

NORTH DEVON COUNCIL

Minutes of a meeting of Governance Committee held at Barum Room - Brynsworthy on Tuesday, 14th November, 2023 at 6.30 pm

PRESENT: Members:

Councillor Norman (Chair)

Councillors Bushell, Haworth-Booth, Jones, Orange, Quinn, Stevenson and Walker

Officers:

Chief Executive, Director of Resources and Deputy Chief Executive, Head of Programme Management and Performance, Head of Planning, Housing and Health, Head of Governance and Senior Solicitor and Monitoring Officer

Also present (virtually):

Roz Apperley (Grant Thornton), Paul Middlemass (Devon Audit Partnership (DAP)).

35. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Whitehead.

36. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 25TH SEPTEMBER 2023

RESOLVED that the minutes of the meeting held on 25th September 2023 (circulated previously) be approved as a correct record and signed by the Chair subject to the amendment to minute 22 as follows:

“In addition the following were noted:

- The importance of recorded training sessions
- The difficulty in attending meetings around family commitments
- Despite family and work commitments some Councillors had managed to attend training.
- Councillors were aware of the training commitment when they stood for election to represent their communities.

Members commented on the point that if members had not attended general training such as harbour training they should not be allowed to attend Full Council.

The Chief Executive advised that he believed Council did not have the right to remove the rights for members to attend full council, although he would check if that was correct.

It was concluded by the Chief Executive that absence would still be recorded, but as suspended.

It was requested that the motion carried, specifically, included exclusion from full council if legally possible.”

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

The Chair invited the Senior Solicitor and Monitoring Officer to address the Committee in relation to the query about Councillors’ non-attendance of meetings.

The Senior Solicitor and Monitoring Officer advised that following the previous Governance Committee meeting he had been able to confirm that it would be unlawful to remove a Councillor from Full Council due to non-attendance. The power to suspend a Councillor from a Committee was reserved in law to Full Council, and not to a Governance Committee which, in common with the Monitoring Officer, only had the delegated power to recommend to a Group Leader that a Councillor be suspended from a Committee. A report would be required for Full Council if the suspension of a Councillor was sought.

In response to questions from the Committee, the Senior Solicitor and Monitoring Officer advised that there was a risk to the Council in Councillors being able to make decisions on Committees without appropriate training hence why the training was considered mandatory however given only one or two remain outstanding the risk was minimal as the vast majority had received relevant training.

38. DECLARATIONS OF INTERESTS.

There were no declarations of interest declared.

39. QUARTERLY UPDATE ON PLANNING PLANNING PROCESSING TIMES - 2023-24 QUARTER 2

The Committee considered a report by the Service Manager (Development Management) (circulated previously) in relation to the quarterly update on planning processing times.

The report covered the figures for quarter 2 of 2023/2024.

The Head of Planning, Housing and Health updated the Committee on the report and the current situation, including:

- Performance statistics and trends had been similar to those of quarter one.
- There had been a reduction in the number of applications being submitted.
- Performance was positive with respect to the demand on the service and level of resources.
- The number of applications where agreed extensions of time were being missed was low.
- Future reports could include a comparison against the national average, or cover the prior four quarters' figures (on a rolling basis) to enable the Committee to see any emerging trends.

RESOLVED that the update be noted

40. HOMELESSNESS AND TEMPORARY ACCOMMODATION UPDATE

The Head of Planning, Housing and Health provided the Committee with an update on Homelessness and Temporary Accommodation.

The Head of Planning, Housing and Health advised that:

- In recent years there had been approximately 1900 requests made to the service. This was 1900 households, not individuals. This figure comprised of 80% family units, and 20% single-person households.
- The cause of homelessness was complex and was either attributable to:
 - Structural issues (affordability/availability of supply of housing)
 - Social reasons e.g. breakdown of families; divorce/domestic violence
 - Or a combination of both.
 - There had been an increase of cases where previously two family units were sharing a household (ie two generations of a family) but now, due to increased demands on income and the costs of maintaining them, it was now found that one could not maintain/financially support the other.
- Initial operating model assumptions which underpinned the 2023/24 budget estimate were that there would be 60 households in temporary accommodation per night, with a net service cost of £0.276m. Now the most probable scenario for 2023/24 was that this figure could increase to 70 households, creating a forecast additional increased net cost of £0.194m.
- The number of tenancies for 2021/22 were 310, 2022/23 was 409, and 2023/34 (to date) was 195. In comparison with the number of NDC-owned stock 2021/22 of 34 (11% of those total tenancies), 2022/23 of 104 (25%), and 2023/34 (to date) of 61 (31%). The number of tenancies in NDC owned stock had increased to over 30% of the provision. Owned-stock tenancies were the most cost-effective way to cover the TA costs. Full Council had agreed on further capital investment to procure more properties for TA.
- Recommended strategy moving forward was to maximise the benefit/cost-effectiveness of the current commissioned services by:
 - Bringing forward new supply ASAP, and
 - Utilising the additional Homelessness Prevention Grant allocation for 2023/24:

- Base award £0.420m against estimate of £0.396m
 - An additional in year grant amounted to £0.169m
 - The anticipated outcome would be that all the Temporary accommodation requirements were met, and there would be no requirement to use earmarked homelessness reserves.
- Headlines from a private housing market report:
 - Interest rates were not expected to start decreasing until Q2 2024. The full effects of the interest rate hikes would impact the economy, as mortgagees came off historically low fixed rate mortgages.
 - Unemployment had started to rise and was forecast to rise further in 2024.
 - A sharp drop over the last year in mortgage approvals and property transactions continued the downwards trend since summer 2022. Additionally, residential mortgage arrears had hit a seven-year high.
 - Housing associations anticipated that its house building would fall by around 30%, though this was likely to be partially offset as house builders moved into affordable housing. Housing associations were prioritising management on existing stock; basic living conditions, building safety and decarbonisation.
- 70 units were require to be accessible at any one time, therefore, procurement was requirement of up to 75 units to compensate for voids, and reduce the risk of needing to secure B&B accommodation, which was cost prohibitive if the Council was to control costs.
- Wider resources which had been made available to NDC included:
 - £0.105m in recognition of work surrounding the contingency hotel in Ilfracombe
 - £0.527m (22/23), £0.906m (anticipated 23/24) – Homes for Ukraine.
 - £0.550m (23/24), £0.330m (24/25) and
 - £0.242m (25/26) projected, resettlement of Afghanistan citizens in Chivenor.
- Actions to help mitigate future risk and support to homeless households included:
 - the engagement of an additional Homelessness Prevention Officer (to 31st March, 2024, in the first instance).
 - Test and report back on the use of rental top ups to landlords to secure accommodation (homelessness prevention or discharge of main duty). NDC securing a 12 month tenancy agreement for the homelessness applicant, by paying the assessed difference between the rent level which is affordable to the person and the market rent.

In response to questions from the Committee, the Head of Planning, Housing and Health confirmed:

- There were a small number of street-homeless. These were primarily from the local community- not elsewhere in the country. There was a multi-agency team currently involved in helping them.
- 17 people, previously sleeping rough, were now in supported accommodation.

Councillor Jones noted that the officers had provided exceptional assistance when called upon to provide support for an individual who had been facing potential homelessness, who had approached the Councillor for help.

In response to a question from the Committee, the Director of Resources and Deputy Chief Executive advised that the LA was currently utilising some provision within camp sites/holiday accommodation but confirmed that purchasing its own properties would be the most cost-effective solution for the LA.

In response to a question from the Committee regarding the Homes for Ukraine scheme, the Head of Planning, Housing and Health confirmed that it was not a long-term, sustainable solution, to expect households to live within other (host) households.

The Chief Executive advised that the situation around homelessness was a 'ticking time-bomb' and that some Local Authorities were spending up to a third of their budgets on temporary accommodation. Although there were refugee settlement schemes in place there were reduced numbers of properties available. He stated there were many issues coming together to put further strain on the service and if demand continued to rise it would be difficult to purchase the number of properties required to cover it, and that the housing crisis could not be underplayed.

RESOLVED that the update on Homelessness and Temporary Accommodation be noted.

41. FINANCIAL MANAGEMENT CODE

The Committee considered a report by the Finance Manager (circulated previously) in relation to the Financial Management Code.

The Finance Manager advised the Committee of the following in relation to the report:

- There had been a high level of compliance achieved.
- Works on the actions within the report (appendix a) were currently in progress.

In response to a question from the Chair, the Director of Resources and Deputy Chief Executive confirmed that the reviewed Key Performance Indicators (KPIs) had been provided to the Strategy and Resources Committee as part of the Performance and Financial Management report.

The Internal Auditor advised that they had found the Financial Management Code had met the compliance requirement and would be reviewed on an ongoing basis.

RESOLVED that the Financial Management Code be noted.

42. EXTERNAL AUDIT - PROGRESS REPORT AND SECTOR UPDATE

The Committee received an update by Grant Thornton regarding the External Audit Progress report and Sector.

The External Auditor confirmed:

- The works on the external audit of financial statements were half way through.
- No significant issues had been identified to date.
- Large backlogs had been experienced across the sector with many public sector audits delayed. Some LA's were facing delays – waiting for audits to be signed-off.
- A 'Backstop' will come into force in March 2024 with any unfinished audits as at March being stopped/abandoned and no further works being done to them. The audits would then recommence from March 2024. This would not affect the NDC Audit which was planned to be finished by January 2024.

RESOLVED that the External Audit Progress report and Sector be noted.

43. UPDATE TO DELEGATED POWERS IN THE CONSTITUTION

The Committee considered a report by the Senior Solicitor and Monitoring Officer regarding the Update to Delegated Powers (circulated previously).

The Committee was advised of the following in relation to the Update to Delegated Powers:

- The update concerned the delegated powers as covered within Annexe 2, part 3 of the NDC Constitution. The changes would allow officers to act efficiently, and in line with relevant policy and/or law.
- The amendments would allow:
 - The Chief Executive and Chief Financial Officer to apply and act as a personal licence holder for the North Devon Community Lottery (to be launched in 2024).
 - All Heads of Service, and the Chief Financial Officer, to deal with Value Added Tax (VAT) appropriately.
 - The Head of Governance to approve funding to applicants of the Keep North Devon Connected (KNDC) Fund which has been created following the closure of Go North Devon, and to determine eligible 'Good Causes' to be beneficiaries of the North Devon Community Lottery.
- An additional recommendation (as per the supplementary report) proposed as amendments to the Constitution (Part 2, article 4, and to Part 3 Annexe 1) on advice from the external Port Marine Safety Code audit, and from the external specialist solicitors, to make it clear where the responsibility of the harbours

for which the Council is responsible for sit, especially in relation to the Duty Holder function.

- Change to Paragraph 6 of Annexe 1 to Part 3 of the Constitution would be to include the District Councillor for Lynton and Lynmouth within the Harbour Board, rather than (as previously) just District Councillors for Ilfracombe.

(19:43) Councillor Quinn left the meeting.

In response to questions from the Committee, the Director of Resources and Deputy Chief Executive confirmed that the proposal for the new North Devon Community Lottery had been considered by the Strategy and Resources Committee, and approved by Members. The Head of Governance would not be approving payments of grants to applicants for the North Devon Community Lottery but to determine eligible 'Good Causes' to be beneficiaries. If approved as eligible their 'level of award' would depend on their good cause ticket sales. The person buying the ticket would choose who would benefit from their purchase.

RECOMMENDED that the Update to Delegated Powers be approved and proceed to Council for consideration.

44. AUDIT RECOMMENDATION TRACKER

The Committee considered the Audit Recommendation Tracker report by the Chief Executive in respect of actions taken to address internal and external audit recommendations (circulated previously).

The Committee noted the following updates:

- Table A included the live audits.
- Six recommendations had been included in table B (recommendations completed since the last meeting of the Governance Committee)
- Table C detailed six recommendations for which time extensions were being requested. The Chief Executive advised of the following in relation to those recommendations:
 - 22 CCG 09 required an extension in order for the report to be considered at the appropriate committees. The work involved Biodiversity Net Gain plans.
 - 22 EM 01 had been drafted
 - 22 EPCC 02 This work was dependent on the output from the Local Resilience Forum (LRF) project which need to be completed beforehand.
 - 22 RM 03 Training was planned for the November Manager Forum.
 - 22 RRS 06 This had been drafted and was to be submitted to the union for consideration at the end of the month.
- Table D confirmed there were no outstanding recommendations.
- The recommendations in Table E (Annual Governance Statement) could not be completed until others had been finished. The final action was now 85% complete. A short extension was required to enable a period of consultation.

RESOLVED:

- (a) that the time extensions requested in the Audit Recommendation Tracker be approved; and
- (b) that the Audit Recommendation Tracker be noted.

45. WORK PROGRAMME 2023-2024

The Committee considered the work programme for 2023-24 (circulated previously).

RESOLVED: that the work programme for 2023-24 be noted.

Chair

The meeting ended at 8.07 pm

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