 16/17 Disposal of assets, Bicclescombe Nursery, Mill Road Depot, Phase 2&3 Surplus Assets Disposals Identify and dispose of surplus assets to maximise capital receipts (Phase 1 complete)	Executive Report	10%	14-May-2018 SMT and O&S approved a revised due date as part of the 2017/18 service plan process, of 30 September 2018.	31-Mar-2018	30-Sep-2018

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

PI Code & Short Name	Performance Data Q1 2017/18& 2018/19	Performance Data Q2 2017/18& 2018/19	Performance Data Q3 2017/18 & 2018/19	Performance Data Q4 2017/18 & 2018/19	Year End Target	Year End Result	Current Target	Latest Note & History
Planning								
NI 155 Number of affordable homes delivered (cumulative ¹)	19	37	63	131		131	41	Annual figures have been slightly revised: 42 / 16 / 42. Plus 3 Local Needs not reflected in the performance data.
	42	58	42					
NI 157a Percentage of major applications processed within 13 weeks	22	30	30	75	45	39.25	45	
	61	100	85		45			
NI 157b Percentage of minor planning applications processed within 8 weeks	81	71	77	95		78.5	75	
	95	97	95					
NI 157c Percentage of other applications processed within 8 weeks	88	89	87	97	85	90.25	85.00	
	98	99	99			90.25		
Waste & Recycling								
L82(i) Total percentage domestic waste recycled or composted	48.22	50.21	46.9				46.00	Quarter 3 figures not yet available
	49.16	48.6						
Finance								
BV8 Percentage of invoices paid on time	97.76	97.74	97.24	96.72	97	97.37	97.00	
	97.39	96.13	95.99		97	97.37		
	29.11	56.48	83.53	97.03	98.00	97.03		

¹ NI 155 changed from Gross to Cumulative

BV9 Percentage of Council Tax collected	28.81	56.14	82.98		98.00		98.00	
BV78a (M) Speed of processing - new Housing Benefit/Council Tax Benefit claims	20.1	20.2	18.6	22	28.0	20.23		
	23.2	24.7	19.6		28.00		28.0	
BV10 Percentage of Non-domestic Rates Collected	32.11	58.11	83.04	97.96	99.05	97.96		
	32.14	57.31	81.89		99.05		99.05	

PI Code & Short Name	Performance Data Q1 2017/18 & 2018/19	Performance Data Q2 2017/18 & 2018/19	Performance Data Q3 2017/18 & 2018/19	Performance Data Q4 2017/18 & 2018/19	Year End Target	Year End Result	Current Target	Latest Note & History
Property & Technical								
L728 Percentage of the gross internal area of the investment estate currently let	95.31	95.40	95.31	95.40				
	95.40	95.40	95.40					
L168 Income per car park P&D ticket	July 1.78	Sept 1.68	Dec 1.52	April £1.63				
	July 1.72	Sept 1.71	Dec 1.59				1.78	

PI Code & Short Name	Performance Data Q1 2017/18 & 2018/19	Performance Data Q2 2017/18 & 2018/19	Performance Data Q3 2017/18 & 2018/19	Performance Data Q4 2017/18 & 2018/19	Year End Target	Year End Result	Current Target	Latest Note & History
Building Control								
L300 Building Regulation Full Plan applications determined in 2 months	84	95	96	99	95%	93.5%	95%	
	99	97	96					
	96	86	98	97	95%	94.25%	95%	

PI Code & Short Name	Performance Data Q1 2017/18 & 2018/19	Performance Data Q2 2017/18 & 2018/19	Performance Data Q3 2017/18 & 2018/19	Performance Data Q4 2017/18 & 2018/19	Year End Target	Year End Result	Current Target	Latest Note & History
L301 Building Regulation Applications examined within 3 weeks	95	92	87					
L302 Average time to first response (Days)	15	14	10	10	10	12.25	10	
	11	13	12					
Customer Services & Communications								
L999 Feedback Customer Satisfaction %								
	57	50	38					
L997 Customer Service Satisfaction %							90%	
	95	91	98		90%			
L999 Media Satisfaction % Annual								
	Annual					90%		

Environmental Health & Housing								
LEHH014 Food Hygiene Interventions Completed	78	202	321	707		707		472 includes: 304 Inspections/Audits 19 Verification/Surveillance 4 Advice/Education 145 Info/Intelligence
	137	288	472		412			
	13	35	55.8	95			100	304/479=63.5%

LEHH015 Percentage of Food Hygiene Due Interventions Completed	26	69.9	63.5					304 Inspections completed + 175 outstanding.
LEHH016 Housing Options - Number of Homelessness Prevented & Relieved	181	120	135	267		703	Data only	Prevention 124
	130	123	188			703		Relief 64
LEHH017 Housing Options - Number of Households Accommodated in Temporary Accommodation	28	36	25	28		117	Data Only	
	28	33	28					
LEHH019 Housing Standards - Number of DFG's Completed & Monies Paid	43	46	27	107		107	Data only	£495,346.28
	7	23	73					
LEHH026 Number of NDC Lets Through DHC	33	37	30	65		165	Data only	Broken down by bed size: 1 Bed – 27, 2 Bed – 25, 3 Bed – 11, 4 Bed - 3
	69	41	66					
LEHH020 Housing Standards – the level of unmet demand for DFGs	226,780	199,968	224,412	33,000			Data only	
	282,301	297,509	261,228					

2. Constitution Context

Appendix and paragraph	Referred or delegated power?
5.5	Delegated

3. Statement of Internal Advice

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

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NORTH DEVON COUNCIL

REPORT TO: EXECUTIVE
 Date: 4th February 2019
TOPIC: REVIEW OF CHARGES AND FEES FOR SERVICES 2019/20
REPORT BY: HEAD OF RESOURCES

1. INTRODUCTION

1.1 The following report sets out the framework for the review of charges for the Authority’s services for the financial year 2019/20.

2. RECOMMENDATIONS

2.1 Executive recommends to Council a 3% increase in fees for 2019/20 financial year, for the following services:

- Allotments – Appendix 1
- Building Control Charges – Appendix 2
- Cemetery fees – Appendix 6
- Pannier Market Charges – Appendix 8
- Bulky Collections – Appendix 9

2.2 Executive recommends to Council to vary the remaining fees by the elements outlined in section 5.3 to 5.8.

3. REASONS FOR RECOMMENDATIONS

3.1 The change in fees charged for services provided by the Council is in line with the Medium Term Financial Strategy.

3.2 Some fees are set by statute and these will be set nationally.

4. CONSTITUTIONAL CONTEXT

4.1 Executive has power to formulate the budgetary framework

4.2

Article and paragraph	Referred or delegated power?	A key decision?	In the Forward Plan?
Part 3 Annexe 4	Executive delegated decision making	Yes	Yes

Part 4 Budget
Procedure Rules

Executive delegated to
formulate Budget

Yes

Yes

5. REPORT

- 5.1 The charges for the provision of services are reviewed annually in the context of policy guidance within the Medium Term Financial Strategy, and the recommended levels of increase to produce a target income level.
- 5.2 This year the guidance was to increase some fees and charges by 3%, although some fees are set by statute and these will be set nationally. Other variations to the 3% increase are set out in 5.3 to 5.8.
- 5.3 The Trade Waste charges have been reviewed and simplified to aid the customer's understanding of our charging structure. Zones 1 and 2 have now been combined with a minimum increase of 5%, with schedule 2 and Recycling charges increasing by 10%. The Head of Operational Services confirms these price increases still leave us commercially competitive. - Appendix 3
- 5.4 Land Charges fees have been set to recoup the cost of providing the service, without changing the current fees the land charges service is still budgeted to recover all the costs and break even. – Appendix 4
- 5.5 There are minimal changes to the Environment Health fees, as the majority of these are set by statute or set to recover costs. The changes include, amendments to the animal licence fees. With Zoos and Dangerous Wild Animal Licences being under review. – Appendix 5
- 5.6 Single Sports pitch hire has increased by 14.2%. The significant increase is due to current charges for grass pitch hire being relatively cheap. Block hire has also been introduced but kept at the 18-19 prices to encourage customers to lock themselves into a block booking of at least 11 games. - Appendix 7
- 5.7 Although the Pannier Market fees have been recommended to be increased by 3%, it is proposed that the additional £6,000 received is earmarked to be spent on the Pannier Market. – Appendix 8.
- 5.8 Garden Waste charges have not had an increase for 2 years and it is proposed not to increase the fees for the third year running. - Appendix 10.

6. RESOURCE IMPLICATIONS

- 7.1 The net changes in the charges are expected to result in £88,400 of additional income which have been included within the draft 2019/20 budget.
- 7.2 The 2013/14, 2014/15 and 2015/16 financial years had a zero percent increase, with 2016/17 and 2017/18 having a 2% increase and 2018/19 having a 3% increase.

7. STATEMENT OF INTERNAL ADVICE

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

8. STATEMENT OF CONFIDENTIALITY

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

9. BACKGROUND PAPERS

10.1 None

Executive Members: Councillor Glyn Lane and Councillor Richard Edgell

Author: Tony Rumble (Accountancy Manager) Date: 16th January 2019

Reference: T:\Tony\excel\Fees and Charges\19 20\Fees and charges 19-20.doc

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<u>ITEM</u>	CHARGE 2018/2019	RECOMMENDED CHARGE 2019/2020
<u>ALLOTMENTS</u>	V.A.T Exempt	V.A.T. Exempt
Per 25 metre ² per annum	5.78	5.95

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Building Control Charges

(Effective from 01 April 2019)



Guidance for calculation of Building Control Fee

1. Charges shown include VAT at 20% where applicable. The charges are based upon a generic risk assessment covering the expected design complexity and building methodology using the hourly rates set out in the Building Control Fee Charges Scheme.
2. The fee should cover all anticipated work and may be made up of a number of fees taken from the tables below.
3. For the purposes of calculating the fees the floor area should be calculated using internal dimensions.
4. The estimated cost of work means a reasonable amount that would be charged by a person in business to carry out the works including profit or based on the RICS building cost information service. A schedule of costs may be requested to justify estimates.
5. Where an extension to a dwelling has an internal floor area over 60m² and for other works with an estimated cost exceeding £100,000 the fee will be quoted on an individual job basis.
6. Where an application is for the regularisation of unauthorised work or work has commenced prior to application the fee may be determined individually. Please note that work carried out in these circumstances is in contravention of the Building Regulations and can result in prosecution under the Building Act 1984.
7. Fees should be paid in full when the application is deposited. Where fees are in excess of £1,000.00 the fee may be split between a plan fee and inspection fee with the inspection fee invoiced when work commences on site. For larger projects payment terms may be negotiated as part of the quotation.
8. Payments by cheque should be made to North Devon Council. For credit/debit card payments please contact 01884 234974.
9. If you have any questions regarding the charge you should pay please contact us on 01884 234974. Please note that the processing of your application may be delayed if the fee is incorrect.

Please note these fees are for guidance. If you believe that your work does not fall within the described categories or there are other factors that impact on the work involved in your project please do not hesitate to contact us for an individual quotation.

TABLE A: ERECTION OF NEW DWELLINGS NOT EXCEEDING 300M ² IN FLOOR AREA	
Number of dwellings	Building Regulation Fee £ (incl VAT)
1	900.00
2	1,152.00
3	1,428.00
For sites with more than 3 dwellings or where a dwelling exceeds 300m ² , please contact Building Control on 01884 234345 for an individual quotation	

TABLE B: DOMESTIC EXTENSIONS AND ALTERATIONS TO A SINGLE BUILDING	
TYPE OF WORK	Building Regulation Fee £ (incl VAT)
1. Single storey extension and loft conversions - floor area not exceeding 15m ²	540.00
2. Up to two storey extension, total floor area not exceeding 40m ²	636.00
3. Up to two storey extension, total floor area exceeding 40m ² but not exceeding 60m ²	756.00
4. Loft conversion exceeding 15m ²	636.00
5. Erection or extension of domestic garage or carport up to 100m ²	360.00
6. Conversion of a garage	360.00
7. Single window replacement	90.00
8. Up to 10 windows replaced	132.00
9. Electrical work that is subject to a BS 7671 cert	126.00
10. Electrical work not subject to a BS7671 Cert	372.00
11. Re-roofing	126.00
12. Installation of solid fuel burning appliance	264.00

TABLE C: ALL OTHER WORK	
Estimated cost of work £	Building Regulation Fee £ (incl VAT)
Up to 1000	132.00
1001 to 5000	264.00
5001 to 10000	384.00
10001 to 20000	492.00
20001 to 30000	600.00
30001 to 40000	708.00
40001 to 50000	816.00
50001 to 60000	912.00
60001 to 70000	1,008.00
70001 to 80000	1,104.00
80001 to 90000	1,200.00
90001 to 100000	1,296.00

Trade Waste Proposed prices 2019/20

Bin size	Current price per empty Zone 1	Current price per empty Zone 2	Minimum 5% Increase Zone 1 & Zone 2 Combined
1100	12.42	13.65	14.34
750	8.88	9.60	10.08
660	8.27	8.77	9.21
360	5.48	5.82	6.12
240	4.49	4.88	5.13
Bags	2.32	2.39	2.51
Labels for card	2.32	2.39	2.51

Current weekly rental	5% increase
0.42	0.44
0.36	0.38
0.29	0.30
0.20	0.21
0.11	0.12

Schedule 2

Bin size	Current price per empty	10% Increase
1100	9.03	9.93
660	6.49	7.14
360	3.61	3.97
240	2.11	2.32
Bags	1.05	1.16

Recycling

Bin size	Current price per empty	10% Increase
240	4.33	4.76
360	4.33	4.76
660	5.41	5.95
1100	7.57	8.33
box and bag set	1.63	1.79

Holiday Home Packages

Package 1	Current price	5% Increase
Weekly for 31 weeks		
240 ltr bin	4.49	4.71
Recycling package	1.63	1.71
240 ltr bin hire for period	3.41	3.58
Admin Charge for period	10.00	10.50
Total for season	203.13	213.29

Package 2	Current price	5% Increase
Weekly for 15 weeks		
240 ltr bin	4.49	4.71
Recycling package	1.63	1.71
240 ltr bin hire for period	3.41	3.58
Admin Charge for period	10.00	10.50
Total for season	131.29	137.85

Package 3	Current price	5% Increase
Weekly for 31 weeks		
360 ltr bin	5.48	5.75
Recycling package	1.63	1.71
360 ltr bin hire for period	6.20	6.51
Admin Charge for period	10.00	10.50
Total for season	236.61	248.44

Package 4	Current price	5% Increase
Weekly for 15 weeks		
360 ltr bin	5.48	5.75
Recycling package	1.63	1.71
360 ltr bin hire for period	6.20	6.51
Admin Charge for period	10.00	10.50
Total for season	148.93	156.38

Properties not serviced by wheelie bins (accessibility or space constraints) will be given a hessian gull guard sack instead, to be rented at the same rate as a 240 litre bin.
Packages 1 and 2 are available for these properties.

Additional add-ons

660 litre and 1100 litre wheelie bins are also available for the general waste where applicable

Green 240 ltr waste bins, fortnightly for the season/year = £2.32 per collection (only available to properties serviced by wheelie bins and only available monthly in December/January)

Black bag rolls to be sold at £4.00 per roll

Additional waste bags (side waste) charged at £2.32 per bag

Additional collections outside of this period can be arranged. Please contact us for information

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Local Land Charges: Current Fees - Applicable from 1st April 2019

Enquiry	Cost	
	Payment by cheque	Payment by Credit Card/BACS or similar means
Full Search LLC1 & CON29R	£71.00 (Includes VAT £10.17)	£60.00 (Includes VAT £8.33)
Form LLC1 Only (submitted by itself)	£10.00 (Extra parcels £5.00 each)	£10.00 (Extra parcels £5.00 each)
Form CON29R Only (submitted by itself in full) – individual questions can be asked, for the prices see below	Paper Search £61.00 (Includes VAT £10.17)	Electronic Search £50.00 (Includes VAT £8.33)
Extra Parcel of Land Full search (for multiple parcel sites please contact us for a quote)	£11.00 per parcel (£5 non-vatable, £6.00 vatable) (Includes VAT £1.00)	£12.20 per parcel (£5 non-vatable, £6.00 vatable) (Includes VAT £1.00)
Extra Parcel of Land CON29 only search (for multiple parcel sites please contact us for a quote)	£6.00 per parcel (Includes VAT £1.00)	£6.00 per parcel (Includes VAT £1.00)
1.1 Decisions and Pending Applications Which of the following relating to the property have been granted, issued or refused or (where applicable) are the subject of pending applications – (a) a planning permission (b) a listed building consent (c) a conservation area consent (d) a certificate of lawfulness of existing use or development (e) a certificate of lawfulness of proposed use or development (f) a certificate of lawfulness of proposed works for listed buildings (g) a heritage partnership agreement (h) a listed building consent order (i) a local listed building consent order (j) building regulation approval (k) building regulation completion certificate (l) any building regulations certificate or notice issued in respect of work carried out under a competent person self-certification scheme?	(a-i) £4.00 (Includes VAT £0.67) (j&k) £9.00 (Includes VAT £1.50) (l) £4.50 (Includes VAT £0.75)	(a-i) £4.00 (Includes VAT £0.67) (j&k) £ 9.00 (Includes VAT £1.50) (l) £ 4.50 (Includes VAT £0.75)
1.2 Planning Designations and Proposals What designations of land use for the property or the area, and what specific proposals for the property, are contained in any existing or proposed development plan?	£1.00 (Includes VAT £0.17)	£1.00 (Includes VAT £0.17)

<p>Roads and Public Rights of Way Roadways, footways and footpaths 2.1. Which of the roads, footways and footpaths mentioned in the application for this search (via boxes B and C) are: (a) highways maintainable at public expense (b) subject to adoption and, supported by a bond or bond waiver (c) to be made up by a local authority who will reclaim the cost from the frontagers (d) to be adopted by a local authority without reclaiming the cost from the frontagers? Public rights of way 2.2. Is any public right of way which abuts on, or crosses the property, shown in a definitive map or revised definitive map? 2.3. Are there any pending applications to record a public right of way that abuts, or crosses the property, on the Register? 2.4. Are there any legal orders to stop up, divert, alter or create a public right which abuts, or crosses the property not yet implemented or shown on a definitive map? 2.5. If so, please attach a plan showing the approximate route.</p>	<p>£16.80 (Includes VAT £2.80)</p>	<p>£16.80 (Includes VAT £2.80)</p>
<p>3.1. Land Required for Public Purposes Is the property included in land required for public purposes?</p>	<p>£1.20 (Includes VAT £0.20)</p>	<p>£1.20 (Includes VAT £0.20)</p>
<p>3.2. Land to be Acquired for Road Works Is the property included in land to be acquired for road works?</p>	<p>£1.20 (Includes VAT £0.20)</p>	<p>£1.20 (Includes VAT £0.20)</p>
<p>3.3. Drainage Matters (a) Is the property served by a sustainable urban drainage system (SuDS)? (b) Are there SuDS features within the boundary of the property? If yes, is the owner responsible for maintenance? (c) If the property benefits from a SuDS for which there is a charge, who bills the property for the surface water drainage charge?</p>	<p>Please also contact South West Water direct for their current fees.</p> <p>At present there is no requirement for the Council to adopt SuDS and as such all SuDS will be in the ownership of the developer / landowner or otherwise transferred to the property owner or an appropriate management company. Further enquiries should be directed to them.</p>	

<p>3.4. Nearby Road Schemes Is the property (or will it be) within 200 metres of any of the following:-</p> <p>(a) the centre line of a new trunk road or special road specific in an order, draft order or scheme</p> <p>(b) the centre line of a proposed alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway</p> <p>(c) the outer limits of construction works for a proposed alteration or improvement to an existing road, involving (i) the construction of a roundabout (other than a mini roundabout) or (ii) widening by construction of one or more additional traffic lanes</p> <p>(d) the outer limits of (i) construction of a new road to be built by a local authority; (ii) and approved alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway; or (iii) construction of a roundabout (other than a mini roundabout) or widening by construction of one or more additional traffic lanes</p> <p>(e) the centre line of the proposed route of a new road under proposals published for public consultation or</p> <p>(f) the outer limits of (i) construction of a proposed alteration or improvement to an existing road involving construction of a subway, underpass, flyover, footbridge, elevated road or dual carriageway; (ii) construction of a roundabout (other than a mini roundabout) or (iii) widening by construction of one or more additional traffic lanes, under proposals published for public consultation?</p>	<p>(a) to (f) £5.40 (Includes VAT £0.90)</p>	<p>(a) to (f) £5.40 (Includes VAT £0.90)</p>
<p>3.5. Nearby Railway Schemes</p> <p>(a) Is the property (or will it be) within 200 metres of the centre line of a proposed railway, tramway, light railway or monorail?</p> <p>(b) Are there are any proposals for a railway, tramway, light railway or monorail within the local authority's boundary?</p>	<p>£1.20 (Includes VAT £0.20)</p>	<p>£1.20 (Includes VAT £0.20)</p>

<p>3.6. Traffic Schemes Has a local authority approved but not yet implemented any of the following for the roads, footways and footpaths named in boxes B and C and are within 200 metres of the the boundaries of the property:-</p> <ul style="list-style-type: none"> (a) permanent stopping up or diversion (b) waiting or loading restrictions (c) one way driving (d) prohibition of driving (e) pedestrianisation (f) vehicle width of weight restriction (g) traffic calming works including road humps (h) residents parking controls (i) minor road widening or improvement (j) pedestrian crossings (k) cycle tracks; or (l) bridge building? 	(a) to (l) £7.80 (Includes VAT £1.30)	(a) to (l) £7.80 (Includes VAT £1.30)
<p>3.7. Outstanding Notices Do any statutory notices which relate to the following matters subsist in relation to the property other than those revealed in a response to any other enquiry in this schedule:-</p> <ul style="list-style-type: none"> (a) building works (b) environment (c) health and safety (d) housing (e) highways (f) public health (g) flood and coastal erosion risk management 	(a) to (f) £13.20 (Includes VAT £2.20)	(a) to (f) £13.20 (Includes VAT £2.20)
<p>3.8. Contraventions of Building Regulations Has a local authority authorised in relation to the property any proceedings for the contravention of any provision contained in Building Regulations?</p>	£1.80 (Includes VAT £0.30)	£1.80 (Includes VAT £0.30)

<p>3.9. Notices, Orders, Directions and Proceedings under Planning Acts Do any of the following subsist in relation to the property, or has any local authority decided to issue, serve, make or commence any of the following:-</p> <ul style="list-style-type: none"> (a) enforcement notice (b) stop notice (c) listed building enforcement notice (d) breach of condition notice (e) planning contravention notice (f) other notice relating to breach of planning control (g) listed building repairs notice (h) in the case of a listed building deliberately allowed to fall into disrepair, a compulsory purchase order with a direction for minimum compensation (i) building preservation notice (j) direction restricting permitted development (k) order revoking or modifying a planning permission (l) order requiring discontinuance of use or removal of building works (m) tree preservation order (n) proceedings to enforce a planning agreement or planning contribution? 	(a) to (n) £7.80 (Includes VAT £1.30)	(a) to (n) £7.80 (Includes VAT £1.30)
<p>3.10 Community Infrastructure levy (CIL)</p> <ul style="list-style-type: none"> (a) Is there a CIL charging schedule? (b) If, yes, do any of the following subsist in relation to the property, or has a local authority decided to issue, serve, make of commence any of the following:- <ul style="list-style-type: none"> (i) a liability notice? (ii) a notice of chargeable development? (iii) a demand notice? (iv) a default liability notice? (v) an assumption of liability notice? (vi) a commencement notice? (c) Has any demand notice been suspended? (d) Has the Local Authority received full or part payment of any CIL liability? (e) Has the Local Authority received any appeal against any of the above? (f) Has a decision been taken to apply for a liability order? (g) Has a liability order been granted? (h) Have any other enforcement measures been taken? 	(a) to (h) £3.60 (Includes VAT £0.60)	(a) to (h) £3.60 (Includes VAT £0.60)
<p>3.11. Conservation Areas Do the following apply in relation to the property:-</p> <ul style="list-style-type: none"> (a) the making of the area a Conservation Area before 31 August 1974; or (b) an unimplemented resolution to designate the area a Conservation Area? 	£1.20 (Includes VAT £0.20)	£1.20 (Includes VAT £0.20)

3.12. Compulsory Purchase Has any enforceable order or decision been made to compulsorily purchase or acquire the property?	£3.90 (Includes VAT £0.65)	£3.90 (Includes VAT £0.65)
3.13. Contaminated Land Do any of the following apply (including any relating to land adjacent to or adjoining the property which has been identified as contaminated land because it is in such a condition that harm of pollution of controlled waters might be caused on the property:- (a) a contaminated land notice (b) in relation to a register maintained under section 78R of the Environmental Protection Act 1990:- (h) a decision to make an entry; or (ii) an entry; or (c) consultation with the owner or occupier of the property conducted under section 78G(3) of the Environmental Protection Act 1990 before the service of a remediation notice?	£1.20 (Includes VAT £0.20) For all parts of the question	£1.20 (Includes VAT £0.20) For all parts of the question
3.14. Radon Gas Do records indicate that the property is in a 'Radon Affected Area' as identified by Public Health England?	£1.20 (Includes VAT £0.20)	£1.20 (Includes VAT £0.20)
3.15 Assets of Community Value (a) Has the property been nominated as an asset of community value? If so:- (i) Is it listed as an asset of community value? (ii) Was it excluded and placed on the "nominated but not listed" list? (iii) Has the listing expired? (iv) Is the Local Authority reviewing or proposing to review the listing? (v) Are there any subsisting appeals against the listing? (b) If the property is listed: (i) Has the Local Authority decided to apply to the Land Registry for an entry or cancellation of a restriction in respect of listed land affecting the property? (ii) Has the Local Authority received a notice of disposal? (iii) Has any community interest group requested to be treated as a bidder?	£3.60 (Includes VAT £0.60)	£3.60 (Includes VAT £0.60)
Form CON290	4 – £6.00 5 – £6.00 6 – £6.00 7 – £6.00 8 – £6.00 9 – £6.00	4 – £6.00 5 – £6.00 6 – £6.00 7 – £6.00 8 – £6.00 9 – £6.00

	10 – £6.00 11 – £6.00 12 – £6.00 13 – £6.00 14 – £6.00 15 – £6.00 16 – £6.00 17 – £6.00 18 – £6.00 19 – £6.00 20 – £6.00 21 – £6.00 22 – £6.00 (Each question includes VAT £1.00)	10 – £6.00 11 – £6.00 12 – £6.00 13 – £6.00 14 – £6.00 15 – £6.00 16 – £6.00 17 – £6.00 18 – £6.00 19 – £6.00 20 – £6.00 21 – £6.00 22 – £6.00 (Each question includes VAT £1.00)
Additional Questions Non Standard Typed (Client's own questions)	Paper & Electronic Searches £12.00 per question (Includes VAT £2.00)	
Personal Searches Of the Local Land Charges Register	Free access or we can do it on your behalf for £10.00 for which you will receive an official LLC1 result	
Expedited Searches	All searches or enquiries – £25.00 (in addition to the fee for the search or enquiry) – please note this is not normally required as our turnaround is fast (1 or 2 working days). Please contact us for our current turnaround time prior to submitting an expedited fee.	

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LIST OF FEES AND CHARGES

ENVIRONMENTAL HEALTH SERVICES (2019/2020)

(Effective 01 April 2019 to 31 March 2020)

Hackney carriage/private hire fees (V.A.T. Exempt):	
Hackney carriage vehicle licence	£204.00
Private hire vehicle licence	£142.00
Grant hackney carriage/private hire driver's licence (1 year)*	£228.00
Grant hackney carriage/private hire driver's licence (3 years)*	£401.00
Renewal hackney carriage/private hire driver's licence (1 year)*	£138.00
Renewal hackney carriage/private hire driver's licence (3 years)*	£301.00
Private hire operator's licence (1 year)*	£71.00
Private hire operator's licence (5 years)*	£213.00
Driver's initial test	£31.00
Driver's test re-take	£12.00
Transfer of vehicle ownership	No Fee
Addition of trailer to vehicle	No Fee
Meter testing and resealing	£29.00
Deposit fee - vehicle plate	£50.00
Deposit fee - driver's lapel badge	£50.00
Deposit fee - trailer plate	£50.00
Replacement driver's badge	No Fee
Replacement vehicle plate	No Fee
<p>*Please see the following section on Criminal Record Disclosures for additional fees which may apply to your application.</p>	

Criminal Record Disclosures

The Licensing Team will require applicants to provide evidence of criminal record disclosures to ensure the suitability of applications for certain licences and permits.

There are two primary routes for gaining such checks, and these are dependent on the nature of the licence or permit applied for. They are typically gained either via the Disclosure and Barring Service (DBS) or a Responsible Organisation (a third party registered with DBS). The following disclosure requirements and fees currently apply. Please note that fees are not payable directly to North Devon Council and as such please be mindful that they are subject to change.

All disclosures are handled according to a **Code of Practice**, a copy of which is available on request.

Further information about the DBS is available via:

<https://www.gov.uk/government/organisations/disclosure-and-barring-service>

Taxi and Private Hire Driver's Licences

An Enhanced DBS Disclosure is required for new driver applications and every three years thereafter.

Fee for Enhanced Disclosure via the DBS	£44.00
Administration fee for GBG Group PLC (North Devon Council's preferred umbrella body for Enhanced Disclosures)	£11.40 electronic application
	£24.00 non-electronic application

Electronic DBS applications will require payment to be made online to GB Group PLC when drivers make their online application. Non-electronic applications are not recommended but in these cases drivers will need to make the above payment to North Devon Council (who will in turn pay GB Group PLC).

Drivers using GB Group will have a choice of undertaking their ID verification either at the Council (at one of their offices in Barnstaple, South Molton or Ilfracombe) or at Barnstaple Post Office, Queen Street, Barnstaple. The Council's preference is that drivers use the Post Office for ID verification.

Fee for identity verification with North Devon Council	£6.00
Fee for identify verification with Post Office	£6.00

Where an applicant is unable to verify their identification using Route 1 information, such as a full driving licence, passport and utility bills; the DBS requires identification using Route 2 identification checks (using credit reference

agency data). If applicable, a member of the Licensing Team will let you know, as a signed authority is required first before the Council will perform the check. An administration fee will be payable to North Devon Council in these circumstances to cover the cost of the Route 2 check.

Route 2 check: £10.00

The DBS provides a service called the **Update Service** which is highly recommended for drivers. For an annual subscription drivers can keep their DBS Enhanced Disclosure up-to-date and take it with them from role to role, within the same workforce, where the same type and level of check is required. This can save drivers both time and money. Application must be made within 19 days of the date of issue of the certificate.

Sign up to DBS Update Service: £13.00

Basic Criminal Record Disclosure

Basic Criminal Record Disclosures are applicable for licences and permits including, scrap metal site and collector licences, private hire operators, personal licences and gambling related permits etc. The applicant will receive a copy of the disclosure information for their reference and the Council will request to examine this information in order to help determine the outcome of the relevant application. These documents are generally only valid for a limited period depending on the nature of the application.

Applicants can gain their Basic Criminal Record Disclosure from a Responsible Organisation (a third party registered with DBS). A list of Responsible Organisations can be found at:

<https://www.gov.uk/guidance/responsible-organisations>

Cost and return times vary with chosen Responsible Organisation.

For personal licences the alternative is a **Devon and Cornwall Police Access Search** available from:

Data Protection Office
Strategic Development
Devon and Cornwall Police
Police HQ
Middlemore
Exeter
EX2 7HQ

Tel: 01392 452675
Email: www.devon-cornwall.police.uk

Cost approx. £10.00 but return times are longer than a Basic Criminal Record Disclosure completed via a Responsible Organisation.

Other Licensing Team Fees (V.A.T. Exempt):

Animal Welfare Licence Fees	
Applications for a multi-activity licence will be processed according to the activity with the highest fee.	
Licence Activity (grant and renewal)	Part A initial application fee
Hiring out horses	£247
Breeding of dogs	£235
Keeping or training animals for exhibition	£154
Home boarder of dogs	£189
Non- home boarder of cats or dogs	£235
Dog day care	£212
Selling animals as pets	£235
Veterinary fee	Part A veterinary fee
Breeding of dogs (grant only, unless in exceptional circumstances)	£200
Hiring out horses (grant and renewal)	£250
Additional fee for all licensed activities dependent upon licence period	Part B fee (payable after licence grant only)
One year licence	£180
Two year licence	£180
Three year licence	£180
Variation application including re-rating	Variation fee
With no inspection	£31
With council inspection	£200
With veterinary inspection	£31 plus additional fee according to veterinary invoice

Licence application	Part A initial application fee	Part B (payable after licence grant only)
Zoo Licence	Veterinary surgeon's costs plus £71.10 Under review	 Under review
Dangerous Wild Animal Licence	Veterinary surgeon's costs plus £71.10 Under review	 Under review

Skin piercing registrations		
Acupuncture, tattooing, cosmetic-piercing, electrolysis and semi-permanent skin colouring	£67.70 – Personal registration (covers all activities)	£67.70 – Premises registration (covers all activities)
Sex Establishment Licences		
Grant of a licence	£4,419.15 (£2,073.09 refund if a hearing is not required)	
Renewal of a licence	£3,308.05 (£1,623.31 refund if a hearing is not required)	
Transfer of a licence	£573.10 (£388.88 refund if a hearing is not required)	
Variation of a licence	£523.30 (£421.45 refund if a hearing is not required)	
Boat and Boatman's Licences		
Pleasure Boat Licence (fee based on capacity of vessel)	1-2 persons	£112.70
	3-6 persons	£135.15
	7-12 persons	£157.60
Pleasure Boatman Licence	Grant of a licence	£165.60
	Renewal of a licence	£60.90
Scrap Metal Dealers		
* see above section on Criminal Record Disclosure for additional fees that may apply		
Grant of a collector's licence	£125.45	
Renewal of a collector's licence	£125.45	
Variation of a collector's licence	£40.80	
Grant of a site licence	£176.45	
Renewal of a site licence	£171.35	
Variation of a site licence	£48.95	
Hypnotism Authorisation		
Application for consent to conduct an exhibition, demonstration or performance of hypnotism	No fee	
Charitable collections		
Street collection permit	No fee	
House to house collection licence	No fee	

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Appendix E

Licensing Act 2003 fees

* see above section on Criminal Record Disclosure for additional fees that may apply

Application for grant/renewal personal licence*	£37.00
Temporary Event Notice	£21.00
Theft, loss etc of premises licence or summary	£10.50
Application for Provisional Statement	£315.00
Notification of change of name or address	£10.50
Application to vary licence to specify individual as premises supervisor	£23.00
Application for transfer of premises licence	£23.00
Interim Authority Notice following death etc. of licence holder	£23.00
Theft, loss etc of certificate or summary	£10.50
Notification of change of name or alteration of club rules	£10.50
Change of relevant registered address of club	£10.50
Theft, loss etc. of temporary event notice	£10.50
Theft, loss etc. of personal licence	£10.50
Duty to notify change of name or address	£10.50
Right of free holder etc to be notified of licensing matters	£21.00
Disapplication of premises supervisor for community premises	£23.00
Minor Variation	£89.00

Grant & full variation of premises licence/club premises certificate

Rateable value	Band	Initial application fee	Annual maintenance fee
No rateable value to £4,300	A	£100	£70
£4,300 to £33,000	B	£190	£180
£33,001 to £87,000	C	£315	£295
£87,001 to £125,000	D [^]	£450	£320
£125,001 and above	E [^]	£635	£350

[^]A multiplier is applied to premises in bands D and E, where they are exclusively or primarily in the business of supplying alcohol for consumption on the premises as follows

Band	D (x2)	E (x2)
Application Fee	£900	£1,905
Annual Fee	£640	£1,050

Large Venues

Where the maximum number of persons the applicant proposes should, during the times when the existing licence authorises licensable activities to take place on the premises, be allowed on the premises at the same time is 5,000 or more, an application must be accompanied by an additional fee:

Number in attendance at any one time	Additional Fee
5,000 to 9,999	£1,000
10,000 to 14,999	£2,000
15,000 to 19,999	£4,000
20,000 to 29,999	£8,000
30,000 to 39,999	£16,000
40,000 to 49,999	£24,000
50,000 to 59,999	£32,000
60,000 to 69,999	£40,000
70,000 to 79,999	£48,000
80,000 to 89,999	£56,000
90,000 and over	£64,000

Exemptions

No fee payable for applications for premises licences/club premises certificates, which relate to the provision of regulated entertainment and:

The application is by a proprietor of an educational institution in respect of premises that are or form part of an education establishment:

- (a) The establishment is a school or college;
- (b) The provision of regulated entertainment on the premises is carried on by the establishment for and on behalf of that establishment; OR

(2) The application is in respect of premises that are or form part of a church hall, chapel hall or similar building or a village hall, parish hall or other similar building

Additionally no annual fee is payable under the above exemption

Fees for enquiries about the Licensing Act register

5p per page, plus postage and packing

Where total charge per page equates to less than £5.00, no fee is applicable

No charge when viewed at Lynton House

Where officer time is required to search for individual records and prepare documents for viewing, an additional charge of £6.50 per hour may be made

Gambling Act 2005 fees	
* see above section on Criminal Record Disclosure for additional fees that may apply	
Prize gaming permit	
New	£300
Renewal	£300
Transfer (new name from old on a permit)	£25
Copy	£15
Family Entertainment Centre Gaming Machine Permit (UFEC)	
New*	£300
Renewal*	£300
Transfer (new name from old on a permit)	£25
Copy	£15
Gaming machines in alcohol licensed premises	
Notification of two or less gaming machines	£50
Alcohol licensed premises gaming machine permit	£150
Variation of permit	£100
Transfer of permit	£25
Annual fee payable	£50
Substitution of old name for new	£25
Copy of Permit	£15
Club gaming and club machine permits	
New and renewal	£200
- where applicant is a holder of a Club Premises Certificate	£100
Annual amount	£50
To vary a permit	£100
Copy of permit	£15
Gambling Notices	
Giving of a Temporary Use Notice	£50.00
Replacement of an endorsed copy of a Temporary Use Notice	£10.50
Occasional Use Notice	No fee
Small Society Lotteries	
Small society lottery registration – application fee	£40.00
Small society lottery – annual fee	£20.00
Premises licence ancillary fees	
Notification of change in address/circumstances	£10.50
Replacement/copy of Licence	£10.50
Copy of Public Register	
VAT exempt 5p per page, plus postage and packing Where total charge per page equates to less than £5.00, no fee is applicable No charge when viewed at Lynton House Where officer time is required to search for individual records and prepare documents for viewing, an additional charge of £6.50 per hour may be made	

Gambling Act Premises Licence Applications, Annual & Other Complex Fees					
Application/ premises	Bingo Premises Licence	Adult Gaming Centre Premises Licence	Betting Premises (Track) Licence	Family Entertainment Centre Premises Licence	Betting Premises (other) Licence
Non- conversion fee, provisional statement	£705	£705	£560	£560	£705
Non- conversion fee, other premises	£2030	£1210	£1410	£1210	£1720
Annual fee	£590	£590	£590	£425	£365
Fee for variation application	£1015	£590	£705	£590	£850
Fee for transfer application	£705	£705	£560	£560	£705
Fee for application to reinstate	£705	£705	£560	£560	£705
Fee for provisional statement	£2030	£1210	£1410	£1210	£1720

Housing related fees	
Application for a House in Multiple Occupation (HMO) Licence	£426.35
HMO licence renewal	£426.35
HMO licence variation	£213.15
Immigration inspections or accommodation certificates (UK Entry Clearance)	No fee
Camping and caravan sites	
Camp site licence (tents only)	No fee
Caravan & camp site licence	No fee
Food related fees	
Export health certificate	£50.00 per hour for certification
Food surrender certificate	£50.00 per hour for certification plus disposal costs
Primary authority partnership fees	£50.00 per hour
Fishery products fee for landed fish products	0.5 Euro per tonne of fishery product entering an establishment, from factory vessels on landing, 3rd country imports and consignments over 1 tonne landed (subject to change)
Stray dogs The Environmental Protection Act 1990, and The Environmental Protection (Stray Dogs) Regulations 1992	
Statutory fine	£25.00
Administration charge	£6.00 plus VAT
Boarding (for each period of 24 hours or part thereof)	£20.00
Any required veterinary costs, for example if the dog is injured or any other relevant fees	Based on costs of veterinary treatment or similar

Abandoned Vehicle Charges

(see The Removal, Storage and Disposal of Vehicles (Prescribed Sums and Charges) Regulations 2008 for further information, definitions etc.)

Charges in Relation to Removal of Vehicles				
Vehicle position and condition	Vehicle equal to or less than 3.5 tonnes MAM	Vehicle exceeding 3.5 tonnes MAM but equal to or less than 7.5 tonnes	Vehicle exceeding 7.5 tonnes MAM but equal to or less than 18 MAM	Vehicle exceeding 18 tonnes MAM
Vehicle on road, upright and not substantially damaged or any two wheeled vehicle whatever its condition or position on or off the road	£150	£200	£350	£350
Vehicle, excluding a two wheeled vehicle, on road but either not upright or substantially damaged or both	£250	£650	Unladen-£2000	Unladen-£3000
			Laden-£3000	Laden-£4500
Vehicle, excluding a two wheeled vehicle, off road, upright and not substantially damaged	£200	£400	Unladen-£1000	Unladen-£1500
			Laden-£1500	Laden-£2000
Vehicle, excluding a two wheeled vehicle, off road but either not upright or substantially damaged or both	£300	£850	Unladen-£3000	Unladen-£4500
			Laden-£4500	Laden-£6000

Charges in relation to the storage of vehicles				
Two wheeled vehicle	Vehicle, not including a two wheeled vehicle, equal to or less than 3.5 tonnes MAM	Vehicle exceeding 3.5 tonnes MAM but equal to or less than 7.5 tonnes MAM	Vehicle exceeding 7.5 tonnes MAM but equal to or less than 18 MAM	Vehicle exceeding 18 tonnes MAM
£10	£20	£25	£30	£35

Charges in relation to the disposal of vehicles				
Two wheeled vehicle	Vehicle, not including a two wheeled vehicle, equal to or less than 3.5 tonnes MAM	Vehicle exceeding 3.5 tonnes MAM but equal to or less than 7.5 tonnes MAM	Vehicle exceeding 7.5 tonnes MAM but equal to or less than 18 MAM	Vehicle exceeding 18 tonnes MAM
£50	£75	£100	£125	£150

Local Air Pollution and Prevention and Control (LAPPC) Charges

The Pollution Prevention and Control Act 1999 provide for the setting of fees and charges for Local Authority - Integrated Pollution Prevention and Control (LA-IPPC), and Local Air Pollution Prevention and Control (LAPPC) at levels that will recover costs of local authorities of implementing the system. The fees and charges are set nationally by DEFRA in consultation with affected industries and local authorities.

Type of charge	Type of process	£		
Application Fee	Standard process	1579		
	Additional fee for operating without a permit	1137		
	PVRI, SWOBs & Dry Cleaners RFA's:	148		
	PVR I & II combined	246		
	Vehicle Refinishers (VR's) & other RFA's	346		
	Reduced Fee Activities: Additional fee for operating without a permit	68		
	Mobile screening and crushing plant	1579		
	For the third to seventh applications	943		
	For the eighth and subsequent applications	477		
	Where an application for any of the above is for a combined Part B and waste application, add an extra £297 to the above amounts.			
Annual Subsistence Charge	Standard Process – LOW RISK	739 (+99)*		
	Standard Process – MEDIUM RISK	1111 (+149)*		
	Standard process – HIGH RISK	1672 (+198)*		
	Reduced Fee Activities Low/Med/High	76	151	227
	PVR I & II combined Low/Med/High	108	216	326
	Vehicle Refinishers Low/Med/High	218	349	524
	Mobile screening and crushing plant L/M/H	618	989	1484
	For the third to seventh permits L/M/H	368	590	884
	For the eighth and subsequent permits L/M/H	189	302	453
	*The additional amounts in brackets will be charged where a permit is for a combined Part B and waste installation.			
	Where a Part B Installation is subject to reporting under the E-PRTR Regulation, an additional £99 will apply to the above amounts.			

	Late payment fee – applies when invoice remains unpaid 8 weeks from the date issued.	50
Transfer and Surrender	Standard process transfer	162
	Standard process partial transfer	476
	New operator at low risk reduced fee activity	75
	Surrender: all Part B activities	0
	Reduced fee activities: transfer	0
	Reduced fee activities: partial transfer	45
Temporary transfer for mobiles	First transfer	51
	Repeat following enforcement or warning	51
Substantial change	Standard process	1005
	Standard process where the substantial change results in a new PPC activity	1579
	Reduced fee activities	98

LAPPC mobile plant charges

No. of Permits	Application Fee 2018/19 £	Subsistence Fee 2018/19 £		
		Low	Med	High
1	1579	618	989	1484
2	1579	618	989	1484
3	943	368	590	884
4	943	368	590	884
5	943	368	590	884
6	943	368	590	884
7	943	368	590	884
8 and over	477	189	302	453

LA-IPPC charges

Type of charge	Local Authority element 2017/18 £
Application	3218
Additional fee for operating without a permit	1137
Annual Subsistence - LOW	1384
Annual Subsistence - MEDIUM	1541
Annual Subsistence - HIGH	2233
Late payment fee	50
Substantial Variation	1309
Transfer	225
Partial Transfer	668
Surrender	668

Key

Subsistence charges can be paid in four equal quarterly instalments paid on 1st April, 1st July, 1st October and 1st January. Where paid quarterly, the total amount payable to the local authority will be increased by £36.

Reduced fee activities are: Service Stations, Vehicle Refinishers, Dry Cleaners and Small Waste Oil Burners under 0.4MW.

Newspaper adverts may be required under EPR at the discretion of the Local Authority as part of the consultation process when considering an application (see Chapter 9 of the General Guidance Manual). This will be undertaken and paid for by the LA and the charging scheme contains a provision for the LA to recoup its costs.

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Appendix 5 Appendix E

Private Water Supply Regulations 2009 (made up of 2 components as outlined below)

Laboratory Fees - charged by the laboratory for sample analysis.

Monitoring Type	Maximum Fee allowed under the Regulations	Analysis Type	Current Laboratory Fee
Reg. 10	£25.00	<p>Microbiological parameters and basic checks, as specified under Reg. 10.</p> <p>(PWS 2-10)</p> <p>Please note:</p> <p><i>(1): Either as a result of the formal Risk Assessment process or a case-specific Risk Assessment, additional test parameters may be required. Where such tests are in addition to the specified suite(s), the costs will be recharged to the customer at the full rate charged by the laboratory. The maximum total charge will be that specified under Schedule 5 of the regulations.</i></p> <p><i>(2) Where a customer requests any test not included, or in the opinion of the relevant officer; not necessary under the regulations. We (at our discretion) may provide such sample collection and test facilities, however we will recharge the full cost of both our officer time and laboratory fees.</i></p>	£14.05
Check monitoring	£100	<p>Schedule 1, Part 1, Table A (1st part) – microbiological parameters. (PWS 1A)</p> <p>Schedule 2, Part 1, Table 1 – chemical parameters:</p>	£10.73
		<ul style="list-style-type: none"> - Full suite (PWS CM) - Basic/Reduced Suite (PWS 210) 	<p>£56.42</p> <p>£14.05</p>

		<p>Please note:</p> <p><i>(1) Either as a result of the formal risk assessment process or a case-specific risk assessment, additional test parameters may be required. Where such tests are in addition to the specified suite(s), the costs will be recharged to the customer at the full rate charged by the laboratory. The maximum total charge will be that specified under Schedule 5 of the regulations.</i></p> <p><i>(2) Where a customer requests any test not included, or in the opinion of the relevant officer not necessary under the regulations. We (at our discretion) may provide such sample collection and test facilities, but we will recharge the full cost of both our officer time and laboratory fees.</i></p>	
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Appendix 5 Appendix E

Monitoring Type	Maximum Fee allowed under the Regulations	Analysis Type	Current Laboratory Fee
Audit monitoring	£500	<p>Schedule 1, Part 1, Table B</p> <p>Audit Monitoring Basic</p> <p>Please note:</p> <p><i>(1) Either as a result of the formal risk assessment process or a case-specific risk assessment, additional test parameters may be required. Where such tests are in addition to the specified suite(s), the costs will be recharged to the customer at the full rate charged by the laboratory. The maximum total charge will be that specified under Schedule 5 of the Regulations.</i></p> <p><i>(2) Where a customer requests any test not included, or in the opinion of the relevant officer not necessary under the regulations. We (at our discretion) may provide such sample collection and test facilities, but we will recharge the full cost of both our officer time and laboratory fees.</i></p>	£25.11

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Monitoring Type	Maximum Fee allowed under the Regulations	Analysis Type	Proposed Fee
		<p>Please note:</p> <p>(3) <i>The regulations require that check and audit monitoring is undertaken on LARGE and commercial PWS.</i></p> <p>(4) <i>We are required to review PWS users on a source/premises specific basis, and to include any additional parameters identified by risk assessment.</i></p> <p>(5) <i>As a consequence, charges can only be quoted in broad sampling suites, which may, from necessity, be subject to change. Where additional monitoring parameters are identified, the cost of analysis will be recharged on a substance/test specific basis, as set by our appointed laboratory. Conversely, laboratory fees will be reduced where test procedures can be dropped as a consequence of the appropriate and considered removal of unnecessary parameters, but this will always be at our discretion, and we will consider scientifically the evidence available.</i></p> <p>(6) <i>The total of all check and audit monitoring will be re-charged in full up to the maximum set per sample under the regulations (currently £100 for check monitoring and £500 for audit monitoring).</i></p> <p>(7) <i>The frequency of sampling will be dictated by the daily volume of use tables within the regulation schedules. Additional samples will be taken where the risk assessment identifies a site-specific need or problem.</i></p>	

Council Fees Private Water Supply (Regulations 2009)

	Fee £
1. Risk Assessment:	
NEW	204
REVIEW & UPDATE	135
2. Sampling (a)	
Programmed sampling (based on 5 visits per day programme)	76.50
Customer requests (single requests, requiring unlinked geographical lists) and last minute or urgent requests	100
3. Investigations	100
4. Granting Authorisations	100

Please note:

- a. any person requesting any service under the PWSR 2009 is liable for the cost
- b. alternatively, fees are payable as specified in the invoice by the relevant person, as defined by Section 80 (7) of the Water Industry Act 1991:
 - i) *"the owners and occupiers of those premises; and*
 - ii) *whether or not the source of the private supply is in that authority's area, the owners and occupiers of the premises where that source is situated and any other person who exercises powers of management or control in relation to that source"*

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Appendix 5 Appendix E

c. where more than one person is liable, we, in determining who is required to make payment:

i) may apportion the charge between them; and

ii) must have regard to any agreement or other document produced to the council relating to the terms on which water is supplied

d. customer requests for sampling which either fall:

i) completely outside regulatory control, or

ii) certain or, all specialist monitoring parameters fall outside regulatory control will not normally be undertaken. However, if the Head of Environmental Health and Housing Services decides monitoring can be justified in the interest of public health, it may be undertaken at their discretion, provided the customer agrees to pay in full for all services received, e.g. officer and laboratory costs.

If you have any further queries, please telephone Environmental Health and Housing Services on 01271 388870.

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**MARLBOROUGH ROAD CEMETERY, ILFRACOMBE &
BEAR STREET CEMETERY, BARNSTAPLE
FEES & CHARGES 2019 - 2020**

Please find below cemetery charges from 1 April 2019. Please note a 50% discount applies to North Devon Council Residents (*) in respect of Burial and Exclusive Rights fees.

BURIAL FEES

	Fee	NDC Resident*
Initial burial - 16 years of age and over	£1,250.00	£625.00
Subsequent burial - 16 years of age and over	£1,050.00	£525.00
Burial of cremated remains	£172.00	£86.00
Burial of a child up to 16 years of age	No Fee	No Fee

FEES TO PURCHASE THE EXCLUSIVE RIGHT OF BURIAL FOR 30 YEARS WHICH INCLUDE THE RIGHT TO ERECT A MEMORIAL

	Fee	NDC Resident*
For an adults grave	£1,162.00	£581.00
For a cremated remains grave	£398.00	£199.00
For a child's grave	£320.00	£160.00
Administration fee in respect of transferring of Rights	£38.00	£38.00

**Please note: Reservation of a grave plot is only available at Bear St Cemetery, Barnstaple.

MEMORIALS FEES WHERE RIGHTS WERE PURCHASED BEFORE 1 APRIL 2016

Erect a headstone only	£80.00
Place a tablet or vase	£55.00

ADDITIONAL FEES

To add an additional inscription to a monument	£32.00
For searching Register of Burials for one year	£37.00
For searching Register of Burials for each additional year	£37.00
For a certified copy of an entry in the Register of Burials	£37.00
Use of chapel per 30 minutes	£37.00

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<u>ITEM</u>	RECOMMENDED CHARGE 2018/19	RECOMMENDED CHARGE 2019/20
<u>SPORTS PITCHES</u>	Inclusive of VAT at 20%	Inclusive of V.A.T 20%
Football One-Off Booking (including changing facilities) on Grass Pitch at Tarka Tennis Centre 11v11 (90 minutes on full-size pitch)	£36.77	£42.00
Football Season Ticket (including changing facilities) on Grass Pitch at Tarka Tennis Centre 11v11 season ticket (11 games) paid by direct debit, all additional games charged at same rate: £36.77 inclusive of VAT.	£N/A	£404.47

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Pannier Market Charges 2019/20

	2012/13 +0.0% £	2013/14 +0.0% £	2014/15 +0.0% £	2015/16 +0.0% £	2016/17 5% Rounded £	2017/18 2% Rounded	2018/19 0.00%	2019/20 3 % rounded
Tuesday, Friday, Saturday								
Zone A	5.60	5.60	5.60	5.60	5.90	6.00	6.00	6.20
Zone B	5.10	5.10	5.10	5.10	5.40	5.50	5.50	5.70
Per day casual stalls*	8.20	8.20	8.20	8.20	8.60	8.80	8.80	9.10
Charity Stall Friday	8.20	8.20	8.20	8.20	8.60	8.80	8.80	9.10
Thursday								
Craft per day, per bay	28.20	28.20	28.20	28.20	29.60	30.20	30.20	31.10
Per day, per half bay	14.90	14.90	14.90	14.90	15.60	15.90	15.90	16.40
Monday								
Craft per day, per bay	27.70	27.70	27.70	27.70	29.10	29.70	29.70	30.60
Per day per half bay	14.90	14.90	14.90	14.90	15.60	15.90	15.90	16.40
Wednesday								
Per bay, per day	28.70	28.70	28.70	28.70	30.10	30.70	30.70	31.60
Per day per half bay	14.90	14.90	14.90	14.90	15.60	15.90	15.90	16.40
Venue Hire								
Speciality markets and events*#	153.70	153.70	153.70	153.70	161.40	164.60	169.50	200.00
Commercial*	512.50	512.50	512.50	512.50	538.10	548.90	565.40	565.40

Annual levy for membership of Barnstaple Town Centre Management (SET BY TRADERS COMMITTEE) 7.50 per trader per year

Daily levy on casual traders for membership of Barnstaple Town Centre 1.00 per trading day

* basic hire charge, other charges may apply

for events which are not for profit and can demonstrate a significant benefit to the local people and communities whilst contributing to the vitality and viability of the town centre may be eligible for a discretionary discount

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Bulky Collection Costs 2019/20

Bulky Collection Costs		
	Current price	3% Increase
Up to 2 items	15.45	15.91
Up to 3 items	22.66	23.34
Up to 4 items	29.87	30.77

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Garden Waste Proposed prices 2019/20

	Current price	No Increase
Garden Waste Fee	36.00	36.00

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NORTH DEVON COUNCIL

REPORT TO: EXECUTIVE
Date: 4 February 2019
TOPIC: REVENUE BUDGET 2019-20, CAPITAL PROGRAMME AND MEDIUM TERM FINANCIAL STRATEGY 2019-2023
REPORT BY: CHIEF FINANCIAL OFFICER

1. INTRODUCTION

- 1.1 This report notes the latest forecast position in the Performance and Financial Management Quarter 3 of 2018-19 reported separately on the agenda and the draft Budget for 2019-20. These figures will be the basis of the recommendation to Council on 25 February 2019 when the Council Tax levels for 2019-20 will be approved.
- 1.2 The Council has a legal duty to prepare a balanced budget and in order to achieve this position a number of pressures have been identified and assumptions made throughout the preparation process. Members are minded to consider whether to implement or amend these whilst taking into account the implications on the Council's overall financial position and the level of Council Tax for 2019-20 year.
- 1.3 The Council's Corporate Plan 2015-2018 was updated by the Executive and Full Council in January 2016. In taking decisions on the budget and Council Tax, Members will be mindful of the two key corporate objectives set out in the Plan, these being:
 - Organisational Transformation
 - Growing North Devon
- 1.4 A significant theme running through the Corporate Plan is the need to continue achieving savings within the Council's budgets. Sitting alongside and supporting the Corporate Plan is the Council's Medium Term Financial Strategy (MTFS) which has been updated and is shown later in this report.
- 1.5 It is however pleasing to report that the Council has a good track record of delivering efficiencies and savings and is in good financial shape to meet this challenge.

2. RECOMMENDATIONS

2.1 The Executive:

- 2.1.1 Note the latest forecast for Budget 2018-19 and the proposed contributions to earmarked reserves.
- 2.1.2 Note the Chief Financial Officer's assurance on the adequacy of the reserves and the robustness of the budget in paragraph 5.1.4.5
- 2.1.3 Note the Chief Financial Officer's highlighted areas of risk identified within the budget process set out in paragraph 5.1.4.6 and section 5.3
- 2.1.4 Note the latest Medium Term Financial forecast for 2019-2023 as shown in section 5.1.5
- 2.1.5 Subject to approval of 2.2.4 below, that funds are released for the capital schemes listed in section 5.2.2

2.2 Recommend to Council:

- 2.2.1 That there be an increase of 2.99% in the level of Council Tax charged by North Devon Council for 2019-20.
- 2.2.2 The actions identified in sections 5.1.2 to 5.1.4, which are required to ensure a balanced budget is achieved and therefore recommend to Council the approval of 2019-20 General Revenue Account Budget.
- 2.2.3 To adopt the Medium Term Financial Strategy 2019-2023 in section 5.1.5 as part of the Policy Framework.
- 2.2.4 The Capital Programme 2018-19 to 2021-22 as highlighted in section 5.2 be approved.

3. REASONS FOR RECOMMENDATIONS

- 3.1 The 2018-19 latest forecast is reported to ensure Executive maintain budgetary control for the rest of the financial year.
- 3.2 To ensure Executive has assurance on the financial standing of the Council and risks associated with the budgetary framework.
- 3.3 Decisions on the level of Council Tax need to be taken by Executive as part of recommending next year's budgetary framework for adoption by Council.
- 3.4 To ensure Executive have a savings plan in place to deliver the long-term financial strategy of the Council.
- 3.5 To ensure Executive control the performance improvement activities of the Council.
- 3.6 To ensure that future capital investment is available and targeted to the Council's priorities.

4. CONSTITUTIONAL CONTEXT

Article and paragraph	Referred or delegated power?	A key decision?	In the Forward Plan?
Part 3 Annexe 4	Executive delegated decision making	Yes	Yes
Part 4 Budget Procedure Rules	Executive delegated to formulate Budget	Yes	Yes

5. REPORT

5.1 Revenue Budget

5.1.1 Quarter 3 Forecast 2018-19

- 5.1.1.1 The Performance and Financial Management Quarter 3 of 2018-19 is also reported on the agenda. The current forecast is that the Council has a small net budget deficit of £0.019m against its budget; however we anticipate that the variance can be reduced further throughout the last quarter.
- 5.1.1.2 The original budget for 2018/19 included a forecast to achieve £0.200m worth of salary vacancy savings. The current position forecasts this will be exceeded this year and vacancy savings of £0.225m will be achieved.
- 5.1.1.3 Within the overall £0.019m net budget deficit there are various cost pressures and one-off savings. I am pleased to report that the budget pressures seen within waste and recycling have not increased any further at the quarter 3 forecast. There has been a significant reduction in the forecast planning fee income of £0.159m due to a reduction in the larger applications received, which is in line with other authorities experiencing the same pressure. However I am pleased to report that we are forecasting additional Business Rates Retention income of £0.200m over and above the budgeted £1.252m Business Rates growth which has resulted in maintaining the net budget deficit at a similar level reported at quarter 2.
- 5.1.1.4 The Business Rate retention scheme was introduced in April 2013 which sees Billing authorities receive a 'baseline' funding but in addition they are exposed to the risks and rewards of retaining a proportion of the income collected. This exposure is mitigated by participation in the Devon-wide pool that collates all of the Business Rate growth and decline and returns a share of the impact to each local authority.

- 5.1.1.5 I am pleased to report that there is an estimated one-off additional income from the 100% Business Rates Retention pilot for 2018/19 of £0.750m; this additional income has been earmarked to the following reserves to help fund future projects:
- £0.350m Capital Funding reserve
 - £0.150m Improvement Fund reserve
 - £0.190m Economic Development reserve
 - £0.060m Office Technology reserve
- 5.1.1.6 As at the 31st December 2018 total external borrowing was £1.250m. The timing of any future borrowing is dependent on how the authority manages its treasury activity and due to current low interest rates and reduced returns on investments it is prudent for the Council to 'internally borrow' and use these monies to fund the Capital Programme.
- 5.1.1.7 The recommended level of general fund balance is 5%-10% of the council's net revenue budget (£0.611m to £1.222m). The forecast general fund reserve at 31 March 2019 is £1.161m, which is a level of 9.5%.

5.1.2 Budget 2019-20

- 5.1.2.1 Preparation of the 2019-20 budget began in the autumn of 2018 in order to consider the cost of known budgetary pressures and provide opportunity to consider the impact of proposed reductions.
- 5.1.2.2 The Government's Spending Review (SR2015) took place in November 2015, which announced local government facing further funding reductions nationally of some 53% over the period to 2019-2020.
- 5.1.2.3 In addition, it was also announced that by the end of this Parliament, local government would retain 100% of all business rates. Since this announcement, the Government have deferred the roll out of 100% business rates across the whole country and offered the opportunity for Councils to bid to become pilot areas of 100% business rates in 2018-19 and pilot areas of 75% business rates in 2019-20.
- 5.1.2.4 A key objective of the pilot was to promote financial sustainability and to invest some of the additional retained income to encourage further growth. As mentioned earlier, Devon authorities operate in a pool at present and thus already had governance arrangements

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in place and in October 2017, following sign off from each authorities Leader and Chief Executive, the Devon authorities submitted a bid to Government to become a pilot area.

- 5.1.2.5 In December 2017, it was announced that the bid from Devon was successful and thus Devon will operate as a pilot of 100% business rates for one year only (2018/19 year). This is currently forecast to see gains of around £19m for the Devon area as a whole; of which this authority will gain a proportionate share of the one off gain of around £0.750m.
- 5.1.2.6 For 2019-20 the Government invited bids for further pilot areas; this time for 75% business rate retention. The Devon authorities submitted a further bid to Government, however it was announced as part of the finance settlement in December 2018 that Devon had been unsuccessful in its bid. For 2019-20 year, Devon will revert back to the pooling arrangements under the original 50% scheme.
- 5.1.2.7 During the last spending review (2011-2015) the Council reduced its net budget by £4m. Whilst this was achieved without significant detriment to service provision it should be noted that the Council is now operating with some 30% fewer staff than it had 8 years ago.
- 5.1.2.8 The Council made the decision during 2016-17 to accept the Government's offer of a 4-year financial settlement through to 2019-20 year. This was confirmed by the Government in November 2016. By accepting the 4-year settlement helps the Council to plan ahead with greater certainty and to provide a financial platform to delivery upon our corporate plan.
- 5.1.2.9 The refreshed 4-year Medium Term Financial Strategy was approved this time last year (February 2018) and the forecast cumulative budget gap / (surplus) was shown as follows

Years	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m
Budget gap / (surplus)	0	0.345	0.517	0.616

- 5.1.2.10 The forecast for 2019-20 (at this time last year) was a budget gap of £345,000. Following a more detailed annual budget setting exercise mentioned in 5.1.2.1 there have been a number of movements to this forecast however I am pleased to be in a position to put forward a balanced budget for 2019-20 financial year.
- 5.1.2.11 A summary of the main budget movements for 2019-20 is as follows:

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	£m	£m
Medium Term Financial Strategy forecast for 2019-20	0.345	
Funding movement		0.345
Pay award (<i>higher than factored into MTFS</i>)	0.037	
Reduction in Pannier Market income	0.049	
Reduction in Recycling income	0.159	
Increase in fuel & vehicle maintenance costs	0.107	
Salary savings (net)	(0.223)	
Reduction in subsidy to Theatres	(0.037)	
Other	0.093	
Cost pressures & savings		0.185
Council Tax income (2.99%)	(0.060)	
Business Rates income (<i>increase on £1.3m factored into MTFS</i>)	(0.202)	
Further salary savings (net)	(0.039)	
Reduction in grant to South Molton Swimming Pool	(0.016)	
Reduce contribution to Executive Contingency reserve	(0.017)	
Reduce contribution to Improvement Programme reserve	(0.050)	
Reduce contribution to Local Plan reserve	(0.025)	
Review of Trade Waste service (<i>service cost-neutral</i>)	(0.040)	
Review of CCTV service (<i>50% saving 2019-20</i>)	(0.035)	
Reduce 'one-off' contribution to NHB reserve (<i>back to £0.100m</i>)	(0.046)	
Options to balance the budget		(0.530)
Draft Balanced Budget for 2019-20		<u>0.000</u>

The Council's net budget for 2019-20 is £12.518m; a table outlining the summary Budget 2019-20 is attached as **Appendix 1**.

Details showing the proposed level of strategic grants for 2019-20 are in **Appendix 2**; together with supporting statements from the organisations in receipt of a grant.

5.1.3 Budget 2019-20 Funding

- 5.1.3.1 There are three main sources for the Council to fund its net budget of £12.518m; direct Government Grants, Business Rates and income collected from Council Tax payers.
- 5.1.3.2 The level of funding the Council receives for its share of the Council Tax bill equates to £6.301m.
- 5.1.3.3 The main grant received from Central Government is paid via the Local Government Finance Settlement.
- 5.1.3.4 North Devon has been provisionally allocated £3.269m, which is £0.363m (10%) less than the £3.632m allocated for 2018-19. The final settlement is due to be approved by Parliament in February 2019.

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5.1.3.5 The balance of funding of £2.948m used to fund the Budget 2019-20 is as follows:

- New Homes Bonus of £1.446m, which is made up as follows:

	<u>Increase</u>	<u>Cumulative total</u>
Year 1 (2016/17)	£332,040	
Year 2 (2017/18)	£299,095	
Year 3 (2018/19)	£379,676	
Year 4 (2019/20)	£434,860	£1,445,671

- The government reviewed New Homes Bonus as part of the 2017-18 finance settlement and made changes to reduce the legacy payments of the original scheme of 6 years down to 4 years from 2018-19. In addition to this, the scheme also would now only be rewarding growth over a national baseline of 0.40%. The government announced no new changes as part of the 2019-20 finance settlement, however the funding review planned for 2020-21 year there are potential changes to the scheme; these are yet to be announced by Central Government.
- Business Rates Retention growth of £1.502m. In the current year 2018-19 we are reporting additional business rates income of £0.200m over and above the budgeted £1.252m business rates growth.

Initial projections for 2019-20 are forecasting a net additional gain of £1.692m. Exposure to the risks and rewards of the scheme are currently mitigated by participating in the Devon-wide pool. However, these figures can fluctuate depending on how all the Local Authorities within the pool perform and we have prudently budgeted for a lower additional income figure of £1.502m for 2019-20.

5.1.4 Reserves

- 5.1.4.1 The Council started 2018-19 with earmarked reserves of £5.647m and a General Fund Balance of £1.161m.
- 5.1.4.2 The Performance and Financial Management Quarter 3 report of 2018-19, also on the agenda, provides an updated forecast position for reserves. It is currently forecast that the amount held in earmarked reserves will reduce to £4.416m and the General Fund Balance to remain at £1.161m as at 31 March 2019.

- 5.1.4.3 The Budget 2019-20 includes contributions to and (from) specific earmarked reserves. Appendix 1 summarises these reserve movements.
- 5.1.4.4 **Appendix 3** details the forecast reserve balances for the period to 31 March 2020 and it is currently forecast that the amount held in earmarked reserves will be £3.289m and the General Fund Balance of £1.161m as at 31 March 2020.
- 5.1.4.5 In compliance with the Local Government Act 2003 the Chief Financial Officer assures Members of:
- The robustness of the estimates; and
 - The adequacy of the proposed financial reserves
- 5.1.4.6 The Chief Financial Officer would also like to draw Members' attention to the risks associated with Revenue and Capital budgets identified in section 5.3 below.

5.1.5 Medium Term Financial Strategy 2019-2023

- 5.1.5.1 Whilst preparing the Budget 2019-20 each Head of Service was tasked with preparing service plans covering 2019-20 and beyond. These plans have been through Overview and Scrutiny Committee in January 2019 and if applicable the revenue implications have been factored into the budget. The purpose of these plans is to ensure that the Council has a strategic approach to delivering the budget reductions expected as a result of the Government's austerity programme.
- 5.1.5.2 The Medium Term Financial Strategy (MTFS) was last considered by the Executive at its meeting on 5 February 2018. Council approved the MTFS 2018-19 to 2021-22 at its meeting on 21 February 2018.
- 5.1.5.3 The MTFS underpins and provides the financial cornerstone of the Corporate Plan, which will shape the Executive's activities. It is good practice that the MTFS is refreshed on an annual basis to ensure that the Council's forward looking financial position is considered particularly in the current economic climate.
- 5.1.5.4 The MTFS model represents a view as of today based on numerous financial assumptions about the future, which are described in detail together with the risks associated with their volatility.
- 5.1.5.5 The MTFS looks at the changing financial situation of the Council over the future four financial years for 2019-20 to 2022-23. The

starting position is the Budget 2019-20, which is rolled forward based on a set of assumptions.

5.1.5.6 The refresh of the MTFS has involved reviewing all previous assumptions in light of new and more current information. These changes reflect actual experience and additional information or remove unsafe assumptions. The main assumptions in the forecast are as follows:

- **Pay settlement.** The Government previously indicated continued strict controls needed to minimise public sector pay and pay increases were targeted at 1%. The 2018 & 2019 pay offer announced has relaxed this target and for 2019-20 the impact equates to an average 2.8% increase across the Council; resulting in an additional £0.340m cost. The budget for next year and the future years in the MTFS have prudently assumed a similar 2.8% increase. The risk however is that a higher increase is agreed which would add further cost to what has been predicted.
- **No further borrowing to fund capital expenditure in addition to already approved projects.** The Budget 2019-20 and Treasury Management strategy includes borrowing costs of up to £0.590m in 2019-20 to cover current capital programme commitments. The future model assumes borrowing increasing to £0.790m by 2022-23 to cover approved capital projects in the programme. It assumes no further borrowing is undertaken than currently committed to above. If borrowing beyond this is considered a business case will be made outlining all the possible funding options.
- **Additional legislative requirement will be funded by additional grant.** Under the new burdens doctrine the Ministry of Housing, Communities and Local Government (MHCLG) provides additional grant funding, either as a specific grant or included in formula grant. It is also assumed that the grant will be sufficient to fund the additional costs.
- **The move to Universal Credit has a nil effect.** The move from rent allowances to universal credit will see reductions in expenditure and grant income. It is assumed that we will make sufficient savings to match the grant reduction. It is also assumed that there will be no significant impact on homelessness and prevention.
- **No impact from future changes to pensions.** The impact from the 2017-18 triennial review of the pension scheme has already been factored into the base budget which sets out the authority's employer contributions for the periods to 2019-20. The next triennial review of the pension scheme takes place in the autumn of 2019; the model has prudently assumed an increased cost for 2020-21 year. However, if the actual results

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are in line with the assumptions recently made within the pension review then this impact should be lower.

- **Review of fees and charges.** Core fees and charges for service areas such as carparks and garden waste have not been reviewed for a number of years; however the running costs for these services have increased. A review of fees and charges has been incorporated within the forecast and will require Member approval in advance of the 2020-21 year. The risk to the financial forecast is that fees are not increased and thus increases the forecast budget gap by £0.275m.
- **Includes increases in the level of council tax per annum with effect from 2019-20.** This does not mean that the Council cannot freeze or amend the level of council tax, but the decision will be made as part of the budget consideration each year. However, the model assumes a rise each year, if a decision is made to not increase then this will produce a cumulative budget gap of £0.180m in each of the years the tax is not increased.
- **No impact from changes to council tax support or other council tax discounts.** The scheme has been based on a cost neutral model; however changes due to increased take up or loss of collection above that forecast would have a direct financial impact on the Council and its major preceptors. The scheme is reviewed as part of the quarterly performance and financial management report.
- **Government Fair Funding Review and income from retention of Business Rates.** From 2013-14 the government allowed authorities to share in the benefit from growth in business rates. The latest forecast for 2018-19 is estimating additional Business Rates Retention income of £0.200m over and above the budgeted £1.252m Business Rates growth; this is in addition to Baseline funding. Baseline funding is being reviewed and a planned reset for 2020-21 year which will see the above growth reset and a new Baseline funding level for each authority. The MTFS model forecasts an assumed overall reduction in Baseline funding and Business Rates income for 2020-21 onwards. Indicative funding allocations should be announced in autumn 2019, however the risk to the Council is that the overall funding is lower than the level assumed in the financial forecast.
- **Use of New Homes Bonus.** The government reviewed New Homes Bonus and made changes to reduce the legacy payments of the original scheme of 6 years down to 4 years from 2018-19. In addition to this, the scheme now only rewards growth over a national baseline of 0.40%. The MTFS has incorporated the estimated impact of the changes for future year forecasts through to 2022-23. There are further potential changes to the scheme in 2020-21; but details have not been announced yet by MHCLG. Based on the current scheme

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North Devon is forecast to receive between £1.5m-£1.6m per year; however we have prudently assumed a lower figure of £1.4m in the forecast. The risk to the Council is that the scheme is changed fundamentally and the financial impact results in a lower than assumed income figure.

5.1.5.7 The refreshed MTFs model detail is shown in **Appendix 4** and the forecast cumulative budget gap / (surplus) is shown as follows:

Years	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m
Budget gap / (surplus)	0	0.401	0.470	0.666

5.1.5.8 The figures shown in the model are forecast and members should be mindful of the sensitivity of some of the figures incorporated; the following **sensitivity analysis** highlights how figures can change both upwards and downwards:

- A 1% movement on pay awards has an impact of £0.100m; the MTFs has factored in 2.8% each year therefore any variance to this will change the forecast
- No Council Tax rise is a cost impact of £0.180m each year in lost income on the base budget
- For every £1m extra borrowed (over a 10 year period) would be an additional annual cost to revenue budget of £0.120m

5.1.5.9 The major plans currently included within the MTFs to deliver the savings required in the short to medium term are:

- Inclusion in the Devon-wide saving sharing scheme with Devon County Council following the roll out of changes to recycling service.
- Review of CCTV service with a number of potential options moving forwards. Separate detailed report being brought to Executive shortly; prudently included the lowest potential saving in the budget forecast.
- Review of core fees and charges for service areas such as carparks and garden waste; the running costs for these services have increased however the fees and charges have not been reviewed for a number of years. A review has been incorporated within the forecast and will require Member approval in advance of the 2020-21 year.
- Continued vigorous vacancy management measures and on going reviews of the structure of the Council to determine

whether posts can be removed without detrimentally impacting on the way the Council operates.

- Reviewing Parish grants and all external grants/services provided by external partners through voluntary and contractual arrangements.

5.1.5.10 The Council has been preparing and positioning itself for on going budget reductions and will continue to work on options to deliver the savings necessary to balance the budget gaps through to 2022-23 year.

5.1.5.11 Performance against the budget and savings targets is carried out through the year and incorporated into the quarterly financial and performance management report received by Executive. It is fundamental that early work continues by the Leadership Team in conjunction with service areas to identify savings options to meet the above budget gap.

5.2 Capital Programme

5.2.1 The Performance and Financial Management Quarter 3 of 2018-19 is also reported on the agenda. This report highlights the latest plans for capital investment for the period 2018-19 to 2020-21, which amounts to £12.842m and is broken down as follows:

- 2018-19 £5.529m
- 2019-20 £6.313m
- 2020-21 £1.000m

5.2.2 Further investment of £7.126m through to 2021-22 has been identified following business cases submitted to the Project Appraisal Group, which is broken down across the following schemes:

- | | |
|---|------------|
| • Rolling Road for Workshop | £30,000 |
| • Vehicle Replacement Programme | £1,198,000 |
| • Material Recovery Facility – infrastructure | £760,000 |
| • HR and Payroll System | £98,500 |
| • Pannier Market – new roof | £500,000 |
| • Digital Transformation – asset management | £40,000 |
| • Contact Centre – telephony system | £86,500 |
| • ICT Office Technology | £813,250 |
| • Disabled Facility Grants | £3,600,000 |

5.2.3 The Council therefore has identified investment needs of £19.968m, which it expects to be funded from capital receipts/borrowing (£4.061m), external grants and contributions (£12.614m) and reserves (£3.293m).

- 5.2.4 **Appendix 5** provides an individual project detail of the Capital Programme for 2018-19 to 2021-22.
- 5.2.5 The timing and realisation of capital receipts can be impacted by events beyond the control of the Council and we have been able to manage cash flows for projects through internal borrowing.
- 5.2.6 We also have authority to borrow from the Public Works Loan Board (PWLB) as outlined in the Treasury Management Annual Investment Strategy and the Council currently has external borrowing of £1.25m, of which £0.750m was undertaken during 2014/15 and a further £0.5m during 2016/17 to support capital expenditure.

5.3 Risk Assessment

- 5.3.1 Whilst formulating the budget proposals, risks to specific income and expenditure budgets were identified. During the course of the process assessments were made in respect of these risks. In light of the information that officers had available appropriate amendments were made to the budget forecasts where possible. Highlighted below are risks identified that could yet have a major impact on the Council's ability to achieve the Budget 2019-20;
- 5.3.2 **Government grants** – Parliament is expected to approve the funding allocated to Local Government in February 2019. The risk to 2019-20 is that it could be approved at different levels to that assumed in the Budget 2019-20, although the likelihood is unlikely due to the Council accepting the Governments offer of a multi-year settlement which was confirmed in November 2016.
- 5.3.3 **Income** from car parks, planning, sale of recyclable materials, commercial waste and investments are key areas of income, which have been detrimentally impacted since 2009 as a result of the recession. Whilst some areas have started to recover it remains difficult to predict when stability and, or any significant improvement will return to the economy and is therefore continues to be a source of major risk to the Council's Budget 2019-20. However, the budget estimates have been set prudently taking account of the latest 2018-19 forecast income levels.
- 5.3.4 **Capital receipts** – The Council faces two main risks in this area. The first is the fact that the Capital Programme is forecast to be funded from as yet unrealised receipts. The second is the ongoing value of receipts generated could be lower due to the economic situation. Both these factors could lead the Council to seek other sources of funding, such as increasing external borrowing and therefore add further borrowing costs to that already included in the 2019-20 budget.

- 5.3.5 **Savings plans** – Service plans have been approved and net savings been factored into the 2019-20 budget. To achieve the full financial benefit of the savings identified will require negotiation with supplier, partners and other organisations therefore there is a risk that the full benefit may not be achieved, or achieved within 2019-20 financial year.
- 5.3.6 **Increase in demand for services** – Demand for specific services has continued to increase during 2018-19. Homelessness prevention measures in particular have increased over the past couple of years. It is considered that in light of the current economic climate and general public sector budget cuts that this will continue through 2019-20, which will further impact the Council's budget.
- 5.3.7 **Localisation of council tax support** – The proposed scheme (unchanged from 2018-19) went to the Executive in January 2019 and has been based on a cost neutral model; however, changes due to increased take up or loss of collection above that forecast would have a direct financial impact on the Council and its major preceptors. The scheme will be reviewed as part of the quarterly performance and financial management report.
- 5.3.8 **Business Rates retention** – We are now exposed to the risk of lower collections, decline on the tax base and successful outstanding appeals. However this is mitigated by participating in the Devon-wide pool. The Council is also experiencing growth in Business rates income, which has been included in the financial plans.
- 5.3.9 **Welfare reforms** – The Government has embarked on significant changes to the welfare system, which includes changes to the amounts claimants are entitled to, consolidating different forms of benefit and payment methodology. These may generate risks both from increased demand for services and more directly on resources of the Council. There are still many aspects of the reform unclear, but the Council will continue to monitor progress and analyse the impact on our customers as well as the Council itself.

6. RESOURCE IMPLICATIONS

- 6.1 Included in the report.

7. STATEMENT OF INTERNAL ADVICE

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

8. STATEMENT OF CONFIDENTIALITY

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

9. BACKGROUND PAPERS

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

Executive Members: Councillor Richard Edgell and Councillor Glyn Lane

Author: Jon Triggs, Head of Resources

Date: 23 January 2019

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Budget Summary 2019/2020

Service Budgets	£
Corporate & Community Services	4,165,840
Corporate Services	2,617,220
Environmental Health and Housing	2,102,700
Operational Services	2,764,840
Place	889,350
Resources	2,165,170
Total Service Budgets	14,705,120

Accounting Adjustments	£
Asset Management Revenue Account	-2,338,250
Vacancy Savings Target	-239,380
IAS19 Appropriation	-613,850
Accounting Adjustments	-3,191,480

Contributions to / from (-) Reserves	£
Ilfracombe Watersports Centre Reserve	-29,290
Repairs Fund - Contribution	236,290
Repairs Fund - Applied	-236,290
Planning Inquiries Fund - Contribution	0
Planning Inquiries Fund - Applied	-20,000
Community Protection Vehicles Reserve	6,000
Executive Contingency Reserve	62,340
Improvement Programme Reserve	0
Local Plan Fund	0
Vehicles Renewals Fund	250,000
Outdoor Tennis Surface Replacement	13,000
Technology Fund	115,000
Noise Equipment	2,000
District Council Elections Reserve	-50,000
New Homes Bonus Reserve	100,000
Council Tax Support Scheme Reserve	-27,420
Earmarked Reserves	421,630

Interest, Levies & Other	£
Interest Receivable	-70,000
Minimum Revenue Provision (MRP)	549,700
Interest Payable	42,000
Levies	28,690
Council Tax Support - Grant paid to Parishes	32,150
Interest, Levies & Other	582,540

Total Budget	12,517,810
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Resources and Funding	£
Revenue Support Grant	-15,790
Business Rates Baseline Funding Level	-2,942,790
Business Rates Retention Growth	-1,502,140
Council Tax	-6,224,440
Collection Fund Surplus	-76,790
New Homes Bonus - Grant	-1,445,670
Rural Services Delivery Grant	-310,190
Resources and Funding	-12,517,810

Total Funding	-12,517,810
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Grants			
	2016/17	2017/18	2018/19
AONB	16,770	16,770	16,770
Biosphere	18,360	15,900	15,900
Exeter Area Rail Project	10,200	8,830	8,830
Go North Devon	17,000	14,720	14,720
NDVS	17,000	17,000	17,000
CAB	45,000	45,000	45,000
South Molton Swimming Pool Grant	20,400	17,670	17,670
Community Councillor Grants	43,000	43,000	43,000
	187,730	178,890	178,890

Reduction 2019/20	Grant Level 2019/20	Reduction %
-1,340	15,430	-8.0%
-1,270	14,630	-8.0%
-710	8,120	-8.0%
-1,180	13,540	-8.0%
-1,360	15,640	-8.0%
-3,600	41,400	-8.0%
-17,670	0	-100.0%
	43,000	0.0%
-27,130	151,760	

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NORTH DEVON COUNCIL

**SUPPORTING STATEMENTS SUBMITTED BY THIRD PARTY ORGANISATIONS IN
RECEIPT OF A NORTH DEVON COUNCIL STRATEGIC GRANT**

North Devon Coast AONB - Benefits for North Devon

1. Provide specialist planning advice for protected AONB landscape

- Responded to 51 separate planning issues within the AONB or its setting, based on specialist advice through AONB Projects Officer, sub-contracted landscape architect and local expertise from the AONB's Planning Panel members. In regular contact with local planning officers and engage in pre-application advice/site visits as required. Contributed to Local Plan consultations.
- **Delegated statutory responsibility** by local planning authorities to AONB Partnership to review and produce the five-year AONB Management Plan – new **Plan for 2019-2024** drafted, completed public consultation and final plan being presented for adoption by local planning authorities in March 2019.
- Contribute to regional and national policy discussions through Devon Landscape Policy Advice Group, SW Protected Landscapes Forum Planning Group and National Association of AONBs planning group - sharing expertise locally.

2018	North Devon	Torridge	Total
Applications	24	10	34
Pre-Application Advice	8	0	8
Appeals	1	0	1
Other	4	4	8
Total	38	15	51

2. Team and Partnership with range of skills to deliver local priorities

Team (2.6 FTE) – Manager (FT), Projects Officer (FT), Communications and Support Officer (0.6). **Contractors and project staff** – seconded through North Devon+

AONB Partnership – 27 voting members comprising public, voluntary and community sector representatives. Parish representatives being recruited for 2019.

Purpose: to conserve and enhance the natural beauty of the North Devon AONB

Priorities based on statutory AONB Management Plan:

Place – landscape, biodiversity, geology, historic environment and the coast

People – economy, tourism, education, community, health and wellbeing

Resources – planning, land management, transport and infrastructure

Partnership Working: the team work closely with a wide range of officers within the local authorities, south west protected landscapes, local charities and community organisations to deliver across the area and across a range of sectors. Excellent working relationships, shared

expertise and local knowledge from the team members contribute to working successfully through Partnership members and local communities.

Strategic Activity: engaged with Coastal Communities, Devon Local Nature Partnership, SW Protected Landscapes Forum, National Association of AONBs, Local Enterprise Partnership Productivity Plan, Biosphere Partnership, Defra Landscape and Marine Pioneers, Estuary Forum, LEADER 5 LAG, Plastic Free North Devon Consortium and community group.

Delivery Activity in 2018: Engaged with 3,891 people through many different activities over the year including; bat walks/talks; bat surveys; beach cleans; beach wildlife surveys; school, pre-school and college activities; student work placements; training sessions; festival/show stands. Volunteering activities.

3. Leverage money into North Devon for local priorities

a. Core Funding

Annual Budget - £187,698

75% from Defra (central government)

25% from Devon County Council, North Devon Council, Torrridge District Council

Every £1 of local funding attracts £3 of central government funding.

Funder 2018/19	Indicative Amounts
DEFRA	140,796
Devon County Council	13,132
North Devon District Council	16,770
Torrridge District Council	17,000
Total	£187,698

Team hosted by Devon County Council under a Memorandum of Agreement – limited shared liability between 3 local authorities

b. Small Grant Scheme - Sustainable Development Fund

Support local projects that benefit the AONB - from communities, businesses, landowners, agencies and parishes. Simple process and local decision making panel

Total Fund - £25,000 towards 12 projects in 2018/19 with a total value of £119,000

Leverage – approximately £3 for every £1 of grant offered by AONB. Plus, in-kind time and resources as match funding.

This year we have offered grants to 8 projects in North Devon: -

- Down on the Farm – professional films of farming with NDMI
- Plastic Free North Devon Water Bar
- Taw Torridge High Tide Roost and Disturbance Study
- Lee Bay Pirates Trail in summer of 2018
- Improving Nigh-time Capability of Ilfracombe RNLI – infrared camera
- Coast Explorers – new display for Barnstaple Museum
- Coastal Bird Display and digital interpretation at Ilfracombe Museum
- Restoration of St Mary's Church Clock, Morteohoe

c. External Funding through Projects

North Devon Coastal Heritage

Lead – AONB team

New Funds - £49,500 from Heritage Lottery Fund and local partners

Staff – providing full time Heritage officer for 2 years

Partners – National Trust, Hartland Parish Council, North Devon Archaeological Society, North Devon+, Torridge District Council

Focus – Hillforts, WW2 heritage, Hartland Peninsula and conservation volunteers.

Plus D-Day 75th Anniversary project with local Museums in 2019.

Successful Further Bids – £25,255 from Historic England and **£2,000** from SWCP for a scheduled monument management, survey and interpretation programme.

Coastal Creatures <http://www.northdevon-aonb.org.uk/coastal-creatures>

Lead – AONB team

New Funds - £61,500 from Heritage Lottery Fund and Tesco Bags of Help

Partners – Coastwise North Devon, North Devon+, Northam Burrows Country Park, Combe Martin Primary School, National Trust

Timescale – 2.25 years - May 2016 to September 2018

Activities – Focus on 4 beaches – Combe Martin, Lee Bay, Croyde and Westward Ho!; schools engagement on coastal wildlife, science and marine litter; wildlife surveys through citizen science; beach cleans across the AONB; species and survey training; new interpretation materials – Coastal Spotter guide for AONB, 4 beach guides and 3 wildlife trails (Ilfracombe, Baggy Point and Northam Burrows).

Devon Greater Horseshoe Bat Project <http://devonbatproject.org/>

Lead – Devon Wildlife Trust, with 19 partners across the county with AONB team leading for North Devon activity

New Funds - £707,000 from Heritage Lottery Fund for whole project

Timescale – 5 years - July 2015 to October 2020

Focus – Braunton and Combe Martin (1/5 of project)

Activities – community engagement, scientific research, landowner advice

Undergrounding of Power Lines

Lead – AONB team

New Funds - £850,000 from Western Power for Morteheo

New Funds - £79,000 from Western Power for Croyde

Partners – Western Power, National Trust and Morteheo Parish Council

Timescale – 2017-2019

Focus – Morteheo parish on National Trust land and Croyde approaches

Information: <http://www.northdevon-aonb.org.uk/> or @explorethecoast

North Devon Biosphere Reserve Partnership – Benefits from funding

- a) It helps to leverage external funding to North Devon towards Biosphere Reserve objectives to enhance the quality of the local environment, support the local economy and improve local sustainability;
 - Local authority funding for the Biosphere Reserve has previously secured external funding for the area over 20 times that provided by the local authorities;
- b) International recognition and status of UNESCO Biosphere Reserve contributes to further (international) funding, research and cooperation opportunities and international marketing opportunities and tourism for the area;
 - The Partnership is deemed by UNESCO governing council to be a leading example to other UNESCO sites;
- c) As the first, and one of only a handful of Biosphere Reserves in the UK, it provides a distinctive opportunity for the area's branding, marketing and identity to facilitate future investment;
- d) The Partnership is already recognised nationally as a good example of effective cooperation and a potential future way of working with national and local partner organisations (local authorities, statutory organisations, local environmental and cultural organisations, economic regeneration bodies, academics institutions) by working together;
 - It provides an established mechanism to maximise synergies between national and local agencies to deliver actions more effectively in an integrated way;
 - It can help to deliver objectives beyond what the Councils can deliver on their own, such as improved water quality through partnership with farmers and land managers;
 - It was identified as a pilot area for delivering a net gain in biodiversity through new development and identifying best practice;
- e) Two of the four Defra Pioneer Programmes (the landscape pioneer and the marine pioneer projects) identified in the Government's 25 year Environment Plan were selected based on the Biosphere Reserve;
 - These are pilot projects to integrate natural capital into local decision making and make more effective use of all public funding in enhancing the local environment;
 - These pioneers are understood to have been selected nationally on the basis of an established partnership to pilot innovative approaches for effective joint working prior to sharing best practice across the country;
- f) Spatial planning and management at a landscape scale (the Biosphere Reserve boundary) helps to recognise how communities and the local environment are connected and define a stronger sense of place by linking land, water and seas in a more integrated way;

- It facilitates and supports sustainable development in harmony with the natural environment whilst also securing ecosystem services that support local communities and future development;
 - For example improving water quality in the estuary, helping to reduce flood risks and defend land at risk of flooding, facilitating a net gain in biodiversity, and identifying opportunities for marine tourism;
- g) A service level agreement is being prepared between the Council and the Biosphere Foundation to ensure funding is used to deliver identified Biosphere Strategy objectives.

EXETER AREA RAIL PROJECT

Devon County Council are unclear about how this money is currently spent. It is all put back into rail related activities, but appears to date back to a time when improvements to rail services were partially funded by the group. It is increasingly difficult to justify, and recommended that we withdraw the grant as not all districts are continuing to contribute.

Report provided by the Regeneration Manager, North Devon Council.

GO NORTH DEVON LTD

Go North Devon Ltd (GND) was formed 27 years ago and continues to provide exceptional value for money in providing front line services for the benefit of the community to assist in the relief of sickness, disability (physical & sensory), frailty, social exclusion and geographical remoteness.

Our goal is to help improve the lives of individuals and communities who would otherwise become isolated through the lack of access to private or public transport or the ability to hire mobility equipment, thus enhancing the quality, health and wellbeing of all who live in or visit North Devon.

With a mix of paid staff and volunteers we provide a responsive, sensitive and accessible range of services for those who are at a time in their lives when a little extra help and support to independently shop or get to health appointments and carry out essential business is not a luxury but a necessity.

SERVICES GRANT AIDED BY NORTH DEVON COUNCIL

The **RING & RIDE** service provides door to door accessible minibuss transport for passengers needing to access the local supermarket or Barnstaple town centre. Currently serves 26 Parishes in North Devon and a further 4 subject to capacity.

- 2,582 Return Ring & Ride journeys in 2018 including 49 non-transferable wheelchair users
- 2,514 Return Ring & Ride journeys in 2017 including 58 non-transferable wheelchair users

SHOPMOBILITY supports local residents and visitors by providing the loan of wheelchairs and scooters to enable users to independently access the town centre facilities or to hire equipment for holidays or weekends away. The Shopmobility Centre is adjacent to Barnstaple Bus Station and provides the only Shopmobility scheme in North Devon. We have leased the Centre from North Devon Council (NDC) for the past 20 years. Tourism is supported through this service and 24% of users are visitors to the area, many of whom will only holiday where such a scheme exists.

We support the local economy and in order to prevent those over 65, the mature money, from shopping on the internet or elsewhere, access to the town centre facilities needs to be easy. Shopmobility provides this. Visiting community transport groups from across the county, Somerset and Cornwall use our facilities as we provide a sympathetic gateway to the town centre ensuring those who visit can have a comfort break and hire a scooter before they head off into town to spend their money.

- 1,471 wheelchairs and scooters were hired out in 2018
- 38 Wheelchair escorts & sighted guides were provided in 2018

- 1,436 wheelchairs and scooters were hired out in 2017
- 38 Wheelchair escorts & sighted guides were provided in 2017

Through our services we help to provide a safety net for some of the more vulnerable and disadvantaged in our community. As more and more people are staying longer in their own homes it is all too easy for them to become ill without society noticing. The pint of milk left on the doorstep is no longer a useful clue. In recent times our drivers have discovered two seriously ill clients who needed Ambulances, who without the Ring & Ride would not have received the medical attention they urgently needed.

It is not uncommon for us to support couples/families that use the Ring & Ride/Shopmobility services to do their weekly shopping, go the doctors or collect prescriptions. Often we find one person is the "carer", the other is living with the symptoms of dementia or disability. All too often we then find the carer becomes ill and needs support themselves sometimes using our Cancer Care Car service or if we are unable to help we will refer them to other services. Of course their carer's responsibilities do not disappear when they become ill but in reality they too need the support of a carer and often don't get it and they rarely know where to find the support they need.

Additionally it is our drivers who can allow us to alert family members to the onset of illness, particularly dementia, as they see the individual clients on a weekly basis and soon notice any changes. This offers a protection for the community and helps many families who simply may not be available to help relatives at a time of greater need.

We appreciate NDC have immense budget pressures but please remember the people we serve do not have the opportunity to go to the museum, the theatre, the leisure centre, the cinema or to the food fest. The best they can hope for is getting a lift to the supermarket to buy essential groceries, go to the doctors or to collect a prescription. In addition to NDC reducing our grant support over a number of years Devon County Council have phased out grant support for the Shopmobility service.

Any further funding cuts to our organisation will have a disproportionate effect on those who need to be protected. We cannot keep delivering more for less and for the period ending 31/12/2017 we had a deficit of £16,192 for the financial year. We were fortunate to have sufficient reserves this to cover this significant deficit but we are aware we cannot continue to draw upon our reserves at this rate indefinitely. The annual accounts for the period ending 31/12/2018 are at the time of writing this document being drafted ready for audit.

The current fundraising climate and our continued shortfall in funding would indicate that any further cuts will indeed impact on our ability to deliver Shopmobility & Ring & Ride at the same level or indeed if at all. The NDC strategic grant is used each year as a platform on which we build confidence with stakeholders, local and national charitable trusts, local businesses and the general public who continue to financially support us. This grant has not received an inflationary increase since 2008 and in recent years income from donations, investments and Gift Aid is down significantly. We are currently drawing on reserves despite our best efforts to cut costs where we can. Our costs including payroll, fuel, utilities have all gone up. We cannot keep giving more for less and the board will eventually have no option but to implement our "planned closedown" for which we have a ring fenced "contingency fund" in our reserves to cover redundancies and other financial commitments. Of course, we hope this does not happen.

If the Ring & Ride service ceased to operate there is no alternative to replace this door to door service. As you know public bus operators would not wish to provide this service as there would be no profit in it for them and they are unlikely to serve rural areas without substantial subsidies. In the county of Devon, forty years ago there were fifty bus companies of varying sizes. Now there are twenty. With the continuing reduction of rural bus services the Ring & Ride service has an important role in helping to prevent isolation and loneliness in these areas.

Other services include:

- The Cancer Care Car Service which serves North Devon and Torridge areas.
- North Devon Transport and Travel Guide 2018/19 (8th Edition) providing information.
- Home to School Transport Service.
- Volunteering placements and opportunities.

Sharon Lynch

Manager

Go North Devon Ltd

www.gonorthdevon.co.uk



North Devon Voluntary Services Ltd

Registered Charity Number: 1133707

A Company Limited by Guarantee registered

in England Number: 6934618

16th of January 2019

Dear Bev,

North Devon Council Strategic Grant 2019/20

North Devon Council has been a long- term and committed supporter of the work of North Devon Voluntary Service (NDVS).

The role and resilience of the Voluntary Sector has never been more important given the increased reliance on the sector to meet the needs of their communities. Ten years of austerity and significantly reduced local authority budgets has had a dramatic impact on services and our local communities. Local authorities have had to make very difficult decisions to ensure they maintain key public services. The result is a greater reliance by residents on the Voluntary and Community Sector to meet the needs. In addition the Sector has faced its own challenges with reduced financial support, highly competitive funding processes and reduced income streams

NDVS provides vital support to the sector through advice, information and training. We also promote and champion voluntary action across North Devon building and strengthening local communities. As the Council for Voluntary Service we represent the Voluntary Sector at key strategic meetings to ensure the sector has a voice and can influence policy and practice. We fulfil a vital role and one which is valued by both the sector and strategic partners. I have attached our 2019/20 delivery plan to show the variety and depth of work we propose to carry out.

The NDVS has been very grateful for NDC's support over the years and your continued support is vital if we are to develop and strengthen the Voluntary and Community Sector to meet future challenges.

Yours faithfully,

Karen Evans

Interim Chief Officer

North Devon Wide



NDVS is the local Council for Voluntary Service for North Devon. We work with local groups and organisations providing; information, advice, training and help with funding. Our aim is to help our voluntary and community sector function effectively, manage risks, gain skills, access funding and have a voice at a local level. In addition we will support and promote voluntary action within our local area

What we plan to do

We will maintain our strategic partnerships with statutory and local service providers to maintain flow of communication to and from the Voluntary Sector. We will continue to bring together organisations to identify existing activity, identify gaps and set priorities, bringing an asset-based approach to all our work across propriety areas. We will continue to develop our relationships with the NHS, NDC and other statutory services in North Devon. We will continue to work with One Northern Devon, One Ilfracombe and the newly formed One Barnstaple to represent the Voluntary Sector and support the development of partnerships, networks and activities to support local communities.

What success will look like

- ✓ Needs analysis and partnership data collated
- ✓ Number of Voluntary Sector Organisations we directly work with
- ✓ Number of new groups supported
- ✓ Strategic meetings attended
- ✓ New networks created/new partnerships formed
- ✓ Monitoring our sharing of key data, reports and business plans
- ✓ Membership of key strategic partnerships and forum
- ✓ Volunteer opportunities and recruitment

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Why prioritise Barnstaple?



Barnstaple faces a number of particular health and wellbeing related challenges, including severe pockets of higher than average bad health,

high levels levels of care, high levels of unemployment and deprivation and lack of essential befriending and wellbeing services, amongst others.

Photo ©Tim Lamerton

What we plan to do

We will continue to support the development of a strong community sector partnership, that focuses on the needs of the community and works with key statutory agencies to develop an asset based approach to community development.

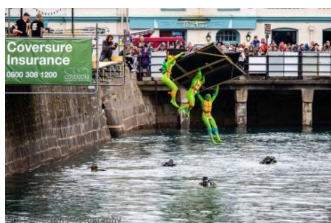
As a result of this work, it has been agreed to hold regular forums, feeding into a voluntary sector steering group, which will in turn support the work of 'One Barnstaple'. The Forums will create a cohesive and strong voice of the local Voluntary Sector at One Barnstaple. NDVS will also work with the individual organisations to build on their strengths and ensure they are resilient and able to meet their communities' needs.

What success will look like

- ✓ Gaps in provision identified
- ✓ Steering Group formed
- ✓ Regular Community Action in Barnstaple Forums scheduled, publicised and hosted
- ✓ Links with One Northern Devon, One Barnstaple, Edge of Care and Voluntary Sector Partners initiated and built upon
- ✓ Needs analysis collated
- ✓ Data sharing enabled between Voluntary and statutory organisations
- ✓ Action Plans agreed
- ✓ Funding secured for future continuation

Appendix C
Agenda Item 8

Why prioritise Ilfracombe?



Ilfracombe is well known as the town with the lowest life expectancy in the whole of Devon. The North Devon Locality

Public Health Action Plan identified a place-based approach to Ilfracombe as one of its 5 priority areas. Of the three LSOAs which make up Ilfracombe Central, two are in the top 11% for multiple deprivation and one is in the top 4%. Photo ©Tim Lamerton

What we plan to do

Ilfracombe was at the forefront of the development of the ‘One’ branded place-based community led action, responding to the specific needs of the town. We will continue to support them in their work, particularly with One Ilfracombe and their ‘Living Well Chamber of Care’ activity, ensuring the Voluntary Sector is a key part of the discussion and solutions.

What success will look like

- ✓ Big Lottery funding secured
- ✓ If funding is not successful, alternative plan drawn up
- ✓ Partnership meetings attended
- ✓ Actions agreed, completed and reported on

General work



What we plan to do

We will continue to provide regular newsletters and up dates on funding opportunities to ensure that local North Devon organisations are able to continue and develop their good work. We will champion volunteering, promote volunteer opportunities and celebrate the value volunteers bring to North Devon

What success will look like

- ✓ Regular newsletters
- ✓ Regular forums and networking events
- ✓ Training opportunities
- ✓ Funding success
- ✓ Promoting volunteering
- ✓ Volunteer awards event
- ✓ Annual report



North Devon

Since the beginning of our Financial year 1st April 2018 our figures:



Our Citizens Advice (CA) offices in North Devon, operate as a local independent charity, providing free, confidential, impartial and independent advice to everyone in the North Devon District. Our offices in North Devon are located in The Strand, Barnstaple, The Ilfracombe Centre, Ilfracombe and the Amory Centre in South Molton. North Devon residents, who would prefer not to or are unable to attend face to face appointments at our offices, can receive advice through our telephone (Advice Line) or Webchat services. These services have received a dramatic increase from clients choosing to contact us in this way. The service in North Devon makes a huge contribution to the local community and in the first 6 months of 2018/19, we have **generated £3.3 million** of income gain for our clients, brought back into the North Devon economy.

Universal Credit (UC) went live in North Devon in July 2018 and our volunteers have received specific training to support clients with the biggest change to happen to the benefits system since its creation. We are already seeing an increase in vulnerable clients who need support with how Universal Credit is affecting them and the subsequent issues, overall **an increase of 110% clients** in the first 6 months from last year’s figures. This includes areas such as debt, as people learn to manage their welfare payments monthly instead of weekly. Evidence shows that when an area goes live with UC, enquiries to Citizens Advice quadruple (Citizens Advice Data: Somerset roll out 2016), and this is proving to be the case in North Devon.

Our **volunteers** donated time, equates to an amazing £229,159 (according to National Citizens Advice calculations). There is a great value to the benefits of volunteering, 9 in 10 of our volunteers have an increased sense of purpose or self-esteem, 4 in 5 believe volunteering has had a positive effect on their health and 9 in 10 feel more engaged with their community.

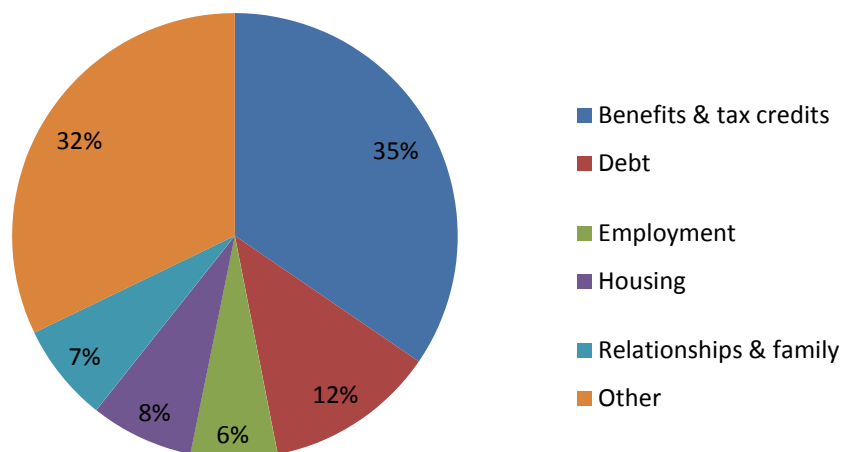
Research and Campaigns: Generating Evidence Forms for North Devon Residents

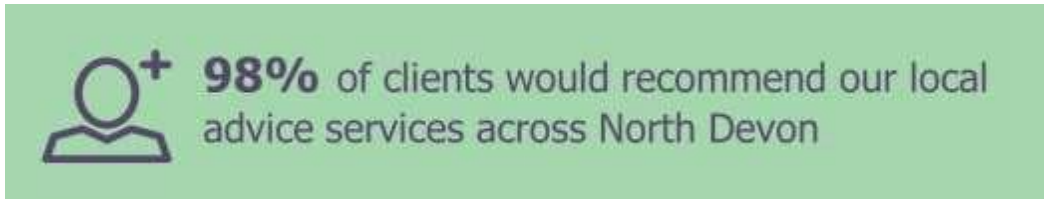
We generate evidence based on common enquiries that our clients come to see us about. We harness this evidence and use it to campaign to Government at a National and local level. We do this in order to help make society fairer and improve the policies and practices that directly affect people’s lives. In the past 6 months, we have generated 41 evidence forms in North Devon. The issues raised included debt, Personal Independence Payments (PIP), Employment Support Allowance (ESA) and Job Seekers Allowance (JSA).

The funding to operate our core service is helped with a grant from North Devon District Council and Devon County Council. We also receive donations from Barnstaple, Ilfracombe, South Molton Town Councils along with local Parish Councils. We apply for grants for our core service and for projects and these include specific locally focused funders like the Barnstaple Bridge Trust. We have also started looking at alternative funding streams, including our own local fundraising, which includes supermarket collections in the area and online donations. We rely heavily on these grants and donations to sustain the services provided. Any cut in funding will have an impact to the charities operating hours within North Devon and ultimately put more pressure on the authority, as clients seeking support from LA, front of house services, will increase.

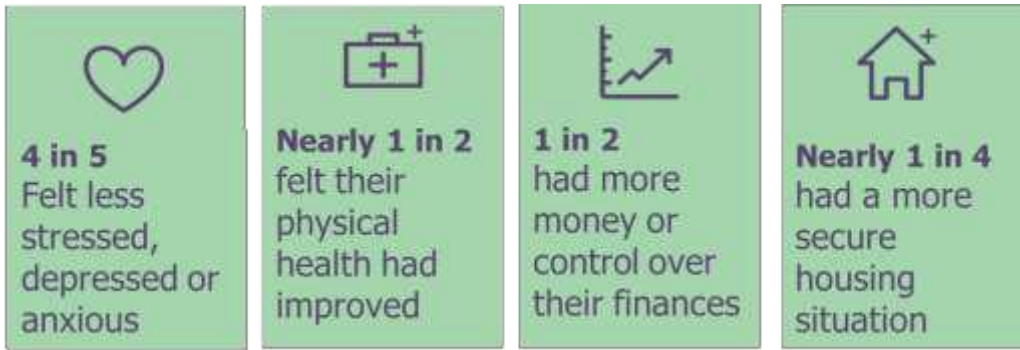
April-September

Top 5 Advice Categories





After receiving our support clients felt...



Vicki Rowe
Chief Executive Officer

21st January 2019

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Earmarked Reserves	Opening Balance 1st April 2019	Transfer to Reserves	Transfer from Reserves (to Capital)	Transfer from Reserves (to Revenue)	Transfer between Reserves	Closing Balance 31st March 2020
Collection Fund Reserve	780,795			(171,535)		609,260
Community Housing Fund -Housing Enabling	480,020					480,020
Improvement Programme Reserve	247,336					247,336
Economic Development Reserve	239,470					239,470
Repairs Fund	231,377	236,290	(65,000)	(236,290)		166,377
Crematorium Earmarked Reserve	157,991					157,991
Vehicle Renewals Fund	0	250,000	(106,000)			144,000
Executive Contingency Reserve	71,150	62,340				133,490
Second Homes Council Tax Reserve	125,289					125,289
Crem Equipment Replacement Reserve	120,000					120,000
Local Plans Fund	151,375		(38,772)			112,603
Planning Enquiries Fund	128,510			(20,000)		108,510
Waste Shared Savings Reserve	90,000					90,000
Council Tax Support Scheme Reserve	107,339			(27,420)		79,919
Tarka Tennis Surface replacement	57,671	13,000				70,671
CCTV Reserve	50,000					50,000
Land Charges Earmarked Reserve	50,000					50,000
Prevention CLG Grant Reserve	45,317					45,317
Community Consultation	38,383					38,383
Land Charges Personal Search Reserve	37,036					37,036
Self Build & Custom Housebuild	33,356					33,356
Neighbourhood Planning	25,000					25,000
Brownfield Land Registers and Permission	20,130					20,130
Community Protection Vehicle Reserve	12,000	6,000				18,000
Town & Parish Fund	17,544					17,544
Noise Equipment reserve	12,000	2,000				14,000
Habitat Directive Reserve	11,270					11,270
Car Parking Reserve	10,779					10,779
Local Welfare Support reserve	10,541					10,541
Theatres Reserve	9,466					9,466
Greensweep Replacement Fund	37,200		(30,000)			7,200
New Homes Bonus Reserve	58,780	100,000	(153,818)			4,962
Flexible Homelessness Support Grant	1,202					1,202
P C Planned Maintenance Fund	52,846		(52,846)			0
Office Technology Reserve	225,536	115,000	(280,536)	(60,000)		0
Capital Funding Reserve	490,942		(490,942)			0
Digital Transformation Financial Systems	98,560		(98,560)			0
District Council Election	50,000	52,900		(102,900)		0
Ilfracombe Watersports Centre	29,290			(29,290)		0
	4,415,501	837,530	(1,316,474)	(647,435)	0	3,289,122

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Medium Term Financial Strategy - 2019 to 2023				
Years	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Budget (Opening Balance)	12,518	12,518	12,738	13,168
Cost Pressures / savings:				
Salaries costs		480	480	480
Pensions costs - past cost fixed sum				
Pensions costs - 2019 revaluation (3 years from 1st April 2020)		150		
Borrowing costs		140	(40)	100
Safe Sleep Grant - removal of income 2020-21		45		
Reserves:				
Vacancy savings target		40		
Executive contingency				
Vehicle replacements				
Improvement programme				
New homes bonus reserve		(100)		
Savings Plans:				
Review of CCTV service		(35)		
Works and Recycling (savings sharing scheme)		(75)		
Review of Fees and Charges		(275)		
Capital PAG bids revenue implications		(30)		
Strategic grants		(10)	(10)	(10)
Parish grants		(80)		
Council tax support grant to parishes		(30)		
Net Revenue Budget Requirement	12,518	12,738	13,168	13,738

Assumes current 2-year pay award offer up to 2019-20 year continuing; plus cost of annual increments

2016 revaluation resulted in a cost increase; assumptions factored in as part of this revaluation have taken into account future forecasts. However, prudently built in £150k in case actual results differ from assumptions for 2019 triennial review.

Borrowing costs of £590k already in base - borrowing model forecast to 2022/23 (increase to £790k). Note: Without any further capital receipts this increases to £910k in 2024/25.

Loss of grant as was only one-year funding for 2019-20.

Budget 2018-19 has a target of £200k (currently reporting £225k being achieved). For 2019-20 have increased this to £240k; the £40k adjustment in 2020-21 reduces the budget back down to £200k.

Base Budget 2019-20 has a contribution of £62k - reserve balance @ 31 March 2019 estimated to be £71k.

Base Budget 2019-20 has a contribution of £250k which is planned for fleet replacement. Assumption this continues for period.

Base Budget 2019-20 has a contribution of £0k - reserve has sufficient balance @ 31 March 2019 estimated to be £250k.

One-off contribution to reserve in 2019-20 year reversed to mitigate potential changes to NHB scheme funding in 2020-21.

Review of CCTV service being carried out with a number of potential options. (£35k) of the lowest potential saving factored into 2019-20 budget (50%); with remainder built into 2020-21 year.

Original predicted figures from DCC of (£310k) through to 2025-26 resulting from the service changes implemented June 2017. Will not benefit from all the changes until the new organic contracts in place (October 2019). Part of the savings (£235k) included within the 2019-20 budget and in line with latest projections from DCC for element we will receive. Remainder of predicted savings (£75k) factored in from 2020-21.

Review of fees and charges (car parks, garden waste, commercial waste)

Net savings generated from 2019 Capital business cases

Reduced in line with 2019-20 year

2019-20 grants original plan was to reduce by 50%; Executive have now proposed to keep grants at current level. Proposal to fully remove 2020-21.

In line with previous year's reductions (2020/21 reduces grant paid out to zero)

Medium Term Financial Strategy - 2019 to 2023

Funding	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Government Settlement (SFA)				
Revenue Support Grant	16	0	0	0
Baseline Funding Level	2,943	3,011	3,080	3,151
Business Rates Retention - Growth / (decline)	1,502	1,007	1,007	1,007
Other Funding:				
Rural Services Delivery Grant	310	310	310	310
New Homes Bonus	1,446	1,446	1,446	1,446
Local:				
Council tax	6,224	6,410	6,602	6,799
Council tax - base	0	94	194	300
Collection fund surplus / (deficit)	77	60	60	60
Total Funding	12,518	12,337	12,698	13,072
Budget Gap / (Surplus)	0	401	470	666

Approved 4-year settlement (to 2019-20) from DCLG - year 4

Fair Funding Review and (SR19) for 2020-21 onwards will change the level of funding received. Baseline Funding will be reset following a review of relative needs and resources; with current growth to date reset and incorporated within overall Baseline Funding. (Current £1.5m is made up of; £1.0m growth; £0.4m renewable energy schemes; £0.1m pooling gain). Estimated that 50% of the £1.0m growth is reduced and remaining 50% factored into Baseline Funding.

Assuming RSDG continues into 2022/23

Potential changes to scheme in 2020-21; details still to be released by MHCLG. If current 4-year scheme continues then based on current level of grant award would receive an estimated £1.522m (2020-21); £1.631m (2021-22) and £1.659m (2022-23). Prudently set lower funding of £0.076m-£0.213m over next 3 years.

2.99% increase for 2019/20; assuming 2.99% annual increase 2020-21 to 2022-23

Prior year CF surpluses (2017-18 £46k; 2018-19 £69k; 2019-20 £77k)

Project	Original Budget 2018/19 £	Original Budget 2019/20 £	Original Budget 2020/21 £	Original Budget 2021/22 £
Chief Executive and Corporate				
Website Improvement	10,500	5,455	0	0
Office Technology Fund - End User Assets and IT Assets in Data Centre	53,178	346,436	0	0
ICT Improve Back-up and Recovery Capabilities	0	216,140	0	0
ICT Skype for Business	0	106,829	140,250	197,770
Replace existing desktop solution	5,519	0	0	0
	69,197	674,860	140,250	197,770

Corporate and Community				
Museum of Barnstaple - Long Bridge Wing	1,100,000	811,054	0	0
21:21 (Transformation Project)	43,226	0	0	0
Committee Administration System	52,000	0	0	0
Legal Case Management System	24,720	0	0	0
S106 Contributions - Various projects	509,039	0	0	0
Water sports Centre Ilfracombe	75,794	1,402,456	0	0
Tarka Tennis Artificial Grass Pitch	0	794,535	0	0
Contact Centre Telephony System	0	86,500	0	0
	1,804,779	3,094,545	0	0

Environmental Health & Housing				
Affordable Housing delivery Grant	0	5,000	0	0
Affordable Housing Fund	0	90,000	0	0
S106 Affordable Housing - Higher Westaway, Newton Tracey	0	45,000	0	0
Wessex Loan and Grant Scheme	0	56,573	0	0
Disabled Facilities Grant Programme	1,000,000	1,910,272	1,200,000	1,200,000
Provision of temporary accommodation	704,608	495,392	0	0
Affordable Housing 16 Castle Street	5,841	0	0	0
	1,710,449	2,602,237	1,200,000	1,200,000

Operational Services				
Works Unit Vehicles	911,176	418,823	116,000	976,000
Rolling Road - for Workshop	0	30,000	0	0
Material Recovery Facility - Infrastructure	0	760,000	0	0
	911,176	1,208,823	116,000	976,000

Project	Original Budget 2018/19 £	Original Budget 2019/20 £	Original Budget 2020/21 £	Original Budget 2021/22 £
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Place				
Land Release Fund - Highways	200,000	1,000,000	0	0
Land Release Fund - Flood Defence	0	0	1,000,000	0
Replacement Planning ICT system	21,228	44,363	0	0
	221,228	1,044,363	1,000,000	0

Resources				
Barnstaple Bus Station PC	25,924	52,846	0	0
Town Station - Pathfield School	18,013	0	0	0
Planned Maintenance	1,580	0	0	0
Marine Drive Car Park Resurfacing - Ilfracombe	12,174	65,000	0	0
Coastal Protection & Shoreline Mgt Plan	0	7,658	0	0
Winter Storm repairs - Environment Agency	0	13,206	0	0
Ilfracombe Harbour - Kiosks	132,595	0	0	0
Jubilee Gardens reserved car park retaining wall	35,000	0	0	0
Resurfacing to various car parks	50,063	106,984	0	0
Replacement roof - Old Bus Station - Tea on the Tow	37,185	0	0	0
HR and Payroll System	0	98,500	0	0
Pannier Market Re-roofing works	0	500,000	0	0
Digital Transformation Asset and Financial Management System	0	40,000	0	0
	312,534	884,194	0	0

Resources - Non Treasury				
Acquisition of Sub Lease Plot 1 Seven Brethren	400,000	100,000	0	0
Surrender in the long leasehold interest in Gaydon Street Dairy	100,000	0	0	0
	500,000	100,000	0	0

	5,529,363	9,609,022	2,456,250	2,373,770
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Open

NORTH DEVON COUNCIL

REPORT TO: EXECUTIVE
Date: 4th February 2019
TOPIC: TREASURY MANAGEMENT STRATEGY
STATEMENT 2019/20
REPORT BY: CHIEF FINANCIAL OFFICER

1. INTRODUCTION

This report has been prepared in compliance with CIPFA's Code of Practice and covers the following:

- Treasury Management Strategy Statement.
- Minimum Revenue Provision Policy Statement and
- Annual Investment Statement 2019/20.

2. RECOMMENDATIONS

The Executive is asked to recommend to the full Council that:

- 2.1 The Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Statement 2019/2020, including the Treasury Management and Prudential Indicators for 2019/20 to 2021/22, be approved.

3. REASONS FOR RECOMMENDATIONS

- 3.1 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146) requires the Council to have regard to the Treasury Management Code.
- 3.2 Under section 3(5) of the Local Government Act 2003 the Council is required to have regard to the Prudential Code when setting limits to the level of its affordable borrowing.
- 3.3 This Council is also required under the Code to give prior scrutiny to the treasury management reports by the Overview and Scrutiny Committee before they are reported to the full Council.

4. CONSTITUTIONAL CONTEXT

Article and paragraph	Referred or delegated power?	A key decision?	In the Forward Plan?
Part 4 Financial Procedure Rules (Article 13.8) Article 4.4	Delegated	No	Yes

5. TREASURY MANAGEMENT

5.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

“The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

Revised reporting is required for the 2019/20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes include the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011. The capital strategy is being reported separately.

This authority has not engaged in any material commercial investments or non-treasury investments.

5.2. Reporting Requirements

Capital Strategy

The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

Treasury Management Reporting

The Council is currently required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of polices, estimates and actuals.

a) Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

b) A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c) An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

These reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Overview and Scrutiny Committee.

5.3 Treasury Management Strategy for 2019/20

The strategy for 2019/20 covers two main areas:

Capital Issues

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management Issues

- the current treasury position;
- treasury indicators which will limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;

- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the MHCLG MRP Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

5.4 Training

The CIPFA Code requires the Chief Finance Officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. The training needs of treasury management officers are periodically reviewed.

5.5 Treasury Management Consultants

The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers. All decisions will be undertaken with regards to all the available information, including, but solely, our treasury advisors.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

6 THE CAPITAL PRUDENTIAL INDICATORS 2019/20 – 2021/22

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

6.1 Capital Expenditure.

This prudential Indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Agenda Item 9

Capital Expenditure £000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Chief Executive & Corporate	617	69	675	140	198
Corporate & Community	208	1,805	3,095	0	0
Environmental Health & Housing	592	1,710	2,602	1,200	1,200
Operational Services	864	911	1,209	116	976
Place	10	221	1,044	1,000	0
Resources	163	813	984	*150	*150
Total	2,454	5,529	9,609	2,606	2,524

**Projected figures 20/21 onwards, based on statutory responsibilities continuing.*

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of Capital Expenditure £000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Capital Expenditure	2,454	5,529	9,609	2,606	2,524
Financed by:					
Capital receipts	1,527	373	650	150	150
Capital grants	710	3,139	6,074	2,200	1,200
Capital reserves	1,173	1,103	1,316	231	643
Net financing need for the year	(956)	914	1,569	25	531

6.2 The Council's Borrowing Need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure in the table above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each assets life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has no such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Capital Financing Requirement					
Total CFR	5,009	5,419	6,440	5,786	5,700
Movement in CFR	(1,460)	410	1,021	(654)	(86)

Net financing need for the year above	(956)	914	1,569	25	531
Less MRP/VRP and other financing movements	(504)	(504)	(548)	(679)	(617)
Movement in CFR	(1,460)	410	1,021	(654)	(86)

6.3 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day to day cash flow balances.

Year End Resources £000	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Fund balances / reserves	7,728	7,315	4,100	3,500	3,350
Provisions	865	850	600	550	500
Vehicle replacement fund	520	0	144	278	0
Total core funds	9,113	8,165	4,844	4,328	3,850
Working capital*	4,631	1,000	500	500	500
Total cash to invest	13,744	9,165	5,344	4,828	4,350
(Under)/over borrowing	(3,009)	(4,169)	(3,940)	(3,286)	(2,700)
Expected external investments	10,735	4,996	1,404	1,542	1,650

*Working capital balances shown are estimated year end

6.4 Affordability Prudential Indicator

This prudential indicator is required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicator:

Ratio of financing costs to net revenue stream. This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2017/18 Actual	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
General Fund	3.48	3.80	4.19	5.20	4.51

The estimates of financing costs include current commitments and the proposals in this budget report.

6.5 Minimum revenue provision (MRP) policy statement

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be:

Asset Life Method – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction).

This option provides for a reduction in the borrowing need over approximately the asset's life.

Repayments included in annual PFI or finance leases are applied as MRP.

MRP Overpayments

A change introduced by the revised MHCLG MRP Guidance was the allowance that any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. Up until the 31 March 2019 the Council had made no voluntary revenue provision (VRP) overpayments.

7 BORROWING

The capital expenditure plans set out in section 6 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

7.1 Current Portfolio Position

The overall treasury management cash portfolio as at 31 March 2018 and for the position as at 31st December 2018 are shown below for both borrowing and investments.

Treasury Portfolio	31/03/18	31/12/18
£000	Actual	Actual
Investment with banks	9,560	17,530
Total investments managed in-house	9,560	17,530
Borrowing with PWLB	2,000	1,250
Total external borrowing	2,000	1,250
Net treasury investments / (borrowing)	7,560	16,280

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£000	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Estimate	Estimate	Estimate	Estimate
External Debt					
Debt at 1 April	2,000	2,000	1,250	2,500	2,500
Expected change in Debt	0	(750)	1,250	0	500
Other long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
Actual gross debt at 31 March	2,000	1,250	2,500	2,500	3,000
The Capital Financing Requirement	5,009	5,419	6,440	5,786	5,700
(Under) / over borrowing	(3,009)	(4,169)	(3,940)	(3,286)	(2,700)

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Chief Financial Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

7.2 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £000	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Debt	5,000	5,500	6,000	6,000
Other long term liabilities	250	250	250	250
Total	5,250	5,750	6,250	6,250

The authorised limit for external debt. This is a further key prudential indicator and represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised limit £000	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate	2021/22 Estimate
Debt	10,000	10,500	11,000	11,000
Other long term liabilities	500	500	500	500
Total	10,500	11,000	11,500	11,500

7.3 Prospects for Interest Rates

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives the Link central view.

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth became increasingly strong during 2018 until slowing significantly during the last quarter. At their November quarterly Inflation Report meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor's fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. On a major assumption that Parliament and the EU agree a Brexit deal in the first quarter of 2019, then the next increase in Bank Rate is forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. However, over about the last 25 years, we have been through a period of falling bond yields as inflation subsided to, and then stabilised at, much lower levels than before, and supported by central banks implementing substantial quantitative easing purchases of government and other debt after the financial crash of 2008. Quantitative easing, conversely, also caused a rise in equity values as investors searched for higher returns and purchased riskier assets. In 2016, we saw the start of a reversal of this trend with a sharp rise in bond yields after the US Presidential election in November 2016, with yields then rising further as a result of the big increase in the US government deficit aimed at stimulating even stronger economic growth. That policy change also created concerns around a significant rise in inflationary pressures in an economy which was already running at remarkably low levels of unemployment. Unsurprisingly, the Fed has continued

on its series of robust responses to combat its perception of rising inflationary pressures by repeatedly increasing the Fed rate to reach 2.25 – 2.50% in December 2018. It has also continued its policy of not fully reinvesting proceeds from bonds that it holds as a result of quantitative easing, when they mature. We therefore saw US 10 year bond Treasury yields rise above 3.2% during October 2018 and also investors causing a sharp fall in equity prices as they sold out of holding riskier assets. However, by early January 2019, US 10 year bond yields had fallen back considerably on fears that the Fed was being too aggressive in raising interest rates and was going to cause a recession. Equity prices have been very volatile on alternating good and bad news during this period.

From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

Investment and borrowing rates

Investment returns are likely to remain low during 2019/20 but to be on a gently rising trend over the next few years.

Borrowing interest rates have been volatile so far in 2018-19 and while they were on a rising trend during the first half of the year, they have backtracked since then until early January. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt;

There will remain a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

7.4 Borrowing Strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2019/20 treasury operations. The Chief Financial Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.*
- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the Leader and Executive Portfolio Members.

It is anticipated that additional external borrowing of £1.25m will be required during 2019/20 to support the approved capital programme taking total projected external borrowing to £2.5m by March 2020. This still prudently assumes using £3.9m of internal borrowing from reserves and cash balances to fund the £6.4m Capital Financing Requirement.

The strategy projects further external borrowing of £0.5m in 2021/22 taking total borrowing to £3m. However any substantial increase in capital expenditure and/or decrease in the reserve balances within the forthcoming years may result in the need for additional external borrowing to ensure the Council holds sufficient cash balances to meet its day to day commitments. For further details on the long term borrowing strategy please refer to the Council's ten year capital strategy on this agenda.

7.5 Maturity structure of borrowing

These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Maturity Structure of fixed interest rate borrowing 2019/20		
	Lower	Upper
Under 12 months	0%	60%
12 months to 2 years	0%	60%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	50%
Maturity Structure of variable interest rate borrowing 2019/20		
	Lower	Upper
Under 12 months	0%	60%
12 months to 2 years	0%	60%
2 years to 5 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	50%

7.6 Control of interest rate exposures

The Council is asked to approve the following local indicator to reduce the impact of any adverse movement in interest rates, whilst not impairing opportunities to reduce costs / improve performance.

Interest rate Exposures	2019/20 £000	2020/21 £000	2021/22 £000
Limit on fixed interest rates: <ul style="list-style-type: none"> • Debt only • Investments only 	100%	100%	100%
Limit on variable interest rates: <ul style="list-style-type: none"> • Debt only • Investments only 	30%	30%	30%
	100%	100%	100%

Paragraphs 7.3, 7.4, 7.5 and 8.4 provide further details on the controls in place to limit and manage interest rate exposure in line with financial requirements, borrowing maturities and interest rate forecasts.

7.7 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid year or annual reporting mechanism.

7.8 Debt rescheduling

As short-term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Leader and Executive Portfolio Members.

7.9 Municipal Bond Agency

It is possible that the Municipal Bond Agency will be offering loans to local authorities in the future. The Agency hopes that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLB). This Authority may make use of this new source of borrowing as and when appropriate.

8 ANNUAL INVESTMENT STRATEGY

8.1 Investment Policy – management of risk

The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return).

The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The

key ratings used to monitor counterparties are the short term and long-term ratings.

2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. Appendix 1 list the instruments under the categories of ‘specified’ and ‘non-specified’ investments.

- **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year.
- **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 8.2.

6. **Transaction limits** are set for each type of investment in Appendix 1.

7. This authority will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 8.4).

8. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 8.3).

9. This authority has engaged **external consultants**, (see paragraph 5.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.

10. All investments will be denominated in **sterling**.

11. As a result of the change in accounting standards for 2018/19 under **IFRS 9**, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, [MHCLG], concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from 1.4.18.)

However, this authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 8.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.

The above criteria is largely unchanged from last year.

8.2 Creditworthiness policy

This Council applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moodys and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Dark pink 5 years for Ultra-Short Dated Bond Fund with a credit score of 1.25

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- Light pink 5 years for Ultra-Short Dated Bond Fund with a credit score of 1.5
- Yellow 5 years (UK Government debt)
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi-nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No Colour not to be used

The Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the Council use will be a short term rating (Fitch or equivalents) of F1 and a long term rating A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market

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information, information on any external support for banks to help support its decision making process.

	Colour (and long term rating where applicable)	Money Limit	Time Limit
Banks	yellow	£1m	5 yrs
Banks	purple	£1m	2 yrs
Banks	orange	£3m	1 yr
Banks – part nationalised	blue	£4m	1 yr
Banks	red	£3m	6 mths
Banks	green	£3m	100 days
Banks	No colour	Not to be used	
Other institutions limit	-	£2m	1yr
DMADF	UK sovereign rating	Unlimited	6 months
Local authorities	n/a	£2m	1yr
	Fund rating	Money Limit	Time Limit
Money market funds	AAA	£3m	liquid
Ultra-Short Dated Bond Fund with a credit score of 1.25	Dark pink / AAA	£2m	liquid
5 years for Ultra-Short Dated Bond Fund with a credit score of 1.5	Light pink / AAA	£1m	liquid

No limit will be set on placing funds with the Council's own bank due to the volatility / fluctuations in day to day cash flows.

Group limits where a number of institutions are under one ownership is a maximum of £5m

UK banks – ring fencing

The largest UK banks, (those with more than £25bn of retail / Small and Medium-sized Enterprise (SME) deposits), are required, by UK law, to separate core retail banking services from their investment and international banking activities by 1st January 2019. This is known as “ring-fencing”. Whilst smaller banks with less than £25bn in deposits are exempt, they can choose to opt up. Several banks are very close to the threshold already and so may come into scope in the future regardless.

Ring-fencing is a regulatory initiative created in response to the global financial crisis. It mandates the separation of retail and SME deposits from investment banking, in order to improve the resilience and resolvability of banks by changing their structure. In general, simpler, activities offered from within a ring-fenced bank, (RFB), will be focused on lower risk, day-to-day core transactions, whilst more complex and “riskier” activities are required to be housed in a separate entity, a non-ring-fenced bank, (NRFB). This is intended to ensure that an entity’s core activities are not adversely affected by the acts or omissions of other members of its group.

While the structure of the banks included within this process may have changed, the fundamentals of credit assessment have not. The Council will continue to assess the new-formed entities in the same way that it does others and those with sufficiently high ratings, (and any other metrics considered), will be considered for investment purposes.

8.3 Country limits

The Council has determined that it will mainly use approved counterparties from within the United Kingdom.

However, the Council may consider counterparties from outside the United Kingdom providing the country has a minimum sovereign credit rating of AA- from Fitch or equivalent.

8.4 Investment Strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified

that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

Investment returns expectations. Bank Rate is forecast to increase steadily but slowly over the next few years to reach 2.00% by quarter 1 2022. Bank Rate forecasts for financial year ends (March) are:

2018/19	0.75%
2019/20	1.25%
2020/21	1.50%
2021/22	2.00%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

2018/19	0.75%
2019/20	1.00%
2020/21	1.50%
2021/22	1.75%

The overall balance of risks to economic growth in the UK is probably neutral.

The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Council is asked to approve the treasury indicator and limit: -

Upper limit for principal sums invested for longer than 365 days			
£m	2019/20	2020/21	2021/22
Principal sums invested for longer than 365 days	£1m	£1m	£1m

The Council currently has no investments in excess of one year.

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days), in order to benefit from the compounding of interest.

Investment risk benchmarking. The Chief Financial Officer will monitor the current and trend position of the treasury function and amend the operational strategy to manage risk, as interest rates and counterparty conditions change. Performance results will be reported through the Quarterly Performance and Financial Management, Mid-Year and Annual Treasury reports to Executive.

This Council will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day LIBID rate.

8.5 Non-Treasury Investments

The Council will adopt a low risk, immaterial, approach to non-treasury (commercial) investments in line with the investment categories and authorised limits set out in Appendix 2.

The Council will consider opportunities as they arise, within the Council boundary, such as light industrial investment.

9. RESOURCE IMPLICATIONS

As detailed in the report.

10. EQUALITY and HUMAN RIGHTS

An EINA has not been completed as the purpose of this report is to present the Council's financial position only.

11. STATEMENT OF INTERNAL ADVICE

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

12. STATEMENT OF CONFIDENTIALITY

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

13. BACKGROUND PAPERS

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

Executive Member: Councillor R Edgell and Councillor G Lane

Author: Jon Triggs, Head of Resources Date: 22nd January 2019

Reference: T:\Technical\Adam\Treasury Management\ TM & Annual Investment Strategy 2019.doc

APPENDIX 1: Treasury Management Practice (TMP1) – Credit and counterparty risk management

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum ‘high’ quality criteria where applicable.

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria and are therefore of greater potential risk. The Council will consider using this category only for investments that would come under Specified, except that the maturities are greater than 1 year.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria / colour band	£ Limit per institution	Max maturity period
Debt Management Account Deposit Facilities - UK Government	N/A	Unlimited	6 months
UK Government Gilts	UK sovereign rating	£2m	1 year
UK Government Treasury Bills	UK sovereign rating	£2m	1 year
Bonds issued by multilateral development banks	AAA	£2m	6 mths
Money Market Funds	AAA	£3m	Liquid

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Local Authorities	N/A	£2m	1 year
Term deposit with Banks and Building Societies	Purple +	£1m	2 years
	Blue only	£4m	1 year
	Green +	£3m	1 year
CDs or corporate bonds with banks and building societies	Green +	£2m	1 year
Gilt funds	UK sovereign rating	£2m	1 year
Ultra-Short Dated Bond funds with a credit score of 1.25	AAA	£2m	Liquid
Ultra-Short Dated Bond funds with a credit score of 1.5	AAA	£2m	Liquid

(+) Above the minimum colour band given. The colour band will place its own maturity limit on the investment so only the maximum maturity period is given.

No limit will be set on placing funds with the Council's own bank due to the volatility / fluctuations in day to day cash flows.

APPENDIX 2: Investment management practice for non-treasury investments – Authorised limits

The approved schedule for non-treasury investments are as follows:

Category	Type	Limit per asset
Commercial Investment	Inside ND area	
	Retail	£0.5m
	Industrial	£1m
	Offices	£0.5m
	Land	£0.5m
	Other	£0.5m
	Outside ND area	
	Retail	£0m
	Industrial	£0m
	Offices	£0m
	Other	£0m
	Subsidiaries	£0m
	Council owned companies	£0m
	Council owned industrial estates	£1m
Loans	Third Parties	£0.25m
	Employees	£0.10m
	Other	£0.05m
Loan Guarantees		£0m

**The above schedule does not include service investments items as these are covered by the capital programme and associated risk framework.*

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NORTH DEVON COUNCIL

REPORT TO: EXECUTIVE
DATE: 4TH FEBRUARY 2019
TOPIC: 10 YEAR CAPITAL STRATEGY 2019 TO 2029
REPORT BY: CHIEF FINANCIAL OFFICER

1. INTRODUCTION

This report has been prepared in compliance with CIPFA's Code of Practice and covers the following:

- Capital Strategy 2019/20 to 2028/29

2. RECOMMENDATIONS

The Executive is asked to recommend to the full Council that:

- 2.1 The Capital Strategy 2019/20 to 2028/29 be approved.

3. REASONS FOR RECOMMENDATIONS

- 3.1 The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (SI 2003/3146) requires the Council to have regard to the Treasury Management Code.
- 3.2 To ensure Executive has assurance on the financial standing of the Council and risks associated with the capital strategy
- 3.3 To ensure Executive have plans in place to deliver the long-term financial strategy of the Council
- 3.4 To ensure that future capital investments are available and targeted to the Council's priorities.

4. CONSTITUTIONAL CONTEXT

Article and paragraph	Referred or delegated power?	A key decision?	In the Forward Plan?
Article 4.4	Referred	No	Yes

5. CAPITAL STRATEGY

5.1 Introduction

In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes stating that from 2019/20, all local authorities will be required to prepare a Capital Strategy which is intended to provide the following: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

This capital strategy document covers the ten year period from 2019/20 to 2028/29 and will be reviewed annually by Full Council prior to each financial year.

5.2 Corporate Priorities

The Council currently has two overarching priorities which are:

Organisational Transformation

- ✓ to develop a robust and flexible organisation
- ✓ determine our own future/destiny
- ✓ maintain or improve our services by flexing council structures and activities delivering resilience in the short to medium term

Growing North Devon

- ✓ to create and protect a resilient North Devon
- ✓ promote Barnstaple and its uniqueness as the sub-regional centre for growth but consider all opportunities
- ✓ use the increase in the local tax base from predicted housing and/or businesses to deliver resilience
- ✓ support and develop low carbon opportunities including the tidal demonstration zone

5.3 Capital Governance

The Council has a well-established Capital Project appraisal process. All capital projects require a business case, reviewing options, risks and associated costs, whilst formally recording internal consultation, including Legal Services, Finance, HR, ICT, Procurement and the Senior Management Team.

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The Project Appraisal Group (PAG) comprises of the; Business Information Systems Manager, Head of Corporate and Community Services, Head of Resources and Accountancy Manager who will then meet to score the proposed project. The scoring will assess each proposal against a series of objective criteria including:

- legal or statutory obligation and risk of death or maiming
- alignment with the corporate priorities
- material improvement in the service
- number of people it would benefit
- proportion of external funding or revenue savings

The project scoring determines which projects move forward and get considered by Executive who will then make a recommendation to Full Council to vary the capital programme accordingly.

As part of the Committee reporting process the funding or resource implications will be clearly identified. For example funding from external grants, capital receipts, S106 income, reserves or borrowing. Any additional costs arising from borrowing on approved capital projects will then be built into the budget setting process and Medium Term Financial Strategy (MTFS).

In additional to the original approval of the project, a separate approval will also be sought from Executive and then Full Council to release the capital funds three to six months before the project is due to start.

All Capital spend will be undertaken in accordance with our Contract Procedure rules, which provides the following thresholds:

Contract value	Procurement requirement
Below £5,000	No procurement required, although a written quote will be obtained
£5,000 to £39,999	A minimum of three alternative quotes are sought
£40,000 and the relevant EU threshold	A competitive tendering process is undertaken
Above the relevant EU threshold	A competitive tendering process is undertaken in accordance with the requirements of the Public Contracts Regulations 2015

The Council has a project management framework based on the PRINCE2 methodology and therefore incorporates industry best practice. The framework consists of four phases; pre-project feasibility, initiation planning, delivery & implementation, and closure & review.

Project Management is all about successfully planning, implementing and managing change. Following the NDC framework allows the Project Manager to apply control throughout the project and manage the variables of time, cost and quality in order to deliver the expected business benefits.

The Council is committed to post project evaluation and sharing lessons learnt to improve future project management

5.4 Capital Strategy Years 2019/20 to 2022/23 (Medium Term)

This section looks to summarise and bring together the key points of the Council's approved medium term financial strategy, capital programme and the overall treasury position, over the medium term, in order to set the context for Members, prior to looking at the longer term capital strategy.

<u>CAPITAL</u>	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Net Annual Capital Financing Gap	914	1,569	25	531	1,312
Total Capital Financing Requirement (Borrowing need)	5,419	6,440	5,786	5,700	6,318
Projected External Borrowing	1,250	2,500	2,500	3,000	3,500
Annual Cost of Borrowing (MRP & Interest)	530	590	730	690	790

**please note that 2022/23 figures are projections not yet approved.*

<u>REVENUE</u>	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000
Medium Term Financial Strategy Budget Gap	0	0	401	470	666

Revenue

The Council is required to operate a balanced revenue budget, however for 2020/21 current projections show a medium term financial strategy budget gap of £401,000 increasing to £666,000 in 2022/23. The Council will review a number of options and have to make decisions for bridging this gap such as any financial benefits from a roll

out of the 3 weekly black bin collection. *Please see the Medium Term Financial Strategy for further details.*

Capital

A full list of the approved capital programme items can be found in Appendix 5 of the Budget Report 2019/20. Any capital expenditure that is not immediately paid for through a revenue or capital resource leads to a capital financing need or gap, which will increase the Council's total Capital Financing Requirement (CFR). The CFR is a measure of the Council's underlying need to borrow to finance the total historic outstanding capital programme. The estimated CFR for March 2019 is £5,419,000 and for March 2023 is £6,318,000.

The CFR will in part be funded by external borrowing. Total external borrowing as at March 2019 is projected to be £1,250,000 increasing by a further £2,250,000 over the next four years. The medium term strategy is prudently maintaining an under-borrowed position, meaning that as a temporary measure the Council is using its own cash supporting reserves, balances and cash-flows rather than fully funding the CFR with external borrowing. This position will need to be reviewed in line with investment returns and counterparty risks.

Where a capital project increases the CFR or financing gap then a minimum revenue provision (MRP) must be made to reduce the borrowing amount over the life of the asset. The MRP and the interest (annual cost of borrowing) are charged to the revenue account each year and this will therefore impact on the Council's revenue budget and on-going medium term financial plan budget gap. *For further details on the Capital Financing Requirement and Minimum Revenue Provision please refer to the Annual Treasury Management Strategy 2019/20.*

The table above clearly show the Council is facing both revenue and capital resource pressures within the medium term forecast and that Members will be faced with challenging decisions to make as part of setting future budgets and delivering capital schemes which are not fully funded.

5.5 Capital Strategy Years 2023/24 to 2028/29 (Long Term)

Capital Expenditure

The Council has identified two main areas of capital expenditure within the long term forecast which are necessary to maintain business as normal. Firstly, our vehicle replacement programme, as the works and recycling fleet have an eight year life cycle. Secondly, the on-going maintenance of our ICT infrastructure. The projected costs are shown below:

CAPITAL EXPENDITURE	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000
Net Vehicle Replacement Cost	1,010	1,160	235	1,265	0	0
Net ICT Infrastructure Cost	98	185	159	163	438	171

The forecast also builds in a level of disabled facilities grant for each year, but we have anticipated that this will continue to be fully funded by external grants as at present.

The Council's Property Team are currently in the process of refreshing our Asset Management Plan, which includes carrying out condition surveys of our land and property portfolio. The result of this work will help to formulate a ten-year asset maintenance plan which will then feed into future capital strategy reports. Currently, the Council has a £240,000 revenue repairs fund for planned and response maintenance. This capital strategy assumes that this repairs fund will continue and be allocated to capital works if appropriate.

Capital Funding and Affordability

The following table is based on the capital expenditure identified in the previous section:

CAPITAL	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000
Net Annual Capital Financing Gap	1,108	1,345	394	1,428	438	171
Total Capital Financing Requirement (Borrowing need)	6,789	7,348	6,883	7,422	6,864	5,993
Projected External Borrowing	4,000	4,500	4,500	4,750	4,000	3,250
Annual Cost of Borrowing (MRP & Interest)	750	910	980	1,030	1,120	1,140

REVENUE	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000
Medium Term Financial Strategy Budget Gap	626	786	856	906	996	1,016

**For this purpose it assumes no other revenue changes apart from the cost of borrowing from capital*

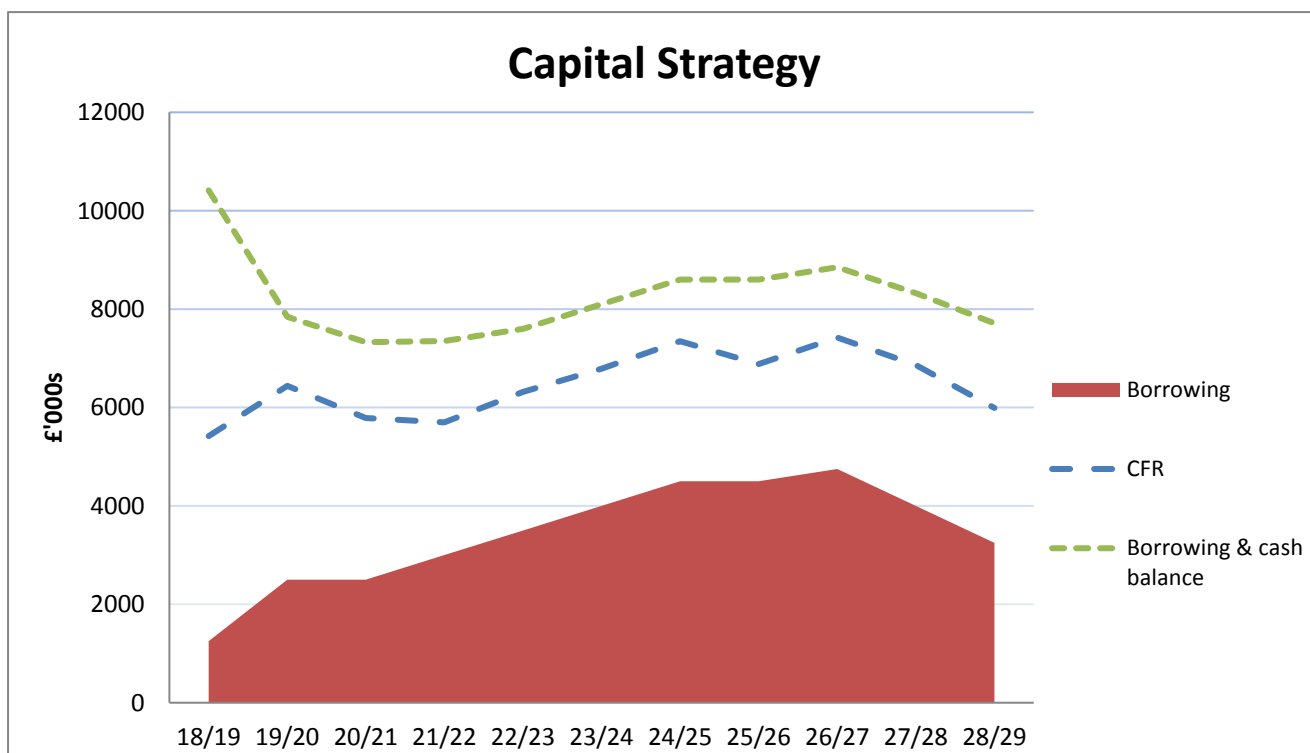
The capital table above shows that the CFR peaks in 2026/27 at £7,422,000 with external borrowing in that year predicted to be £4,750,000, again assuming the under-borrowed position remains prudent and sustainable.

With the continued non-funded capital expenditure in each of the years 23/24 to 28/29 there is a dramatic rise in the associated cost of borrowing which would reach £1,140,000 in 2028/29. This borrowing cost would impact on the revenue budget each year and to illustrate this the forecast medium term financial strategy budget gap has been extended just to reflect the additional borrowing costs before any other revenue changes are considered. On this basis, the revenue budget gap for 2028/29 would increase to £1,016,000.

The strategy shows that the business as normal capital schemes such as our vehicles and ICT may present affordability challenges and Members will need to give further consideration to our property portfolio in terms of acquisitions and disposals, the review of Seven Brethren redevelopment and the wider car parks strategy.

Any future Capital Receipts need to be prioritised and prudently earmarked to ensure that our normal business investment can continue, so that service levels can be maintained and that the authority can bridge the funding gap identified in the revenue table above, allowing a balanced budget to be set for future years.

The graph below illustrates the current ten year capital strategy:



Aspirational Capital Projects

Whilst the medium and long term capital strategy above clearly sets out the financial context under which future capital expenditure decisions should be considered, it would not prevent the Council pursuing aspirational projects such as the proposed new Leisure Centre for North Devon.

However, for the reasons already stated, any such projects would have to have no **or** limited impact on the revenue budget gap. Any additional borrowing costs would have to be offset by additional income such as a management fee; or additional capital receipts would need to be identified and earmarked over and above the capital receipts required for normal service investments like fleet replacements.

Non treasury Investments

The Council can within the existing treasury management practices consider small scale investments in other financial assets and property primarily for financial return. Such activities include investment property portfolios.

Whilst the Council has a low risk, immaterial approach to non-treasury (commercial) investments it will consider opportunities that arise within the time frame of the capital strategy, such as light industrial investment within the Council boundary i.e. Seven Brethren.

For further details of the investment categories and authorised limits, please refer to Appendix 2 of the Treasury Management Strategy Statement 2019/20

5.6 Risks with the Capital Strategy

The risks with any long term strategy is the unknown or unexpected events which will require large scale capital investments; as we have seen in the past such as storm repairs to Ilfracombe Harbour. Whilst the treasury management strategy has sufficient headroom within its borrowing limits to deal with such situations, the impact of the borrowing cost on the revenue budget are much harder to protect against.

There could also be service or legislation changes which the Council will have to adapt to in order to maintain efficient and effective service provision.

Whilst our long term budget projections have factored inflation into the estimates, economic and trading conditions can impact on future prices.

The Budget Report 2019/20 provides further details on potential risks facing the Council.

6 RESOURCE IMPLICATIONS

As detailed in the report.

7 EQUALITY and HUMAN RIGHTS

An EINA has not been completed as the purpose of this report is to present the Council's financial position only.

8 STATEMENT OF INTERNAL ADVICE

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

9 STATEMENT OF CONFIDENTIALITY

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

10 BACKGROUND PAPERS

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

Executive Member: Councillor R Edgell and Councillor G Lane

Author: Jon Triggs, Head of Resources

Date: 22nd January 2019

Reference: T:\Technical\Adam\Capital Strategy\Capital Strategy 19-20.doc

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Overview and Scrutiny Work Programme 2018/19

This work programme provides structure for the O&S committee to ensure it is focused on adding value and securing tangible outcomes; it is reviewed and updated at each committee meeting.

		Apr 26th	June 5 th (Canc)	July 12th	Aug 23rd	Oct 11th	Nov 15th	Jan 10 th (2019)	Feb 12 th (2019)
Car Parking Strategy (SN)	Agreed 23/8/18								
Health and Care Services Inquiry	Agreed 23/8/18								
Impact of Agricultural Sector on the Northern Devon Economy	Agreed 23/8/18								
Quarterly Performance and Financial Management report				Q4		Q1	Q2		Q3
Treasury Management				Annual Report				Mid-Year Report	Annual Strategy
Revenue Budget 2019-20, Capital Programme and Medium Term Financial Strategy 2019-2023									

		Apr 26th	June 5 th (Canc)	July 12th	Aug 23rd	Oct 11th	Nov 15th	Jan 10 th (2019)	Feb 12 th (2019)	March 7 th 2019 (Special)
Review of Fees and Charges 2018-19										
Batsworthy Cross										
Service Plans - Annual Reporting (Jan each year) (KM)										
Compensation Payments	Added Dec 2017									
Devon and Cornwall Police and Crime Panel Update										
Exemptions to Contract Procedure Rules - if applicable										

Note:

Service Plans (Special meeting(s) will be required) in January 2019.

Add item regarding fair funding for Education to the work programme after May 2019.

Air Quality Update to be considered after April 2018- then an annual update. (as agreed 14.12.17)

To appoint members of Crime and Disorder Sub-Committee – to be added to agenda of the O&S following Annual Council each year.

All Task & Finish Groups to inform Member Services of the date they wish to report to the O&S Committee