

Date: 27 January 2014
Contact name: Diana Vernon
Contact number: 01395 517541 (or Group number 517546)
E-mail: dvernon@eastdevon.gov.uk



To: The Chairman and Members of the Cabinet
(Councillors Paul Diviani -Leader, Andrew Moulding-
Deputy Leader, Ray Bloxham, Iain Chubb, David Cox,
Jill Elson, Stephanie Jones, Ian Thomas, Phil Twiss
and Tom Wright.)
Other Members of the Council for information
Chief Executive
Deputy Chief Executives
Heads of Service
Corporate Managers

East Devon District Council
Knowle
Sidmouth
Devon
EX10 8HL

DX 48705 Sidmouth

Tel: 01395 516551

Fax: 01395 517507

www.eastdevon.gov.uk

Cabinet - Wednesday 5 February 2014 - 5.30 pm Council Chamber, Knowle Sidmouth

Members of the Council who do not sit on the Cabinet are welcome to attend as observers. Members of the public are welcome to attend this meeting.

- There is a period of 15 minutes at the beginning of the meeting to allow members of the public to ask questions.
- The Chairman has the right and discretion to control questions to avoid disruption, repetition and to make best use of the meeting time. The Chairman is entitled to interrupt the speaker to ask for their question to be put.
- In addition, the public may speak on items listed on the agenda. After a report has been introduced, the Chairman will ask if any member of the public wishes to speak and/or ask questions.
- All individual contributions will be limited to a maximum period of 3 minutes – where there is an interest group of objectors or supporters, a spokesperson should be appointed to speak on behalf of the group.

Should anyone have any special needs or require any reasonable adjustments to assist them in making individual contributions, please contact Diana Vernon (contact details at top of page).

A hearing loop system will be in operation in the Council Chamber.

Councillors and members of the public are reminded to switch mobile phones to silent during the meeting. If this is not practical due to particular circumstances, please advise the Chairman in advance of the meeting.

This meeting is being recorded for subsequent publication on the Council's website. Audio recording is permitted by press representatives and members of the public from the public area, subject to their notification to the Chairman prior to the start of the meeting of a wish to record all or part of that meeting. If you are exercising your right to speak during Public Question Time, but do not wish to be recorded, please inform the Chairman who will instruct those taking a recording to cease while you speak.

AGENDA Part A

- 1 **Public question time** – standard agenda item (15 minutes)
Members of the public are invited to put questions to the Cabinet through the Chairman (Leader of the Council).
- Councillors also have the opportunity to ask questions of the Leader and/or Portfolio Holders during this time slot whilst giving priority at this part of the agenda to members of the public.
- | | Pages |
|---|--------------|
| 2 To confirm the minutes of the meeting of the Cabinet held on 8 January 2014 as a true record. | 7 - 17 |
| 3 To receive any apologies for absence. | |
| 4 To receive any declarations of interest relating to items on the agenda. | |
| 5 To consider any items, which, in the opinion of the Chairman, should be dealt with as matters of urgency because of special circumstances.
Note: Such circumstances need to be identified in the minutes. <ul style="list-style-type: none">➤ If you wish to raise a matter under this item, please do so in advance of the meeting by notifying the Chief Executive who will then consult with the Chairman; and➤ If the matter is a key decision, and it has been impracticable to publicise it 28 clear days in advance [in the Forward Plan or otherwise] the Chairman of Overview and Scrutiny has been notified, with the reasons for the urgency being set out on the Council's website ; or➤ If the matter is a key decision and a case of special urgency and cannot reasonably be deferred, the Chairman of Overview and Scrutiny has agreed that the item be considered [or if unable to act, the Chairman of the Council] with the reasons for urgency being set out on the Council's website. | |
| 6 To agree any items to be dealt with after the public (including the press) have been excluded. There are 4 items which Officers recommend should be dealt with in this way. | |
| 7 To note the contents of the Forward Plan for Key Decisions for the period 1 February to 31 May 2014. | 18 - 22 |
| 8 Matters referred to the Cabinet by the Overview and Scrutiny Committee for re-consideration in accordance with the Overview/Scrutiny procedure or budget and Policy Framework Procedure Rules under Part 4 of the Constitution. No items have been put forward. | |
| 9 To note or take appropriate action in respect of the minutes of the meeting of the Special Overview and Scrutiny Committee held on 15 January 2014 | 23-25 |

10	To note or take appropriate action in respect of the minutes of the meeting of the Housing Review Board held on 9 January 2014		26-31
11	Recycling and Refuse Partnership Board		32-38
	➤ To note or take appropriate action in respect of the minutes of the meeting held on 22 January 2014		
	➤ To receive a presentation from Paul Deakin – Waste and Recycling Manager on the implications of the integrated Devon waste service		
12	To take appropriate action in respect of the notes of the meeting of the New Homes Bonus Panel held on 22 January 2014.		39-41

Part A Matters for decision – key decisions

13	Revenue and Capital Estimates 2014/15 Plus Appendix A	Head of Finance	42-59
14	Treasury Management Strategy Appendix A – Counterparty list Appendix B – interest rate forecasts	Head of Finance	60-74
15	Council Plan refresh	Corporate Organisational Development Manager	75-76
16	Cranbrook Community Questionnaire	Corporate Organisational Development Manager	77-80

Part A Matters for decision

17	Financial Monitoring report 2013/14 – month 9 – December 2013	Financial Services Manager/Accountant	81-86
18	Changes to National non-domestic rates	Revenues and Benefits Manager	87-94
19	Mamhead Slipway option approval Plus Plan	Mamhead Slipway Replacement Project Manager	95-101
20	Draft meetings timetable 2014/15 To consider the proposed timetable of meetings for the next Council year which follows a similar pattern to previous years other than Licensing and Enforcement Sub Committee and Committee meetings being moved to Wednesdays. Proposed date for 2014 Annual Council is 14 May (avoiding European elections on 22 May)	Chief Executive	102-105

21	Performance Monitoring Report until December 2013 The Month tracking appendix for December is attached – other appendices summarising performance are provided as links under Background Papers in the reports	Corporate Organisational Development Manager	106-109
----	--	--	---------

Background Papers – listed within Part A reports with links to the documents on-line.

Private meeting: Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Notice is given of intention to hold this part of the meeting in private as required by the Regulations. The statements of reasons for meeting to be held in private, details of any representations received why the meeting should be open to the public in response to the '28 clear days notice' already posted on the Council's website, and the Council's response to the representations, are set out against each agenda item below. Where it has been impracticable to comply with the private meeting notice procedures, the required agreement has been obtained from the relevant chairman or vice chairman that the meeting is urgent and cannot reasonably be deferred. Notice of this agreement, if relevant to this meeting, may be viewed on the council's website. The proper officer has excluded from public inspection the reports listed below because in his opinion they relates only to matters during which the meeting is likely to be a private meeting. The Local Government Act 1972 sets out the circumstances in which reports may be considered in private.

The Vice Chairman to move the following:-

“that under Section 100(A) (4) of the Local Government Act 1972 the public (including the press) be excluded from the meeting as exempt information, of the description set out on the agenda, is likely to be disclosed and on balance the public interest is in discussing this item in private session (Part B).”

Part B Matter for Decision – key decisions

22	Thelma Hulbert Gallery Appendix – Survival strategy 2014/15-17/18 – electronic only Appendix – THG budget - electronic only	1. Para 3 Schedule 12A) - as above 2. the report includes options with financial, funding and staffing implications	Deputy Chief Executive	110-113
23	Office accommodation – next steps (with separate appendices)	Reasons for consideration in Part B: 1. Para 3 Schedule 12A) - information relating to the finance or business affairs of any particular person 2. the report includes commercially sensitive financial information.	Deputy Chief Executive -	114-137

24	Regeneration review revenue funding requirements App 1 – Marketing programme for Queen’s Drive App 2 – Draft marketing brochure for Queen’s Drive – to follow App 3 Master budget – Seaton Jurassic (electronic only) App 4 – Interpretation proposals – to follow	1. Para 3 Schedule 12A) - as above 2. the report includes commercially sensitive financial information that will be subject to tender.	Principal Regeneration Project Manager	183-149
----	---	--	---	---------

Part B Matter for Decision

25	LED Leisure East Devon – to consider the recommendations of the meeting of the joint working group held on 22 January 2014	1. Para 3 Schedule 12A) - as above 2. the report includes recommendations in respect of business investment and how that could be financed/ progressed	150-154
----	---	---	---------

Decision making and equality duties

The Council will give due regard under the Equality Act 2010 to the equality impact of its decisions. An appropriate level of analysis of equality issues, assessment of equalities impact and any mitigation and/or monitoring of impact will be addressed in committee reports. Consultation on major policy changes will take place in line with any legal requirements and with what is appropriate and fair for the decisions being taken. Where there is a high or medium equalities impact, Members will be expected to give reasons for decisions which demonstrate they have addressed equality issues.

Members and co-opted members remember!

- ❑ You must declare the nature of any disclosable pecuniary interests. [Under the Localism Act 2011, this means the interests of your spouse, or civil partner, a person with whom you are living with as husband and wife or a person with whom you are living as if you are civil partners]. You must also disclose any personal interest.
- ❑ You must disclose your interest in an item whenever it becomes apparent that you have an interest in the business being considered.
 Make sure you say what your interest is as this has to be included in the minutes. [For example, ‘I have a disclosable pecuniary interest because this planning application is made by my husband’s employer’.]
- ❑ If your interest is a disclosable pecuniary interest you cannot participate in the discussion, cannot vote and must leave the room unless you have obtained a dispensation from the Council’s Monitoring Officer or Standards Committee.

Getting to the Meeting – for the benefit of visitors



© Crown Copyright. All Rights Reserved. 100023746.2010

The entrance to the Council Offices is located on Station Road, Sidmouth. **Parking** is limited during normal working hours but normally easily available for evening meetings.

The following **bus service** stops outside the Council Offices on Station Road: **From Exmouth, Budleigh, Otterton and Newton Poppleford – 157**

The following buses all terminate at the Triangle in Sidmouth. From the Triangle, walk up Station Road until you reach the Council Offices (approximately ½ mile).

From Exeter – 52A, 52B

From Honiton – 52B

From Seaton – 52A

From Ottery St Mary – 379, 387

Please check your local timetable for times.

The Committee Suite has a separate entrance to the main building, located at the end of the visitor and Councillor car park. The rooms are at ground level and easily accessible; there is also a toilet for disabled users.

For a copy of this agenda in large print, please contact the Democratic Services Team on 01395 517546

*139 **Public Questions**

There were no public questions

*140 **Minutes**

The minutes of the meeting of the Cabinet held on 27 November 2013 were confirmed and signed as a true record.

*141 **Declarations of interest**

No declarations of interest were made

*142 **Council tax base 2014/15 – urgent item**

The Leader agreed for this report to be considered as a matter of urgency – the Council was required by regulation to set its council tax base by 31 January 2014.

The report set out the tax base for 2014/15 and included the breakdown for each parish expressed in terms of band D equivalent properties on which the council tax would be based.

- RESOLVED**
- (1) that the tax base for 2014/15 be confirmed at 54,047 Band D equivalent properties;
 - (2) that the amount shown against each parish as the parish tax base for 2014/15 (set out under section 3 of the report) be confirmed.

REASON

The calculation of the tax base is prescribed under Local Authorities (Calculation of Council Tax Base) Regulations 2012 which came into force on 30 November 2012. This was made under powers of the Local Government Finance Act 1992.

See also Local Government Finance Act 1992 (as amended) and the Council Tax (Prescribed Classes of Dwellings)(England) Regulations 2003 (as amended)

The council tax base is defined as the number of Band D equivalent properties in a local authority's area. The tax base is necessary to calculate council tax for a given area.

*143 **Exclusion of the public**

RESOLVED: that the classification given to the documents to be submitted to the Cabinet be confirmed; there were 4 items which officers recommended should be dealt with in Part B.

*144 **Forward plan**

Members noted the contents of the forward plan for decisions for the period 1 January to 30 April 2014.

*145 **Matters referred to the cabinet**

The motion referred to Cabinet from the December Council meeting by the Leader had been included as item 11b on the agenda.

*146 **Overview and scrutiny committee – 21 November 2013**

Members received and noted the minutes of the meeting of the Overview and Scrutiny Committee held on 21 November 2013.

Councillors had considered the final report of the Fees and Charges Task and Finish Forum at its last meeting. The forum's recommendations would be considered as part of the budget process. The draft fees and charges policy had been recommended for approval.

RESOLVED **that the following recommendation be approved**

Minute 42 that a policy be drafted for motor home parking to clarify where motor homes can park, including the provision in some East Devon car parks of motor home spaces of adequate size at a higher tariff than a standard vehicle; and clarity on overnight parking.

*147 **New Homes Bonus Panel – 13 November 2013**

Cabinet received the notes of the meeting of the New Homes Bonus Panel held on 13 November 2013 presented by the Panel's Chairman, Councillor Ray Bloxham.

Councillor Bloxham said that East Devon parishes had come forward with good joint projects and that the initiative was an effective way of encouraging parishes to work together.

He also advised that since the meeting of the Panel, Devon County Council had agreed to treat the Cranbrook Parish Forum as a parish within the Parishes Together Initiative which meant that Cranbrook could bid for funding for joint projects under the scheme.

RESOLVED that the New Homes Bonus Panel's decisions be supported and its recommendations approved, as set out in the notes of the Panel's meeting.

*148 **Draft revenue and capital budgets 2014/15 – key decision**

Simon Davey, Head of Finance presented the draft revenue and capital estimates 2014/15 for adoption by the Cabinet. He reminded Councillors of the budget process:

- The estimates would be next considered in detail by the Overview and Scrutiny Committee at its special meeting on 15 January 2014.
- The draft housing revenue account and housing service plan 2014-15 would be considered by the Housing Review Board at its meeting on 9 January 2014.
- The business community would also be consulted.
- Recommendations would then be referred to the Cabinet for consideration at its meeting on 5 February 2014.
- The final decision on the 2014/15 draft revenue and capital budgets would be made by Council at its meeting on 26 February 2014.

The report included the main considerations to be taken into account and the key issues facing the Council in terms of finance. The revenue and capital estimate budget book issued with the agenda included service by service budgets which would be considered in detail by the Overview and Scrutiny Committee.

At its meeting on 3 April 2013, the Cabinet had recognised the need to address the funding gap for 2014/15 (indicated in the Medium Term Financial Plan) at an early stage. Agreed actions had included adopting a strategy for use of the New Homes Bonus monies and setting up a Member Budget Working Party to deliver savings/increase income. The Budget Task and Finish Forum set up by the Overview and Scrutiny Committee had early involvement in considering proposals for savings and income potential. The proposed savings/additional income were set out at 2.11 in the report.

The draft budget resulted in a General Fund balance position that was within the Council's adopted range with monies transferred to a New Homes Bonus Volatility Fund being set up to mitigate the on-going risk of using New Homes Bonus monies to fund General Fund services.

A balanced draft budget was being presented for 2014/15 following the work of the Budget Working Party and good progress had been made to balance the 2015/16 budget. Looking beyond this, the Council would continue to find it difficult to afford its spending plans due to continued government funding cuts, inflation, low investment income, freezing the council tax and ever increasing demand for its services. Further work would be required to present balanced budgets in the future.

The Housing Revenue Account (HRA) was in a healthy position as was necessary to meet housing service needs, planned improvements and to service the £84.4m debt repayments. The Council was on target in respect of the HRA business plan.

The draft Capital Programme for 2014/15 would be funded using capital reserve and borrowing. The Capital Strategy and Allocation Group had met to consider capital scheme proposals and would continue to meet to monitor progress of agreed schemes against budget and objectives. The shortfall in the draft capital budget for 2014/15 would be met from capital reserves which included funding from the New Homes Bonus. It was noted that significant capital expenditure was in respect of the Exmouth regeneration projects.

*148 **Draft revenue and capital budgets 2014/15 – key decision (continued)**

Other issues highlighted included:

- The localisation of council tax benefit put additional financial strain on the Council. However it was noted that the local council tax support scheme was being delivered within budget.
- Business rates retention which had been introduced in April 2013 had generated additional funding but carried risk. The Council had been a member of the Devon pool since 1 April 2013 due to the opportunity to keep a share of the business rate surplus in the area. The continued membership of the Devon pool was to be considered on an annual basis. The Head of Finance advised that the position in respect of business rates of one of the Devon authorities had become an area of concern and was likely to impact on the pool. The pool arrangements were that any surplus was shared but also that any deficit/shortfall had to be made up by the group. The future of the pool arrangement would be discussed by the Devon finance officers with recommendations to the Chief Executives Group in consultation with Council Leaders. The Head of Finance asked for delegated powers (in consultation with the Portfolio Holder – Finance), to withdraw from the pool or to continue with the existing arrangements when the full facts were known and had been assessed. The main risk resulting from a shortfall would be to Devon County Council.
- Universal Credit – local authorities would no longer be responsible for administering housing benefit payments. Cabinet members noted associated risks and future uncertainty.
- The New Homes Bonus Scheme – the Council was using part of this funding to support its general fund budget with the balance being available for the Capital Programme. The creation of a New Homes Bonus Volatility Fund would help to reduce the Council's reliance on this funding source.
- In preparing the budgets a number of assumptions had to be made and these were identified in the report. They included a 1% pay increase, possible litigation costs in respect of local land charges and an assumed 3% inflation rate. Budgets also assumed that the Council would again agree to freeze council tax and receive the government grant payment in compensation.

Elected members noted that a paper would be reported to Cabinet shortly giving a refreshed picture of the Council's financial projections within a high level Council Business Plan up to 2020.

A report setting out the Council's indicators in respect of setting and reviewing its affordable borrowing limit indicators (in compliance with the Prudential Code for Capital Finance in Local Authorities) would be referred to the next meeting of Cabinet.

In addition to the draft revenue and capital budgets 2014/15 being considered, the Leader referred to the motion on car park charges which he had referred to Cabinet from the Council meeting on 4 December 2013. The Council was under increasing pressure to provide vital front line services despite funding cuts, inflation and increased demand. Car parking revenue was an important income stream and Councillors were keenly aware of the fine balance needed between maintaining this valued income and supporting local people and businesses. At its last meeting the Cabinet had given detailed consideration to a car park management review (minute 124 refers) which aimed to achieve this balance.

*148 **Draft revenue and capital budgets 2014/15 – key decision (continued)**

The proposer of the motion, Councillor Roger Giles was invited to speak. He proposed that car parking charges should be introduced at the Knowle offices to generate income. He compared this proposed arrangement with those in place at other organisations. He acknowledged that introducing car parking charges at Knowle would have a potential impact on neighbouring roads and that local concern in this respect would need to be addressed. He added that he thought that the car park passes currently given to Honorary Aldermen should cease.

The motion was debated and the following comments made:

- The other organisations which charged their staff to park were based in the city and so those arrangements were reasonable;
- Charging for parking at the Knowle offices would require machines to be installed and staff to patrol – the capital and revenue outlay was not justified particularly in the light of EDDC's intention to relocate.
- The proposal to introduce new charges to generate income was contrary to the Road Traffic Regulations 1984. An example was given of when the Royal Devon and Exeter hospital introduced parking charges – this was not to raise revenue but to stop workers in Exeter from using the free hospital parking and walking into the city;
- Staff would opt to park in the neighbouring roads.
- Staff needing their vehicles for work would need to be issued with a parking permit which would add to the complexity of the arrangements;
- The cost of providing Honorary Aldermen with free car park passes was minimal and was an inexpensive way of recognising their valued contribution;
- The basic hourly charge for pay and display parking would be retained at £1 per hour for a fourth consecutive year – this illustrated the authority's aim to support the high street and local businesses;
- The cost of car parking was not the main reason for people choosing not to support their high streets, other key factors included internet and out of town shopping;
- the suggested modest rate of £1 per day for staff and visitors to the Knowle offices would be more than the cost of the annual parking permit;
- Any car parking charge would require a change in staff conditions which would have to be re-negotiated.
- A fixed daily rate would have a greater impact on lower paid staff as it would represent a higher percentage of their salary.
- Charges at Knowle would also mean that the weekend park and walk scheme would be affected.

As proposer, Councillor Giles was invited to sum up. Members then voted on the motion; it was lost.

***148 Draft revenue and capital budgets 2014/15 – key decision (continued)**

- RESOLVED**
- (1) that the draft revenue and capital estimates be adopted and forwarded to the Overview and Scrutiny Committee and Housing Review Board for consideration;
 - (2) that delegated authority be given to the Head of Finance, in consultation with the Portfolio Holder – Finance to either agree for EDDC to remain in the Devon pool or withdraw based on the findings of meetings of the Devon finance officers and the Devon Chief Executives group and the recommendations of the Devon Leaders.
- REASON**
- (1) There is a requirement for the Council to set balanced budgets, to levy a council tax and to set council house rents in 2014/15.
 - (2) The Council's membership of the Devon pool in respect of Business Rate Retention scheme was to be considered on an annual basis. The current situation in respect of one of the authorities in the group was a matter for concern and required the Council to re-evaluate its membership of the pool.

***149 Financial monitoring report 2013/14 month 8 – November 2013**

Cabinet members considered the financial monitoring report which gave a summary of the Council's overall financial position for 2013/14 at the end of month 8 (30 November 2013). Current monitoring indicated that:

- The General Fund balance was being maintained at or above the adopted level. The predicted balance was £0.339m above the Council's maximum adopted level of £3.6m but no decision on the surplus was required until the final position was known.
- The Housing Revenue Account (HRA) balance will be maintained at or above the adopted level. The current balance was well above the recommended level and would be used to further invest in housing stock, to offset any adverse effects of the Welfare Reform and to ensure sufficient funds are available to make the first repayment of principal on the self-financing loans due in 2014/15. In addition £1.710m was held in a separate reserve.
- There was sufficient capital reserve to balance this year's Capital Programme. It is estimated that £2.595m will be available in the reserve to support the programme from 2014/15 onwards.

The Head of Finance advised that there were no areas of concern.

RESOLVED that the variances identified as part of the revenue and capital monitoring process up to month 8 be acknowledged;

REASON The report updated Councillors on the overall financial position of the authority following the end of each month and included recommendations where corrective action was required for the remainder of the financial year.

*150 **Restructuring the countryside team**

The Countryside and Leisure Manager presented his report which set out the business case for the restructure of the countryside team to ensure that this valued service remained 'fit for purpose'. The aim was to achieve greater efficiencies, increase the effectiveness of the service and to proactively deliver new opportunities through strategic programming. There was potential to engage new audiences and develop fresh income streams for the social and economic wellbeing of the district.

The proposal was to split the countryside service's function into 'People and Place', with the new structure being effective from 1 April 2014.

The Portfolio Holders for Economy, Corporate Business and Environment spoke positively about the service and the proposals.

It was noted that the Cranbrook countryside park would become the responsibility of the countryside team. Management proposals would be presented by the countryside team to the Cranbrook Neighbourhood Forum at a meeting in January.

RESOLVED that the countryside service restructure proposals (as outlined in the report to Cabinet) be approved and implemented in April 2014.

REASON To facilitate and enable a change in the way in which the service is delivered - to be more proactive and strategic.

*151 **Exemption from standing orders – Windsor Gardens reinstatement**

Cabinet members were reminded of the 12 month licence granted in 2012 to developers, Milkbere Properties, to use part of Windsor Gardens for access to their construction site. A requirement of the licence was for the developers to reinstate the gardens to a standard as specified by the Council. Quotes had been received for the reinstatement work. Milkbere Properties offered the Council £1000 to manage the reinstatement and agreed to pay the higher quote as this was from a company with an excellent track record. The Cabinet was asked to agree to the exemption from standing orders on this basis. The Seaton Member Champion spoke in support.

RESOLVED that the exemption from standing orders in respect of the Windsor Gardens reinstatement works by Tony Benger Landscaping be formally agreed.

REASONS

- (1) Reputation management/Time.
EDDC, Seaton Town Council and local traders expected the gardens to be fully functional by the end of November as there were Christmas fairs and other seasonal events organised for December. To follow standing orders and obtain 3 further quotes would have delayed reinstatement into 2014. To fail to provide this facility on time would break 'promises' to the local community.
- (2) Concerns about the quality of the lower quote received.
- (3) Tony Benger Landscaping are CHAS and BALI accredited (national quality assurance) and have successfully completed projects for EDDC in the past.

152 **Extension to St Winifred's graveyard, Branscombe – authority to use compulsory purchase**

The Cabinet considered the report of the Council's Solicitor seeking Council authority to make a compulsory purchase order to acquire a parcel of land from the National Trust as an extension to the graveyard at St Winifred's parish church in Branscombe. The report set out the reasons for the request, the details of the land swap and next steps.

The Chief Executive advised that Council would have to be consulted before a compulsory purchase order could be considered by Cabinet.

RECOMMENDED that the views of Council be sought prior to the consideration of making a compulsory purchase order for land for use as a public cemetery for the parish of Branscombe, as set out in the report.

REASON A CPO is the only way the National Trust can dispose of land assets which cannot be disposed of to another except through compulsory purchase. The views of Council needed to be sought before Cabinet could consider compulsory purchase of this land.

*153 **Performance management report November 2013**

The Cabinet considered the report of the Corporate Organisational Development Manager setting out performance information for the 2013/14 financial year for November 2013.

Councillors noted three indicators that were showing excellent performance and extended their appreciation to the teams involved:

- percentage of planning appeal decisions allowed against the authority's decision to refuse
- percentage of non domestic rates collected
- working days lost due to sickness absence

No performance indicators showed concern.

RESOLVED that the progress and proposed improvement action for performance measures for the 2013/14 financial year for November 2013 be noted.

REASON The monthly monitoring was to highlight performance and help identify any trends. Additional information to support this monitoring was provided on line – SPAR performance indicators and systems thinking measures in key service areas – streetscene, housing, development management and revenues and benefits.

*154 **Exclusion of the public**

RESOLVED that under Section 100(A) (4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public (including the press) be excluded from the meeting as exempt and private information (as set out against each Part B agenda item), is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B).

*155 **Capital strategy and allocation group**

The Cabinet considered the report of the meeting of the Capital Strategy and Allocation Group which had met on 2 December 2013. The Group had considered a range of capital bids with business cases. Any larger one-off schemes would be the subject of a report to Cabinet before being progressed.

The Head of Finance responded to a number of issues raised.

- RESOLVED**
- (1) that the recommended actions of the Capital Strategy and Allocation Group in respect of capital project bids, as set out in the report, be agreed.
 - (2) that the Deputy Chief Executive – Development, Regeneration and Partnerships be asked to review the Exmouth regeneration project phasing and timings;
 - (3) that the Capital Strategy and Allocation Group meet more regularly to monitor the Capital Programme and the approved projects – the next meeting to be held in early May 2014 to discuss outturn for 2013/14 and the Capital Plan for 2014/15.

REASON The Group met to recommend capital budget allocation and prioritise capital spend. The Group would meet more regularly to monitor the Capital Programme.

*156 **Exmouth Regeneration Programme Board**

Members of the Cabinet noted the action points from a meeting of the Exmouth Regeneration Programme Board which had been held on 28 November 2013.

*157 **Seaton Regeneration Programme Board**

Members of the Cabinet noted the action points from a meeting of the Seaton Regeneration Programme Board which had been held on 3 December 2013.

*158 **Restructuring of the countryside team**

The Cabinet considered the second report of the Countryside and Leisure Manager. The Cabinet had already discussed and agreed the overall intention of the restructure in the public part of the meeting (minute *150 refers). This report now dealt with specific changes to three posts within the service and therefore was considered in Part B - when the press and public had been excluded from the meeting.

The posts affected had been the subject of job evaluation. The proposed restructure of the service and modest cost implications were detailed in the report.

RESOLVED that the countryside team restructure proposals – as outlined in the report – be agreed and implemented from 1 April 2014.

REASON The restructure would mean that the service could respond to the corporate challenges facing all discretionary services in terms of driving up income streams, delivering new programmes of work (such as health and wellbeing) and building on its reputation so that it is 'fit for purpose' going forward.

Chairman Date

EAST DEVON DISTRICT COUNCIL

Forward Plan of Key Decisions - For the 4 month period 1 February 2014 to 31 May 2014

[In addition Key Decisions and other decisions which are proposed to be taken in a private meeting are identified to comply with the Local Authorities (Executive Arrangements)(Meetings and Access to information)(England) Regulations 2012).

A public notice period of 28 clear days is required when a decision making body is to hold a meeting wholly or partly in private This document includes notice of those matters the Council intends, at this stage, should be considered in the private part of the meeting and the reason why. Any written representations that a particular decision should be moved to the public part of the meeting should be sent to the Democratic Services Team [address at the end] as soon as possible.

Key Decision		List of documents to be submitted to Cabinet [so far as known at present]. Other documents may be submitted to the Cabinet in addition.	Lead Member	Lead/reporting Officer	Proposed Consultation and meeting dates (Committees, principal groups and organisations) Members of the public are given the opportunity to speak at meetings unless shown in italics.	Operative Date for decision (if no call-in)	Part A = Public meeting Part B [private meeting] (and reasons)
1	Information Management Strategy		Corporate Services Portfolio Holder	Corporate ICT Manager	Information Management Group Cabinet 7 May 2014 Council 21 May 2014	22 May 2014	Part A
2	Shared IT Services		Corporate Services Portfolio Holder	Corporate ICT Manager	Information Management Group Cabinet 2 April 2014 Council 21 May 2014	22 May 2014	Part B – commercially sensitive information.
3	Honiton Community Centre		Economy Portfolio Holder	Deputy Chief Executive (RC)	Cabinet 5 March 2014	13 March 2014	Part A
4	European Transition funding		Finance Portfolio Holder	Deputy Chief Executive (RC)	Cabinet 5 March 2014	Council 9 April 2014	Part A

Key Decision		List of documents to be submitted to Cabinet [so far as known at present]. Other documents may be submitted to the Cabinet in addition.	Lead Member	Lead/reporting Officer	Proposed Consultation and meeting dates (Committees, principal groups and organisations) Members of the public are given the opportunity to speak at meetings unless shown in italics.	Operative Date for decision (if no call-in)	Part A = Public meeting Part B [private meeting] (and reasons)
5	Cranbrook Questionnaire		Portfolio Holder Strategic Development and Partnership	Chief Executive	Cabinet 5 February 2014	13 February 2014	Part A
6	Cranbrook Electoral Review		Portfolio Holder Strategic Development and Partnership	Chief Executive	Cabinet 2 April 2014	9 April 2014	Part A
7	Individual Electoral Registration		Portfolio Holder – Corporate Services	Electoral Services Manager /(CE)	Cabinet 5 March 2014	13 March 2014	Part A
8	Council Budget 2014/15		Portfolio Holder – Finance	Head of Finance	Cabinet 5 February 2014	27 February 2014	Part A
9	Office Relocation		Council Leader	Deputy Chief Executive (RC)	Cabinet 5 February 2014	27 February 2014	Part B – commercially sensitive information.
10	Thelma Hulbert Gallery Business Plan		Deputy Portfolio Holder – Environment	Deputy Chief Executive (DL)	Cabinet 5 February 2014	27 February 2014	
11	Corporate Asset Management Plan		Economy Portfolio Holder	Economic Development Manager	Cabinet 5 March 2014	9 April 2014	

Key Decision		List of documents to be submitted to Cabinet [so far as known at present]. Other documents may be submitted to the Cabinet in addition.	Lead Member	Lead/reporting Officer	Proposed Consultation and meeting dates (Committees, principal groups and organisations) Members of the public are given the opportunity to speak at meetings unless shown in italics.	Operative Date for decision (if no call-in)	Part A = Public meeting Part B [private meeting] (and reasons)
12	Public Health Plan		Environment Portfolio Holder	Head of Housing	Cabinet 5 March 2014	9 April 2014	Part A
13	Seaton and Exmouth Regeneration		Portfolio Holder Strategic Development and Partnership	Principal Regeneration Project Manager/ Deputy Chief Executive (RC)	Cabinet 5 February 2014	27 February 2014	Part B (contractual negotiations)
	Other decisions to be taken in Part B	Exmouth Regeneration Action Notes following regular meetings	Portfolio Holder Strategic Development and Partnership	Deputy Chief Executive (RC)	Cabinet meetings following production of Action Notes		Part B [if commercially sensitive]
		Seaton Regeneration Action Notes following regular meetings	Portfolio Holder Economy	Deputy Chief Executive (RC)	Cabinet meetings following production of Action Notes		Part B [if commercially sensitive]

Table showing potential future key decisions which are yet to be included in the current Forward Plan

Future Key Decision		Lead Member	Lead Officer	Consultation and meeting dates (Committees, principal groups and organisations) To be confirmed	Operative Date for decision To be confirmed
1	Integrated waste Strategy for Devon	Environment Portfolio Holder	Head of Environment	Initial work has been undertaken on an outline business case which was completed in early 2013. The Members felt that there was insufficient information at that stage to proceed to a detailed business case so have employed Eonomia to undertake a study to establish the case for moving to a final business case in early 2014. Once the study is underway we will know a date for the first decision point of if we wish to go forward with the full business case.'	
2	Specific CIL Governance Issues	Strategic Development and Partnership Portfolio Holder	Deputy Chief Executive (RC)		

This plan contains all the key decisions that the Council's Cabinet expects to make during the 4-month period referred to above. The plan is rolled forward every month. Key decisions are defined by law as "an **executive decision** which is likely :-

- (a) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates; or
- (b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the Council's area

In accordance with section 38 of the Local Government Act 2000, up-dated by the Local Authorities (Executive Arrangements)(Meetings and access to Information)(England) Regulations 2012 in determining the meaning of "significant" in (a) and (b) above regard shall be had to any guidance for the time being issued by the Secretary of State in accordance with Section 9Q of the 2000 Act (guidance).. The Cabinet may only make a key decision in accordance with the requirements of the Executive Procedure Rules set out in Part 4 of the Constitution and the Regulations. A minute of each key decision is published within 2 days of it having been made. This is available for public inspection on the Council's website <http://www.eastdevon.gov.uk>, and at the Council Offices, Knowle, Sidmouth, Devon. The law and the Council's constitution provide for urgent key decisions to be made without 28 clear days notice of the proposed decisions having been published . A decision notice will be published for these in exactly the same way.

Obtaining documents

Committee reports made available on the Council's website including those in respect of Key Decisions include links to the relevant background documents. If a printed copy of all or part of any report or document included with the report or background document is required please contact Democratic Services.

The members of the Cabinet are as follows: Cllr Paul Diviani (Leader of the Council and Chairman of the Cabinet), Cllr Andrew Moulding (Strategic Development and Partnerships Portfolio Holder), Cllr Ray Bloxham (Corporate Business Portfolio Holder) Cllr Phil Twiss (Corporate Services Portfolio Holder) Cllr Ian Thomas (Economy Portfolio Holder), Cllr Iain Chubb (Environment Portfolio Holder) Cllr David Cox (Finance Portfolio Holder), Cllr Jill Elson (Sustainable Homes and Communities Portfolio Holder), and Deputy Portfolio Holders – Cllr Stephanie Jones (Deputy – Sustainable Homes and Communities) and Cllr Tom Wright (Deputy – Environment) Members of the public who wish to make any representations or comments concerning any of the key decisions referred to in this Forward Plan may do so by writing to the identified Lead Member of the Cabinet (Leader of the Council) c/o the Democratic Services Team, Council Offices, Knowle, Sidmouth, Devon, EX10 8HL. Telephone 01395 517546.

16 January 2014

EAST DEVON DISTRICT COUNCIL
Minutes of a Special Meeting of the
Overview and Scrutiny Committee held
at Knowle, Sidmouth on 15 January 2014

Present: Tim Wood (Chairman)
Graham Troman (Vice Chairman)

David Chapman	Frances Newth
Maddy Chapman	Brenda Taylor
Vivien Duval Steer	Eileen Wragg
Roger Giles	Claire Wright
Peter Halse	
John Humphreys	
Sheila Kerridge	

Officers:

Simon Davey, Head of Finance
Ed Freeman, Development Manager
Laurelie Gifford, Financial Services Manager
John Golding, Head of Housing
Nigel Harrison, Economic Development Manager
Karen Jenkins, Corporate Manager Organisational Development
Denise Lyon, Deputy Chief Executive
Debbie Meakin, Democratic Services Officer
Rachel Pocock, Corporate Manager Legal, Licensing &
Democratic Services
Mark Williams, Chief Executive

Also Present

Councillors:

Ray Bloxham	Stephanie Jones
Peter Burrows	Ken Potter
David Cox	Pauline Stott
Paul Diviani	Ian Thomas
Christine Drew	Phil Twiss
Jill Elson	
Graham Godbeer	

Apologies:

Committee Members:

Mike Allen
Derek Button
David Key
John O'Leary
Chris Wale
Steve Wragg

Geoff Chamberlain
Tony Howard
Tom Wright

The meeting started at 10.00am and ended at 11.14am.

***48 Public Question Time**

There were no questions from the public at this part of the meeting.

***49 Declarations**

Councillor/ Officer	Minute number	Type of interest	Nature of interest
Jill Elson	51	Personal	Community Transport Chairman
Frances Newth	51	Personal	Member of Manor Pavilion Steering Group

***50 Budget Task and Finish Forum Notes of 11 December 2013**

The notes taken from the Forum meeting on 11 December 2013 were noted.

51 Draft Budget and Service Plans for 2014/15

The Head of Finance took the Committee through the prepared Cabinet report on the draft budget for 2014/15. He reminded them of the work, over the past few months, of the Budget Working Party, the Fees and Charges Task and Finish Forum, and the Budget Task and Finish Forum. Portfolio Holder savings had been identified and shared with the Committee in September, and changes in charges had also previously been agreed by the Cabinet. These changes and other proposals, assuming taking a settlement for a council tax freeze, provided an improved budget with an approximate £72K surplus that would benefit the 2015/16 budget position.

Portfolio Holder savings listed met with agreement of the Committee. Savings included identified areas towards the 2015/16 budget.

A further report on measures for the 2016/17 budget, which still had a predicted shortfall, would come before the Committee and the Cabinet in due course.

Specific queries on the budget were raised by the Committee and by other members present, including:

- £200K for 2014/15 and 2015/16 for relocation project management. These figures were challenged by some Members as excessive and on the grounds that they did not reflect any identified expenditure. The sums were explained as an initial estimate of costs placed as a marker in the event of a decision to relocate the offices which if approved was within the timeframe of the forward capital programme. These sums were offset in the programme by an assumed capital receipt, and shown in the capital programme if the project was agreed. Other Members felt it was prudent to indicate possible expenditure related to the probability of relocation. The Chairman reminded the Committee that the relocation project was still to be authorised by the Cabinet and Council.
- While there was funding for legal action that needed to be taken against those removing protected trees, there was no indication of income resulting for the Council. It was pointed out that, whilst some of the legal costs can be recovered, fines given to developers are paid to the Government rather than the local authority.

- Civic expenses showed a significant increase. It was pointed out that civic secretarial and administrative costs had previously rather inaccurately been charged against other activities. Thus, the change shown reflected a correction in accounting procedures for officer administration time for Chairman related work with a reduction in budget for the same amount under other employee sections. The actual proposed expenditure overall showed no actual increase, only more accurate accounting.
- There appeared to be no decrease in the budget for public halls despite the removal of the Elizabeth Hall in Exmouth. It was indicated that an increase in business rates and depreciation were among factors leading to the proposed budget. The Chairman also reminded members that the LED working group, that was just getting underway, would lead to a review of some of these expenditures.
- Reduction in homelessness budget at a time when many facing hardship in the current economic climate – the ongoing reduction in this budget was clarified as a clear success story, brought about by proactive work by the service, and changes in the service to reduce costs – an example being no longer using expensive and ineffective bed and breakfast accommodation. It was also pointed out that the proposed figures were estimates and the expenditure was, in fact, demand driven, with no budgetary constraint.
- Reduction in refuse and recycling – this was due to an improved contract for recycled items which had resulted in increased income for recycled materials.
- Reduction in flood defence maintenance – the decrease over the previous was due to one off items of expenditure, which were now excluded from the budget. The Chief Executive assured the Committee that, should circumstances arise, necessary works would be carried out and the budget adjusted accordingly;
- In relation to the budget for bus shelters, it was clarified that the budget only covers monitoring of shelters and any action required to deal with unsafe shelters, including their possible removal. Council owned shelters were no longer replaced.

RECOMMENDATION: that the Draft Revenue and Capital Estimates be recommended to Council for adoption.

Chairman Date

EAST DEVON DISTRICT COUNCIL

Minutes of a meeting of the Housing Review Board held at Knowle, Sidmouth on 9 January 2014

Present:

Councillors:

Pauline Stott (Chairman)

Douglas Hull

Jim Knight

Peter Sullivan

Co-opted tenant members:

Sue Saunders (Vice chairman)

Mike Berridge

Victor Kemp

John Powley

Co-opted independent community representative:

Julie Adkin

Officers:

Dennis Boobier, Housing Needs and Strategy Manager

Amy Gilbert, Housing Support Services Manager

John Golding, Head of Housing

Peter Richards, Rental Manager

Giles Salter, Solicitor

Alethea Thompson, Democratic Services Officer

Mandy White, Housing Accountant

Also present:

Councillors:

Paul Diviani – Leader

Jill Elson - Portfolio Holder for Sustainable Homes and Communities

Stephanie Jones – Deputy Portfolio Holder for Sustainable Homes and Communities

Phil Twiss – Portfolio Holder for Corporate Services

Tenant:

Eric Howard, Tenant Scrutiny Panel

Apologies

Councillors:

Susie Bond (board member)

Steve Gazzard

Tenant member:

Pat Rous

Co-opted independent community representative:

Rob Finch

The meeting started at 6.00pm and ended at 8.45pm.

***49 Public question time**

There were no questions raised by members of the public. Councillor Douglas Hull requested that consideration be given to the letter sent to bereaved tenants, following the death of a joint tenant. He felt that the letter could be more sympathetic and appear 'friendlier' to the recipient. The Housing Needs and Strategy Manager agreed to discuss this with Councillor Hull outside of the meeting.

50 Minutes

The minutes of the meeting of the Housing Review Board held on 7 November 2013, were confirmed and signed as a true record.

Councillor Jim Knight did not agree with the accuracy of minute 38 – Home Safeguard rebranding exercise – and the board discussed whether they had previously agreed both the logo and the wording, or just the logo itself. Some members were concerned that the proposed wording with the logo was not suitable so it was agreed that the chairman, vice chairman, Councillor Knight, and the officers would meet outside of the board meeting to consider the exact wording for the logo.

RECOMMENDED: that the chairman, vice chairman, Councillor Knight, and relevant officers would meet to agree the exact wording for the Home Safeguard logo.

***51 Declarations of interest**

Board Member	Minute number	Type of interest	Nature of interest
Sue Saunders		Personal	Sheltered housing tenant.
Douglas Hull		Personal	Sister lives in a Council owned property.
Jim Knight		Personal	Daughter lives in a Council owned property. He was also a Devon County Council Councillor.
Mike Berridge		Personal	Family member lives in a Council owned property.
Peter Sullivan		Personal	Sheltered housing tenant.

52 Older persons targeted support

The Chairman agreed for this item to be moved up the agenda at the request of the Housing Support Services Manager.

The report brought the board up to date with recent developments and emerging issues with regard to the future of older persons targeted support in Devon, and outlined options for the future of the service. It looked likely that mobile support officer services would be put out to tender by Devon County Council (DCC) and the Head of Housing indicated the probable journey that the council was likely to take.

52 Older persons targeted support (cont'd)

It was agreed that it was sensible to prepare to be able to submit a bid to win the tender in East Devon at the very least and to be in a good financial position to be able to deliver the bid competitively.

The HRB would be kept informed of what was happening and details of the tender specification and bid proposals would be brought to the board before being submitted. A lot would depend on the specification devised for the eligibility criteria. EDDC had put in a plea to DCC not to raise the eligibility limit too high in order to save costs.

It had been suggested to DCC that they should consult with the service users. It was also suggested that DCC should consult with the GP commissioning board, who would be concerned about the criteria and where the gaps would be filled. Board members were concerned that the level of support received would deteriorate and that vulnerable people would not continue to receive the level of the support they needed. It was felt that it was illogical to have different landlord and support providers. Another concern was that a company from outside the area, with no local base could win the contract. It was also felt that a Devon county wide standard would not work and needed to be more local.

It was noted that there would be implications for Home Safeguard if EDDC lost its bid to continue providing support to its tenants.

- RECOMMENDED:**
- 1 that consideration be given to the issues presented within the report.
 - 2 that officers prepare as best they can and feed comments on the consultation proposals back to DCC.
 - 3 that the current support service be maintained in house and alternative options considered.
 - 4 that a further report be brought to the board once the detailed service specification was known.

***53 Housing review board forward plan**

The Head of Housing presented the forward plan. Two further reports were added to the forward plan for the March 2014 meeting. These were:

- A report on the proposed changes to the right to buy scheme recently announced by the government.
- A report on repairs timescales from the Housing Needs and Strategy Manager.

RESOLVED: that the updated forward plan be noted.

54 Draft housing service plan 2014/15

The board received the Head of Housing's report which presented the draft service plan for the housing service covering the period 2014-15.

54 **Draft housing service plan 2014/15 (cont'd)**

The service plan was produced annually and set out the key achievements over the past year and the forthcoming issues to be faced by the service. A range of service improvements were identified, performance data reported, consultation proposals outlined, budget information provided, and so forth.

No radical changes were proposed in the service plan, which had an emphasis on steady and continuous improvement. A list of key achievements in 2013/14 was included in the plan and noted by the board. A number of issues were raised by board members and answered by officers during the meeting.

The Portfolio Holder for Sustainable Homes and Communities stated that she thought it was an excellent report and that some significant improvements had been made.

RECOMMENDED: that the housing service plan for 2014/15 be approved.

55 **Draft housing revenue account 2014/15**

The Head of Housing's report provided the board with details of the draft housing revenue account (HRA) for 2014/15. The account showed the main areas of anticipated income and expenditure on landlord activities for the year ahead. Producing a HRA was a statutory requirement for councils who managed their own housing stock, and was a key document for the board to influence.

2012/13 saw the major reform to social housing finance and a move to self-financing, which involved the Council taking on debt rather than paying a subsidy to government from tenants' rents. As a result a healthy HRA balance was showing going into the new financial year. The budget had been produced in accordance with housing revenue account business plan assumptions.

The council had a timetable for the production of its budgets for 2014/15, which involved the development of draft estimates and scrutiny by various member and officer groups. This report presented an opportunity for the HRB to input into this process.

The Head of Housing reported that the business plan was working as expected. Among other things it had allowed the acquisition of new property and the recruitment of additional staff. Rent management performance was excellent. No dramatic changes were proposed and a healthy outturn position was shown. It was noted that a further £65,000 would be added to the existing £50,000 already in the budget for asbestos removal work.

The Head of Housing thanked the Housing Accountant for her help in preparing the budget and for monitoring income and expenditure. Those present raised some questions relating to the HRA, which the officers answered during the meeting.

The Portfolio Holder for Sustainable Homes and Communities commented that the HRA was in excellent health and that the service was doing very well. She highlighted the amount of money that was being spent into the local economy, especially through the use of Skinners and MD contractors.

55 **Draft housing revenue account 2014/15 (cont'd)**

RECOMMENDED: that the housing revenue account for 2014/15 be approved.

56 **Voluntary code for self-financed housing revenue account**

The Head of Housing's report presented the voluntary code for a self financed HRA, recently produced by the Chartered Institute of Public Finance and Accountancy in collaboration with the Chartered Institute of Housing. The report suggested that the council adopt the principles and provisions of the code as good practice.

The board thanked the housing teams for the excellent jobs they were doing.

RECOMMENDED: that the principles and provisions of the voluntary code for a self financed housing revenue account be approved.

*57 **HRA financial monitoring report 2013/14 – month 8 November**

The board received a report from Head of Housing, presented on behalf of the Housing Accountant giving a summary of the overall financial position on the housing revenue account (HRA), HRA capital programme and the business plan for 2013/14 at the end of month eight (November 2013). Regular monitoring would highlight any areas of concern or unforeseen expenditure in the HRA and associated capital programme and enable corrective action to be taken as required. Any significant variances would be reflected in the business plan.

Current monitoring indicated that:

- The housing revenue account balance would be maintained at or above the adopted level.
- The position on the HRA business plan remained in a healthy position.

The Housing Accountant highlighted one variation in the HRA which was contribution to capital for the purchase of four flats in Exmouth.

RESOLVED: that the variances identified as part of the HRA revenue and capital monitoring process up to month eight be acknowledged.

*58 **Housing rents – systems thinking review**

The board had received a presentation and report from the rental manager on the findings of a systems thinking review of day to day rent account management for tenants. The report highlighted the findings of the 'check' phase and also identified the challenges ahead and a possible option to shape the future of the rents team. Due to the high performance of rental income collection and high levels of tenant satisfaction the outcome of the review was to make only minor changes and to continue with managing rents in the same efficient way.

The Rental Manager and his team were thanked for all the work they did in achieving such remarkable rent collection performance.

*58 **Housing rents – systems thinking review (cont'd)**

RESOLVED: that the findings of the systems thinking review of day to day rent account management for council tenants be noted.

59 **Preventing tenancy fraud**

The Head of Housing's report built on the council's approach to preventing tenancy fraud and considered a recent good practice document published by the chartered institute of housing.

RECOMMENDED: that regard be had to the chartered institute of housing's good practice advice on tackling tenancy fraud when implementing local policy and practice.

60 **Downsizing and mutual exchange**

Following a report on downsizing at the board meeting on 7 November 2013, board members asked for clarification of the downsizing and mutual exchange processes to be provided in plain English for mutual approval by the board. The Housing Needs and Strategy Manager's report set out the current information available to the public and asked the board to consider any changes to the wording that might be necessary.

After much debate it was voted that the downsizing policy wording would remain as it was, without the addition of paper application forms being available on request. The only amendment that would be made was under the heading 'what if my current property is adapted to meet my special needs?' Here it was agreed that the word 'will' would be changed to 'may' so that the paragraph would read 'If your current property has adaptations to enable you to live there, we **may** need you to move to a property that has already been adapted to suit your needs'.

- RECOMMENDED:**
- 1 that the wording of the existing leaflet, tenant handbook and website information for downsizing be agreed, subject to changing 'will' to 'may' under the heading 'what if my current property is adapted to meet my special needs?'
 - 2 that the wording of the existing leaflet, tenant handbook and website information for mutual exchanges be agreed.

Chairman

Date

EAST DEVON DISTRICT COUNCIL

Minutes of a meeting of the East Devon Recycling and Refuse Partnership Board, held at Knowle, Sidmouth, on 22 January 2014

Present:	Councillors: Ian Chubb – Portfolio Holder, Environment (Chairman) Tom Wright – Deputy Portfolio Holder, Environment (Vice Chairman) Geoff Pook
SITA:	Rick Aldridge – Senior Contract Manager Darren Lockett – Regional Manager
Officers	Louise Bennett – Waste Management Officer Paul Deakin – Waste and Recycling Manager Andrew Hancock - StreetScene Manager Alethea Thompson – Democratic Services Officer
Also present	Future Waste and Recycling Manager
Apologies:	Councillor David Cox – Portfolio Holder, Finance Councillor Steve Gazzard Cherise Foster – Customer Service Manager

The meeting started at 10.00 am and finished at 12.05 pm.

***26 Minutes**

The minutes of the Recycling and Refuse Partnership Board meeting held on 23 October 2013 were agreed and signed as a true record.

27 Matters arising

Citizen app

The Waste and Recycling Manager reported that so far 500 Apple users had downloaded the app, and it had been downloaded onto 150 android devices, with an additional 50 users signing up each week. Almost all of the users had signed up to receive bin collection reminders (about 700 notifications per week) and the app had been rated as a 4 or 5 out of 5 by all respondents. More publicity with the Communications Team was planned for February and it would appear on the front page of the Council's website.

Waste electrical and electronic equipment (WEE)

The Waste and Recycling Manager reported that the Council's document management centre was currently working on the publicity leaflets for the project.

Christmas collections bin hanger

It was reported that these had been very well received, with a lot of positive feedback. It was suggested that the same approach be used for Christmas 2014.

***27 Matters arising (cont'd)**

RSM Tenon – Value for money report

The Waste and Recycling Manager asked the Board to consider whether it wanted Baker Tilly to undertake a forensic accounting audit during 2014. It was noted that SITA would pay for half of the cost of the audit and the Board agreed the fee to review the contract represented good value for money compared with the total value of the contract.

Waste and Recycling Manager

The new Waste and Recycling Contract Manager was formally welcomed to the meeting. It was noted that he would commence his employment on 1 April 2014.

RECOMMENDED that a forensic accounting audit be commissioned for 2014.

***28 Statistical Information**

The Board considered a report presented by the Waste and Recycling Manager, setting out statistical and operational data on missed collections, finance and SITA key performance indicators.

The number of logged calls to CSC had decreased and the report showed a generally good picture.

The Board noted that there had been a welcome decrease in the number of landfill missed collections, partly due to new staffing and supervision arrangements. The SITA Contract Manager advised that missed collection graphs were produced and displayed at the SITA depot and a small monthly reward offered for the best performing team. This added an element of competition between the teams and had aided the reduction in missed collections.

The Waste and Recycling Manager reported that recycling performance was showing a downward trend in East Devon's recycling rate for the first two quarters of 2013/14. The Waste Management team had a plan to target low performance in certain areas of East Devon.

29 Integrated Devon waste service

The Board received a presentation from the Waste and Recycling Manager on the implications of the integrated Devon waste service. The initial work on the Devon waste partnership project was carried out by officers. Funding was then received from DAWRRC (Devon Authorities Waste Reduction and Recycling Committee) to employ Eunomia research and consulting to develop an outline business case. A full copy of the 'feasibility report for developing a detailed business case for change', carried out by Eunomia was included with the agenda papers.

The presentation outlined where changes could be achieved:

- Collection logistics
- Productivity
- Admin/management costs
- Co-ordinated infrastructure
- Purchasing efficiencies
- Performance improvements
- New revenues

29 Integrated Devon waste service (continued)

It also demonstrated the keenness of each authority to pursue a Devon waste service. The two proposed scenarios using a local authority company were:

- A fully integrated Devon waste service
- A cluster arrangement with 3 areas:
 - East Devon, Exeter and Mid Devon
 - North Devon and Torridge
 - South Hams, Teignbridge and West Devon

In order to facilitate cost savings and bring all the services into line it was suggested that EDDC's contract renewal be delayed by a year, to 2017. It was noted that a clause under EU procurement rules allowed for this, although confirmation of this would be obtained from the legal department.

The presentation showed the cost savings. The potential costs before inception were:

- One off costs
- Support services

Governance arrangements of clusters, versus Devon wide were considered. The presentation concluded that there were potential savings of 10-14% on the current budget, around half of which could be achieved without formal partnership. The sharing of avoided disposal savings was a key issues and more detail overall was needed on which to base firm decisions. Potentially EDDC could save £709,000 but this would depend on DCC's sharing of disposal services.

The Waste and Recycling Manager reported that the officers group had met the previous week and that there would be a board member meeting on 11 March 2014. At some point some commitment/intention from the authorities involved was needed.

The Board felt that Cabinet should be made aware of the Devon Waste Service Board Member meeting on 11 March 2014 and thought that it would be helpful for the Waste and Recycling Manager to present to Cabinet. The Board also stressed the need to market test commercial costings.

RECOMMENDED that the Waste and Recycling Manager present the implications of the integrated Devon waste service to the next Cabinet meeting and a report detailing the costs involved be brought to a future Cabinet meeting.

Cabinet be asked to note the work that has taken place on Integrated Devon and give delegated authority to the Recycling & Waste Contract Manager to move forward with this work, committing East Devon in principle to take a lead in progressing the work to try and deliver either a Devon wide integrated arrangement or a cluster arrangement.

30 Schedule 2 waste

The Waste and Recycling Manager's report explained that the Controlled Waste (England and Wales) Regulations 2012 came into force on 6 April 2012, to replace the Controlled Waste Regulations 1992, which specified which premises were required to pay for disposal and/or collection of their waste.

30 Schedule 2 waste (continued)

The new regulations re-classified a number of premises and allowed local authorities to charge for the disposal of waste from a wider range of non-domestic premises.

The Government had taken a number of steps to minimise the impact of the new regulations on small businesses and publicly-funded educational establishments, and as such certain exemptions from disposal costs had been included in an amendment to the regulations. The report outlined the key impacts of the new regulations and Devon County Council's (DCC) policy in each circumstance.

DCC did not initially implement the policy but would now do so from 1 April 2014. This would have an implication on the charges that EDDC made for the Schedule 2 collections it carried out. The disposal charge would apply to all premises that it had existing contracts with and any future customers. These premises would be written to and the changes explained. A copy of the proposed letter was included with the report and noted by the Board. Proposed price increases, including disposal charges were also considered and noted.

RECOMMENDED that the proposed charges for schedule 2 waste collection and disposal, be agreed as set out below;

Bin size	Proposed Charge for 2014/15	Charges in 2013/14
180 litres	£112.50 + 20% VAT = £135.00	£108.33 + 20% = £130.00
Disposal Charge	£38.44 + 20% VAT = £46.13	No charge levied by DCC
240 litres	£162.50 + 20% VAT = £195.00	£158.33 + 20% VAT = £190.00
Disposal Charge	£50.77 + 20% VAT = £60.92	No charge levied by DCC
660 litres	£308.33 + 20% VAT = £370.00	£300.00 + 20% VAT = £360.00
Disposal Charge	£140.69 + 20% VAT = £168.83	No charge levied by DCC
1100 litres	£450.00 + 20% VAT = £540.00	£425.00 + 20% VAT = £525.00
Disposal Charge	£234.43 + 20% VAT = £281.32	No charge levied by DCC

RESOLVED that the Waste and Recycling Manager's report be noted.

***31 New paper and glass contracts**

The Waste and Recycling Manager reported that from 1 January 2014 there had been a change in contracts for paper and glass. The costs and improved income received under the new contracts were noted. There was a significant increase in prices under the new contracts with a much greater income estimated for 2014.

***31 New paper and glass contracts (cont'd)**

On behalf of the Board the Chairman thanked the Waste and Recycling Manager.

32 Christmas 2014 and pay negotiations

The SITA Contract Manager asked the Board to consider a request from the workforce, through the union, to have no collections on the first Saturday after Christmas 2014 (27 December). This would enable the crews to have a Christmas break from Thursday (Christmas day) through to Monday 29 December 2014. The first Saturday collection would be on 3 January 2015 and the rounds would be caught up again by the third week in January. The Board expressed some concerns regarding the impact of delayed collections in Exmouth in particular and acknowledged the need to consult with Devon County Council. The Board agreed with the request in principle, but at a future meeting would consider how to operate a delay in collections and mitigating factors required when dealing with this.

The SITA Contract Manager went on to report that wage negotiations for 2014/15 would begin with the union in February and asked the Board to consider an acceptable figure. It was noted that the suggested figure had been included in the budget. It was noted that local authority workers' pay had been frozen for 4 years, with a 1% increase received in the current financial year and a 1% increase proposed for the forthcoming year.

- RECOMMENDED**
- 1 that in principle it be agreed that there would be no SITA collections on the first Saturday after Christmas, but further consideration be given to Christmas 2014 refuse and recycling collection dates to lessen the impact of a 4 day delay in collections, with a report being brought to a future Board meeting.
 - 2 that the wage increase for SITA employees, as included in the budget, be agreed.

***33 SITA Contract Manager's annual report**

SITA's Contract Manager presented his annual report to the Board which included:

- Overall tonnages
- Missed bins
- Recycling
- Refuse
- Staff costs
- Clinical collections
- Road traffic accidents
- Fuel costs

It was noted that there had been an increase in residual waste collections of 825 tonnes, partially due to the 740 additional properties that had been built in East Devon over the year. The Contract Manager reported that crews were having difficulties with access for collections in Cranbrook as little planning consideration had been given to the practicalities of bin collections. The Waste and Recycling Manager would continue to raise this issue with the planning department.

***33 SITA Contract Manager's annual report (cont'd)**

Direct labour costs and sickness levels had decreased. Overall fuel costs had decreased and there was a reduction in the overall cost of the fleet. This was mainly due to a reduction in the cost of maintenance to vehicles, with a vehicle workshop on site.

The total direct cost of the contract for 2013 of both refuse and recycling was noted.

The Contract Manager's report highlighted some challenges for the forthcoming year, including:

- Pay increase negotiations
- In-Cab technology to be introduced to vehicles
- To try to establish a disposal point or transfer facility closer to the depot for clinical waste
- The continued increase in properties being built in East Devon and possible reroute changes that may be necessary
- Change of disposal point from Greendale to Exeter EFW
- Change of point of disposal for the processing of food waste (incurring an increase in fuel costs)

The Chairman thanked the SITA Contract Manager for his report and the Board agreed that his formal congratulations should be sent to the SITA staff and supervisors for their continued efforts.

RESOLVED that the Chairman of the Board send an official letter of thanks to SITA staff and supervisors for their improved efforts and hard work.

***34 Communications update**

This item had already been covered earlier in the meeting. The need to further promote the citizen app was raised and it was noted that the Communications Team was trying to promote it nationally as a good example of a local authority app. The Board discussed whether the app should be integrated with the In-Cab technology and the Waste and Recycling Manager reported that he would try and arrange a demonstration of the In-Cab system at the next Board meeting

***35 Any other business**

Briefing document on DCLG "guidance on weekly rubbish collections"

The future Waste and Recycling Manager had produced a briefing note (circulated prior to the meeting) on Government guidance issued on how councils could and should deliver weekly rubbish collections. The solutions devised by local authorities who had retained weekly refuse collection were defined by the following four themes:

- Optimising resources
- Creating capacity
- Working in partnership
- Seeking innovation

***35 Any other business (cont'd)**

Briefing document on DCLG “guidance on weekly rubbish collections”

The Board considered and noted the guidance, as well as how the initiative schemes worked in reality and were audited.

***36 Next meeting**

RESOLVED that the next meeting of the Recycling and Refuse Partnership Board be held on Wednesday 23 April 2014, at 10am in the room one.

Chairman

Date

EAST DEVON DISTRICT COUNCIL

Notes of a Meeting of the New Homes Bonus Panel held at the Knowle, Sidmouth on Wednesday 22 January 2014

- Present:** Councillors:
Ray Bloxham (Chairman)
Trevor Cope
Douglas Hull
Stephanie Jones
Graham Troman
- Also Present:** Councillor:
John Hone (Devon County Council)
- Officers:** Jamie Buckley, Community Engagement and Funding Officer
Ali Eastland, Locality Development Officer, DCC
Chris Lane, Democratic Services Officer
- Apologies** Councillors:
Andrew Moulding
Peter Bowden

The meeting started at 10.00 am and finished at 10.50 am.

*8 **Minutes**

The notes of the previous meeting of the New Homes Bonus Panel held on 13 November 2013 were confirmed as a true record.

*9 **Declarations of interest**

Panel Member	Minute number	Type of interest	Nature of interest
Ray Bloxham		Personal	Resident of Cranbrook.

*10 **Chairman's remarks**

The Chairman welcomed all those present to the meeting.

*11 **Documentation**

The Parishes Together Fund guidance notes and application form, circulated with the agenda were noted.

12 **Application from Cranbrook Community Forum**

The Community Engagement and Funding Officer outlined the application which was for equipment of the Cranbrook Community forum and establishment of a community fund for the residents of Cranbrook. There was concern expressed that there was no evidence of support from surrounding parishes and confirmation of this support was needed. However, Members wished to express their support for this project and to emphasise that if the application was approved Parishes Together Funding would not be taken from surrounding parishes.

12 **Application from Cranbrook Community Forum (Cont)**

- RECOMMENDED:**
1. that an email be sent out on behalf of the Panel to all parish councils surrounding Cranbrook asking if they would wish to support Cranbrook Community Forums application for Parishes Together Funding;
 2. that a decision on this application be deferred until the meeting of the Panel on Wednesday 19 February 2014.

13 **Application from Bishops Clyst, Clyst St George and Farringdon Parish Councils for a project to install a third water tap at the Council allotments**

The Community Engagement and Funding Officer and the DCC Locality Development Officer outlined the application which was to install a third water tap at Council allotments. The application had encouraged all the parishes to work together.

- RECOMMENDED:** that the Bishops Clyst, Clyst St George and Farringdon Parish Councils application for funding of £595 for a project to install a third water tap at the Council allotments be supported.

14 **Application from Kilmington, Shute and Whitford Parish Councils**

The Community Engagement and Funding Officer and the DCC Locality Development Officer outlined the application which was to open up a small section of woodland between the two parishes to allow increased public access using logs from the clearance as seating for the public. Both parishes had worked well together on this project.

- RECOMMENDED:** that the Kilmington, Shute and Whitford Parish Councils application for £1,320 of funding be supported.

15 **Application from Exmouth Town Council**

The DCC Locality Development Officer outlined the application for the provision of mobile CCTV provision in Exmouth. The project had a lot of community support and also had the support of surrounding parishes. The Community Engagement and Funding Officer reported that the camera recording was of double-HD quality.

- RECOMMENDED:** that the Exmouth Town Council application for £10,200 of funding for mobile CCTV equipment be supported.

*16 **Application from Stoke Canon and Rewe Parish Councils**

Members received photographs of work which had been undertaken to renew the ground area of the play park at Stoke Canon. This application had received support at the meeting on 13 March 2013 (Minute no 24 (b) refers).

*17 **Dates of future meetings**

Wednesday 19 February 2014 at 10.00am

Monday 17 March 2014 at 10.00am

Agenda Item 13

Cabinet Report

5 February 2014

SD



Revenue and Capital Estimates 2014/15 – key decision

Summary

The Cabinet adopted draft Revenue and Capital Estimates for 2014/15 at its meeting on 8 January 2014. A Special Overview and Scrutiny Committee meeting reviewed those budgets on 15 January and the Housing Review Board considered the Housing Revenue Account budgets on 9 January.

No amendments have been proposed from these meetings which affect the draft budget for the General Fund Revenue Account or the Capital Budget. Recommendations have been made by the Housing Review Board relating to the Housing Revenue Account budget adding an additional £80,000 to the 2014/15 budget. This amendment has been reflected in this report along with the recommendations proposed.

Cabinet members did agree a report on the Restructure of the Countryside Service at its January meeting which required £3,000 being added to the General Fund budget for 2014/15; this amendment has been reflected in this report along with the recommendations.

This Cabinet agenda contains recommendations affecting the 2014/15 and for the purpose of this report it has been assumed these will be accepted, should this not be the case then figures presented in this report will need to be amended appropriately. The requests are:

- £0.050m to be added to the 2014/15 capital programme in relation to the Seaton Jurassic Project, the amount has been included in the capital programme sums outlined in this report.
- Recommendations from the Leisure East Devon Joint Working Group (minutes contained on Agenda);
 - £0.120m addition to the Capital Programme for improvement works at Exmouth Pavilion.
 - To provide LED with advantageous financing arrangements through the Council securing a Public Works Loan Board loan for improvements in Exmouth Leisure Centre totalling £1.45m; all loan interest and repayment costs to be met by LED. This is shown as a capital expenditure for the Council covered by a PWLB loan.

The Cabinet is asked to make final recommendations to Council.

As part of the Prudential Code for Capital Finance in Local Authorities the Council is also required to set prudential indicators as part of its budget setting process and these are appended to this report.

Recommendation

It is recommended:

1. That the Net Revenue General Fund Estimates of £13.803m are approved giving a net surplus of £0.069m to be paid into the General Fund Balance.
2. A Council Tax requirement is set for 2014/15 at £6.582m with a resulting Council Tax Band 'D' of £121.78 (2013/14 £121.78).
3. That the Housing Revenue Account Estimates with a net surplus of £1.065m are approved.
4. Council House Rents are increased from April 2014 in line with the Rent Convergence restructuring scheme with the general increase being given at a 5.29% increase.
5. Council garage rents are increased from April 2014 by 3%.
6. That the Capital Budget totalling £19,476m is approved.
7. That the Prudential indicators detailed in Appendix A of this report are adopted.

a) Reasons for Recommendation

There is a requirement for the Council to set a balanced budget for both the General Fund and Housing Revenue Account and to levy a Council Tax for 2014/15.

b) Alternative Options

Please see main body of report

c) Risk Considerations

Risks have been considered in preparing the budgets and the financial implications have been assessed at the point of preparation. Various budget assumptions have been made including the treatment of inflation and interest rates; estimates on the level and timing of capital receipts; the treatment of demand led pressures; the treatment of planned efficiency savings/productivity gains; levels of income; financial risks inherent in any new arrangements; capital developments; the availability of funds to deal with major contingencies and the need for any provisions. In each of these areas the Council's financial standing, management and track record has been considered in order to prepare robust budget proposals.

Equality impact assessments were made by budget managers with finance officers during the budget preparation stage with consideration given to any budget variation which could result in any service changes being assessed as high, medium, or low in terms of equality impact. Due to the fact that no high or medium impacts were identified it is deemed that a full impact assessment is not necessary for implications in the budget proposals.

d) Policy and Budgetary Considerations

The estimates have been prepared in line with the Council Plan and in conjunction with the Council's Financial Strategy.

A detailed assessment of the key financial risks were outlined in the draft budget report to Cabinet on the 8 January 2014, these risks still remain.

Positive Impact Overall

Affordable Homes.

Thriving Economy.

Safe Environment.

Clean Environment.

Green Environment.

Recycling.

Excellent Customer Service.

Inspirational Council.

Meeting our crime and disorder duties.

Meeting our Diversity and Equality duties.

Providing more service at same cost.

Providing same service at less cost.

Create Cashable Savings

e) Date for Review of Decision

Full Council 26 February 2014

1. Introduction.

1.1 The Cabinet adopted draft revenue and capital estimates on the 8 January 2014.

1.2 The estimates and associated service implications were then considered by:

- A special meeting of the Overview and Scrutiny Committee on 15 January.
- The Housing Review Board considered the Housing Revenue Account (HRA) estimates at its meeting on 9 January.
- We were invited to a meeting of the East Devon Business Support Group to present the Council's draft budget proposals on 21 January whereby representatives of the business community were invited to make comment on the draft budget.

2. Update and Summary of recommendations to Cabinet.

2.1 A detailed report was presented to Cabinet on 8 January on the Revenue and Capital estimates for 2014/15 along with the detailed estimate book showing the draft budget, service by service, with main variations to the current year budget explained.

2.2 The minutes of the Overview and Scrutiny Committee meeting on 15 January and the Housing Review Board meeting of 9 January are contained on this agenda.

General Fund Budget

- 2.3 The draft General Fund budget adopted by Cabinet on 8 January proposed a surplus position of £0.072m.
- 2.4 At the same meeting Cabinet agreed to a report relating to the restructuring of the Countryside Team, this required an increase to the staffing budget of £0.003m. Thereby reducing the final 2014/15 budget position to a surplus of £0.069m.
- 2.5 The recommendation of the Overview and Scrutiny Committee after careful consideration of the budget and service plans made no amendments to the draft budget proposals.
- 2.6 No budget amendments were proposed by the East Devon Business Support Group.

Housing Revenue Account Budget

- 2.7 The draft Housing Revenue Account budget adopted by Cabinet proposed a surplus of £1.145m.
- 2.8 After debate and consideration the Housing Review Broad proposed the following additions to the 2014/15 HRA budget:
- £0.065m to be added to the asbestos works budget, giving a total of £0.115m. This followed a discussion at the meeting when the Board were advised by the Housing Needs & Strategy Manager of the findings of surveys and subsequent work required and the need to increase this budget.
 - £0.015m was added for annual software licence costs for the new Housing IT system. The exact amount and timing was not known until after the draft budget was published.
- 2.9 This has amended the 2014/15 surplus to £1.065m, a reduction of £0.080m.

Capital Budget

- 2.10 No amendments have been proposed to the draft budget originally adopted by Cabinet from Overview and Scrutiny. There is however a report on this agenda requesting an additional £0.050m to be made available for Project Management of the Seaton Jurassic Project. For the purpose of this report it has been assumed that this will be agreed; if not then the capital budget and use of the Capital Reserve will be reduced by £0.050m.
- 2.11 Included on this Cabinet agenda are the minutes and recommendations from the Leisure East Devon Joint Working Group meeting of 22 January. These are included in Part B papers but the recommendations affecting the 2014/15 budget are;
- £0.120m addition to the Capital Programme for improvement works at Exmouth Pavilion. The intention is these works will generate revenue

income to help mitigate the increasing subsidy level required for this facility. This amount includes the refurbishment of the female toilets which the Council's property services team submitted as a capital bid for 2014/15 of £0.040m, this was excluded from the Programme until the outcome of the Working Group discussions. In addition LED are to invest £0.090m of their funds in the Pavilion.

- To provide LED with advantageous financing arrangements through the Council securing a Public Works Loan Board loan for improvements in Exmouth Leisure Centre totalling £1.45m; all loan interest and repayment costs to be met by LED. This is shown as a capital expenditure for the Council covered by a PWLB loan.

These two items have now been included in the Capital Programme, however if Cabinet decide not to recommend one or both these budget amendments then the Capital Programme will need adjusting accordingly.

3. Confirmation of Revenue and Capital Estimates 2014/15

3.1 In summary the position for 2014/15 considering the above is as follows;

General Fund

Proposed Figures:	General Fund Revenue £000
Net Expenditure	
Funded from:	13,803
Government Formula Grant	(2,502)
Government Business Rates Baseline	(2,264)
Additional Business Rate Income	(242)
Local Services Support Grant (Homelessness)	(98)
Council Tax Freeze Grant – from 2011/12	(173)
Council Tax Freeze Grant – from 2013/14	(71)
Council Tax Freeze Grant – from 2014/15	(66)
External Interest Receipts	(309)
External Loan Payments	132
Procurement Savings Target	(70)
New Homes Bonus	(958)
New Homes Bonus (returned by Government prev. yr)	(6)
Earmarked Reserves	(821)
Council Tax Grant Payment to Town & parish Councils	158
Payment to General Fund Balance	69
Income required from Council Tax payers	(£6,582)

- The 2014/15 Council Tax Base has been determined at 54,047, equivalent Band “D” properties. This is used to calculate the Council Tax for a Band D property.
- The amount required from Council Tax payers in 2014/15 is £6,581,840 which results in a Council Tax Band ‘D’ of £121.78 (the same amount since 2010/11).

Housing Revenue Account

Proposed Figures:	HRA £000
Expenditure	13,522
Funded from:	
Property and Garage Rents	(17,622)
Other rents & Income	(72)
External Interest Receipts	(33)
External Loan Payments	3,140
Transfer to Housing Revenue Account Balance	£1,065

- Council House Rents are increased from April 2014 in line with the Rent Convergence restructuring scheme with the general increase being given at a 5.29% increase.

Individual property rent increases will vary dependant on the current rent level and the target rent for each property at the end of the convergence period.

- Council garage rents are increased from April 2014 by 3%.
- The external loan payments relate in the main to the interest amount on the loans totalling £84.782m taken out on 28 March 2012 to make a payment to Government under the implementation of self financing.

Capital Programme

Proposed Figures:	Capital £000
Proposed Programme (net of direct grants)	19,476
Funded from:	
In year Receipts – General Fund	(5,358)
In year Receipts – Housing Revenue Account	(374)
DCLG Regional Growth Fund	(5,645)
HRA revenue contribution	(5,401)
PWLB Loan – Exmouth Leisure Centre Improvements	(1,450)
New Homes Bonus	(372)
Shortfall met from Capital Reserve	(£876)

The amount required to balance the Capital Programme is £0.876m which is to be met from the Capital Reserve. This includes an additional £0.050m for Project Management of the Seaton Jurassic Project and £0.120m for Exmouth Pavilion improvements. Should these not be approved the amount required from the Capital Reserve would reduce by these amounts. The costs associated with Exmouth Leisure Centre improvements of £1.450m is included within the expenditure sum and then covered by a loan from the PWLB therefore not affecting the sum to be taken from the Capital Reserve.

4. Council's Balances and Reserves

4.1 After taking account of proposals in the 2014/15 budgets then the expected balances at the 31 March are:

Reserve/Balance	Estimated Balance 31 March 2014 £000	Movement In 2014/15 £000	Estimated Balance 31 March 2015 £000	Agreed Levels £000
General Fund (see note 1)	(£3,600)		(£3,269)	Between (£2.8m) & (£3.6m)
In year surplus		(£ 69)		
Transfer to NHB Volatility Fund		£ 400		
HRA (see note 2)	(£4,049)	(£1,065)	(£5,114)	(£2.1m) minimum in any year of the 30 yr Business Plan
Debt Volatility Fund	(£1,710)	-	(£1,710)	
Capital Reserve (see note 3)	(£2,821)	£ 876	(£1,945)	-

Notes: (1) **General Fund balance**

The General Fund Balance is currently predicted to be above the maximum level by £0.551m at the end of 2013/14. If a surplus position does materialise then a decision will be required on its use when the final Outturn position is reported to Cabinet in June. The above table assumes the level at the start of 2014/15 will be no more than the maximum level of £3.6m.

Under the budget proposals the General Fund balance is estimated to remain within the adopted range of £2.8m and £3.6m during 2014/15.

(2) **Housing Revenue Account Balance**

The Housing Revenue Account Balance at 31 March 2015 is estimated at £6.824m, with the Debt Volatility Fund included. This is £4.724m above the adopted level.

The 30 year HRA Business Plan taking all debt repayments into account does not reduce the HRA Balance in any year below the minimum level.

(3) **Capital Reserve**

A balance remains in the Capital Reserve at the end of 2014/15 of £1.945m. As stated in the 8 January budget report the Reserve does fluctuate between years with the flows of expenditure and capital receipts mainly relating to Exmouth regeneration projects (which will be subject to separate Cabinet reports for detailed approval).

The Reserve remains with an estimated balance of £2.858m at the end of 2016/17 to help fund the future capital programme, this will vary depending on new schemes approved following the 2014/15 budget year.

4.2 The Council has other reserves as outlined in the draft budget report to the Cabinet at its last meeting, these being:

- **Transformation Reserve**

The uncommitted balance on this reserve is currently £0.828m. A request is likely to be made to Cabinet in the future in the order of £0.2m for the set up costs associated with the ICT shared service proposal if approved.

The Reserve is set aside to assist the Council's transformation programme by meeting upfront costs necessarily incurred in order to produce savings in future years.

- **Local Authority Business Growth Incentive Scheme Reserve**

The purpose of this reserve is to promote and deliver economic development. The uncommitted sum on this reserve is currently £0.075m.

- **Asset Maintenance Reserve**

The balance on this Reserve at the end of 2014/15 is estimated to be £0.875m. This is currently used at a rate of around £0.200m a year to support any building backlog maintenance work and one off unexpected items of asset failure should they arise. Details of spend are presented to the Asset Management Forum.

- **Business Rates Volatility Fund**

The 2013/14 budget was prepared based on the Government Finance settlement figures and the "start up" funding accessed by Government under the Business Rate Retention Scheme.

Since these figures were released by Government the Council was required to make its own assessment of likely business rate income in 2013/14 through a NNDR1 Return (National Non Domestic Rates (Business Rates)) to Government. This is the assessment used to precept on the Business Rates Collection Fund and the income the Council will receive in 2013/14. Any actual surpluses or deficits that occur against this estimate will be adjusted for in

the following year; this operates in the same way as the Council Tax Collection Fund arrangements.

The difference between the NNDR1 estimate and the start up funding assessment was additional income to the Council of £0.325m. This was held during 2013/14 in a Fund and not taken as income in our 2013/14 budget. As we near the end of 2013/14 we can with more certainty use this income as our projections look sound and the £0.325m is being used as income in the 2014/15 budget.

The same principle is being adopted for 2014/15 in that the Government assessment figure has been used in the budget (with slight adjustment for RPI increase (capped at 2%)).

The Government have been extremely late in issuing its NNDR1 form for 2014/15 so the amount we can expect to hold in the Fund for 2014/15 is unknown at the time preparing this report. A verbal update will be given at the Cabinet meeting on 5 February.

- **New Homes Bonus Volatility Fund**

In using an agreed element of New Homes Bonus monies to help fund General Fund costs members agreed to establish this Fund to mitigate the risk of the scheme or projected income differing from the current position.

The Council set aside £0.273m in this Fund at the 2012/13 Outturn stage. The 2014/15 budget sets aside £0.493m from NHB monies to be received in year and the £0.400m from the General Fund Balance giving the required level in the Fund of £1.166m as previously agreed (Cabinet 3 April 2013).

5 Future General Fund Budgets

- 5.1 It is considered that good progress has been made already in balancing the 2015/16 budget and Members will receive an update in March/April of the latest Medium Term Financial Plan (MTFP) position and proposals on how to deliver a balanced budget for future years.

6. The Prudential Code for Capital Finance in Local Authorities

- 6.1 The Prudential Code for Capital Finance in Local Authorities gives the requirement to report on a series of prudential indicators, which are designed to support and record local decision making. These indicators are required to be part of the Council's budget setting report and attempt to show the overall effect on various financing and borrowing strategies that the Council plans to adopt over the next three financial years. These indicators will be monitored and reported and when necessary updated to reflect any changes in policy.
- 6.2 This Council's prudential indicators are shown in Appendix A to this report and include some explanations to assist Members in understanding the purpose of each indicator.

Legal Implications

Financial Implications

Details are contained within the body of the report.

Consultation on Reports to the Executive

Details of this report have been considered by the Overview and Scrutiny, the Housing Review Board and the East Devon Business Support Group.

Background Papers

Simon Davey ext 2690
Head of Finance

Cabinet
30 January 2013

Prudential Indicators for East Devon District Council

1.0 Introduction

1.1 As part of the Prudential Code for Capital Finance in Local Authorities, the Council is required to attach the following Prudential Indicators to the annual budget setting report.

These indicators help show the effect of various financing and borrowing strategies that the Council plans to adopt over the next three financial years.

1.2 The Prudential Code and the indicators set, support the system of capital investment in the authority. They are set with regard to:

- Service objectives – strategic planning for the authority
- Stewardship of assets – asset management planning
- Value for money – option appraisal
- Prudence and sustainability – external borrowing implications
- Affordability – implications for council tax and housing rents
- Practicality – achievability of the forward plan

The indicators also act as an early warning system, to flag up if the Council decides to set capital programmes without the necessary finances to fund them.

1.3 Tables 1 to 9, detail all the Prudential Indicators that are required to be attached to this budget report.

1.4 The indicators shown in this report exclude any capital and borrowing implications of any decision that full Council may make on Office Relocation. Once a decision is reached, revised indicators will be submitted for approval.

2.0 Affordability Indicators

2.1 Estimated and actual ratio of financing costs to net revenue stream

Table 1 shows how this indicator is calculated. A positive figure indicates external debt.

Table 1: Basis of calculation for ratio of financing costs to net revenue stream			
General Fund (GF):			
Financing costs	÷	Budget requirement	= The ratio of financing costs to net revenue stream (General Fund)
Minimum Revenue Provision (see 9.0)		Revenue Support Grant	as a %
Plus		+ Council Tax	
Interest charged on loans			

and Finance Leases			
Less			
Interest earned on investments			
Housing Revenue Account (HRA):			
Financing costs	÷	Budget requirement	= The ratio of financing costs to net revenue stream (HRA)
Voluntary Revenue Provision (see 9.0)		Council house tenants income	as a %
Plus		+/- Contribution to or from HRA reserves	
Interest charged on loans and Finance Leases			
Less			
Interest earned on investments			

Table 2 shows both the actual ratio of financing costs to net revenue stream for 2012/13 and the estimates for 2013/14 to 2016/17.

Table 2 Ratio of Financing Costs to Net Revenue Stream					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	%	%	%	%	%
General Fund	0.55	0.68	1.96	1.31	(0.60)
HRA	20.50	16.39	18.88	20.75	22.49

The General Fund ratio rises as financing costs increase due to reduced interest receipts and new capital loans. In 2015/16 the financing costs start to fall in line with expectations of higher interest receipts and so the ratio also falls.

The initial drop in the HRA ratio is due an increased budget requirement as spending on improving the housing stock increases. This results in reduced surplus going into reserves. The ratio then rises again from 2014/15 as the HRA self financing loans become due.

2.2 **Estimates of incremental impact of new capital investment decisions on Council Tax and average Weekly Housing Rents**

Table 3 shows the incremental impact of capital investment decisions proposed in this budget report. Only the financing costs associated with capital loans are included.

The indicator takes into account the Council Tax base of 54,047 and housing stock of 4,252 for 2013/14.

Table 3 Incremental Impact of new capital investment decisions on Council Tax and Weekly Housing Rents					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£	£	£	£	£
Band D Annual Council Tax	1.25	1.45	6.01	5.96	5.66
Average Weekly Housing Rent	11.35	11.41	14.07	16.13	18.24

- 2.3 The Council's General Fund (GF) currently has one annuity loan of £0.522 million from the Public Works Loan Board (PWLB) for Recycling & Refuse, resulting in debt repayments of £72,079 (includes interest of £17,743). This loan is at a fixed rate of interest and includes both repayment of principal and interest.

The GF also has one maturity PWLB Loan of £0.305 million, resulting in interest payments of £5,307. We have then loaned this onto Beer Community Land Trust Limited with the same rates as the loan taken out. This loan is to facilitate the building of affordable housing in Beer for the local community, and there is agreement from council for up to a total of £1.06 million to be loaned to the trust.

- 2.4 The Council's Housing Revenue Account (HRA) has 24 maturity PWLB Loans, taken out under the self financing regime, totalling £84.376 million, resulting in interest payments of £2.5 million. The principle amount borrowed is repayable at the end of the loan, with the first repayment due to be made in 2014/15.

These loan repayments have been profiled in line with the business plan generating resources to be able to repay the principle, with a balance being struck between repaying as soon as possible and allowing the HRA to generate sufficient surpluses as a cushion against uncertainties and enabling it to carryout improvements to stock.

The HRA also has one Annuity PWLB loan of £0.639 million, resulting in debt repayments of £39,110 (includes interest of £4,871). This loan is at a fixed rate of interest and includes both repayment of principal and interest.

The financing effect of these loans on average weekly rents was £11.35 in 2012/13. (See table 3)

- 2.5 The 2013/14 Capital Programme includes provision for a new 10 year PWLB loan of £770,000. This will result in estimated repayments of £89,125 based on rates available at 16th December 2013.

Also there is provision for the Council to loan £1 million to Exeter Science Park, which the Council will borrow from the PWLB resulting in estimated interest payments of £39,200.

- 2.6 The 2014/15 Capital Programme includes provision for a new 20 year PWLB loan of £1.45 Million. This will result in

estimated repayments of £106,384 based on rates available at 21st January 2014.

We will then be loaning this on to LED for the Exmouth Leisure Centre Enhancement Programme, at the same rates as the loan is taken out.

The effect of these Capital loans is an increase of £4.56 in the proportion of the Councils Band D tax level used for capital financing costs. This increases from £1.45 in 2012/13 to £6.01 in 2014/15 (See table 3).

3.0 Prudence

3.1 Capital Financing Requirement (CFR)

The Council's Capital Programme is funded from various sources:

- Use of capital receipts (sale proceeds from property)
- Contributions from revenue budgets
- Capital grants e.g. Environment Agency Grants, Disabled Facility Grant
- Contributions from other parties e.g. Devon County Council

This leaves an unfunded balance which can be met from reserves or borrowing. The Capital Reserve at Year End 2012/13 stood at £2.595 Million.

The Capital Financing Requirement (CFR) represents the Council's underlying need to borrow for capital purposes less any principal already repaid.

Table 4 shows both the actual CFR for 2012/13 and the estimates for 2013/14 to 2016/17.

Table 4 Capital Financing Requirement (CFR)					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
General Fund	496	3,211	4,513	4,336	3,153
Housing Revenue Account	85,012	85,007	84,427	83,398	81,908
Totals	85,508	88,218	88,940	87,734	85,061
Movement in CFR	(58)	2,710	722	(1,206)	(2,673)
Movement in CFR Represented by					
Net Financing need for the year	0	2,770	1,450	0	0
Less MRP* and other financing movements	(58)	(60)	(728)	(1,206)	(2,673)
	(58)	2,710	722	(1,206)	(2,673)

* MRP – Minimum Revenue Provision

3.2 Gross Debt

Table 5 shows the Council's gross debt for 2012/13 and the estimated debt balance as each year end from 2013/14 to 2016/17.

Table 5 Total Borrowing Outstanding					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
Borrowing					
General Fund	3,196	9,461	10,913	10,866	9,813
Housing Revenue Account	85,012	85,007	84,427	83,398	81,908
Total Borrowing	88,208	94,468	95,340	94,264	91,721

3.3 Gross Debt v CFR

A comparison of the Councils Gross Debt to CFR is required by the Prudential Code, with explanations of any variances, to ensure that over the medium term the council only borrows to fund its capital programme. This is shown in table 6.

Table 6 Gross Debt v Capital Financing Requirement					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
Gross Debt	88,208	94,468	95,340	94,264	91,721
Total CFR	85,508	88,218	88,940	87,734	85,061
Sub total	2,700	6,250	6,400	6,530	6,660
Cash Flow Borrowing	2,700	6,250	6,400	6,530	6,660
Variance	0	0	0	0	0

The 2012/13 Statement of Accounts showed £2.7 million short term borrowing for cash flow purposes and £85.5 million in loans from Public Works Loan Board (PWLb). From 2013/14 onwards estimates are used, based on known and expected borrowing both for capital and cash flow purposes.

4.0 Capital Expenditure to be incurred

Table 7 shows both actual capital expenditure incurred in 2012/13 and estimates for the years 2013/14 to 2016/17.

Table 7 Total Capital Expenditure to be incurred (Actual and Estimated)					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
General Fund	6,167	14,047	13,701	5,168	6,040
HRA	1,245	1,914	625	625	625
Sub Total	7,412	15,961	14,326	5,793	6,665
Major Repairs	3,664	5,150	5,150	5,150	5,150
Total	11,706	21,111	19,476	10,943	11,815

These figures show the Council's capital programme net of any grants or contributions received from third parties e.g. Environment Agency, Arts Council.

Capital expenditure also includes the major repairs capital expenditure which for accounting purposes is shown within the HRA.

5.0 Authorised Limit for External Debt

5.1 The authorised limit is based on the Council's estimate of the most likely and prudent requirement for external debt (borrowing) during the year (the operational boundary) plus additional headroom for unusual cash movements.

5.2 For the General Fund the headroom is set at £3 Million.

For the HRA we have used the debt cap of £87.844 Million set by the Government as the authorised limit.

5.3 External debt is the sum of both capital items (see 3.1 above) and short term borrowings to meet day to day cash flow variations.

5.4 In respect of its external debt, it is recommended that the Council approves the following authorised limits for its total external debt and to delegate authority to the Section 151 Officer (Head of Finance), to operate within the total limit for any individual year.

5.5 It will be the duty of the Section 151 Officer to ensure that the authorised limits are consistent with the Council's current and future capital requirements. This limit should take account of risk management strategies, with regard to capital schemes and all future cash flow predictions and includes headroom for unusual cash movements.

5.6 Table 8 shows the actual external debt for 2012/13 and the Authorised Limit for external debt for 2013/14 to 2016/17, based on estimates for capital expenditure and financing.

Table 8 Authorised Limit for External debt (Estimated)					
	Actual	Per 14/15 Estimates as at 06/01/14			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
Borrowing - General Fund	3,196	12,461	13,913	13,913	13,866
Other LTL's* - General Fund	638	568	568	407	428
General Fund Total	3,834	13,029	14,482	14,321	14,294
Borrowing - HRA	85,012	87,844	87,844	87,844	87,844
Other LTL's* - HRA	0	0	0	0	0
HRA Total	85,012	87,844	87,844	87,844	87,844
Overall Total	88,846	100,873	102,326	102,165	102,138

*LTL's – Long Term Liabilities, e.g. Finance lease costs.

6.0 Operational Boundary for External Debt

- 6.1 The operational boundary for external debt is based on the same estimates that were used to derive the authorised limit, above, with the amount included as 'headroom' removed.

This is the level of external debt that the Council estimates will be undertaken during any one year. The Council is asked to approve these limits and to delegate authority to the Section 151 Officer to exceed these agreed limits and report back to you, immediately after the event.

	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
Borrowing - General Fund	3,196	9,461	10,913	10,913	10,866
Other LTL's* - General Fund	638	568	568	407	428
General Fund Total	3,834	10,029	11,482	11,321	11,294
Borrowing - HRA	85,012	85,007	85,007	84,427	83,398
Other LTL's* - HRA	0	0	0	0	0
HRA Total	85,012	85,007	85,007	84,427	83,398
Overall Total	88,846	95,036	96,488	95,747	94,692

*LTL's – Long Term Liabilities, e.g. Finance lease costs.

7.0 External Debt

- 7.1 The Council's actual external debt at 31 March 2013 was £88.85 Million (General Fund £3.84m and HRA £85.01m).

8.0 Treasury Management

- 8.1 The Council adopts the CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes.

All treasury management matters will be undertaken in accordance with the code, which recommends best practice in treasury management, including setting a strategy and reporting requirements.

9.0 Minimum Revenue Provision

The Council is required to pay off an element of the accumulated General Fund Capital Financing Requirement (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).

CLG regulations require Full Council to approve an MRP Statement in advance of each year. This has to be a prudent provision and a number of options are available to councils.

It is recommended that Council approve the following MRP Statement:

For all unsupported borrowing (including PFI and finance leases) the MRP policy will be;

- Asset life (Annuity) Method; – MRP is the principal element for the year of the annuity required to repay over the asset life the amount of capital expenditure financed by borrowing (option 3)

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

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made. In practice a loan repayment scheme has been defined based on the business plan, with a balance being struck between repaying as soon as possible and allowing the HRA to generate sufficient surpluses as a cushion against uncertainties and to carry out improvements to stock.

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

Claire Read
Accountant

Cabinet
5 February 2014

Agenda Item 13

Cabinet

5 February 2014

TMS-1415



2014/15 Treasury Management Strategy

Summary

The Chartered Institute of Public Finance and Accountancy (CIPFA) produce a Code of Practice for Treasury Management in the Public Services. One of the main recommendations of this code is the requirement to have an annual Treasury Management Strategy formally adopted by the Council. There is also a requirement to set prudential indicators relating to all treasury activities that the authority will undertake in the forthcoming financial year. These indicators are appended to the 2014/15 budget report included on the agenda.

Recommendation

Cabinet recommends that the Council adopts this Treasury Management Strategy for 2014/15.

a) Reasons for Recommendation

The Council is required to formally adopt a Treasury Management Strategy before the beginning of the financial year.

b) Alternative Options

To not adopt the strategy.

c) Risk Considerations

The Council would fail to comply with CIPFA recommended 'best practice' for treasury management.

d) Policy and Budgetary Considerations

Recommending a Treasury Management Strategy provides a clear working framework for officers to adhere to in all aspects of their treasury management duties

e) Date for Review of Decision

February 2015

1. Introduction

1.1 Background

The Council operates its treasury management function with reference to the Chartered Institute of Public Finance & Accounting Guidance laid out in the Code of Practice for Treasury Management in Public Services (CIPFA Code) and the department for Communities & Local Government (CLG) guidance on Local Government Investments.

The two main functions of treasury management are:

- Ensuring the Council's cash flow is planned and that cash is available when needed.
- Longer term cash flow planning to ensure the Council can meet its capital spending plans. This will include arranging long or short term loans or using longer term cash flow surpluses.

CIPFA defines treasury management as:

“The management of the local authority’s 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.”

1.2 Reporting Requirements

Under the CIPFA Code and CLG Guidance the Council is required to receive and approve, three main reports each year, which incorporate a variety of policies, estimates and actual

Treasury Management Strategy (this report) - The first, and most important report covers:

- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators;
- an investment strategy (the parameters on how investments are to be managed)
- a borrowing strategy, including prudential indicator limits on borrowing

A mid year treasury management report – This will update members with a detailed look at the performance of investments and borrowing against budget and benchmarks.

An annual treasury report – This provides details of the annual performance of investments against budgets and benchmarks. Also included is an update and review of our borrowing position.

In addition to the above reports, Cabinet will be provided with an overview of treasury return against budget and prediction of likely outturn/year end variance as part of the monthly financial monitoring reports.

1.3 Treasury Advisors

The Council uses Capita Asset Services – Treasury Solutions (formally Sector) as its external treasury management advisors.

It is recognised 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.

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.

2. Annual Investment Strategy

2.1 The Council's Overriding Investment policy objective is to prudently manage the Council's funds, ensuring that risks are minimised whilst maximising returns. The Council's investment priorities are:

- Security of the invested capital
- Liquidity of the invested capital
- Yield (return on investment), which is in line with security and liquidity

in that order.

In accordance with the above objective and in order to minimise the risk to investments, the Council clearly stipulates the minimum acceptable credit quality of counterparties for inclusion on the lending list.

The creditworthiness methodology used to create the counterparty list takes account of the ratings, watches and outlooks published by the three ratings agencies of Fitch, Moody's and Standard & Poors.

The Council's officers recognise that ratings should not be the sole determinant of the quality of an institution and therefore other sources of information will be used including:

- Financial Press Articles (on economy, banking sector, individual institutions etc...)
- Share price
- Other information pertaining to the banking sector
- Support - this is the perceived support an institution will get from the government in the institutions county of origin based on News, articles and market sentiment
- Annual accounts of Building Societies.

A full review of the counterparty list is carried out monthly. In addition, potential counterparty ratings are monitored on a

real time basis with Capita Asset Services notifying officers electronically as the agencies publish modifications.

The intention of the strategy is to provide security of investment and minimisation of risk.

2.2 The Council's creditworthiness criteria is laid out in the table below

Organisation	Criteria	Max Amount
External (Long Term) Investment Fund		
Collective investment schemes (e.g. bond funds)	AAA long-term rating backed up with lowest volatility rating (V1/S1)	60% of External Fund total
Cash Flow/Internal Investments		
Deposit Building Societies	With over £5 Billion in total assets	£3 Million
Deposit Building Societies	With over £1 Billion in total assets	£2 Million
Deposit with UK incorporated Banks	Minimum F1, A1 or P1 short term backed up by A long term credit rating	£2 Million
Deposit with Banks Incorporated outside the UK but entitled to accept deposits in UK	Minimum F1+, A1+ or P1+ short term backed up by AA- long term credit rating	£2 Million
Money Market Funds	AAAmmf long-term rating	£3 Million
UK Local, Police & Fire Authorities		£3 Million
UK Government Treasury Bills/Gilts		No limit

Please see Appendix A for a copy of the Council's current counterparty list.

2.3 The Council will not invest in subsidiaries that do not have a credit rating in their own right and a separate FSA licence from its parent.

In the event of a downgrade resulting in a counterparty or investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

Any changes in counterparty ratings or other criteria that put the counterparty below the minimum criteria whilst they hold a deposit will be brought to the attention of the Head of Finance and the Portfolio Holder for Finance immediately, with an appropriate response decided on a case-by-case basis.

2.4 Specified Investments are required to be in Sterling and have a maximum maturity of 1 year and be of '**high credit quality**'.

The definition of '**high credit quality**' is set out below:

- Investments in Banks Incorporated in the UK with a credit rating of at least A/F1, A1 or P1 with a limit of £2 Million on the amount invested.
- Investments in Banks Incorporated outside of the UK but entitled to accept deposits in the UK, per the Bank of England Prudential Regulation Authority list of banks, with a credit rating of at least AA-/F1+/A1+/P1 with a limit of £2 Million on the amount invested.
- Investments in collective investment schemes, including money market funds, structured as Open Ended Investment Companies (OEIC's) with a long term rating of AAmmf for Constant Net Asset Value (CNAV) funds and AAA V1/S1 for Variable Net Asset Values (VNAV). T
- Internal Investments less than 6 months, up to agreed limits, in UK Building Society's with an asset basis of over £1 Billion.

All investments over 1 year in duration and/or not meeting the definition of High Credit Quality listed above are classified as Non Specified Investments

2.5 External Funds

The council currently has over £30 million invested, split between the following pooled investment vehicles, OEIC's:

Cash Plus Fund – Royal London Asset Management (RLAM)
Sterling Liquidity Fund – Payden & Rygel

2.6 Economic Forecast for 2014/15

Capita Asset Services our treasury advisors have provided the following forecast for the economy in 2014/15.

Until 2013, the economic recovery in the UK since 2008 had been the worst and slowest recovery in recent history. However, growth has rebounded during 2013 to surpass all expectations. Growth prospects remain strong for 2014, not only in the UK economy as a whole, but in all three main sectors, services, manufacturing and construction.

One downside is that wage inflation continues to remain significantly below CPI inflation so disposable income and living standards are under pressure, although income tax cuts have ameliorated this to some extent.

A rebalancing of the economy towards exports has started but as 40% of UK exports go to the Eurozone, the difficulties in this area are likely to continue to dampen UK growth. There are, therefore, concerns that a UK recovery currently based mainly on consumer spending and the housing market, may not endure much beyond 2014.

The US, the main world economy, faces similar debt problems to the UK, but thanks to reasonable growth, cuts in government expenditure and tax rises, the annual government deficit has been halved from its peak without appearing to do too much damage to growth.

The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:

- *Although Eurozone concerns have subsided in 2013, Eurozone sovereign debt difficulties have not gone away and there are major concerns as to how these will be managed over the next few years as levels of government debt to GDP ratios, in some countries, continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries.*

Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;

- *Investment returns are likely to remain relatively low during 2014/15 and beyond;*
- *Borrowing interest rates have risen significantly during 2013 and are on a rising trend.*

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 even higher borrowing costs, which are now looming ever closer, where authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt, in the near future;

- *There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.*

A copy of their interest rate forecast is included as Appendix B.

3. Borrowing Requirement

3.1 General Fund

As at 31 December 2013 the Council has outstanding long term borrowings of £773,674. £468,674 is for the recycling and refuse capital scheme and £305,000 for the first tranche of the Beer CLT Loan.

The agreed facility for Beer Community Land Trust is up to £1.06 million, this leaves £755,000 still outstanding if required.

The capital plan shows further planned borrowing of £770,000 in 2013/14, for the development and redevelopment of industrial sites in Seaton.

Full Council has also approved up to £1 Million in borrowing from the PWLB to extend a loan of £1 Million to Exeter Science Park Company to facilitate the building of the Science Park Centre.

If all of these loans were taken out before the end of 2013/14 the General Fund will have loans totalling nearly £3.3 Million at the year end.

There are currently no plans for new loans to be taken out in 2014/15 in the capital programme. However this is subject to debate on items on this agenda.

3.2 Housing Revenue Account (HRA)

As at 31 December 2013 the HRA has 25 PWLB Loans totalling just over £85 million. Of these, 24 are maturity loans varying in duration from 3-26 years taken out under the Governments Self Financing regime. The 25th loan is an Annuity Loan (repaying principal each year) which was taken out in March 2011 for 17 New Build Properties.

3.3 2014/15 Borrowing

The capital programme for 2014/15 includes provision for a new 20 year PWLB loan of £1.45 Million. This will then be loaned onto LED, at the same rate as the loan is taken out, for the Exmouth leisure centre enhancement programme.

3.4 Cash Flow or Temporary Borrowing

In addition to borrowing for capital purposes, the council also borrows in the short term to meet day to day shortages in its cash flow.

This borrowing via the money market at fixed rates and for a fixed term less than 3 months.

3.5 Debt Restructuring

There are currently no plans to restructure the Council's debt portfolio; however this will be kept under review as market conditions change.

3.6 Borrowing in Advance of Need

The Council should 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.

Borrowing in advance will be made within the constraints that:

- It will be limited to no more than the expected increase in borrowing need; and
- Would not look to borrow more than 3 months in advance of need; and
- Be agreed with Section 151 Officer and Portfolio Holder for Finance in advance of borrowing taking place.

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.

3.7 As part of the CIPFA code for Treasury Management it is recommended that the Council is informed of the anticipated borrowing limits required for the forthcoming financial year. These limits are included in the Prudential Indicators appended to the 2014/15 budget report on the agenda.

In addition to loans mentioned earlier, the Council will still need to make use of short term borrowing to meet day to day cash flow shortfalls. The limits on the level of borrowings are stated below:

Operational boundary for external debt – estimate of the prudent (most likely) level of external debt, taken from the authorities' estimate of its capital financing and cash flow requirements.

Operational Boundary for External debt (Estimated)					
	Actual	Per 14/15 Estimates			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
Borrowing - General Fund	3,196	9,461	10,913	10,913	10,866
Other LTL's* - General Fund	638	568	568	407	428
General Fund Total	3,834	10,029	11,482	11,321	11,294
Borrowing - HRA	85,012	85,007	85,007	84,427	83,398
Other LTL's* - HRA	0	0	0	0	0
HRA Total	85,012	85,007	85,007	84,427	83,398
Overall Total	88,846	95,036	96,488	95,747	94,692

*LTL's – Long Term Liabilities, e.g. Finance lease costs.

Authorised limit for external debt – the operational boundary plus headroom to provide for any unusual cash flows.

Authorised Limit for External debt (Estimated)					
	Actual	Per 14/15 Estimates as at 06/01/14			
	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000
Borrowing - General Fund	3,196	12,461	13,913	13,913	13,866
Other LTL's* - General Fund	638	568	568	407	428
General Fund Total	3,834	13,029	14,482	14,321	14,294
Borrowing - HRA	85,012	87,844	87,844	87,844	87,844
Other LTL's* - HRA	0	0	0	0	0
HRA Total	85,012	87,844	87,844	87,844	87,844
Overall Total	88,846	100,873	102,326	102,165	102,138

*LTL's – Long Term Liabilities, e.g. Finance lease costs

Actual External Debt as at 31st March 2013 = £88.85 Million (General fund £3.84m and HRA £85.01m).

4. Treasury Indicators

- 4.1 As per the CIPFA Code, it is recommended that Council is informed of the limits on fixed and variable interest exposure, the maturity structure of borrowing and the upper limit for the total of principal sums invested longer than 364 days.
- 4.2 **Interest rate exposure** –Based on the projected investment and borrowing requirements of the Council over the next three years the upper limit on fixed and variable interest rate exposure is;

Interest Rate Exposure				
	General Fund		HRA	
	Fixed	Variable	Fixed	Variable
2014/15 Limits				
Borrowing	100 %	20%	100%	20%
Investments	40%	100%	40%	100%
2015/16 Limits				
Borrowing	100%	20%	100%	20%
Investments	40%	100%	40%	100%
2016/17 Limits				
Borrowing	100%	20%	100%	20%
Investments	40%	100%	40%	100%

With the exception of our bank overdraft, all borrowing the Council undertakes is at a fixed rate of interest.

Investments have a 100% variable limit, as returns from our external investment funds are classed as variable, along with returns from our internal investment 'savings' account and Money Market Fund investments.

All other internal investments are at a fixed interest rate.

- 4.3 **Maturity structure of borrowing** – this is the amount of projected long term capital borrowing that is due for repayment in each period expressed as a percentage of total borrowing. A limit is set to reduce the Council’s exposure to large sums falling due in any one period.

At any point the actual percentages of debt projected to mature in each year will add up to 100%, but the proposed indicator is for a range of approved percentages. This gives discretion within an approved range to the treasury team. It does mean that each ‘set’ of figures will sum to more than 100%.

The council is asked to approve the following limits

Limits on Maturity Structure of Fixed Rate Borrowing as % of Total Borrowing					
		General Fund		HRA	
		Upper Limit	Lower Limit	Upper Limit	Lower Limit
Current Year	2013/14	20%	0%	20%	0%
Next yr	2014/15	20%	0%	20%	0%
Yr 3-5	2016/16 - 2017/18	50%	0%	50%	0%
Y6 -10	2018/19 - 2022/23	75%	0%	75%	0%
Y11+	2023/24 +	90%	0%	90%	0%

Based on capital borrowing plans included in the budget our current projected maturity structure of borrowing is:

Estimated Maturity Structure of Fixed Rate Borrowing as % of Total Borrowing					
		General Fund		HRA	
		Projected Borrowing Amount Maturing £000	Total	Projected Borrowing Amount Maturing £000	Total
Current Year	2013/14	54	1.15%	5	0.01%
Next yr	2014/15	148	3.14%	580	0.68%
Yr 3-5	2016/16 - 2017/18	1,550	32.87%	3,829	4.50%
Y6 -10	2018/19 - 2022/23	905	19.19%	11,272	13.26%
Y11-20	2023/24 - 2032/33	1,905	40.40%	37,541	44.16%
Y21-30	2033/34 - 2042/43	153	3.25%	31,532	37.09%
Yr31-40	2043/44 - 2052/53	0	0.00%	252	0.30%
		4,715	100.00%	85,012	100.00%

In addition to the above, the Council has an overdraft limit of £350,000 and can borrow for periods less than 3 months at fixed rates through our brokers, in order to meet daily cash flow requirements.

- 4.4 **Upper limit for total principal sums invested over 364 days** – Only the Councils external funds can be invested for over 364 days and this totals £30.81 Million. All though in practice the council can get access to this money with 3 days notice.

5. Other Items

5.1 Current Position on Debt and Investments as at 31 December 2013

	£M	
Short Term Internal Investments		
Bank of Scotland call account	1.45	
Public Sector Deposit Fund (Money Market Fund – Call Account)	0.03	
Fixed Term Cash Deposits < 1 Month	6.20	
Fixed Term Cash Deposits < 2 Month	4.00	
Fixed Term Cash Deposits < 3 Month	0.00	
	11.68	27.49%
External Investments		
Royal London Asset Management - Cash Plus Fund	15.42	
Payden & Rygel - Sterling Reserve Fund	15.39	
	30.81	72.51%
Total Investments	42.49	
Borrowing		
Short Term Cash Flow Borrowing	0.00	
PWLB Loan (General Fund) < 10 years	0.77	
PWLB Loan (HRA) < 40 years	85.01	
	85.78	

5.2 Training

CIPFA's revised code requires the Head of Finance (Section 151 Officer) to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

There is a post with specific responsibility for treasury management within the accountancy team and the Council is committed to ensuring the holder has any relevant qualifications and has access to the training and support they require.

In addition, procedures for the accountancy team are in place and independent checks and authorisations are carried out. The Council also maintains an internal audit function through the South West Audit Partnership (SWAP), who annually reviews our treasury management function.

In the latest audit by SWAP, our treasury management function was given a Substantial Opinion, which is the highest opinion available.

5.3 Use of Reserves

The draft 2014/15 budget has been compiled on the basis that the Council will make the following withdrawals from reserves

	£000
General Fund Reserves	0
Capital Reserves	<u>876</u>
	<u>876</u>

The final amount to be withdrawn from reserves is subject to the final decision of Full Council on 26th February 2014.

The need to withdraw any further funds from the investment portfolio will be kept under review.

Legal Implications

As indicated in the report, the Treasury Management Strategy must be prepared in line with the statutory framework and the finance team has confirmed this has been done.

Financial Implications

These are as stated in the report

Consultation on Reports to the Cabinet

Background Papers

Bank of England Prudential Regulation Authority list of banks -

<http://www.bankofengland.co.uk/pru/Pages/authorisations/banksbuildingsocietieslist.aspx>

Capita Asset Services Economic update as shown in 2.6 of the report

Capita Asset Services Interest Rate Forecast included as Appendix B

Claire Read (x2691) cread@eastdevon.gov.uk
Accountant

Cabinet
5 February 2014



Appendix A - Counterparty List

Internal Funds

Building Societies –with total assets over £1 Billion = £2 Million, over £5 Billion = £3 Million.

	Maximum Investment (£)
1. Nationwide	3,000,000
2. Yorkshire	3,000,000
3. Coventry	3,000,000
4. Skipton	3,000,000
5. Leeds	3,000,000
6. Principality	3,000,000
7. West Bromwich	3,000,000
8. Newcastle	2,000,000
9. Nottingham	2,000,000
10. Progressive	2,000,000
11. Cumberland	2,000,000
12. National Counties	2,000,000
13. Saffron	2,000,000
14. Cambridge	2,000,000

Banks –

- i. UK Banks with a short term Fitch rating of F1 or higher

Lloyds Banking Group

Lloyds TSB	F1	2,000,000
Bank of Scotland	F1	2,000,000

Royal Bank of Scotland Group

Royal Bank of Scotland	F1	2,000,000
National Westminster	F1	2,000,000

Others

Santander UK PLC	F1	2,000,000
Barclays	F1	2,000,000
HSBC	F1+	2,000,000
Clydesdale Bank	F1	2,000,000
Co-op Bank	F2	0

- ii. Non UK Incorporated Banks entitled to accept deposits in the UK with a Short term Fitch rating of F1+ and a Long term rating of AA- or higher

	Short Term	Long Term	Entitled to Accept Deposits in UK
Abu Dhabi (U.A.E)			
National Bank of Abu Dhabi	F1+	AA-	Yes
Australia			
Australia and New Zealand Banking Group Ltd	F1+	AA-	Yes
Commonwealth Bank of Australia	F1+	AA-	Yes
National Australia Bank Ltd	F1+	AA-	Yes
Westpac Banking Corporation	F1+	AA-	Yes
Canada			
Bank of Montreal	F1+	AA-	Yes
Bank of Nova Scotia	F1+	AA-	Yes
Canadian Imperial Bank of Commerce	F1+	AA-	Yes
Royal Bank of Canada	F1+	AA	Yes
Toronto Dominion Bank	F1+	AA-	Yes
Finland			
Nordea Bank Finland plc	F1+	AA-	Yes
Netherlands			
Cooperatieve Centrale Raiffeisen Boerenleenbank BA (Rabobank Nederland)	F1+	AA-	Yes
Singapore			
DBS Bank Ltd	F1+	AA-	Yes
United Overseas Bank Ltd	F1+	AA-	Yes
Sweden			
Svenska Handelsbanken AB	F1+	AA-	Yes
U.S.A			
Bank of New York Mellon, The	F1+	AA-	Yes
HSBC Bank USA, N.A.	F1+	AA-	Yes
Northern Trust Company	F1+	AA-	Yes
Wells Fargo Bank NA	F1+	AA-	Yes

External Funds

Open Ended Investment Companies (OEIC's)

Royal London Asset Management Cash Plus Fund

Payden & Rygel Sterling Reserve Fund

APPENDIX B: Interest Rate Forecasts 2013 – 2017

Capita Asset Services Interest Rate View														
	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17
Bank Rate View	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.00%	1.25%
3 Month LIBID	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.60%	0.70%	0.90%	1.30%
6 Month LIBID	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.70%	0.80%	1.00%	1.20%	1.40%
12 Month LIBID	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	1.00%	1.20%	1.40%	1.60%	1.80%	2.00%	2.30%
5yr PWLB Rate	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.40%
10yr PWLB Rate	3.60%	3.60%	3.70%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.20%	4.30%	4.30%	4.40%	4.50%
25yr PWLB Rate	4.40%	4.40%	4.50%	4.50%	4.60%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.10%
50yr PWLB Rate	4.40%	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.20%
Bank Rate														
Capita Asset Services	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.00%	1.25%
UBS	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-	-	-	-	-
Capital Economics	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	-	-	-	-	-
5yr PWLB Rate														
Capita Asset Services	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.40%	3.40%
UBS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Economics	2.10%	2.30%	2.30%	2.30%	2.30%	2.30%	2.50%	2.90%	3.30%	-	-	-	-	-
10yr PWLB Rate														
Capita Asset Services	3.60%	3.60%	3.70%	3.80%	3.80%	3.90%	3.90%	4.00%	4.10%	4.20%	4.30%	4.30%	4.40%	4.50%
UBS	3.90%	4.00%	4.00%	4.10%	4.10%	-	-	-	-	-	-	-	-	-
Capital Economics	3.30%	3.55%	3.55%	3.55%	3.55%	3.55%	3.55%	3.55%	3.80%	-	-	-	-	-
25yr PWLB Rate														
Capita Asset Services	4.40%	4.40%	4.50%	4.50%	4.60%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.10%	5.10%	5.10%
UBS	4.40%	4.50%	4.50%	4.60%	4.60%	-	-	-	-	-	-	-	-	-
Capital Economics	4.10%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	4.30%	-	-	-	-	-
50yr PWLB Rate														
Capita Asset Services	4.40%	4.40%	4.50%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.20%	5.20%	5.20%
UBS	4.50%	4.50%	4.60%	4.60%	4.70%	-	-	-	-	-	-	-	-	-
Capital Economics	4.30%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.40%	4.50%	-	-	-	-	-

Agenda Item 15

Cabinet

5 February 2014

KJ



Council Plan – refreshed document

Summary

As part of our Communication Plan, we committed to developing people's awareness about what the Council does and to improving our reputation through an ongoing process of quality communication and engagement.

Our Council Plan is key to this and the 'promises' in this document form the basis of our performance reports including quarterly monitoring reports and our annual performance report.

This document has now been refreshed and updated as it is now two years since it was originally produced. [Link to refreshed document.](#)

Recommendation

Members agree this updated version of the Council Plan which reflects achievements made in the last two years and outlines our focus for the medium term.

a) Reasons for Recommendation

So that we can continue to improve the quality of our communication and information about the priorities which we are working to.

b) Alternative Options

None

c) Risk Considerations

None outlined.

1 Main Body of the Report

- 1.1 The refreshed document highlights feedback that the council has received in the last two years including from residents, Grant Thornton, our Investors in People assessor and from the Local Government Peer Review Team.
- 1.2 Our four key priority areas remain but we have updated the document to show what we have already done and what we will focus on between now and 2016.

1.3 The Local Government Peer Review Team commented that ‘the council is well run with a good understanding of its financial position. There is strong and clear political and managerial leadership with members and officers sharing an awareness of the council’s priorities.’ The team challenged East Devon to be ‘brave and bold’ about the council’s future and for this reason we have added this to our values for the future.

- Accountable
- Open
- Listening
- Caring
- Looking forwards
- Brave and bold

Legal Implications

The Council Plan forms part of the policy framework which requires full Council approval before implementation and the recommendations reflect this.

Financial Implications

The Council Plan will need to be implemented within the financial restrictions of reducing government funding and a balanced annual budget.

Background Papers

[Council Plan](#)

Karen Jenkins Corporate Organisational Development Manager
kjenkins@eastdevon.gov.uk

Cabinet
5 February 2014

Agenda Item 16

Cabinet

05 February 2014

Cranbrook Community Questionnaire 2013



Cranbrook Community Questionnaire Results

Summary

A community needs and satisfaction questionnaire was sent out to all the occupied households in the new town of Cranbrook. This was achieved by the Community Development Worker from EDVSA and EDDC's Community Engagement and Funding Officer working together.

This report is to inform Councillors of the results of the questionnaire.

Recommendation

That Cabinet notes the results of this survey of Cranbrook residents

a) Reasons for Recommendation

This report highlights the views of residents living in East Devon's new community of Cranbrook. Results of the survey will help to inform how the Community Development Worker, Community Forum, Consortium and other agencies such as EDDC can work together to improve services and find out what information residents would like to be given.

b) Alternative Options

None

c) Risk Considerations

A failure to monitor views may result in customer complaints, poor service delivery and may compromise the council's reputation.

d) Policy and Budgetary Considerations

None

e) Date for Review of Decision

This survey is likely to be undertaken and reported on an annual basis.

1 Main Body of the Report

1. Purpose

The Cranbrook Community Development Worker employed by the East Devon Volunteer Support Agency (EDVSA) wanted to go door to door with a questionnaire to all the residents of the new town of Cranbrook.

The purpose of the questionnaire was to find out what residents thought about Cranbrook and what their needs are so that the Cranbrook Development Worker, Community Forum, Consortium and other agencies such as EDDC can work together to improve services in Cranbrook if needed and to find out what information residents would like to be given.

The questionnaire will be sent out on a regular basis to gather data on needs, satisfaction and trends over time as Cranbrook develops.

EDDC offered its help to devise, send out and analyse the questionnaire results.

2. The questionnaire

A questionnaire was devised by EDVSA, the Cranbrook Community Forum and East Devon District Council. It was designed to meet the needs of the agencies involved and give residents a chance to have their say.

Residents could complete the questionnaire online, and paper copy of the questionnaire was hand delivered to all the occupied households in Cranbrook.

138 copies of the questionnaire were returned which were analysed by EDDC. This was about a third of the population of Cranbrook at the time they were circulated.

3. Summary of results

Where scores don't add up to 100% this is because many people did not express a view either way.

Your community

- 70% feel part of the community, against 11% who do not.
- 73% regularly speak to the people they meet, against 12% who do not.
- 89% get out of the house regularly, against 5% who don't.
- 94% feel it is a good place to live, 3% don't.
- 90% get on well with the people they meet, no-one said they didn't.
- 71% trust the people in the local area, 4% don't.

People moved to Cranbrook as it is close to Exeter but still in the countryside; they were able to afford to buy for the first time and to be part of a new community and an exciting project.

The thing people most like about Cranbrook is the community spirit and the friendly people. What people don't like about Cranbrook is the lack of facilities and amenities, particularly a local shop and park.

76% were aware of the Cranbrook Community Forum, 30% wanted to get more involved.

Services

- 46% would like more information about travel and transport, 37% about youth and play, 25% about waste and recycling, 19% about healthcare and 19% about childcare.
- 65% would like more information on where to go to enjoy the countryside in Exeter and East Devon, 56% about sports and leisure and 44% about cultural facilities and activities.
- 57% don't feel informed about what services are available or coming to Cranbrook, 43% do feel well informed.
- 85% feel well informed about what's going on in the community, 15% do not.
- 55% don't feel well informed about planning and development in Cranbrook, 45% do.
- 51% are satisfied with public transport, 27% are dissatisfied mainly due to the railway station delays, there being no Sunday buses and the buses are too expensive.
- 62% are satisfied with the doorstep waste and recycling collection, 26% are dissatisfied mainly as they cannot recycle cardboard and all plastics.
- Only 7% of people are satisfied with parks, public gardens, play areas and open spaces, 65% are dissatisfied mainly as there are none, and the play area has been too delayed.
- 38% are satisfied with street cleaning, 32% are dissatisfied.
- 87% are satisfied with the ways they can pay Council Tax.
- 65% are satisfied with the housing provider and associated services, 13% are not mainly due to the poor quality finish of their homes.
- 74% satisfied with their household water, 8% are not.
- 65% satisfied with the internet and telephone, 23% are not mainly as they have no choice so can't shop around for value for money.
- 54% satisfied with energy services, 28% are not satisfied mainly due to hot water/heating being intermittent and poor customer service.

55% are satisfied with access to services overall in Cranbrook, 18% are dissatisfied. When asked why they were dissatisfied they said there were no services in Cranbrook and there was a lack of facilities and amenities, particularly a local shop.

Healthcare

- The majority of people are currently registered with Pinhoe and Broadclyst Surgery.
- The most popular healthcare provision for Cranbrook is a doctor (97%), a pharmacy (96%) and dentists (83%).
- Most people would like to access healthcare services weekdays between 7am and 9am and after 4pm until 8pm. They would also like access after 9am on a Saturday and possibly during the day on Sunday.

About your home

61% had moved to Cranbrook from the Exeter area, and 22% had moved from elsewhere in East Devon. 11% moved from elsewhere in Devon.

About you

- A large proportion of households were made up of families with parents aged under 40 with young children.
- The majority of households contain two people who are employed full or part time.
- 96% of residents were White British.
- 54% of households would describe themselves as Christian (various denominations), and 40% as having no religion.

4. What happens next

The results are 'owned' by the Cranbrook Community Development Worker, employed by EDVSA. The results have been sent to residents of Cranbrook. They will be publicised to all the relevant agencies and residents by the Growth Point Team and Cranbrook Community Development Worker. They will be used by the Cranbrook Community Development Worker and the Cranbrook Community Forum and others to help provide and improve services and communication to residents.

The idea is that the questionnaire will be repeated regularly to track change as Cranbrook grows.

Legal Implications

Under Section 3 of the Local Government Act 1999, this Council is a best value authority and therefore under a general duty of best value to "*make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness*"

Consultation of local residents, and evaluating their responses to inform service provision and effective working with the public and private sector, is one method of making arrangements to secure best value. The Council can consider overall value, including economic, environmental and social value, when reviewing service provision.

Financial Implications

A contribution to costs for 2014/5 will come from existing budgets, with costs from 15/16 being borne by the new Parish Council.

Consultation on Reports to the Executive

Not Applicable

Background Papers

None

Jamie Buckley Ext. 2769 jbuckley@eastdevon.gov.uk
Community Engagement and Funding Officer

Cabinet
05 February 2014

Agenda Item 17

Cabinet

5 Feb 2014

LG



Financial Monitoring Report 2013/14 – Month 9 December 2013

Summary

This report gives a summary of the Council's overall financial position for 2013/14 at the end of month nine (31 December 2013).

Current monitoring indicates that:

- The General Fund Balance is being maintained at or above the adopted level.
- The Housing Revenue Account Balance will be maintained at or above the adopted level.
- There is a sufficient Capital Reserve to balance this year's capital programme. It is estimated that £2.821m will be available in the Reserve to support the programme from 2014/15 onwards.

Recommendation

- 1. The variances identified as part of the Revenue and Capital Monitoring process up to Month Nine be acknowledged.**

a) Reasons for Recommendation

The report updates Members on the overall financial position of the Authority following the end of each month and includes recommendations where corrective action is required for the remainder of the financial year.

b) Alternative Options

To disagree with the recommended actions proposed.

c) Risk Considerations

Current monitoring indicates that the Council's balances and reserves are being maintained at or above the adopted levels.

In compiling this report we have looked at all large, high risk and volatile budget areas. Predicted spending patterns have been linked to operational activity and all material budgets have been subject to thorough risk assessments by operational managers and finance staff. Any continuing variances in spending patterns will then be considered as part of the medium term financial strategy.

d) Policy and Budgetary Considerations

This report highlights all budgetary variances and then comments on the level and adequacy of Reserves.

e) Date for Review of Decision

Updated positions are to be presented at future meetings of the Cabinet.

Financial Monitoring Report 2013/14 – To Month Nine December

1. Introduction

- 1.1 The purpose of this monitoring report is to update members of the Cabinet on the overall financial position of the Authority following the end of month nine.

2. General Fund Position as at Month Nine.

- 2.1 Investment Income continues to track just above our benchmark 7 day LIBID (London Interbank Bid) rate, and returns remain below budget due to a depressed market.

	Annual Budget £000	Variation as at Month 9 £000	Predicted Outturn Variation £000
Investments			
External investments	(298)	16	31
Internal investments	(26)	8	8
Total	(324)	24	39

- 2.2 The following table shows the original budget set for the year and a total of the Supplementary estimates approved to date. In year variances identified which are likely to affect the outturn for the year are detailed below:

	£000
Original Budget Requirement (set 20/02/13)	11,826
Supplementary estimates to date	1,225
IT shared services CAB 27/11/13	15
Month 9 predicted net over/(under) spend to Year End detailed below	(699)
Predicted Budget Outturn	12,367

A summary of the predicted over and under spends to the year end are shown below:

Predicted over / (under) spends	Variation at Month 9 £000	Predicted Outturn Variation £000
Economy Portfolio		
Property Services staff vacancy awaiting restructure	(25)	(30)
Environment Portfolio		
Public Health Services lease cars reduced by 2	(10)	(19)
Strategic Development & Partnerships Portfolio		
Planning Fees (£200k outturn reported prior months)	(372)	(100)
Sustainable Homes & Communities Portfolio		
Homeless service now in house and reduced	(28)	(37)
Supported Lodging expenditure		
Local Welfare Support Grant admin grant	(13)	(26)
Outturn variation reported as at Month 8		(487)
Predicted Outturn Total Variations		(699)

2.3 These variations will have the following overall effect on the Council's General Fund Balance:

	£000
General Fund Balance 01/04/13	(3,810)
Less: Planned use of general fund balance	210
Available General fund balance 2013/14	(3,600)
Supplementary Estimates to date	148
Predicted net over / (under) spend to year end	(699)
Predicted General Fund Balance 31/03/14	(4,151)

The Council has an accepted adopted range for the General Fund Balance to be within the range of £2.800m to £3.600m. Therefore the predicted balance of £4.151m is £0.551m above the Council's maximum adopted level for the General Fund Balance of £3.600m. However, this is a predicted year end position and no decision is required on this surplus until final position is known.

2.4 An analysis of the main income streams is shown below:

	Annual Budget £000	Variation at Month 9 £000	Predicted Outturn Variation £000
Car Park income	(3,524)	(108)	(50)
Planning fees Income	(1,234)	(372)	(300)
Building Control fees	(516)	0	0
Local Land Charges	(216)	(56)	(60)

2.5 Summary of Other Reserves:

	Balance B/f 2013/14 £000	Spend to date £000	Income to date £000	Estimated additional Spend/(Income) £000	Predicted Balance C/f to 2014/15 £000
Asset Maintenance Reserve	(1,244)	65		135	(1,044)
Asset Management Plan Reserve	(160)	54		18	(87)
Transformation Reserve	(1,139)	161		150	(828)

3. **Housing Revenue Account Position up to Month 9.**

3.1 A summary of the predicted over and under spends to the year end is shown below.

	Variation at Month 9 £000	Predicted Outturn Variation £000
No further variations to report		
Variations as at month 8	231	567
Total variations	231	567

The following table shows the original budget surplus for the year and the total variations as identified above, which are likely to affect the budget to give a revised budget surplus for the year.

	£000
Original Budget surplus	(1,696)
Supplementary estimate for feasibility studies for possible development on garage sites (agreed by HRB 05/09/13 and approved by Cabinet)	50
Month 9 predicted net (under)/overspend to year end	567
Predicted Budget Surplus	(1,079)

- 3.2 The variations identified above will have the following effect on the Housing Revenue Account Balance:

	£000
Housing Revenue Account Balance (01/04/13)	(2,970)
Predicted budget requirement as above	(1,079)
Predicted HRA Balance (31/03/14)	(4,049)

The recommended level for the HRA balance has been agreed at £2.100m (£500 per property). The current balance is well above the recommended level and will be used for further investment in the housing stock, to offset any adverse effects of Welfare Reform and to ensure sufficient funds are available to make the first repayment of principal on the self-financing loans due in 2014/15. In addition £1.710m is held in a separate reserve.

4. Capital Programme Position up to Month 9.

- 4.1 The following tables currently estimate the total required from the Capital Reserve is nil.

Capital Reserve	£000
Brought forward balance 1 April 2013	(2,595)
Month 1 - 8 amendments	(226)
Month 9 amendments	0
Balance carried forward to 2014/15	(2,821)

- 4.2 Capital Programme and financing:

	£000	£000
Net Capital Programme Budget (Council 20/02/13)		3,690
2012/13 scheme costs slipped into 2013/14 (as agreed by Cabinet in the Outturn report in June 2013)	3,385	
HRA Major repairs	5,150	
Revised 2013/14 budget		12,225
Budget variations previously reported		8,886
Predicted Capital Budget Requirement		21,111

Financed by	£000	£000
In Year Usable Capital Receipts	(2,220)	
PWLB Loan – Seaton workshops	(770)	
PWLB Loan – Beer Community Land Trust Loan	(1,000)	
PWLB Loan – Exeter Science Park loan	(1,000)	
S.106 funding	(1,243)	
DCLG Grant - Growth Point	(1,285)	
DCLG Grant – Regional Growth Fund	(2,255)	
DCLG Grant - Heat & Light	(2,301)	
Other Capital Grants	(416)	
Capital Project Reserves	(46)	
General Fund Revenue contribution	(111)	
Transformation reserve	(81)	
HRA Contribution	(6,112)	
New Homes Bonus	(734)	
Tesco receipt reserve	(1,848)	
Predicted Capital Reserve (Requirement) / Contribution	311	
Total Funding		(21,111)

Legal Implications

No legal implications have been identified

Financial Implications

Details are contained within the report.

Consultation on Reports to the Cabinet

Not applicable

Background Papers

Laurelie Gifford (Financial Services Manager) Ext 2613
Mandy White (Accountant for HRA) Ext 2357
lgifford@eastdevon.gov.uk awhite@eastdevon.gov.uk

5 February 2014

Agenda Item 18

Cabinet

5 February 2014

LJ



Changes to National Non Domestic Rates (Business Rates)

Summary

In the Chancellor of the Exchequer's Autumn statement (5 December 2013) a number of Business rates measures were announced. As some of these measures are temporary the Government is not proposing to change regulations in relation to these but instead local authorities will need to decide whether to use their discretionary powers in order to give rate relief in prescribed circumstances. Currently we are still waiting on guidance from DCLG (Department of Communities and Local Government) on the prescribed circumstances.

This report aims to explain what these measures mean as well as seeking approval to use our discretionary powers in order to grant relief, subject to state aid limits.

The Government have stated that Local Authorities will be reimbursed for any relief granted as a result of these measures.

Recommendation

1. To update Members on the changes to Business Rates announced in the Autumn Statement
2. Subject to compliance with State Aid legislation and central government refunding the additional cost to this Council, to use our discretionary powers to grant relief where ratepayers would meet the Government qualifying criteria in respect of:
 - A £1,000 discount for shops, pubs and restaurants
 - A 50 per cent rate relief for 18 months for businesses that move into retail premises that have been empty for a year or more
 - New build empty property relief for all newly built commercial property completed between 1 October 2013 and 30 September 2016

a) Reasons for Recommendation

The measures announced in the Autumn Statement will be fully funded by the Government at no cost to EDDC and will provide support to businesses during this difficult economic climate.

As some of the measures will be brought in under our discretionary powers (Local Government Finance Act 1988) there is a requirement for Members to formally approve giving the relief/discount where ratepayers meet the qualifying criteria, subject to state aid limits.

b) Alternative Options

To not use our discretionary powers and therefore ratepayers would not be entitled to receive the additional support through some of the measures announced by the Government.

c) Risk Considerations

Based on current understanding and announcement local authorities are to be reimbursed for the costs involved however no details have been provided at this stage.

d) Policy and Budgetary Considerations

The Government measures will help to support businesses in East Devon at no cost to the Council.

e) Date for Review of Decision

1 Background

1.1 As part of the Chancellor's 2013 Autumn Statement a package of business rates measures were announced:

- The retail price index increase in 2014/15 will be capped at 2% instead of the actual rate being applied of 3.2%
- The doubling of the Small Business Rates Relief (SBRR) reduction will be extended for a further 12 months until 31 March 2015
- Ratepayers receiving SBRR that take on an additional property which would currently disqualify them from receiving relief will continue to receive their existing relief for 12 months
- Ratepayers will be allowed to elect to pay bills over 12 months instead of 10.
- A discount of £1,000 for shops, pubs and restaurants with a rateable value below £50,000 for two years up the state aid limits, from 1 April 2014
- A 50 per cent business rates relief for 18 months – between 1 April 2014 and 31 March 2016 – for businesses that move into retail premises that have been empty for a year or more

1.2 The Government have stated that the way the £1000 discount and 50% relief for occupation of empty retail relief will be delivered is through local authorities' discretionary powers (Section 47 of the Local Government Finance Act 1988). This means that Members will need to agree to the principle of using our discretionary powers where ratepayers meet the qualifying prescribed criteria.

1.3 Unfortunately Members have to consider the principle of using their discretionary powers without having the qualifying criteria on all these measures. This is because we will need to raise awareness of these measures on our annual council tax bills which will be issued by mid March 2014 as well undertaking any proactive measures to identify potential qualifying businesses. Due to the timing of Full Council it is necessary for this to be included at this meeting.

1.4 The other measures will require legislative changes. DCLG (Department for Communities and Local Government) advised in their letter to Chief Finance Officer dated 6 December 2013 that they will provide further information on implementation of all measures shortly.



1.5 In addition to these measures the Government (as part of the Chancellor's 2012 Autumn statement) brought in New Build Empty Property Relief for up to 18 months that will apply to newly built properties completed after 1 October 2013 and before 30 September 2016. This is also being delivered through our discretionary powers. At present we do not have any new properties that would meet the prescribed criteria but Member approval to use the discretionary powers is required in order to claim reimbursement from the Government.

2.0 Retail price index being capped at 2% instead of 3.2%

2.1 Rates are calculated based on the rateable value (RV) that appears in the Rating List (compiled and maintained by The Valuation Office Agency an Executive Agency of HMRC) which is multiplied by the rating multiplier (set annually by Government).

2.2 The rating multiplier is determined by regulations and is normally calculated using the retail price index as at September of the previous year. The Government have provision for this to be adjusted by HM Treasury. As at September 2013 the retail price index was 3.2% but as part of the Chancellor's Autumn Statement, HM Treasury have exercised their powers and capped this at 2%. This means that the rating multiplier for small businesses* will increase from 46.2p (2013/14) to 47.1p (2014/15). A 3.2% rise would have seen the rating multiplier increase from 46.2p to 47.7p.

**A small business is where the ratepayer occupies a property with a rateable value less than £18,000 and is not in receipt of mandatory relief.*

2.3 An example of what this means is as follows:

Property with RV £17,000

			£
2013/14 Charge	(£17,000 x 0.462)	=	7,854
2014/15 Charge	(£17,000 x 0.471)	=	<u>8,007</u>
Increase of			153

Had 3.2% (0.477) been used then the 2014/15 charge would have been £8,109 an increase on the previous year of £255.

This example makes no adjustment for transitional phasing or other reliefs that a ratepayer may be entitled to receive.

2.4 As illustrated by the above example, limiting the small rating multiplier increase to 2% will help to limit the increase that businesses would otherwise had to find.

2.5 The rating multiplier for businesses not entitled to SBRR is adjusted to fund the estimated cost of the small business rate relief scheme. For 2014/15 the Government have announced a provisional supplement of 1.1p on the small business rating multiplier which gives a rating multiplier of 48.2p for 2014/15. For the current year the multiplier is 47.1p. This is an increase of 2.3%.

2.6 The rating multipliers are currently provisional and will be confirmed after either the local government finance report for 2014/15 has been approved by the House of Commons or 1 March 2014, whichever is earlier.

2.7 The Government have advised that they will fund local authorities proportion of the loss of additional income that would have been received through the Business Rates Retention Scheme due to the retail price index being capped at 2%.

2.8 This measure is for information only.

3.0 Small Business Rate Relief (SBRR)

3.1 SBRR was introduced from 1 April 2005 to help small businesses. When it was introduced the maximum relief available was 50%. However, since 1 October 2010 the Government has annually extended temporary doubling of this relief.

3.2 For properties with a rateable value of £6,000 or less, ratepayers are entitled to 100% relief provided they only occupy one property*. The rate of relief gradually decreases from 100% to 0% for properties with a rateable value between £6001 and £12,000.

**Where a ratepayer occupies another property they can qualify for relief provided each of the other properties have a rateable value less than £2,600 and provided the aggregate rateable value is below £18,000. Relief is applied to the main property.*

3.3 For all occupied properties (excluding mandatory relief recipients) that have a rateable value below £18,000 the rates are automatically calculated using the small business multiplier. For the current year this is 46.2p instead of 47.1 p. A reduction of 0.9p. For 2014/15 the difference is 1.1p.

3.4 SBRR does not apply to empty properties or where the ratepayer is in receipt of mandatory relief.

3.5 Not only does the Government plan to continue doubling SBRR in 2014/15 but it has also proposed that businesses who take on another property will not lose their current relief for the first 12 months. Currently we have not received any more guidance on the criteria that will apply.

3.6 As at 31 December 2013 we have 4,255 ratepayers in receipt of SBRR or with bills calculated with the small business multiplier out of a total number of 5,817 rating assessments. This is broken down as follows:

	No of ratepayers
100% SBRR	1,800
Receiving between 1% to 99%	698
Lower rating multiplier	1,757
Total	4,255 (73.15%)

3.7 The Government have advised that they will be updating the regulations to continue the doubling up of relief as well as allowing SBRR to continue for the first 12 months when a business takes on another property.

3.8 As this will reduce the income to Council's through the Business Rates Retention Scheme the Government has advised that they will reimburse local authorities their proportion of the loss of income.

3.9 The changes to SBRR are for information only.

4.0 Ratepayers can elect to pay over 12 months

4.1 Currently the Statutory Instalment Scheme provides for up to 10 instalments. Council Tax regulations were changed from 1 April 2013 to allow customers the right to pay over 12 instalments and the Government intends to do the same from this April for NNDR customers.

4.2 Many of our businesses whether large or small may want to elect to pay over 12 months because of the benefits this will have on cash flow.

4.3 While interest rates remain low this will have a marginal impact on the interest received by EDDC if the majority of our businesses move to 12 instalments.

4.4 This change is also for information only.

5.0 Discount of £1,000 for shops, restaurants and pubs with a rateable value below £50,000 for two years up to state aid limits, from 1 April 2014

5.1 We are awaiting guidance from DCLG on what the qualifying criteria will be in order to award the discount.

5.2 As of 31 December 2013 we have 1,003 shops, 146 restaurants/cafes (57 restaurants & 89 cafes) and 124 pubs/wine bars (118 public houses & 6 wine bars) with these descriptions in the rating list and with a rateable value below £50,000. However some of these are currently getting SBRR or in receipt of mandatory relief (such as charity shops) and therefore we don't know of these how many will be entitled to the £1,000 reduction. Also, some of these will also occupy other premises in other parts of the Country and we will need to ensure that we do not breach state aid rules.

5.3 Any discount that we grant will be awarded under our discretionary powers (S47 of the Local Government Finance Act 1988) and therefore state aid rules apply. See section 8 of this report.

5.4 The Government will refund the loss in receipts as a result of these measures.

5.5 In order to use our discretionary powers Members must agree that the Council will grant this discount to those businesses that will qualify under the guidance to be issued, subject to state aid limits.

6.0 A 50 per cent relief for 18 months – between 1 April 2014 and 31 March 2016 – for businesses that move into retail premises that have been empty for a year or more

6.1 Again, we have been advised that DCLG will be issuing guidance on what circumstances a ratepayer will qualify for this relief.

6.2 We currently have approximately 14 shops that have been empty for more than 18 months and should they become occupied could benefit from this measure.

6.3 The Government will refund the loss in receipts as a result of these measures.

6.4 As this relief will be awarded under our discretionary powers, Members will need to agree to grant this relief to those

businesses that meet the prescribed guidance, again this is subject to state aid rules.

7.0 New Build Empty Property Relief from 1 October 2013 to 30 September 2016

- 7.1 As part of the Chancellor's 2012 Autumn Statement, he announced that subject to consultation the Government would exempt all newly built commercial property between 1 October 2013 and 30 September 2016 from empty property rates for the first 18 months, up to the state aid limits. The purpose of this measure is to help stimulate construction.
- 7.2 As this is a temporary measure, the Government has not changed the rules on when a property becomes liable for empty property rates, instead they are providing the exemption by reimbursing local authorities that use their discretionary powers (under S47 of the Local Government Finance Act 1988) to grant relief in prescribed circumstances. Central Government will reimburse local authorities for the local share of the discretionary relief (using a grant under Section 31 of the Local Government Act 2003).
- 7.3 The Government will fund authorities who provide 100% relief to those unoccupied new properties for the first 18 months following completion, provided they were completed after 1 October 2013 and before 30 September 2016, subject to State Aid de minimis limits.
- 7.4 A summary of the prescribed circumstances (Guidance Issued by DCLG) on the properties that will benefit are as follows:
- 7.4.1 Unoccupied non domestic properties are those that are wholly or mainly comprised of qualifying new structures
 - 7.4.2 Structures means - foundations, permanent walls and/or permanent roofs
 - 7.4.3 New means - completed after 1 October 2013 and before 30 September 2016 and in certain circumstances where a property has been created from a split or merger or changes to existing properties where it has mainly been created from a new structure.
 - 7.4.3 Wholly or mainly – means more than half. The scheme does not apply to refurbished property. It is intended to capture those that have been the subject of substantial construction.
- 7.5 The 18 months includes the current 3 or 6 months* exemption period for unoccupied properties. So in practice an unoccupied new build property would benefit from the relief for periods that rates are payable, up to 18 months , subject to the State Aid limits

**3 months exemption applies to non industrial properties (such as; shops, offices, restaurants, etc.) 6 months exemption applies to industrial properties. After the relevant exemption period expires full rates become payable.*

7.6 Properties will be able to claim the relief between periods of occupation. For example;

A new shop that is initially unoccupied for 8 months and becomes occupied for 4 months but becomes unoccupied again for 6 months will be treated as follows:

- 3 months – existing statutory exemption
- 5 months – **new build empty property relief**
- 4 months – property occupied – full rates payable
- 3 months – existing statutory exemption
- 3 months – **new build empty property relief**

At the end of the 18 months period (calculated from the date property is completed), the funding of the new build empty property relief will end.

In this example the ratepayer has benefited from 8 months of new build empty property relief in addition to the statutory exemption, whereas they would have been charged full rates during these periods.

7.7 The Government will refund the loss in receipts as a result of these measures.

7.8 As this relief will be awarded under our discretionary powers, Members will need to agree to grant this relief to those businesses that meet the prescribed guidance, again this is subject to state aid rules.

8.0 State Aid Limits

8.1 State Aid refers to financial support from a public or publicly –funded body given to organisations, which has the potential to distort competition and affect trade between member states of European Union. Discretionary rate relief, depending on the circumstances, could amount to State Aid.

8.2 State Aid is generally prohibited by European Community rules. However, there are exceptions to this, and some financial aid is allowed under ‘de minimis’ rules if the total amount of funding received by an organisation does not exceed a prescribed limit. Currently, funding over a three year period must not be cumulatively exceed €200,000.

8.3 Guidance issued by DCLG in relation to the New Build Empty Property Rate Relief is that “in order to avoid potential State Aid issues, authorities should treat relief granted in the prescribed circumstances in accordance with the de minimis rules. The Government have stated that they will not fund any relief that would lead to the de minimis limit being exceeded with respect to any ratepayer. Local authorities will need to administer the relief in such a way to ensure that the de minimis rules are complied with”.

8.4 It is likely that the State Aid guidance that has been issued for the New Build Empty Property Relief will be the same for the other two new measures (£1,000 discount and 50 percent discount for empty retail premises).

8.5 As part of the administration of these reliefs we will need to include procedures for satisfying that we are not breaching the de minimis rules.

9.0. Summary

- 9.1 In order to get approval in time for 1 April 2014, Members need to agree to the principle of using discretionary powers where businesses will meet the prescribed criteria, subject to state aid limits.
- 9.2 If Members approve to use their discretionary powers to give relief where they meet the qualifying criteria then we will work closely with the Economic team to ensure that these measures are effectively promoted.

Legal Implications

The Head of Finance already has delegated authority to grant discretionary and mandatory rate reliefs within the agreed policy of the Council. The recommendations at the front of the report will establish policy for the future.

Financial Implications

The financial implications are outlined in the report. These additional measures to alleviate business rates for businesses in certain circumstances are being introduced with the associated funding to compensate local authorities for lost income. Exact details have yet to be published but the intention is clear.

Consultation on Reports to the Cabinet

No consultation undertaken

Background Papers

- DCLG – Letter to Chief Finance Officer dated 6 December - www.gov.uk/government/publications/business-rates-information-letter-92013
- DCLG – New Build Empty Property – Guidance issued September 2013 www.gov.uk/government/publications/business-rates-new-build-empty-property

Libby Jarrett ljarrett@eastdevon.gov.uk
Revenues & Benefits Manager

Cabinet
5 February 2014

Agenda Item 19

Cabinet

5 February 2014

14/1404



Mamhead Slipway Option Approval

Summary

Mamhead Slipway at Exmouth has been closed on grounds of public safety since August 2012. A series of technical studies has been conducted in order to assess what is the most appropriate option for a replacement slipway.

The Council is now asked to give approval for a scheme to provide a replacement public slipway at Mamhead, and to the commencement of the necessary statutory processes.

Recommendation

1. To approve the indicative layout showing in drawing 9Y0565-0200 for a replacement public slipway at Mamhead, Exmouth, including use for vehicle and trailer manoeuvring of the area currently laid out as Mamhead Gardens.
2. To approve the submission of a planning application and an application for the required marine licence

a) Reasons for Recommendation

The technical study work has now progressed where sufficient information is known about the options examined to be able to make a clear recommendation as to which is most appropriate.

b) Alternative Options

The merits of the alternative options tested are outlined in the body of the report.

c) Risk Considerations

The slipway has already been closed for 16 months. If a decision is not made about which option to progress there is a risk of loss of further maritime activity to other towns with operational slipways, and extended disharmony resulting from increased use of Belshers slipway.

d) Policy and Budgetary Considerations

The Exmouth Masterplan and Regeneration Strategy seek to establish Mamhead as the main point of access to the water for Powered Water Craft. Indeed it is the primary launch/recovery location in East Devon. The proposed option for replacement complies fully with the expectations of the approved Exmouth Masterplan.

The replacement slipway has an estimated cost in the range £1.0m to £1.5m, including an allowance for risk (optimism bias). Cabinet agreed on 17 July 2013 that the slipway project was one of the Exmouth Regeneration strategy projects which would, amongst others, use some of the capital receipt from the sale of Elizabeth Hall. The project has also been the subject of a Capital Programme bid, and funding contributions are being sought from outside the Council, as detailed in the body of the report.

e) Date for Review of Decision

-

1 Main Body of the Report

Background

- 1.1 During the preparation of the Exmouth Masterplan a review was undertaken of the facilities for access to the water at Exmouth. The conclusion of this work was that no single facility was ideal, but the one with the greatest potential was the slipway at Mamhead. Hence the Masterplan concluded that “Mamhead Slipway is one of the priorities for investment, to improve access to the water.” The masterplan stated that initial proposals for Mamhead could include ensuring that adequate space is provided adjacent to the slipway for parking and manoeuvring to facilitate use of the slipway.
- 1.2 Unfortunately, a structural inspection and diving survey conducted by specialist consultants Royal Haskoning DHV in August 2012 showed that the structural integrity of the slipway was compromised owing to the fill material having been scoured out from beneath the slab. The slipway had to be closed immediately to protect public safety, and has remained closed since then.
- 1.3 The Council has made funding available in order to commission technical studies to examine the options for replacing the slipway at Mamhead. An interim report on this work was considered by Cabinet on 17 July 2013; this report presents the conclusions of the subsequent work and makes recommendations on the option to progress.

2 Consideration of options

- 2.1 The initial technical study considered three options for replacing Mamhead slipway:
 - Option 1 - a replacement slipway on the existing footprint
 - Option 2 - a re-oriented slipway at the current location, with additional vehicle manoeuvring space using the Mamhead Gardens area
 - Option 3 - relocation of the slipway some 40 m west, to run alongside the Pierhead

It was concluded by Cabinet in July that Option 3 should be taken no further. This view coincided with that of the Exmouth Regeneration Programme Board and the Water Users' group.

- 2.2 Cabinet also recognised that doing nothing was not an option. The existing slipway cannot be left in its current condition as it represents a hazard to potential users and hence, even if it was decided not to provide a replacement slipway there would be significant cost involved in removing the existing structure and reinstating the opening in the sea wall.

- 2.3 The further study work progressed by Royal Haskoning DHV has included topographic and bathymetric surveys to provide better knowledge of the horizontal and vertical layout, both on land and in the estuary channel; a review of public utility services; boreholes to indicate the extent of the void under the current slab, and to give a picture of the underlying geological strata; trial pits to identify the structure of the sea wall and the material under Mamhead Gardens, and a review of coastal processes.
- 2.4 The survey work has shown that the depth of the channel bed in the vicinity of the existing slipway has receded by around 3 metres since the year 2000. Effectively the channel appears to have moved closer to Exmouth over this period, and with deeper and potentially faster water flowing past the slipway it is perhaps not surprising that the fill material has been scoured from beneath the existing slab. One implication of this finding is that it would not be sensible to pursue the Option 1 concept (replacement slipway on existing footprint) to deliver an identical replacement scheme, as the end of the slipway would be out of the water for part of the tide cycle. Hence, if Option 1 is to be progressed, the suggestion is that the length of the slipway should be extended by some 5 metres (which in turn has implications for the statutory processes).
- 2.5 The site investigation work (boreholes and trial pits) has shown that the void beneath the slipway slab is more extensive than first thought, reinforcing the case for keeping the slipway closed, and it has provided vital information for the design of the chosen option. In particular it will be crucial in determining the length and section of the piles to be used. The trial pits and samples taken in the Mamhead Gardens area have provided information necessary for the design of key features of Option 2 – the treatment necessary to ensure that the integrity of the sea wall is maintained and information needed for the design of sea defence gates and wall.
- 2.6 Further consultation was held with Exmouth Regeneration Board in September 2013 and with the Water Users' Group in October 2013, and they both reinforced their previously expressed support for Option 2. The review of coastal processes indicated that the trend of the channel moving towards the Exmouth side of the estuary may yet continue, and in this context Option 2 is likely to be preferable as the slipway is angled towards what seems to be slightly calmer water.
- 2.7 Option 2 provides a layout which delivers the Exmouth Masterplan objective of enhancing the operational characteristics of the slipway, by providing some space for vehicle parking and manoeuvring adjacent to the slipway, and off the public highway. By contrast, Option 1 retains the existing access off the public highway, requiring a 90 degree reversing of vehicle and trailer close to the bend between Mamhead View and Victoria Road – hence Option 1 fails to meet the Masterplan objective.
- 2.8 In the wider context of the management strategy for the Exe estuary, with its internationally recognised status as site for over-wintering birds, an enhanced Mamhead could play a significant role in attracting patronage away from accessing the water at more environmentally sensitive locations. Hence Option 2 complies with this element of the Exe Estuary strategy, whereas Option 1 does not.
- 2.9 In terms of planning and statutory processes, the fact that Option 1 would need to be extended beyond its existing footprint brings it into the same requirements as Option 2. In each case the planning application will need to be accompanied by an

Environmental Impact Assessment/ Habitats Regulations Assessment, and will require a marine licence from the Marine Management Organisation. The times to achieve the necessary approvals are therefore likely to be similar for each option.

- 2.10 The overall balance, in operational terms, is strongly in favour of Option 2 – as has been reflected by Exmouth Regeneration Board and the Water Users. Option 2 would have the following advantages over Option 1:-
- Improved ease of highway access as it would avoid the need to make a right angle reversing movement across Mamhead View
 - Consequent reduction in the likelihood of accidents including pedestrian/vehicle conflicts
 - Off highway area to prepare craft for launching before reversing down the slipway
 - Wider slipway launch area
 - Launching and recovery of craft in an area of slacker water
 - A more usable slipway is more likely to attract users away from other slipways on the Exe estuary, which are in more environmentally sensitive areas
 - A more usable slipway is more likely to attract users from outside East Devon, with consequent benefits for the Exmouth and East Devon visitor economy.

However, the affordability of the project needs to be taken into consideration, and this is dealt with in the following section.

3 Financial Implications

- 3.1 During the course of the Royal Haskoning studies their initial cost estimates for the two options have been validated, on a without prejudice basis, by construction industry representatives. From the current point in the project development process, the initial estimate for Option 1 is around £600,000, and for Option 2 is around £1.08m. Making a 40% allowance for contingency/ construction risk would raise the Option 1 figure to £840,000, and the Option 2 figure to £1.51m. There is perhaps more uncertainty around the Option 2 estimate which involves a greater extent of piling. However, there will also be an opportunity during the detail design stages to reduce the construction risk and contingency by value engineering.
- 3.2 In July 2013 Cabinet confirmed that the replacement Mamhead slipway would be a contender for funding from the Elizabeth Hall capital receipt. Other funding sources which might be used include section 106 contributions from adjacent development, such as the approved Pierhead scheme, and funding from the Exe Estuary mitigation contributions which arise from housing development in the vicinity of the estuary.
- 3.3 On this basis a bid was submitted for funding from the council's capital program with an estimated total project cost of £1.5 million. This has been included in the draft capital programme, which is currently going through the committee process. A final decision will be made at Full Council on 26 February 2014.
- 3.4 A further significant contribution is likely to be made by Devon County Council in line with an agreement which was reached in 1948 regarding future maintenance responsibilities for the sea wall and slipways at Exmouth. Under this agreement the county council stands to commit a one third share of the reinstatement cost, but this is limited to the cost of the Option 1 scheme as the concept of an enhanced slipway was not envisaged in the agreement.
- 3.5 During discussion at Cabinet in July the question of charging for use of the slipway was raised. A review of public slipways in the South West peninsula has been

carried out, with several of the facilities being visited in order to assess the services which they offer to enable comparison with Mamhead. Of some 38 facilities considered the majority of operators impose a charge, and several of those which do not levy a fee are in Plymouth. There is quite a wide range of charges applied with some being nominal and most being modest, in the range between £10 and £25 per launch. The highest charges are set at £40 per day, or £29.70 for an individual launch. In several cases an annual charge/season ticket is available at a very reasonable fee.

- 3.6 The concept of charging was discussed with the Water Users' group, who do not object to the principle providing the charge levied is reasonable and seems to match the level of service being provided. This is not just a matter of deciding to levy a charge, but also of having an effective means of collecting it. Even if charging were on a self-service basis there would still be the matter of enforcement.
- 3.7 A further question relates to the availability of parking for both vehicles and trailers. The easiest place for the council to be able to offer parking with some certainty is at Camperdown, though there may also be an option of securing some on street parking capability on the Esplanade. For the moment it is suggested that the principle of charging for use of the slipway should continue to be investigated and it should be considered in the round with other aspects of using the slipway, such as parking.

4 Planning and procedures

- 4.1 Once a decision is made on which option to pursue for the replacement slipway, planning and procedures lie on the critical path. The technical work progressed during 2013 has included the securing of a screening opinion from the District Council as local planning authority. This has been followed by the submission of a draft scoping report which has set out the likely content of the environmental statement which will be needed to accompany the planning application. It is therefore suggested that if Cabinet is willing to approve the recommendation for Option 2 then the necessary steps to prepare a planning application should be progressed immediately.
- 4.2 The earliest a planning application could be submitted is at the end of April 2014 and the earliest it could be determined is July 2014. This will give sufficient time to progress the engineering design and to agree a procurement methodology in parallel with the planning process.
- 4.3 If capital funding is available in financial year 2014/2015 that could enable construction work to start on site in the second half of 2014. However it should be noted that the timing of construction work will be conditioned by the need to avoid disruption to migrating fish and over wintering birds and this may have a role in defining when the slipway reinstatement project could be completed.

Legal Implications

The report addresses planning and maritime consents; it is recommended that any property issues are also addresses in the final version of this report, including the ownership of the land on which the new slipway is proposed to be located.

Financial Implications

As mentioned in the report, if the capital programme is approved funding will be available for option 2. It should be noted that, subject to negotiation, some funding from Devon County Council has been assumed in the capital programme. If a practical cost effective way forward on charging for the use of the slipway could be found, it would have a positive impact on the revenue budget.

Consultation on Reports to the Executive

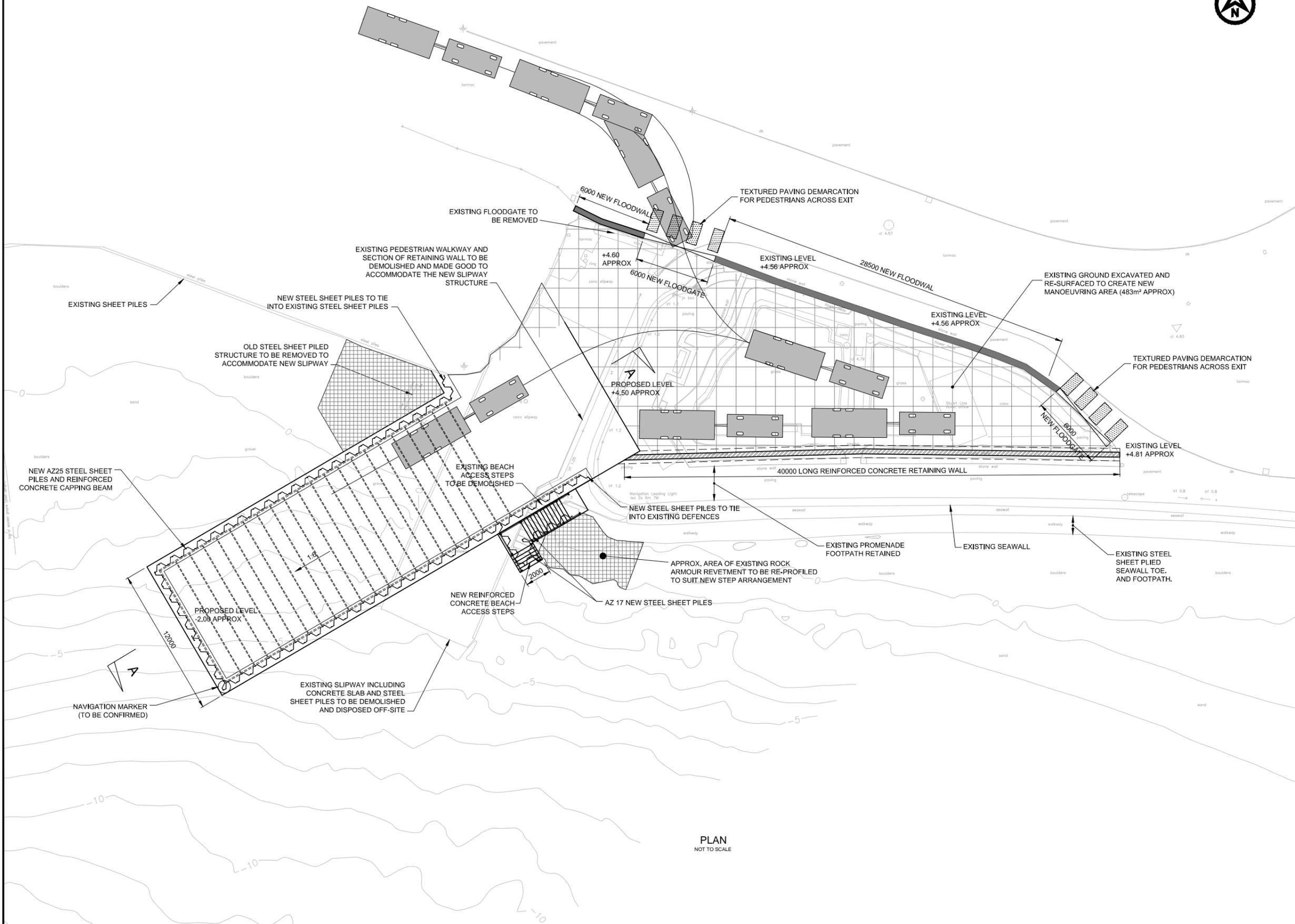
-

Background Papers

-

Ian Harrison iharrison@eastdevon.gov.uk
Mamead Slipway Replacement Project Manager

Cabinet
5 February 2014



PLAN
NOT TO SCALE

NOTES

1. ALL DIMENSIONS ARE IN MILLIMETRES UNLESS NOTED OTHERWISE.
2. ALL LEVELS ARE IN METRES RELATIVE TO ORDNANCE DATUM NEWLYN UNLESS NOTED OTHERWISE.
3. ALL MATERIALS AND WORKMANSHIP WILL BE AS DEFINED IN THE SPECIFICATION UNLESS NOTED OTHERWISE.
4. TOPOGRAPHIC AND BATHYMETRIC SURVEYS UNDERTAKEN BY LAND AND SEA SURVEY COMPANY IN MAY 2013.
5. CONCEPT DESIGN, DIMENSIONS AND DETAILS TO BE CONFIRMED DURING DETAILED DESIGN.

LEGEND

- AREA TO BE LOWERED
- NEW GRAVITY RETAINING WALL
- NEW FLOOD WALL
- NEW FLOOD GATE

NOT FOR CONSTRUCTION

REV	DATE	DESCRIPTION	BY	CHK	APP
D5	21.01.14	CROSS SECTION REMOVED	GG	AJ	RJG
D4	11.07.13	FINAL REPORT	GG	HR	RJG
D3	02.07.13	FOR CLIENT COMMENT	JLR	MPC	RJG
D2	21.06.13	DRAFT FOR CLIENT COMMENT	BN	MPC	RJG
D1	19.06.13	FOR PRICING	GG	AG	RJG

REVISIONS

CLIENT
EAST DEVON DISTRICT COUNCIL

PROJECT
REDEVELOPMENT OF MAMHEAD SLIPWAY, EXMOUTH

TITLE
OUTLINE DESIGN OPTION 2B (SHEET 1 OF 2)

Royal HaskoningDHV
Enhancing Society Together

DRAWN	GG	CHECKED	MPC	APPROVED	RJG
DATE	JUNE '13	SCALE	AS SHOWN	CLIENTS REF.	

DRAWING No.	9Y0565-0200	REVISION	D5
-------------	-------------	----------	----

List of meetings 2014/2015

Unless otherwise indicated meetings will normally be held at Knowle, Sidmouth. Not all meetings are open to the public and the public can be asked to leave other meetings on specified grounds.

Meeting	Day	Time	2014								2015				
			May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Annual Council	Wed	6.30pm	14											27	
Council	Wed	6.30pm			23				22	3		25		8	
Cabinet	Wed	5.30pm		4	9			3	1	26		7	4	4	
Overview & Scrutiny Committee	Thu	6.30pm	29		3	28	25	23	20	18	29	26	19	23	
Overview & Scrutiny Service Plan & Budget Meeting	Wed	9.00am									14				
Development Management Committee	Tue	2.00pm		10	15	19	16	14	11	9	6	3	3	28	
Planning Inspections Committee	Fri	tba													
Audit & Corporate Governance Committee	Thu	2.30pm		26				25		13		15		12	
Housing Review Board	Thu	6.00pm		19				4		6		8		5	
Licensing & Enforcement Committee †	Wed	9.30am		11			27			19			18		
Licensing & Enforcement Sub Committee †† *	Tue	9.30am													
Standards Committee	Tue	10.00am		17					7			20		7	
Asset Management Forum	Thu	9.30am		26			14	4	9	6	4	8	12	12	
Rates Consultation (with business community)	Mon	6.30pm													

NOTES

Time to be arranged

† The Licensing and Enforcement Committee includes within its functions the Licensing Act 2003, Gambling Act 2005, and all matters relating to hackney carriages and private hire.

†† Sub-Committees of the Licensing and Enforcement Committee whose functions are primarily to deal with hearings under the Licensing Act 2003 and Gambling Act 2005.

* Meetings of the Licensing and Enforcement Committee are timetabled for every Wednesday on a 'if required' basis.

- Devon County Council Budget meeting time tabled for February 2015 (date to be confirmed)
- Meetings of the Standards Sub Committees will be arranged as required.
- Budget/ Rates Consultation with the Business Community – to be arranged as required in January.

DATES FOR COUNCIL, CABINET & COMMITTEE MEETINGS 2014/2015

(Unless otherwise indicated meetings will normally be held at Knowle, Sidmouth. Not all meetings are open to the public and not all business at other meetings can be considered in the public part of the meeting - members of the public can be asked to leave meetings on specified grounds.

Please check the weekly newsletter 'The Knowledge' for details of forthcoming meetings.

MAY 2014

Wednesday	14		ANNUAL COUNCIL	6.30 pm
Thursday	29		Overview and Scrutiny Committee	6.30pm

JUNE

Wednesday	4		Cabinet	5.30 pm
Tuesday	10		Development Management	2.00 pm
Wednesday	11	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	11	†	Licensing and Enforcement Committee	9.30 am
Tuesday	17		Standards Committee	10.00 am
Wednesday	18	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	19		Housing Review Board	6.00 pm
Friday	20		Planning Inspections	#
Wednesday	25	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	26		Asset Management Forum	9.30am
Thursday	26		Audit and Governance Committee (DO NOT MOVE)	2.30 pm

JULY

Wednesday	2	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	3		Overview and Scrutiny Committee	6.30 pm
Wednesday	9	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	9		Cabinet	5.30 pm
Tuesday	15		Development Management	2.00 pm
Wednesday	16	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	23	††	Licensing and Enforcement Sub (if required) (Cttee Room)	9.30 am
Wednesday	23		COUNCIL	6.30 pm
Friday	25		Planning Inspections	#
Wednesday	30	††	Licensing and Enforcement Sub (if required)	9.30 am

AUGUST

Wednesday	6	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	13	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	14		Asset Management Forum	9.30 am
Tuesday	19		Development Management	2.00 pm
Wednesday	20	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	27	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	27	†	Licensing and Enforcement Committee	9.30 am
Thursday	28		Overview and Scrutiny Committee	6.30 pm
Friday	29		Planning Inspections	#

SEPTEMBER

Wednesday	3	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	3		Cabinet	5.30 pm
Thursday	4		Asset Management Forum	9.30 am
Thursday	4		Housing Review Board	6.00 pm
Wednesday	10	††	Licensing and Enforcement Sub (if required)	9.30 am
Tuesday	16		Development Management	2.00 pm
Wednesday	17	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	24	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	25		Audit and Governance Committee	2.30 pm
Thursday	25		Overview and Scrutiny Committee	6.30pm
Friday	26		Planning Inspections	#

OCTOBER

Wednesday	1	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	1		Cabinet	5.30 pm
Tuesday	7		Standards Committee	10.00 am
Wednesday	8	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	9		Asset Management Forum	9.30 am
Tuesday	14		Development Management	2.00 pm
Wednesday	15	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	22	††	Licensing and Enforcement Sub (if required) Cttee Room	9.30 am
Wednesday	22		COUNCIL	6.30 pm
Thursday	23		Overview and Scrutiny Committee	6.30pm
Friday	24		Planning Inspections	#
Wednesday	29	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	29		Cabinet	5.30 pm

NOVEMBER

Wednesday	5	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	6		Asset Management Forum	9.30 am
Thursday	6		Housing Review Board	6.00 pm
Tuesday	11		Development Management	2.00 pm
Wednesday	12	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	13		Audit and Governance Committee	2.30 pm
Wednesday	19	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	19	†	Licensing and Enforcement Committee	9.30 am
Thursday	20		Overview and Scrutiny Committee	6.30pm
Wednesday	26	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	26		Cabinet	5.30 pm
Friday	28		Planning Inspections	#

DECEMBER

Wednesday	3	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	4		Asset Management Forum	9.30 am
Tuesday	9		Development Management	2.00 pm
Wednesday	10	††	Licensing and Enforcement Sub (if required) Cttee Room	9.30 am
Wednesday	10		COUNCIL	6.30 pm
Wednesday	17	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	18		Overview and Scrutiny Committee	6.30 pm
Friday	19		Planning Inspections	#

JANUARY 2015

Tuesday	6		Development Management	2.00 pm
Wednesday	7	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	7		Cabinet	5.30 pm
Thursday	8		Asset Management Forum	9.30 am
Thursday	8		Housing Review Board	6.00 pm
Wednesday	14		Overview and Scrutiny Committee Service Planning and Budget (all day meeting)	9.00 am
Wednesday	14	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	15		Audit and Governance Committee	2.30 pm
Friday	16		Planning Inspections	#
Tuesday	20		Standards Committee	10.00 am
Wednesday	21	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	28	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	29		Overview and Scrutiny Committee	6.30 pm

FEBRUARY

Tuesday	3		Development Management	2.00 pm
Wednesday	4	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	4		Cabinet	5.30 pm
Wednesday	11	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	12		Asset Management Forum	9.30 am
Friday	13		Planning Inspections	#
Wednesday	18	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	18	†	Licensing and Enforcement Committee	9.30 am
Wednesday	25	††	Licensing and Enforcement Sub (if required) Cttee Room	9.30 am
Wednesday	25		COUNCIL – setting Council Tax and agreeing budgets	6.30 pm
Thursday	26		Overview and Scrutiny Committee	6.30pm

MARCH

Tuesday	3		Development Management	2.00 pm
Wednesday	4	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	4		Cabinet	5.30 pm
Thursday	5		Housing Review Board	6.00 pm
Wednesday	11	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	12		Asset Management Forum	9.30 am
Thursday	12		Audit and Governance Committee	2.30 pm
Friday	13		Planning Inspections	#
Wednesday	18	††	Licensing and Enforcement Sub (if required)	9.30 am
Thursday	19		Overview and Scrutiny Committee	6.30pm
Wednesday	25	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	25		Cabinet	5.30 pm
Tuesday	31		Development Management Committee	2.00 pm

APRIL

Wednesday	1	††	Licensing and Enforcement Sub (if required)	9.30 am
Tuesday	7		Standards Committee	10.00 am
Wednesday	8	††	Licensing and Enforcement Sub (if required) Cttee Room	9.30 am
Wednesday	8		COUNCIL	6.30 pm
Thursday	9		Asset Management Forum	9.30 am
Friday	10		Planning Inspections	#
Wednesday	15	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	22		Licensing and Enforcement Sub (if required)	9.30 am
Thursday	23		Overview and Scrutiny Committee	6.30pm
Tuesday	28		Development Management Committee	2.00 pm
Wednesday	29	††	Licensing and Enforcement Sub (if required)	9.30 am
Wednesday	29		Cabinet	5.30 pm

MAY

Thursday	7		DISTRICT COUNCIL ELECTIONS	
Wednesday	27		Annual meeting of the Council – to be confirmed	6.30 pm

Time to be arranged

† The Licensing and Enforcement Committee includes within its functions the Licensing Act 2003, Gambling Act 2005, and all matters relating to hackney carriages and private hire.

†† Sub-Committees of the Licensing and Enforcement Committee whose functions are primarily to deal with hearings under the Licensing Act 2003 and Gambling Act 2005.

Note:

- Devon County Council Budget meeting time tabled for February 2015 (date to be confirmed)
- Meetings of the Standards Sub Committees will be arranged as required.
- Budget/ Rates Consultation with the Business Community – to be arranged as required in January.

Agenda Item 21



Cabinet

5 February

Performance Report December 2013

Monthly Performance Report December 2013

Summary

Performance information for the 2013/14 financial year for December 2013 is supplied to allow the Cabinet to monitor progress with selected performance measures and identify any service areas where improvement is necessary.

Recommendation

That the Cabinet considers the progress and proposed improvement action for performance measures for the 2013/14 financial year for December 2013.

a) Reasons for Recommendation

This performance report highlights progress using a monthly snapshot report; SPAR report on monthly performance indicators and system thinking measures in key service areas including Streetscene, Housing, Development Management and Revenues and Benefits.

b) Alternative Options

None

c) Risk Considerations

A failure to monitor performance may result in customer complaints, poor service delivery and may compromise the Council's reputation.

d) Policy and Budgetary Considerations

None

e) Date for Review of Decision

Performance information is provided on a monthly basis.

1 Main Body of the Report

1. Performance information is provided on a monthly basis. In summary most of the measures are showing good performance for the start of the performance year.
2. There are two indicators that are showing excellent performance
 - Percentage of planning appeal decisions allowed against the authority's decision to refuse
 - Percentage of Non Domestic Rates collected

3. There are currently no performance indicators showing as concern and three showing variation.
 4. A monthly Performance Snapshot is attached for information in Appendix A.
 5. A full report showing more detail for all the performance indicators mentioned above appears in Appendix B.
 6. Rolling reports/charts for Housing, StreetScene, Planning and Revenues and Benefits appear in Appendix C.
 7. An explanation and definitions of these measures can be found in Appendix D.
-

Legal Implications

There are none arising from the recommendations in this report.

Financial Implications

There are no direct financial implications.

Consultation on Reports to the Executive

Relevant Heads and officers have contributed to the appendices.

Background Papers

- [Appendix A – Monthly performance snapshot for December 2013](#)
 - [Appendix B - The Performance Indicator monitoring report for the 2013/14 financial year for December 2013.](#)
 - [Appendix C – System Thinking Reports for Housing, Streetscene, Planning and Revenues and Benefits](#)
 - [Appendix D - Explanations and definitions.](#)
-

Karen Jenkins
Corporate Organisational Development Manager

Cabinet
5 February 2014

Monthly Performance Snapshot – December 2013



This monthly performance snapshot shows our performance over the last month:

- **99.62%** of rent due on council owned homes collected
- **6.4 days** to process your Housing or Council Tax Benefit claims
- **3 days** to clear fly tipping cases, dealing with 40 cases this month, same as last month
- **99%** of invoices received by us are paid within 30 days
- **41.6%** of all waste collected was recycled in December

Latest headlines:

- In the week commencing 31st December 2013 we collected 187.88 tonnes of food waste for reprocessing
- The Manor Pavilion Theatre has just announced its new programme for 2014 with over 20 new shows for the new season. Full details can be found at www.manorpavilion.com
- We have completed the first Enforced Sale Procedure on a long term Empty Property in East Devon.
- We resolved 41 noise nuisance investigations, 40 food complaint investigations and over 100 other environmental health Environmental Health customer service requests covering a range of residents' problems and concerns. The average time to resolve these cases was 27 days.
- Whilst the rest of us had a well earned break, Environmental Health Officers remained on standby throughout the Christmas and New Year period for emergencies and actually dealt with two of out-of-hours noise problems that were seriously affecting our residents.
- We carried out 56 unannounced food hygiene inspections in local business during December.
- We ran Christmas promotions in our car parks during December 2013 and despite reducing the price of parking to just £2 for any car park for the whole day on eight days in December, compared to the same period in 2012 our customer numbers, total income and average spend per customer all went up and not down this year – and we hope these customers used the extra time for some unhurried pre-Christmas browsing and shopping in our local town centre businesses too.

- We also ran a brand new “golden-ticket” promotion which offered pay and display car park customers 24 chances to win a 3 month totally free-of-charge parking permit valid in all of our pay and display car parks. So far five of these prizes have been claimed.
- End of year analysis of feedback forms from Countryside events showed that 87% of attendees at our events rated them 5/5 and 13% rated them 4/5 on a scale of 1 to 5 (5 being the best score!)
- A December review of the Countryside team’s figures for 2013 demonstrated that Environmental Education visits for schools and youth groups were up by over 20%; number of pupils being actively engaged in learning about their environment increased by 50% on 2012/13. Also events attendance was up by over 100%, and income from events was up by over 20% compared to 2012.
- Evidence of otters thriving at Axe Estuary Wetlands - with the recent floods having washed away previous signs, the otter footprints and other signs we are now seeing at the wetlands must all be fresh – in other words they prove widespread use of the wetlands by otters in the last few days.

Did you know?

- Since the 2001 census the household type that has grown the most is the one person household which has grown by nearly 2000 households to the 2011 Census.