

**NORTH DEVON COUNCIL**

Minutes of a meeting of Strategy and Resources Committee held at Barum Room - Brynsworthy on Monday, 6th June, 2022 at 10.00 am

PRESENT: Members:

Councillor Prowse (in the Chair)

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

Officers:

Chief Executive, Director of Resources and Deputy Chief Executive, Senior Solicitor and Monitoring Officer, Service Lead Housing Advice and Homelessness, Head of Customer Focus, Service Lead Housing Market Balance, Head of Planning, Housing and Health, Senior Enforcement Officer and Sustainability and Climate Officer

Also Present in person:

Councillors D. Spear and Tucker

**11. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Knight, Pearson and Worden.

The Senior Corporate and Community Services Officer advised that Councillor Lofthouse would be late arriving at the meeting.

**12. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 9 MAY 2022 (ATTACHED).**

RESOLVED that the minutes of the meeting held on 9 May 2022 (circulated previously) be approved as a correct record and signed by the Chair.

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

(a) Former White Hart public house, Bratton Fleming

Councillor Prowse advised the Committee that he hoped that the Council would be in a position to help the community to help bring the building back into community use.

**14. DECLARATIONS OF INTERESTS.**

There were no declarations of interest announced.

**15. GAP FUNDING 21 SOCIAL RENTS AT WOOLACOMBE**

The Committee considered a report by the Service Lead – Affordable Housing (circulated previously) regarding gap funding of 21 social rents at Woolacombe.

The Service Lead – Affordable Housing highlighted the following:

- The Community Housing Fund and commuted sums from Section 106s were not sufficient alone to enable all existing nor future community-led housing projects. How to resource the delivery of affordable housing via community-led housing models both financially and in terms of staff was within the scope of Project 4 of the Housing and Community Safety Programme.
- There was an immediate issue to consider to enable the completion of 21 affordable homes for social rent in Woolacombe; the first Community Land Trust scheme in North Devon. Due to a forecasted start on site date of September 2023 (subject to planning) this cannot wait for the outcome of the corporate project.
- External funding had now reached £141,000 per unit and £30,000 per unit was needed to deliver the scheme. The Council needed to consider how this could be gap funded or the scheme would not go ahead.
- Since writing the report, the Government had announced that it was not renewing the Community Housing Fund.
- Morteheo was one of the first Community Land Trusts set up through the original Community Housing Fund allocation in 2016/17 and they have come on leaps and bounds since. With the passion and energy of the community, the Community Land Trust, parish councillors, the parish clerk, the ward member, the National Trust, Middlemarch and NDC officers the scheme was soon to become a reality.
- The site was presented to the community and had huge community support. Morteheo and Woolacombe Community Land Trust applied for funding from the NDC Community Housing Fund for pre-application and feasibility work. Pre-app feedback from Planning had been acted upon and a compromise reached with AONB, planning, the Community Land Trust and the National Trust as a possible way forward for the planning application package.
- The Community Land Trust had now selected a Registered Provider (Aster) who was putting together a funding package to deliver the proposed 21 affordable homes in Woolacombe (subject to planning). Homes England and Aster have put in significant amounts of funding at £141,000 per unit resulting in almost £3 million of government/Registered Provider funding into North Devon. To gap-fund the remainder of the scheme North Devon Council would need to provide £630k (£30,000 per unit).

Councillor Lofthouse arrived at the meeting.

- The Council, via its former Executive (in January 2018) had previously minuted its clear support for this scheme (even if via borrowing) in the future.
- Explanation of how it worked when a Community Land Trust partnered with a Registered Provider as detailed in paragraph 4.7 of the report.

- Paragraph 5 detailed the options for funding the scheme. In terms of the commuted sums, it was important to spend the sums prior to the 10 year deadline.
- This scheme would provide an opportunity to provide local housing which was 100% affordable and 100% social rent which was less than half of the local rent for properties in Morteheo.
- The parish of Morteheo was particularly suffering from the reduction of private rented sector housing and affordability issues. Most open market housing was out of the reach of the local community and was lost to second homes, Airbnb and other forms of holiday lets.

The Chief Executive highlighted the following:

- The Leader of the Council had recently highlighted in his column in the North Devon Gazette that over the last 2-3 years, around 467 private rented properties had been lost to holiday lets or second homes. This had a big impact on communities. The community of Woolacombe was feeling the impact of this.
- A number of parishes had around 60% holiday lets or second homes. In Woolacombe, this was around 62%.
- Analysis showed that there had been around 70% reduction in private rented housing available over the past few years. The provision of social rented properties in Woolacombe would help to address this issue.

In response to questions, the Service Lead – Affordable Housing advised the following:

- That responses from Ward Members in Ilfracombe and South Molton had been received in response to consultation who were in support of the scheme and the use of commuted sums from the parishes that they were received.
- The Registered Provider was required to reinvest returns into affordable housing. Therefore any profit made would be put back into affordable housing. This was a social rent scheme and the grant agreement would make it clear that any properties sold on the open market that the Council would receive a claw back. But it should be noted that properties owned by CLTs cannot be sold on the open market, they were protected in perpetuity from the Right to Buy and the Right to Acquire.
- The Community Land Trust would own 100% of the freehold.
- The Registered Provider was investing funds into the building of the houses.
- All properties were 100% affordable and 100% at social rent.

Councillor Wilkinson declared a personal interest as a Member of the Morteheo and Woolacombe Community Land Trust.

In response to questions, the Director Resources and Deputy Chief Executive advised the following:

- The replenishment of the community housing fund would be subject to a separate decision as part of in-year budgetary management and the annual budget setting processes.
- The budget setting process would support the delivery of the Council's corporate objectives.
- The commuted sums received from section 106s were time limited and there was a risk to the Council that if they were not used within the funding period then the Council would be required to repay these funds back to the developer.
- Even though the Government had announced that the Community Housing Fund would not be renewed, it was anticipated that there would be other Government funding initiatives available in the future.

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

- That the Planning team structure was not being reduced and that would be an increase and that staff were being supported.
- If this scheme was approved and went ahead, the Council could use this scheme as a good example to secure funding for other such schemes.

Councillor Prowse advised that there was a political commitment for a priority process to be put in place for the provision of affordable housing and to support those parishes where commuted sums had been used for this scheme if schemes came forward and were considered to be a priority.

RESOLVED that for the delivery of 21 social rents in Woolacombe the following be allocated:

- (a) £372,194.60 from identified Section 106 affordable housing commuted sums as outlined in section 5.1.
- (b) £162,805.40 from the Community Housing Fund – Housing Enabling Earmarked Reserve as outlined in section 5.2 of the report.
- (c) £95,000 of current approved capital programme budget from the remaining balances of a previous affordable housing delivery grant and a former affordable housing fund as outlined in section 5.3 2.2 of the report.

RECOMMENDED:

- (d) That Council vary the Capital Programme by £535,000 as detailed above and that funds be released, subject to a Grant Agreement with the Registered Provider (Aster) upon such terms and conditions as may be agreed by the Service Lead for Affordable Housing and Senior Solicitor and Monitoring Officer.

Councillor Wilkinson left the meeting.

**16. EMPTY HOMES STRATEGY PROJECT**

The Committee considered a report by the Senior Enforcement Officer (circulated previously) regarding the Empty Homes project.

The Senior Enforcement Officer highlighted the following:

- The Empty Homes Project was one of a suite of projects that fall under the umbrella of North Devon Council's Housing and Community Safety Programme, developed to identify the key housing priorities for the Council and measures required to deliver them.
- The project was a key action within the programme along with a commitment to tackle long-term empty properties, adopting a new approach, which also complemented the Private Sector Housing Renewal Strategy.
- Officers would proactively engage and work with the owners of long term empty properties and the strategy contained a number of incentives that could be used to help such as a loans policy, private sector leasing scheme and a match making service. It also promoted the benefits of switching second homes and holiday lets back into permanent residential properties and the reduction of VAT rates for works to be undertaken on empty properties.
- Officers would engage with the owners of commercial properties and discuss options to convert premises into residential accommodation.
- Officers would use council tax data to identify properties empty for six months or more and will trace and contact the officers to discuss their plans for the property.
- Officers would target enforcement action on owners of properties that had been unoccupied for at least 2 years and would take robust action on those owners who were not willing to bring their properties back into use.
- The Council would collaborate and engage with individuals, organisations and bodies who shared commitment to getting empty properties back into use. These included Councillors, Town and Parish Councils, registered social landlords and the North Devon and Torridge Housing Crisis Group.
- The strategy would be reviewed on an annual basis and the work and successes achieved would be promoted.

In response to a question, the Senior Enforcement Officer advised the following:

- Officers were still waiting for all data on empty homes in the District. There were approximately 150 empty homes for more than 2 years.
- Officers would positively engage with the owners of properties that had been empty for more than 6 months so that it did not reach the 2 year milestone.

RESOLVED that the draft Empty Homes Strategy be adopted.

**17. NORTH DEVON CARBON, ENVIRONMENT AND BIODIVERSITY PLAN**

The Committee considered a report by the Climate Officer (circulated previously) regarding the North Devon Carbon, Environment and Biodiversity Plan.

Councillor Lofthouse, Lead Member for Climate Change highlighted the following:

- The Plan contained an agreed programme of action to support delivery of the Council's net zero by 2030 commitment.
- The Plan set out how the Council will endeavour to achieve net zero by 2030.
- Further amendments were required to be made to the plan prior to publication in relation to the generation and storage of electricity.

In response to questions, the Climate Officer advised the following:

- It was not possible to calculate the costs for the Council to achieve net zero as the solutions were currently unknown. No other Council or organisation would be in a position to calculate the costs as not all solutions were currently available.

In response to questions, the Director of Resources and Deputy Chief Executive advised the following:

- Business cases would need to be produced for each intervention, which would include bids for capital funding.
- These business cases would be presented to the Committee for decision and would be assessed against the Council's corporate priorities and the overall financial position of the authority.

RESOLVED that the Council's Carbon, Environment and Biodiversity Plan be approved for publication subject to the inclusion of amendments to the Plan to be submitted by Councillor Lofthouse.

## **18. NORTH DEVON COUNCIL CARBON FOOTPRINT**

The Committee considered a report by the Climate Officer (circulated previously) regarding North Devon Council's Carbon Footprint.

The Climate Officer highlighted the following:

- In July 2019 North Devon Council signed up to the Devon Climate Emergency Declaration.
- Annual reporting of our carbon footprint was a commitment in the Climate Emergency Declaration.
- The publication of the carbon footprint for the period 1 April 2020 to 31 March 2021 was slightly later. The carbon footprint for 1 April 2021 to 31 March 2022 would be published in the autumn.

RESOLVED that the 2020-2021 carbon footprint report be approved for publication, and that the Council's current position with respect to achieving our target of net zero carbon by 2030 be noted.

## **19. HOUSEHOLD FUND 2022/23 APRIL - SEPTEMBER 2022**

The Committee considered a report by the Head of Customer Focus (circulated previously) regarding the Household Support fund April to September 2022.

The Head of Customer Focus highlighted the following:

- Following the initial Household Support Fund October 2021 – March 2022, a further £500m has been allocated nationally to cover the period April 2022 – September 2022.
- Devon County Council (DCC) had been awarded further funding of £5,064,876.12 by the Department for Work and Pensions (DWP) for a second Household Support Fund (HSF2) for the period 1 April 2022 to 30 September 2022.
- At least 33% of the fund must be used to support households which have children / young people within them. DCC will again be awarding free school meal holiday vouchers for May half term and school summer holidays in 2022.
- At least 33% of the fund must be used to support households which contain people of State Pensionable Age within them.
- The remainder of the funding may be used for other vulnerable households who are struggling to meet their food, energy, water and other essential needs.
- In relation to payment of the fund to people of State Pensionable Age, all District Councils in Devon have agreed to use council tax data to identify all households (a) with a liable party who is of state pensionable age and (b) who claim an element of council tax reduction. Those households which claim this reduction have had their income and household/personal circumstances assessed. There were approximately 2,700 households across North Devon
- This data is then to be used to award these households a one-off payment to assist with increasing household expenses.
- NDC will directly award this using the Post Office payout scheme whereby recipients can obtain their cash at any Post Office using a barcode issued to them. Identification will be required and a 3rd party may collect on behalf of the recipients.
- It has been agreed Devon wide that there would be a uniform payment of £90 per household.
- Each household would receive a letter from the Post Office and from NDC advising of how to collect this money in cash from the Post Office.
- Using this allocation and other identified funding (as outlined in Appendix B of the report) it was proposed that NDC would direct award an amount to working age households who claim an element of council tax reduction which was approximately 3,800 households. Each household would receive Between £40-£50 cash from their local post office.

In response to questions, the Head of Customer Focus advised the following:

- The Barnstaple post office branch had been previously closed, however it had now re-opened.
- The Post Office would be responsible for sending out the letters and would determine the most appropriate time for the letters to be sent out to ensure that the post offices could meet the demand. NDC would provide the Post Office with the data.

- The Council received additional funding of 10% of the hardship fund to cover administrative costs. Each letter from the Post Office would cost the Council £1.50.
- DCC calculated the amount to be awarded to each District Council. The £90 payment to those people of State Pensionable Age was uniform across Devon.

In response to questions, the Director of Resources and Deputy Chief Executive advised the following:

- Devon County Council had divided the £5.1million awarded by Government by 3 to calculate the costs and ensure that 33% was awarded to those people of State Pensionable Age who claim council tax reduction, 33% to households which had children/young people and 33% to be used for other vulnerable households (as detailed in Appendix B of the report).

RESOLVED:

- (a) That the contents of Household Support Fund (HSF2): Devon's Approach (Appendix A) be noted;
- (b) That the North Devon Policy Household Support April – September 2022 (Appendix B) be approved.

**20. PROPERTY MANAGEMENT CONTRACTS FOR GREEN LANES SHOPPING CENTRE**

The Committee considered a report by the Director of Resources and Deputy Chief Executive (circulated previously) regarding the Property Management Contracts for Green Lanes Shopping Centre.

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

- Full Council approval in June 2021 delegated authority to the Chief Executive after consultation with Group Leaders and the Lead Member was given to appoint managing agents and to enter into multiple contracts for the asset, property and facilities Management of the Centre.
- Three contracts were put in place for a period of up to 12 months each to allow the transition of the asset to the Council and for Officers to gain understanding of the operational requirements of the business moving forwards. The report set out the options for the requirement of these contracts beyond the existing contract terms.
- The current contracts expire in September 2022 and November 2022 and to ensure continuity an appropriate procurement route needs to be taken and this allows for the new contracts to co-terminate simultaneously.
- There was insufficient time to run a full open tender procurement process and there does not appear to currently be a framework agreement that the Council can access and includes our incumbent supplier, to allow them an opportunity to win a longer term contract, and which covers the subject matter that would enable an award through this route.



- The above timeframe allowed officers to investigate a longer term arrangement through a framework agreement award mechanism or an open tender procurement.
- By extending the contracts by a period of up to 14 months (November 2023) from the date of their current expiry would allow for the three contracts to expire together.
- The three contracts that were with Praxis Real Estate Management were the Management Services Agreement, Sole Agency Agreement and Asset and Property Management Agreement (as detailed in paragraph 4.4 of the report).
- The options open to the Council for these contracts were waiving contract procedure rules, to appoint through a framework agreement and procurement through an open tender as detailed in paragraph 4.6 of the report.
- The associated risks with procurement award of this nature as detailed in paragraph 4.8 and 4.9 of the report.
- The relationship with Praxis had been extremely positive between Council officers and both the Centre's staff and tenants and a significant amount of work and investment by all parties has gone into the first six months of occupation to build the foundations moving forwards with the result being that 5 of the vacant units being successfully let, substantial interest generated in other vacant units, as well as plans for capital enhancements being mapped out.
- It was important that this continuity builds to ensure the Council maximised the potential of this relationship in these early years and allow the agent to fully engage with the tenants; understand the operational requirements of the asset and ensure optimum rent and service charge collection; and therefore the recommendation is to extend the current contracts by a period of up to 14 months from the date of their current expiry. During this period, the team would carry out an ongoing procurement route through a framework agreement or tender process for the longer term contractual arrangements.
- The value of the three contracts as detailed in paragraph 5.1 of the report.

In response to questions, the Director of Resources and Deputy Chief Executive advised the following:

- The Council was currently in the process of closing last year's accounts for 2021-22 year. The proposed level of income was set out in the original business case. The net return to the Council being forecast in April 2022 was higher than forecast in the original business case. Work was being carried out to fill the remaining empty units. The proposed forecast for income was on track and better than envisaged.
- One of the contracts included security management and cleaning and there was a number of bespoke agreements in addition to this.
- Future modelling included an increase in costs for contracts and service charges.
- Discussions were currently underway for a potential tenant for one of the large units which was currently vacant. The Council was also exploring other uses for the vacant units within the centre.
- An up-to-date position regarding footfall in the centre could be provided.

RESOLVED that the Contract Procedure Rules be waived and the three contracts with Praxis Real Estate Management outlined in paragraph 4.4 of the report be extended by a period of up to 14 months (November 2023) from the date of their current expiry.

**21. ASYLUM DISPERSAL**

The Committee considered a report by the Head of Planning, Housing and Health (circulated previously) regarding Asylum Dispersal.

The Head of Planning, Housing and Health highlighted the following:

- On the 13 April, 2022, the Minister for Safe and Legal Migration announced that the UK would move to a full asylum dispersal model with immediate effect.
- There were currently approximately 25,000 – 35,000 individuals seeking accommodation in the UK.
- Local authorities would be expected to participate in a new system of full dispersal to allow the Home Office to move from hotels to less expensive and more suitably dispersed accommodation, with work starting immediately.
- It was the Government's intention that each region would be given an allocation of individuals seeking asylum. If an agreement was not reached, then Government could mandate the number of asylum seekers for a Local Authority.
- The Government was considering rationalising the asylum seeker schemes into a single scheme.
- Outcomes of the briefing held for South West Chief Executives' Group on 12 May 2022 as detailed in Appendix A of the report. Chief Executives had been asked to consider a regional response.
- Clearsprings Ready Homes was the Home Office contracted accommodation provider. Local Authorities could be contacted by this contractor at any time to provide accommodation in their area.
- There were six main concerns on the impact of asylum dispersal within North Devon as follows:
  - (a) Further potential loss of private rented housing accommodation in the local market place.
  - (b) As a result of the Government contractor procuring shared accommodation any loss would have a disproportionate impact on poorer people.
  - (c) There were already challenges in providing accommodation for those presenting as homeless and the Council was working to meet its statutory duties. If there was a significant loss of accommodation this would have an impact of securing accommodation for those who were homeless.
  - (d) North Devon was a rural area. Those seeking asylum would be traumatised and vulnerable. The Council had previously experienced difficulties for securing accommodation for other Government resettlement schemes and concern was expressed whether a rural area would be a suitable location.

- (e) Community sensitivity. The Council already supported the Afghanistan and Ukrainian resettlement schemes.
- (f) The Council had evidence regarding the local community impact over concentration of supported accommodation within an area and the impact on the poorer people.
- A decision needed to be made whether to pro-actively engagement with the Government Contractor rather than the Government Contractor engaging with the Council. This would be the most effective way in managing this new responsibility.
- The Council would have the responsibility for supporting individuals and would receive £3,500 in Year 1. The Government had not clarified the type of support being provided by its Contractor.

The Chief Executive advised that at the South West's consultation event, the Head of Planning, Housing and Health had raised concerns regarding the lack of any affordable housing in the area. The level of temporary housing accommodation was higher than at any other time previously. The resettlement of Ukrainian refugees had an impact on the availability of accommodation.

In response to questions, the Head of Planning, Housing and Health advised the following:

- The Government contractor would look an opportunities to procure accommodation whether it was empty or in use and would also include commercial properties. Local Authorities would be a consultees when the unit of accommodation was procured.
- The 25,000 -35,000 asylum seekers were currently in unsuitable accommodation which was a large cost to the state.
- Clearsprings had been specifically set up for this purpose.

RESOLVED that the Council pro-actively engage with the Government Contractor Clearsprings Ready Homes on the basis of the following concerns regarding the Asylum Dispersal scheme:

- (a) Further potential loss of private rented housing accommodation in the local market place;
- (b) As a result of the Government contractor procuring shared accommodation any loss would have a disproportionate impact on poorer people;
- (c) There were already challenges in providing accommodation for those presenting as homeless and the Council was working to meet its statutory duties. If there was a significant loss of accommodation this would have an impact of securing accommodation for those who were homeless;
- (d) North Devon was a rural area. Those seeking asylum would be traumatised and vulnerable. The Council had previously experienced difficulties for securing accommodation for other Government resettlement schemes and concern was expressed whether a rural area would be a suitable location;

- (e) Community sensitivity. The Council already supported the Afghanistan and Ukrainian resettlement schemes;
- (f) The Council had evidence regarding the local community impact over concentration of supported accommodation within an area and the impact on the poorer people.

**22. URGENT DECISIONS TAKEN BY THE CHIEF EXECUTIVE**

The Committee noted the urgent decisions that had been made by the Chief Executive in accordance with paragraph 3.48, Annex 2, part 3 of the Constitution (circulated previously) regarding the purchase of 3 low chassis vans for recycling collections.

In response to questions, the Chief Executive advised that it was more cost effective to purchase these vehicles and that the leasing company was unable to provide these vehicles within the time period required. The vehicles had been procured in consultation with the leasing company. The vehicles were not electric and had been procured for the Waste and Recycling Service.

**23. EXCLUSION OF PUBLIC AND PRESS AND RESTRICTION OF DOCUMENTS**

RESOLVED:

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

(b) That all documents and reports relating to the item be confirmed as “Not for Publication”.

**24. ANTI-VIRUS SOFTWARE PROCUREMENT**

The Committee considered a report by the ICT Manager (circulated previously) regarding the anti-virus software procurement.

In response to questions, the Head of Customer Focus advised the following:

- That it was anticipated that the new software would be in place by the summer. Officers were currently looking at different products.
- It was anticipated that the costs would be between £30,000 to £64,000.

The Director of Resources and Deputy Chief Executive advised that the Council would have incurred an increase in costs following the expiry of the contract later in 2022.

RESOLVED that the Contract Procurement Rules be waived to accelerate the removal of the current anti-virus software from NDC’s IT estate.

Chair

The meeting ended at 11.48 am

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

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