



North Devon Council

Report Date: 5 December 2022

Topic: Lynton Agency Performance Review

Report by: Director of Resources and Deputy Chief Executive

1. INTRODUCTION

1.1. In February 2015 North Devon Council approved the service improvement framework to objectively review services to improve the customer experience and/or value for money. A review of the Lynton and Lynmouth agency agreement was added to the review programme.

1.2. Concluding the review process; a report to the meeting of the Executive 3rd July 2017 it was approved;

- That Executive note the annual report and that the actions being taken to ensure that performance against the 14 review recommendations is at the desired level.
- That Executive approve to continue with the new revised agency agreement with Lynton and Lynmouth Town Council with effect 1st April 2017 for a period of 3 years, with a formal review on that date.
- That Executive recommends that Council agrees to the delegation, to Lynton and Lynmouth Town Council, of the harbour authority function reserved to North Devon District Council in respect of Lynmouth Harbour
- That Executive agrees to the delegation, to Lynton and Lynmouth Town Council, of the functions reserved to North Devon District Council for the administrative area of Lynton and Lynmouth Town Council in respect of:
 - the management and enforcement of off street parking pursuant to NDDC's off-street parking orders;
 - the management and provision of public conveniences;
 - street cleaning;
 - public litter bin refuse collection;
 - grounds and property maintenance; and
 - property management.

1.3. Following a successful agency arrangement being in place for the above 3-year period, a further report to the meeting of Strategy and Resources on 4 November 2019 it was approved;

- That Members approve to continue with the agency agreement with Lynton and Lynmouth Town Council with effect 1st April 2020 for a period of 3 years, with a formal review on that date.

1.4. This report aims to update members on progress against the 14 review recommendations put forward by the review team; to receive the financial outturn for the agency for the 2020/21 and 2021/22 years and to make recommendation about the future delivery of the services for 2023/24 year onwards.

2. RECOMMENDATIONS

- 2.1. That members note the annual report and that the actions being taken to ensure that performance against the 14 review recommendations is at the desired level.
- 2.2. That members approve North Devon Council entering into a new agency agreement with Lynton and Lynmouth Town Council with effect 1st April 2023 for a period of 3 years, with a formal review on that date.
- 2.3. Subject to 2.2 above, that members delegate to the Director of Resources and Deputy Chief Executive, in consultation with the Senior Solicitor and Monitoring Officer, to agree the terms of the new agency agreement with Lynton and Lynmouth Town Council.

3. REASONS FOR RECOMMENDATIONS

- 3.1. A full review of the agency function has been carried out to determine value for money in service provision. Regular reporting will enable transparency over progress and early support and/or intervention if required.
- 3.2. If the annual report doesn't demonstrate and evidence significant progress towards the recommendations this will enable North Devon Council to exit from the agreement and bring those services back in house.
- 3.3. To inform members of actual performance against the review recommendations.
- 3.4. To ensure the Lynton and Lynmouth Agency is properly and legally set up.

4. REPORT

- 4.1. A summary annual report on the agency performance for the period of 2020 to date and financial outturn from the Lynton and Lynmouth Town Clerk is shown in **Appendix A**.
- 4.2. The aim of the agency review that was carried out in 2015 was to:
 - To create a position statement of the Lynton and Lynmouth agency agreement
 - To detail any changes from the original agreement
 - To produce a performance report of agreed services and assets with any associated issues and risks
 - To provide a cost v benefit analysis against possible future options

4.3. The review team put forward 14 recommendations to ensure moving forwards service levels were consistent with the rest of North Devon Council services areas and to also deal with the issues and risks highlighted throughout the review process.

4.4. The 14 Recommendations were:

1. Introduce the port marine safety code to the harbour
2. A recharging of services in adherence to the Service Reporting Code of Practice to improve the accuracy of the accounts and justify costs
3. Budgetary process and approval to spend should be aligned to the North Devon Council process
4. Accounts to be subjected to NDC internal audit programme
5. Adherence to data protection legislation
6. Compliance with Environmental Protection Act 1990 with regards to street cleaning
7. Provide technical support for providing North Devon Council compliant services
8. Customers to have the same access to services as North Devon Council services
9. Explore a joint way forward to reduce public convenience costs as part delivering the public convenience policy
10. Improved management for issuing parking fines including monitoring of performance
11. Cash collection and counting to follow North Devon Council procedures
12. Inclusion of the car parks in the proposed North Devon Council car park review
13. Joint procurement to realise potential savings and compliance with EU regulations
14. Comply with all Health and safety requirements

4.5. Progress against the review recommendations was monitored through the Council's performance management system.

4.6. The only remaining review recommendation that was outstanding was in relation to exploring a joint way forwards to reducing public convenience costs.

4.7. Members are aware of the significant forecast budget gap this Council is facing and in working towards bridging these gaps, Members have held Budget Working Groups to look at a range of option including looking at if there are different ways of delivering some services without impacting upon them.

4.8. Over the past month we have been having discussions with local town and parish councils about the potential transfer of the public conveniences facilities to them. We do of course realise that this would pass the financial

burden for maintaining and cleaning the facilities to the local town or parish council and we also realise that in order to fund that impact that could result in a need to increase their share of the local tax precept.

4.9. We are however mindful that public conveniences are often seen as vital facilities in communities and so, our preferred alternative to closure would be to transfer those facilities to the relevant town or parish council which is a similar approach to that adopted by other Local Authorities in recent years.

4.10. Members were considering this potential option at the Full Council meeting on 23 November 2022 and an update to this option will be provided verbally at the Strategy and Resources meeting.

4.11. It is pleasing to see the above progress that was made in relation to the overall review recommendations and it is proposed that we continue with the agency agreement with Lynton and Lynmouth Town Council for a further period of 3 years from 1 April 2023.

4.12. Any new agreement will of course be subject to the separate decision following discussions around future management of public conveniences; if the Member decision is to transfer them over to Town and Parish Councils then they would be removed from the agency agreement and the subsequent amendment to the agency budget and the removal of these costs which is currently budgeted at £90,000 per annum.

4.13. Under the current agency arrangement it was agreed by Full Council to delegate to Lynton and Lynmouth Town Council, the harbour authority function in respect of Lynmouth Harbour. The Ilfracombe Harbourmaster is currently carrying out a legal review of the powers in place for both Ilfracombe and Lynmouth Harbours which could result in a change to the current management of the Harbour in Lynmouth following that review. Any such proposed outcomes from this review will be incorporated into the new agency agreement from 1 April 2023.

5. RESOURCE IMPLICATIONS

5.1. Following the agency review, the revised forecast figures presented by Lynton and Lynmouth Town Council were projecting a net budget surplus (excluding parking fines) of £48,912; which was in line with the in-house North Devon Council costing put forward as part of the review process.

	L&L Agency (old)	L&L Agency (new)	NDC Solution
Expenditure	-£326,418.00	£-327,651.00	-£248,599.50
Income	£359,651.00	£376,563.00	£ 297,431.00
Surplus	£33,233.00	£48,912.00	£48,831.50

5.2. I am pleased to inform members that as outlined in the report from the Lynton and Lynmouth Town Clerk that the **actual financial performance for 2021/22 year has resulted in a net surplus of £115,424** which was returned to North Devon Council.

5.3. The previous years' saw a financial return from the agency as follows;

- 2018/19 net surplus of £60,177
- 2019/20 net surplus of £65,843
- 2020/21 net loss of £505
- 2021/22 net surplus of £115,424

5.4. The pandemic year of 2020/21 above saw a significant decline in car park income (such as we saw across all NDC car parks) and income was £87,000 down on the budgeted level. However, separately North Devon Council claimed part of this income loss back through the support the Government provided Councils under the scheme for 75% reclaim of net losses on Sales, Fees and Charges. Therefore the above net loss against the agency budget would have been mitigated by this separate transaction claim back to the Council.

5.5. The agency accounts for periods 2020/21 and 2021/22 are set out in **Appendix B (2020/21) and Appendix C (2021/22)**.

5.6. As outlined in the report from the Lynton and Lynmouth Town Clerk, the projected financial forecast for the current 2022/23 year is in line with the agreed budgeted surplus position.

6. EQUALITIES ASSESSMENT

6.1. There are no equalities implications anticipated as a result of this report.

7. ENVIRONMENTAL ASSESSMENT

7.1. There are no environmental implications arising from the proposals within this report as this is a continuation of the current arrangements in place.

8. CORPORATE PRIORITIES

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

8.1.1. The commercialisation agenda – the agency has proven since the review was carried out, to positively contribute financially to the Council partly due to the economies of scale achieved from the operational workforce carrying out planned and response maintenance and the logistics of being based more locally.

8.1.2. Improving customer focus – as outlined in 8.1.1 above and within Appendix A (report from Lynton and Lynmouth Town Clerk) the timely ability for the local workforce to respond and make minor repairs, sort out



public health matters plus also for Lynton Town Hall to provide customers the ability to collect recycling boxes and wheelie bins etc.. contributes towards an efficient customer service. This reduces staff travel time from Brynsworthy to deliver low items of equipment and produces a timely outcome for local residents.

9. CONSTITUTIONAL CONTEXT

9.1. Article of Part 3 Annex 1 paragraph (1d).

9.2. Article 9.4.1

9.3. Delegated power.

10. STATEMENT OF CONFIDENTIALITY

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

11. BACKGROUND PAPERS

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

12. STATEMENT OF INTERNAL ADVICE

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

Jon Triggs, Director of Resources and Deputy Chief Executive