

NORTH DEVON COUNCIL

Minutes of a meeting of Strategy and Resources Committee held at Virtual - Online meeting on Tuesday, 1st September, 2020 at 10.00 am

PRESENT: Members:

Councillor Worden (Chair)

Councillors Leaver, Lofthouse, Patrinos, Pearson, Prowse, L. Spear, Wilkinson and Yabsley

Officers:

Chief Executive, Accountancy Services Manager, Regeneration Manager, Project and Procurement Officer and Emergency Planning Officer

Also Present:

Councillors Biederman, Gubb, Knight, D. Spear, Tucker and York

170. VIRTUAL MEETING PROCEDURE - BRIEFING AND ETIQUETTE

The Chair outlined the virtual meeting procedure and etiquette to the Committee and attendees.

The Corporate and Community Services Officer confirmed the Members of the Committee who were present.

171. APOLOGIES FOR ABSENCE

There were no apologies for absence received.

172. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 3 AUGUST 2020 (ATTACHED).

RESOLVED that the minutes of the meeting held on 3rd August 2020 be recorded as correct with the following amendment to minute 161, second sentence, of the fourth bullet point, as follows:

- It could be perceived, by the public, that set targets of greater than ten years would be assumed as not going to happen or be met

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

(a) Former Councillors David Spear and Frank Purcell

The Chair asked those present for a minutes silence to reflect on former

Councillors, David Spear and Frank Purcell, who had sadly passed away recently.

(b) Flooding in Barnstaple 17th August 2020

The Chair welcomed Alex Miles to the meeting, Emergency Planning Officer, North Devon Council, for an overview and update on the flooding incident which happened in Barnstaple on 17th August 2020.

The Emergency Planning Officer gave the Committee the following overview and update:

- On 17th August 2020 Barnstaple experienced an unprecedented amount of rainfall over a short period of time. This amount of water overwhelmed the local drainage system. The surface water was unable to drain away which subsequently led to the flash floods across Barnstaple town centre and surrounding areas.
- The event was totally unexpected and had not allowed enough time for North Devon Council to trigger its emergency plan strategy. No weather warning had been issued by the Met office and the flood risk was considered to be low.
- The first multi-agency meeting was called at 18:30 hours at which point the flooding was declared a critical incident by the Police.
- Multi-agency meetings continued throughout the evening and were stood down at 21:00 hours.
- Despite the CCTV offices having been flooded the standby team were still able to provide support
- The Housing team were put on alert early on in the evening to assist, if required, with the provision of temporary accommodation. To date four households had been placed in temporary accommodation due to damage to their properties as a result of the flooding.
- As the Local Authority leading on the situation a Recovery Coordination Group (RCG) was set up to act as a strategic decision making body to assist with the recovery phase. The purpose of the RCG was to ensure the interests of each stakeholder was represented and the aim was to build public confidence in actions taken through strong leadership.
- Other members of the RCG included Barnstaple Town Council, One Northern Devon, ward Members for the affected areas and North Devon Homes.
- The flood risk management team at Devon County Council would be carrying out a section 19 report under the Flood and Water Management Act 2010, which would identify any short or long term actions needed and would be presented to the relevant bodies for consideration.
- The Works and Recycling teams had made extra collections of water damaged goods collecting on Saturdays to help support the local community.
- Updates and links to support and help were on the Council's website and posted on social media channels.

- Volunteers had spent evenings and weekends dropping leaflets through the letterboxes of properties in the affected areas urging them to report damage suffered, those reports were to be made online using the website Fort.
- The Council had linked up with Devon Communities Together who would be providing local community support by drafting an emergency plan through workshops and forums available on their website.
- Once the draft plan had been completed the community would then be eligible to apply for funding to purchase items such as walkie-talkies, high-vis clothing or sandbags. Or the money could be used for a one off small scale work such as gully clearance, if the land owner could not be identified.
- Other community engagement opportunities were being explored in partnership with the Environment Agency to help local communities understand flood risks in their area and support them in identifying ways in which they could reduce those risks.
- It was recommended to signpost members of the community, affected by the flooding, to the Devon County Council website where there was a link to the Flood Online Reporting Tool (FORT). This link could also be found on the Council's website.

The Emergency Planning Officer confirmed the Section 19 report would be made available to Members for their consideration.

The Chair invited Councillor Biederman to address the Committee. Councillor Biederman expressed his concern that it took the emergency services too long to declare a critical incident. He asked if the roads to the affected areas should not have been closed as the movement of traffic caused waves of water to enter nearby buildings and making the situation worse. The Emergency Planning Officer replied that this idea would be fed back to the Devon County Highways team.

Councillor Leaver addressed the Committee to request that in an event such as this could the Ward members of affected areas be made aware of the incident.

The Chair remarked at the speed of the clean up as he had visited the town the next day. He went on to encourage Devon County Council to revisit their cleaning schedule as some drains had not been cleared for three years.

Councillor Leaver requested that parking arrangements be made easier for contractors who were now working on the affected properties but having difficulties obtaining parking permits for the residential streets they were working in, as each individual van had to have its own permit and this was time consuming and frustrating when the contractors were visiting more than one property. The Emergency Planning Officer responded that this would be taken back to Devon County Council as a lesson learnt. There would be a debrief and evaluation session which would help with future responses. The Head of Environmental Health and

Housing was in discussion with Devon County Council on the matter of any available funding for those householders who did not have insurance.

174. DECLARATIONS OF INTERESTS.

There were no declarations of interest announced.

175. PERFORMANCE AND FINANCIAL MANAGEMENT QUARTER 1 OF 2020/21

The Committee considered a report by the Head of Resources (circulated previously) regarding the Performance and Financial Management Quarter 1 of 2020/21.

The Accountancy Services Manager highlighted the following:

- As at 30th June 2020, the latest forecast net budget was £13.765 million with the budget deficit estimated at £385,000. The income streams for the Council had been affected due to the Covid-19 pandemic in quarter 1 and would continue to affect the rest of the financial year. The forecast salary vacancy savings looked to be on target with £194,000 of the £200,000 already identified. Additional outgoing costs incurred, in relation to the Covid-19 situation, were brought about by the need for the provision of temporary accommodation, agency staff to support the Works and Recycling team and supporting the local community. It was anticipated that the recovery of Business Rates and Council Tax would drop, however, none had been reported yet. Deficits of this income could be spread over the next three financial years. The Council had earmarked reserves and a general fund balance to call on to help mitigate economic impact but this would have long term implications for the Council. Appendix A showed the estimated deficit for the year 2019/20. Central Government would be paying 75% of lost income after the Council had incurred the first 5% variance and the technical guidance for this had been received last week. In recognition of the effects of the pandemic the Council was planning to reset its Medium Term Financial Strategy. Regular monitoring would take place with updates reported back to this Committee.
- Appendix B detailed the movements to and from earmarked reserves in 2020/21.
- Appendix C detailed the Strategic Contingency Reserve
- Appendix D detailed the Capital Programme. As at 30th June 2020 the actual spend was £692,000. A revised capital programme had been previously approved by the Strategy and Resources Committee, on 3rd August 2020 this figure was £13,317,267. The overall capital spend programme was from 2020/21 to 2022/23 and stood at £29,544,997.
- Appendix E showed all service plans across the Council which had been authorised or cancelled by the Senior Management Team.

In response to questions, the Accountancy Services Manager advised that:

- In relation to the calculation of the Capital Grants there would be some variations. Income streams had been calculated and he was confident these had been calculated in line with the new guidance and any significant variance to the figures would be reported back to this Committee.
- The deficit figure of £385,000 was accumulated from Heads of Services and budget holders and it was not just based on Quarter 1 but estimated to take account of the whole year.
- The Managers, Budget Holders and Heads of Service had worked with the Head of Resources and with his advice and guidance the forecast figures had been obtained. Managers were not left on their own and there was a consistent approach.
- Normal recovery of Council Tax had not been taking place during the Covid-19 crisis. Having discussed the figures with the Revenues and Benefits Manager these figures were not too different to a previous year. The concern was that this may develop as the year progressed due to the furlough schemes ending and the accumulative effect this may have on the next three years.

In response to a question about claiming lost income and if we had a recovery plan. The Chief Executive replied that we were working with Devon County Council and other Partners on creating our recovery plan and that there was no guidance available on what a recovery plan should look like. The recovery plan would be a living document and reviewed constantly.

RESOLVED:

- (a) That the actions being taken to ensure that performance is at the desired level be noted;
- (b) That the contributions to/from earmarked reserves be approved as detailed in paragraph 4.2 of the report;
- (c) That the movements on the Strategic Contingency Reserve as detailed in paragraph 4.3, be noted;
- (d) That funds are released for the capital schemes detailed in paragraph 4.4.11 of the report;
- (e) That paragraphs 4.5 detailing Treasury Management and paragraphs 4.6 and 4.7 detailing Debt Management be noted;

RECOMMENDED:

- (f) That Council approve the variations to the Capital Programme 2020/21 to 2022/23 as detailed in paragraph 4.4.3.

176. TREASURY MANAGEMENT ANNUAL REPORT 2019/20

The Committee considered a report by the Head of Resources (circulated previously) regarding the Treasury Management Annual Report 2019/20.

The Accountancy Services Manager highlighted the following:

- This report detailed how the Council had performed for the year 2019/20.

- The treasury management strategy was based on the following order; 1) security of funds, 2) liquidity of funds and, 3) the yield and return of investments.
- With current bank rates being very low it was cheaper for us to borrow against our own funds.
- The underlying need to borrow was called the Capital Financing Requirement (CFR). Table 4.2 of the report detailed the Council's actual CFR, which for 2019/20 was £4.746 million, our external borrowing was £1.250 million. We internally borrowed £3.000 million from our internal reserves and balances.
- We started and ended the year with the same external borrowing figure of £1.250 million.
- Table at 4.3 detailed the level of investment made, which was £17.100 million, as at 31st March 2020 this figure netted off was £15.900 million.
- All investments made were short term and were for less than a year and the Council made no material non-treasury investments in property with a view of generating an income stream.
- The Investment Outturn position was shown at paragraph 4.6; and as Chief Financial Officer, Jon Triggs had confirmed that the investment activity for the year 2019/20 conformed to the approved strategy and the Council had no liquidity difficulties.

RECOMMENDED:

- (a) That the annual treasury management report for 2019/20 be noted;
- (b) That the actual 2019/20 prudential and treasury indicators be approved.

177. APPROVAL AND RELEASE OF SECTION 106 PUBLIC OPEN SPACE FUNDS - SOUTH MOLTON AND COMBE MARTIN

The Committee considered a report by the Project, Procurement and Open Space Officer (circulated previously) regarding the Approval and Release of Section 106 Public Open Space Funds – South Molton and Combe Martin.

The Project, Procurement and Open Space Officer highlighted the following:

- South Molton, Rugby Club had to carry out pitch improvement works to two of their three pitches. This was important work to ensure pooling water did not collect on the pitch causing flooding. The work involved sand slitting and dressing of the pitch to allow usage all year round.
- Combe Martin, Football Club project the site was leased to them by Combe Martin Parish Council. There were three phases to this refurbishment project as detailed in paragraph 4.2 of the report. The Club were requesting the funding to help with phase one of the project which involved works to windows, doors and the roof to make water tight.

In response to a question about the use of Section 106 money for maintenance works. The Project, Procurement and Open Space Officer replied that the South Molton project was a mixture of capital and maintenance works and at planning stage the developer was happy for this project to be included and so was eligible.

RESOLVED:

- (a) That £9,001.20 be allocated to South Molton Rugby Club towards the drainage works
- (b) That £10,000 be allocated to Combe Martin Parish Council towards the cost of the clubhouse refurbishment at Combe Martin Football Club.

RECOMMENDED:

- (c) That the capital programme be varied by £19,001.20 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed by the Senior Solicitor, for external projects.

178. 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 grant payment of £40,000 to Parkwood Leisure to cover losses experienced in the month of May 2020 due to Covid-19.

179. SEVEN BRETHERN - AGREEING A WAY FORWARD

The Committee considered a report by the Head of Place and the Regeneration Manager (circulated previously) regarding Seven Brethren – Agreeing a Way Forward.

The Regeneration Manager highlighted the following:

- In November 2017 North Devon Council were awarded £2.2 million of Land Release Funds to bring forward 245 residential units on Seven Brethren, Barnstaple. £1 million of this was to go towards junction improvements and £1.2 million towards flood defences.
- The Land Release Fund (LRF) was a Government initiative set up to assist in unlocking sites and accelerating development of housing. The Local Government Association (LGA) were the Fund administrators and they were expecting the land to be released for housing no later than December 2020.
- Securing a Delivery Partner was one of the definitions of land release.
- In August 2018 it was agreed to use the Homes England delivery partner panel to secure a delivery partner for this site. A detailed procurement process was undertaken.

- In November 2019 we became aware that we were unlikely to be successful. A request to seek a further procurement process was sought at committee in November 2019.
- In early 2020 just prior to the Covid-19 pandemic North Devon Council was about to resume a procurement process for a delivery partner, not using the Home England's panel.
- Discussions were underway with LGA, who were aware of the difficulties presented by the Covid-19 crisis, to extend the deadline from December 2020.
- As part of the scheme any delivery partner would have to demolish the existing Leisure Centre building.
- Advice had since been received on the reasons for the unsuccessful bid and the attractiveness of the Seven Brethren site for development.
- There was no guarantee a delivery partner would be found but North Devon Council should continue to exhaust all options to secure a delivery partner and if unsuccessful the funding could always be returned.

The Regeneration Manager confirmed she was happy to seek the extension date of March 2021 and discussions were already underway and that the requirement for environmental considerations could be made part of the build specifications.

The Regeneration Manager gave the following responses to questions from the Committee:

- The LGA administer the funds on behalf of the Government
- Homes England no longer had any involvement in the Seven Brethren site.
- A land agent would need to be appointed to help with selecting an appropriate delivery partner.
- The illustrative masterplan for this site indicated that 245 units was not feasible with 227 being a more realistic number and at this stage in the process it was too early to be looking at housing need

RECOMMENDED:

- (a) That submission of a planning application be made and procure a delivery partner for residential development on the Seven Brethren site, with the following amendments:
- (I) To formally request an extension to March 2021 from the LGA; and
 - (II) That the building standards include provisions to future proof the buildings in respect of the proposed carbon neutral aspirations set out in the North Devon Council Environmental Policy 2020.

180. BATSWORTHY NOISE COMPLIANCE ISSUES UPDATE

The Chief Executive advised the Committee that the Head of Environmental Health and Housing was unavailable and, therefore, the item had to be deferred to the next meeting.

Chair

The meeting ended at 11.42 am

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