

Date: 22 October 2012
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To: The Chairman and Members of the Cabinet
Other Members of the Council for information
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Cabinet
Wednesday 31 October 2012
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.
- In addition, the public may speak on items listed on the agenda. After a report has been introduced, the Chairman (Leader of the Council) will ask if any member of the public wishes to speak and/or ask questions.
- All individual contributions will be limited to a 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.
- The Chairman has the right and discretion to control questions to avoid disruption, repetition and to make best use of the meeting time.

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 off mobile phones during the meeting. If this is not practical due to particular circumstances, please advise the Chairman in advance of the meeting.

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 3 October 2012 as a true record subject to a correction at Minute 64 where the declarations of interest should have shown that Councillor Graham Godbeer and Phil Twiss's personal interests at Minute 81 (Council owned workshop provision – Seaton) were for their personal association with Michael Gardiner. 7 - 19
- 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.
 - 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 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 November 2012 to 28 February 2013. 20 - 25

- | | | |
|----|--|---------|
| 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 Overview and Scrutiny Committee held on 270912. | 26 - 34 |
| 10 | To note or take appropriate action in respect of the recommendations of the Vitality of High Streets and Town Centres Task and Finish Forum – link to the full report
http://www.eastdevon.gov.uk/vhstc_taff_report_270912.pdf | 35 - 36 |

Part A Matters for Decision – Key decisions

- | | | | |
|----|--|---|---------------------------------------|
| 11 | Financial Plan | Head of Finance | 37-56 |
| 12 | Private Sector Housing Renewal Plan | Environmental Health Manager (Private Sector Housing) | 57-79 |
| 13 | Parking Services Operational Review | Environmental Health and Parking Services Manager | 80-87 |
| 14 | Strategic Car Parking Regulations:
Recommendations A-B
Recommendations C-E
Recommendations F-O
Recommendations P-Z | Principal Estates Surveyor | 88-94
95-101
102-107
108-113 |

(Note agenda items 13 and 14 will be updated at the meeting with the recommendations of the Overview and Scrutiny Committee from its meeting on 25 October.

Part A Matters for Decision

- | | | | |
|----|---|------------------------------------|---------|
| 15 | Financial monitoring report – Month 6 September 2012 | Financial Services Manager | 114-119 |
| 16 | Technical Reforms to Council Tax | Revenues & Benefits Manager | 120-131 |
| 17 | Approach for increasing the amount of Council Housing | Head of Housing | 132-139 |
| 18 | Communications update and proposal for street name plates | Corporate Organisational Manager | 140-143 |
| 19 | Monitoring formal complaints and Local Government Ombudsman Complaints Quarters 1 & 2 2012/13 | Information and Complaints Officer | 144-151 |

20	Manstone Workshops, Sidmouth	Principal Estates Surveyor	152-156
21	Performance Monitoring Report until September 2012 (Appendices summarising performance are available as links under Background Papers in the report)	Chief Executive	157-158

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

22 **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 relate 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

23	Treasury Management Strategy Amendments	Reasons for consideration in Part B: <ol style="list-style-type: none">1. Para 3 Schedule 12A Information relating to the financial or business affairs of any particular person (including the authority holding that information).2. The report includes details of proposed changes to the Council's overall managed fund.	Head of Finance	159-162
24	Town Mill Site, Ottery St Mary	Reasons for consideration in Part B: <ol style="list-style-type: none">1. Para 3 Schedule 12A Information relating to the financial or business affairs of any particular person (including the authority holding that information).2. The report includes details of on-going discussion/negotiations with the owners.	Economic Development Manager	163-199

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. 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



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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

***62 Public Questions**

The Leader welcomed the public present. No questions were raised at this part of the meeting.

***63 Minutes**

The minutes of the meeting of the Cabinet held on 5 September 2012 were confirmed and signed as a true record subject to clarification of resolution (1) of Minute 49 (Arts and Culture Task and Finish Forum). The remit of the Arts and Culture Forum was wider than addressing the viability of the Thelma Hulbert Gallery and would encompass arts and culture provision across the district.

***64 Declarations of interest**

Councillor/ Officer	Minute number	Type of interest	Nature of interest
Phil Twiss	77	Personal	User of private water supply
Bob Buxton	77	Personal	User of private water supply
Phil Twiss	81	Personal	Personal association with Grainge Architects
Graham Godbeer	81	Personal	Personal association with Grainge Architects

***65 Exclusion of the Public**

RESOLVED: that the classification given to the documents to be submitted to the Cabinet be confirmed, and that the reports relating to exempt information, be dealt with under Part B.

***66 Forward Plan**

Members noted the contents of the Forward Plan for Decisions for the period 1 October 2012 to 31 January 2013.

***67 Matters referred to the Cabinet**

There were no matters referred to the Cabinet by the Overview and Scrutiny Committee or the Council.

***68 Minutes of the meeting of the Housing Review Board held on 6 September 2012**

The minutes of the meeting of the Housing Review Board of 6 September 2012 were received.

Councillor Pauline Stott, Chairman of the Housing Review extended thanks and appreciation to the effective work of the housing teams.

In response to a question from the Chairman of the Council about a grant allocation to Mid Devon District Council, the Head of Housing advised that he would look into this possible opportunity and see if there were any potential benefits to this district.

*68

Minutes of the meeting of the Housing Review Board held on 6 September 2012 (continued)

Councillor Cox, Portfolio Holder – Finance referred to the recommendation at Minute 29 (Development Statement for increasing Council housing stock) and the need to progress opportunities to secure more Council housing stock. The Chief Executive assured the Cabinet that in exceptional circumstances decisions would be made by the 'virtual housing team' working within a clearly defined procedural framework and within borrowing limits. Any such decisions would then be reported to Cabinet.

Councillor Moulding, Portfolio Holder – Strategic Development and Partnerships agreed that the Council needed flexibility to progress affordable housing schemes subject to careful monitoring. He suggested that it would be helpful for a report to be referred to a future Cabinet meeting setting out an overview of housing stock including new acquisitions, funding and business plan issues.

The Head of Finance assured Members that the Housing Revenue Budget was monitored at each of the Housing Review Board meetings and the Cabinet was kept informed through the monthly financial monitoring report; this gave an overview of budget but any concerns or exceptions would be highlighted.

Councillor Ian Thomas, Portfolio Holder, Corporate Services reminded all Portfolio Holders to keep the rest of the Cabinet informed through electronic up-dates about decisions made and actions being taken within services in their remit.

The Chairman of the Housing Review Board encouraged all Councillors to attend meetings of the Board. The Leader of the Council thanked the Housing Review Board for the excellent work it carried out and its achievements.

RESOLVED 1: that the following decisions be noted:

- | | |
|------------------|---|
| Minute 19 | Councillor Christine Drew and tenant Sally Lancaster's appointment to the Sheltered Housing Task and Finish Forum |
| Minute 24 | The forward plan. |
| Minute 26 | The variances identified as part of the Housing Revenue Account revenue and capital monitoring process up to month 4. |

RESOLVED 2: that the following recommendations be agreed:

- | | |
|------------------|---|
| Minute 25 | that the results of the Standardised Tenants and Residents (STAR) survey results be acknowledged; that where high satisfaction was achieved, results would be celebrated, but where results were not so good, measures would be taken to improve satisfaction. |
| Minute 31 | <ol style="list-style-type: none"> (1) that the recommendations of the Garage Management Review Task and Finish Forum (contained in the report to the Housing Review Board) be approved; (2) that management issues raised including monitoring and enforcing garage tenancies and possible actions in response to garages being used for storage be addressed. |

*68 **Minutes of the meeting of the Housing Review Board held on 6 September 2012 (continued)**

Minute 33 that a small parcel of EDDC housing land be transferred at nil consideration to the Corry Valley Community Land Trust on a freehold basis for the provision of affordable housing, with the understanding that the Council would expect its legal fees to be paid by the purchasers of the scheme.

RESOLVED 3: that the following recommendations be referred to Council for consideration

Minute 27 that the Council recognises the risks to future income and implements proposals to limit the adverse impact of welfare reforms on future income streams.

Minute 28 that the following Devon Home Choice Board decisions be approved:

1. All downsizers are placed in band B.
2. Applicants who formerly served in the regular forces who would normally be placed in band D "no permanent home" are now to be placed in band C.
3. Applicants who need to move to larger accommodation to become foster carers or adopt should have their application placed in band B.
4. The policy on refusals contained in the current published policy document at paragraph 4.12 of the report remains unchanged.

Minute 29 that the Development Statement for increasing Council housing stock be adopted and used as a basis for securing more Council homes through acquisitions and new build.

Minute 30 that the content of the Equalities and Diversity Charter for housing be approved and the Council signs up to formally adopt the Charter.

RESOLVED 4: that a report be referred to the next meeting of the Cabinet setting out the full process for acquiring additional housing stock including funding issues and associated processes.

*69 **Minutes of the meeting of the Recycling and Refuse Partnership Board held on 19 September 2012**

The minutes of the meeting of the Recycling and Refuse Partnership Board held on 19 September 2012 were received.

Councillor Iain Chub, Environment Portfolio Holder and Chairman of the Partnership Board, highlighted the key issues addressed at the meeting including the SITA contract audit, side waste, assisted collections and potential extension of the recycling scheme - subject to budget.

*69

Minutes of the meeting of the Recycling and Refuse Partnership Board held on 19 September 2012 (continued)

RESOLVED

- (1) that the Recycling and Refuse Partnership's responses to the RSM Tenon Audit of SITA Waste Management Contract be agreed and submitted to RSM Tenon,
- (2) that SITA provide the Board with information on how fuel costs were accounted,
- (3) that an interim meeting be held between the Waste and Recycling Manager, Paul Shipman, SITA Fleet Manager and Rick Aldridge, SITA Senior Contract Manager in respect of costs and the tyre contract prior to these 2013 figures being presented to the Board in November 2012,
- (4) that an Assistant Waste Manager be not appointed at the present time,
- (5) that the Performance Framework proposed by the South West Audit Partnership (SWAP) be adopted subject to approval by SITA and EDDC's legal departments, with the Board seeing the agreement before being signed off,
- (6) that the Waste Management Team be awarded with a staff bouquet in the next Team Brief to thank them for all their hard work in relation to tackling the issue of side waste,
- (7) that Ward Members be involved in disputed cases of assisted collections,
- (8) that, in exceptional circumstances, Waste Management Officers be given authority to require more supporting evidence from residents in cases of disputed assisted collections,
- (9) that the provision of small WEE (waste electronic and electrical) banks be provided through WEECare at the following sites:
 - a) Axminster Coombe Lane Car Park
 - b) Budleigh Salterton Lime Kiln Car Park
 - c) Exmouth Imperial Road Car Park
 - d) Honiton Lace Walk Car Park
 - e) Ottery St Mary Land of Caanan Car Park
 - f) Seaton Harbour Road Car Park
 - g) Sidmouth Ham Car Park
- (10) that compact fluorescent bulb banks be provided at the same locations as (9) above;
- (11) that the sites identified at (9) above be agreed with Car Park Services as additional banks would involve a loss of parking spaces and income,

*69 **Minutes of the meeting of the Recycling and Refuse Partnership Board held on 19 September 2012 (continued)**

- (12) that the Communications Officer produce a good news story using the WRAP benchmarking results and at the same time encourage recycling of plastic bottles,
- (13) that the Otter Rotters be invited to a future Board meeting to provide an update on their activities,
- (14) that, an extended range of materials be collected kerbside for recycling, with the Waste and Recycling Manager producing a report outlining the proposals and costs involved, for inclusion in the forthcoming budget process.

*71 **Parking Services Operational Review – Key Decision**

The Leader advised that the Overview and Scrutiny Committee at its meeting on 27 September had asked to be given the opportunity to consider and comment on the Strategic Car Park Regulations reports before being determined by Cabinet. It was appropriate for this operational review report to be considered at the same time as the strategic report and both would now be referred to the next meeting of the Overview and Scrutiny Committee subject to the exception of the Woodbury car park issue.

RESOLVED: that this report be referred to the next meeting of the Overview and Scrutiny Committee for consideration with the Strategic Car Park Regulations report; with the Committee's recommendations then being referred back to Cabinet.

*72 **Asset Management Plan delivery - Key Decision**

- a) Strategic Car Parks Review (A-B – Axminster, Beer, Budleigh Salterton and Broadclyst)**
- b) Strategic Car Parks Review (C-E)**
- c) Strategic Car Parks Review (F-O)**
- d) Strategic Car Parks Review (P-Z)**

The Cabinet agreed with the request from the Overview and Scrutiny Committee for that Committee to be given the opportunity to consider this strategic Car Park report before determination by the Cabinet. However due to successful but long negotiations in respect of the Flower Street Car Park, Woodbury, the Overview and Scrutiny Committee had recommended that this issue be progressed without further delay.

- RESOLVED:**
- (1) that this series of reports (excluding the recommendations in respect of the Woodbury Flower Street Car Park) be referred to the next meeting of the Overview and Scrutiny Committee for consideration with the Parking Services Operational Review report, with the Committee's recommendations then being referred back to Cabinet;
 - (2) that the freehold interest of Woodbury car park, including the public toilets, be offered to Woodbury Parish Council.

73

Procurement Strategy 2012-2016 – Key Decision

The proposed Procurement Strategy included within the agenda papers would replace the Procurement Strategy 2007-2010. The report of the Council's Procurement Officer was introduced by Councillor Mark Williamson, the Council's Procurement Champion. The aim of the Strategy was to promote efficient, effective and socially responsible procurement which was particularly necessary during difficult financial times. Councillor Williamson advised that the Strategy reflected smarter purchasing and on-going changes in procurement. He referred to the Strategy's 4 key elements:

- It embodied the Government's recommended 'quick wins' based on current best national practice;
- Reflected and encouraged collaboration in purchasing to achieve economies of scale;
- Endorsed commitment to e-procurement;
- Its format was clear and accessible.

Councillor Williamson thanked the Corporate Procurement Officer for the valued work he carries out and reminded the Cabinet of the importance of corporate procurement principles.

The Cabinet supported the use of local providers whenever possible subject to European regulations and the ability of local businesses to meet the tender specifications. Members noted that the Strategy included encouraging national and international tenderers to work with local enterprises and suppliers where possible and employ and train local people when delivering their contracts.

The Portfolio Holder – Finance praised the Council's Procurement Champion and Corporate Procurement Officer for progress made to date and their positive efforts to support local providers.

RECOMMENDED: that the proposed 2012-16 Procurement Strategy be adopted.

RESOLVED that the Council's Member Procurement Champion be invited to give a presentation to the East Devon Business Forum on the Council's Procurement Strategy.

REASON To comprehensively deliver and embed modern principles for effective and efficient, socially responsible procurement, ensuring overall value for money in all goods, services and works procured.

To inform the East Devon Business Forum on procurement issues and efforts made by the Council to support local business.

*74 **Financial monitoring report 2012/13 – Month 5 August**

Members considered the financial monitoring report which gave a summary of the Council's overall financial position for 2012/13 at the end of month 5 (31 August 2012). Current monitoring indicated that:

- The General Fund Balance was being maintained at or above the adopted level.
- The Housing Revenue Account Balance will be maintained at or above the adopted level.
- There was sufficient Capital Reserve to balance this year's Capital Programme. However it was estimated that there would only be £1.865M available in the Reserve to support the programme from 2013/14 onwards.

RESOLVED: that the variances identified as part of the Revenue and Capital Monitoring process up to month 5 be acknowledged;

REASON To monitor the overall financial position of the authority at the end of month 5 – the decision reflected the inclusion of any recommended corrective action required for the remainder of the financial year.

*75 **Request for Exemption to Standing Orders – Cranbrook consultants to inform design codes and provide urban advice**

The Director of the Exeter and East Devon Growth Point Team presented his report, seeking Cabinet approval for an exemption to Standing Orders to appoint consultants to provide specialist urban design advice to the Council and facilitate a series of urban design workshops. These workshops would positively influence the design of the Cranbrook town centre. The Leader emphasised the importance of achieving the best design possible and believed that lessons learned through the process could help influence the development of other town centres in the district.

RESOLVED: that exemption under Contract Standing Order 1.11 be granted to enable the appointment of Design Action Devon and Cornwall to complete the work set out in the report, with the work being managed by the New Community Officer for Cranbrook and the Projects Director of the Exeter and East Devon Growth Point Team to a maximum cost of £25,000.

REASON To ensure that

- the best qualified consultancy support is appointed expeditiously,
- the Town Centre Design Codes for Cranbrook are prepared in collaboration with those organisations that have a long term interest in the success of Cranbrook town centre, and
- the best possible urban design guidance is established in advance of the submission of detailed planning applications.

76 **Revised Contaminated Land Strategy**

Members considered the report of the Environmental Health and Contaminated Land Officer which set out the reasons for the revision of the Contaminated Land Strategy and the changes proposed. In presenting the report, the Environmental Health and Parking Services Manager advised that the Council was required to investigate and identify contaminated sites within the district and take any remedial action.

RECOMMENDED: that the revised Contaminated Land Strategy be adopted by the Council.

REASON The Council is required under the Environmental Protection Act 1990 to adopt a Contaminated Land Strategy and review this periodically.

*77 **Private Water Supplies regulations – risk assessments, sampling and enforcement**

The Leader of the Council invited Luppitt Parish Councillor David Barlow to speak on this item. He said that Luppitt Parish had a high number of property owners with private water supplies because no mains water was available. He advised that it was in residents' own interest to keep the private water supplies to a high standard and that this came at a cost. He felt that East Devon District Council's proposed increase in the cost of risk assessment put private water users in rural areas at a disadvantage. He made a list of suggestions to achieve efficiencies, cost savings and a variable tariff of charges.

Luppitt Parish Council Chairman, Gavin Brake, asked the Council to make more use of modern technology and give people with private water supplies the opportunity to complete part of the risk assessments on-line.

In presenting the report, the Head of Housing explained the Council's statutory duties and its requirement to risk assess private water supplies. Regulations allowed the local authority to set reasonable fee levels but the present officer resource and current fees were insufficient to enable the Council to comply with the timescales set by the Drinking Water Inspectorate to complete the risk assessments of private water supplies and private distribution systems by 2014.

The report set out a proposed increase in fees for risk assessments to generate sufficient income to meet the cost of additional resources to undertake this statutory work. Although part of the work could be undertaken on-line, the Council was required to undertake a full risk assessment which would involve field work at the sites.

He advised that the fee did not apply to single dwellings with a single supply. The Regulations set a maximum fee of £500 per risk assessment but most other Devon authorities had set their fees at around £200. Regulations required private water supplies to be risk assessed every 5 years. Future assessments would be easier as information would already have been captured and would only need to be up-dated.

During the debate the following issues and suggestions were made:

- owners of private water supplies already had to meet costs associated with maintaining a good water quality;
- the Council had no option but to comply with the requirements of the Drinking Water Inspectorate;

***77 Private Water Supplies regulations – risk assessments, sampling and enforcement (continued)**

- this was a public health issue and as a responsible authority, the Council could not take any risks which could impact on the health of the community;
- More information should be provided through desk-top research to make the risk assessment process more efficient – modern technology should be embraced to increase efficiency and reduce costs;
- The possibility of a tariff of charges was considered based on number of dwellings served by each supply;
- the proposed increase from £75 per risk assessment to £200 seemed too great – a break-down of actual costs would have been helpful;
- Costs should be monitored and kept under review.

- RESOLVED:**
- (1) that a Full Time Equivalent Technical Officer be appointed to assist the Council to comply with the private water supply requirements for risk assessments, sampling and investigatory work;
 - (2) that the cost of the post be met by increasing the charge for a risk assessment from £75 to £200 per assessment, with costs being kept under review;
 - (3) that best use be made of modern technology to achieve efficiencies in the processes with consideration also being given to use of mobile technology as a matter of priority; the costs to be met by the increase in the charge for risk assessments.

REASON To address the need to comply with the Council's statutory private water supply duties.

***78 Performance Management report August 2012**

Members considered the report of the Chief Executive setting out performance information for the 2012/13 financial year for August 2012. There was continued concern in respect of working days lost due to medium and long term sickness absence. Members noted the action being taken which included monthly meetings with managers to review absence triggers and to ensure that all sickness absence cases were actively managed. The performance measure would continue to be kept under close review, with particular attention being given to the back to work interviews.

RESOLVED that the progress and proposed improvement action for performance measures for the 2012/13 financial year for August 2012 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 – a monthly snapshot report and SPAR performance indicators and systems thinking measures in key service areas – Streetscene, Housing, Development Management and Revenues and Benefits.

***79 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).

80 Elizabeth Hall Site - award

Members considered the joint report of the Deputy Chief Executive and the Development Surveyor which Richard Cohen up-dated at the meeting following a meeting of the Elizabeth Hall Selection Panel on 26 September and subsequent discussion and negotiation with the preferred provider.

Councillors Andrew Moulding and Tim Wood, members of the selection Panel explained the processes. The informal tenders had first been assessed based on the selection criteria approved by Cabinet in July 2012. The three short listed organisations (Friends of the Elizabeth Hall, Whitbread Premier Inn and Churchill Retirement Living) had then been interviewed by the Panel and scored against objective criteria. The decision of the Panel following the interviews had been unanimous and the conclusion reached was that the proposal from Whitbread Premier Inn was the most attractive. The key elements of their submission were:

- A 60 bed hotel
- Ground floor cafe/bar/restaurant
- Meeting rooms/conference space
- 40-50 local jobs with a focus on local recruitment
- High sustainable build standards including purchase of local goods and services.

The other two bidders considered were a community bid to retain and develop the existing Elizabeth Hall and a mix of cafe, retail and retirement apartments.

The petition presented at Cabinet was also noted as part of the overall community interest in the future of the site.

The Panel was concerned about the viability of the Friends of Elizabeth Hall proposal but recognised the genuine drive to secure a community facility for Exmouth.

Richard Cohen advised that following an extraordinary meeting of the Exmouth Town Council on 1 October 2012, the Town Council had proposed a pause in the process to allow them to discuss a proposal to adopt the Elizabeth Hall. Cabinet considered that this proposition was inappropriate on the basis that no financial provision had been made and that such action could be subject to challenge by the preferred developer selected.

Comments made by the Cabinet, Ward Members and Councillors present were largely very positive and there was general appreciation of the rigorous selection process, the potential benefits to Exmouth, the importance of good design, the opportunities for other venues.

80 **Elizabeth Hall Site – award (continued)**

The Cabinet was asked to approve the instruction of lawyers to progress with the disposal of the site.

RECOMMENDED that the selection of Whitbread Premier Inn for the Elizabeth Hall site be endorsed, with the Principal Estates Surveyor being given authority to instruct lawyers to proceed with a 'conditional upon planning' disposal of the site at the tendered value.

REASON To enhance the area and support the Exmouth Regeneration agenda in general and realise the ambitions of the Exmouth Town Centre and Seafront Masterplan.

*81 **Council owned workshop provision - Seaton**

Members considered the joint report of the Principal Estates Surveyor and Economic Development Manager in respect of a request for the Council to enter into negotiations to dispose of its interest in the Riverside Workshops. The Economic Development Manager who presented the report advised the Cabinet on the opportunity to re-site and increase the workshop provision.

The Seaton Champion welcomed the proposed re-location subject to full consultation with the existing workshop tenants. The existing workshops were in need of refurbishment and the re-location to purpose built new workshops with improved access would benefit local business.

The Portfolio Holder – Finance supported the recommendations saying that the proposals stacked up financially.

- RESOLVED**
- (1) that authority be granted to the Principal Estates Surveyor to agree terms for the acquisition of 0.3035 hectares of land located to the rear of the Auction Gallery, Harepath Road, Seaton, as detailed in the report and in accordance valuation advice received from the District Valuer's Office, in consultation with the Strategic Development and Partnerships Portfolio Holder.
 - (2) that an Exemption to Standing Orders be agreed to allow the appointment of Grainge Architects to prepare and submit a planning application for workshop development on land to the rear of the Auction Gallery, Harepath Road, Seaton and as identified in paragraph 3.2 of the report.
 - (3) that the Principal Estates Surveyor be authorised to instruct Grainge Architects, to prepare and submit a planning application for the creation of new workshop space at the Colyford Road Depot,
 - (4) that the Principal Estates Surveyor be authorised to enter into negotiations with Tesco Stores Ltd on the possible future disposal of the Council's Riverside Workshops site, only on completion of the Underfleet Land Agreement.

*81 **Council owned workshop provision – Seaton (continued)**

REASON To facilitate the further progress of developments within the Seaton Regeneration Area.

*82 **Seaton Regeneration Programme Board – meeting**

Members noted the action points from a meeting of the Seaton Regeneration Programme Board held on 17 September 2012.

In presenting the action points, Councillor Godbeer, Portfolio Holder - Economy, corrected an inaccuracy at item 4 in respect of the Stop Line Way between Seaton and Colyford. The notes should have read that a possible obstacle was how the cycleway would cross the highway, and not tramway as printed. Councillor Godbeer referred to the positive engagement with the Seaton Tramway Company in discussions on the Colyford section of the cycle route.

*83 **Members Office Relocation Working Party – meeting**

Councillor Andrew Moulding, Portfolio Holder – Strategic Development and Partnerships who had Chaired the meeting, presented the action points from the meeting of the Office Accommodation Working Party held on 12 September 2012.

Chairman Date

EAST DEVON DISTRICT COUNCIL

Forward Plan of Key Decisions - For the 4 month period 1 November 2012 to 28 February 2013

[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 (Strategic Officer: DL or RC indicated in bold)	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	CIL New Growth Point Charging Schedule		Strategic Development and Partnership Portfolio Holder	Head of Economy/ New Growth Point Manager (RC)	Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	Part A
2	Exmouth Regeneration/ Master plan – key projects action planning		Strategic Development and Partnership Portfolio Holder	Principal Estates Manager (RC)	Regeneration Programme Board (September 2012) Cabinet (28 November 2012)	6 December 2012	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 (Strategic Officer: DL or RC indicated in bold)	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)
3	Recycling and Refuse – possible extension of scheme (cardboard and other recyclates)		Portfolio Holder – Environment	Andrew Hancock, Street Scene manager	Recycling Board (October 2012) (The addition of cardboard and mixed plastics would be submitted in the October budget setting period as a new revenue item; and that following this Members would make a decision as to if they wanted to add it or not.) Cabinet (9 January and 30 January 2013) Council (20 February 2013)	21 February 2013	Part A
4	Honiton Community Centre – up-date		Strategic Development and Partnership Portfolio Holder	Richard Cohen, Deputy Chief Executive	Council (To Advise)	To Advise	Part A
5	Colyford Depot Disposal		Economy Portfolio Holder	Head of Economy (RC)	Cabinet (28 November 2012) Council (5 December 2012)	6 December 2012	
6	Community asset register		Finance Portfolio Holder	Nick Wright	Cabinet (28 November 2012)	6 December 2012	Part A
7	Drainage Act		Portfolio Holder – Environment	Ed Freeman	Cabinet (28 November 2012) Council (5 December 2012)	6 December 2012	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 (Strategic Officer: DL or RC indicated in bold)	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)
8	Information Management Strategy		Corporate Services Portfolio Holder	Corporate ICT Manager (DL)	Information Management Group Cabinet (9 January 2013) Council (20 February 2013)	21 February 2013	Part A
9	EDDC Relocation Progress Report		Council Leader	RC	Member Working Group (12 September 2012) Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	Part A?
10	Revised Partnership Policy and Compact		Strategic Development and Partnership Portfolio Holder	RC	SD+P Think Tank (TBA) Cabinet (28 November 2012) Council (5 December 2012)	6 December 2012	Part A
11	Review of Car Parks		Environment Portfolio Holder	Andrew Ennis	Cabinet (28 November 2012) Council (5 December 2012)	6 December 2012	Part A
12	Private Sector Renewal Strategy		Sustainable Home sand Communities Portfolio Holder	Head of Housing	<i>Sustainable Homes and Communities Think Tank</i> <i>Housing Strategic Partnership</i> Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	Part A
13	Sidmouth Manstone Depot – provision of additional Workshop Units		Economy Portfolio Holder	Head of Economy (RC)	Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	

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 (Strategic Officer: DL or RC indicated in bold)	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)
14	Seaton Visitor Centre		Strategic Development and Partnership Portfolio Holder	Richard Cohen, Deputy Chief Executive/Principal Estates Surveyor	Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	
15	Financial Strategy		Finance Portfolio Holder	Simon Davey	Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	Part A
16	CIPFA reports		Finance Portfolio Holder	Richard Cohen, Deputy Chief Executive/Principal Estates Surveyor	Cabinet (28 November 2012) Council (5 December 2012)	6 December 2012	Part A
17	Revenue & Capital Estimates 2013/14		Finance Portfolio Holder	Simon Davey	Cabinet (9 & 30 January) 2013 Overview & Scrutiny (16 January 2013) Council (20 January 2012)	21 January 2013	Part A
18	Younghayes Cetrre, Cranbrook		Strategic Development and Partnership Portfolio Holder	Richard Cohen, Deputy Chief Executive/Principal Estates Surveyor	Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	
19	Ottermill Sitchgear, Ottery St Mary		Economy Portfolio Holder	Richard Cohen, Deputy Chief Executive/Principal Estates Surveyor	Cabinet (31 October 2012) Council (5 December 2012)	6 December 2012	

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 (Strategic Officer: DL or RC indicated in bold)	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)
20	Community Right to Challenge		Corporate Services Portfolio Holder	Denise Lyon, Deputy Chief Executive	Cabinet (28 November 2012) Council (5 December 2012)	6 December 2012	Part A
21	Dog Warden Contract		Environment Portfolio Holder	Denise Lyon, Deputy Chief Executive/ Andrew Ennis, Environmental Health & Parking Services	Cabinet 6 March 2013) Council (10 April 2013)	11 April 2013	
	Other decisions to be taken in Part B						

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

Future Key Decision		Lead Member	Lead Officer (Strategic Officer: DL or RC indicated in bold)	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 (DL)	Initial work being undertaken to work towards an outline business case -Dec 2012 at which time options will be initially consider probably reducing to 2 or 3 and a final business case by June 2013 at which time authorities will have to decide whether they go with any or none of the options put forward	

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 Ian Thomas (Corporate Services Portfolio Holder) Cllr Graham Godbeer (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 Phil Twiss (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
15 October 2012

EAST DEVON DISTRICT COUNCIL
Minutes of a Meeting of the
Overview and Scrutiny Committee held
at Knowle, Sidmouth on 27 September 2012

Present:

Stuart Hughes (Chairman)	Roger Giles
John Humphreys (Vice Chairman)	Sheila Kerridge
Mike Allen	David Key
Peter Bowden	John O'Leary
Graham Brown	Brenda Taylor
Peter Burrows	Graham Troman
Derek Button	Tim Wood
David Chapman	Eileen Wragg
Deborah Custance Baker	Claire Wright
Vivien Duval Steer	

Officers:

Richard Cohen, Deputy Chief Executive
Ed Freeman, Development Manager
Nigel Harrison, Economic Development Manager
Debbie Meakin, Democratic Services Officer
Mark Williams, Chief Executive

Also Present

Councillors:

Ray Bloxham	Stephanie Jones
Bob Buxton	Andrew Moulding
Iain Chubb	Frances Newth
David Cox	Helen Parr
Alan Dent	Philip Skinner
Jill Elson	Pauline Stott
Steve Gazzard	Ian Thomas
Martin Gammell	Phil Twiss
Graham Godbeer	Mark Williamson
Paul Diviani	

Apologies:

Committee Members:

Tony Howard
Tom Wright

Councillors:

David Atkins
Geoff Chamberlain
Christine Drew

The meeting started at 6.30pm and ended at 9.45pm.

***17 Public Question Time**

There were no questions from the public at this point in the meeting.

***18 Minutes**

The minutes of the meetings of the Overview and Scrutiny Committee held on 26 July 2012 were signed and confirmed as a true record.

*19 **Cabinet Agenda - Strategic Car Park Regulations**

In light of concerns raised by three Members, the Chairman felt that the item should be deferred until the Committee had considered the complex issues involved, and made recommendations for Cabinet to consider alongside the report. The Chief Executive informed the Committee that parts of the report relating to Woodbury were not contentious and the parish was keen to see a decision taken after very lengthy negotiations.

The Leader agreed to the Chairman's request.

RESOLVED that the report to Cabinet on 3 October on Strategic Car Park Regulations with the exception of the section of the report relating to Woodbury, be considered by the Overview and Scrutiny Committee on the 25 October 2012 before a decision is taken by Cabinet.

20 **The Rolle Centre – Managing the Project**

The Chairman welcomed Roy Pryke, Chairman of the Board of Rolle Exmouth Limited, accompanied by Roger Staker (Managing Director) and Deborah Hallet (Strategic Consultant). He gave the committee an extensive presentation of the plans for the Rolle Centre, showing them images of the complex. He outlined the many benefits that a restored Centre could provide to the community both locally, for the District, and further afield in providing vocational training, office space and room hire for multiple activities.

Rolle Exmouth Ltd.(REL), a not-for-profit organisation, currently lease the site for a small rent with the option to purchase it from the University of Plymouth at the end of the three year lease agreement. On purchase the rent would be returned. REL have set up an investment vehicle for the project but now faced an increased cost in excess of £4m to bring the site to a standard fit for purpose. In the short term, REL now needed to build on their current business plan to create an investment plan. Whilst the members of REL have a varied skills set, they needed the additional input of expertise to produce an investment plan to move on to capture further funds to realise the project.

Many Exmouth Ward Members spoke in support of the Rolle Centre project and of the wide reaching benefit to many sectors of the community. Many envisaged the benefits to young people in having vocational training close to home, alongside the benefits to people of all ages facing retraining in order to secure employment. The close links with REL and Bicton College were also welcomed. Ward Members also commended the REL team for the hard work and dedication over the past few years and wished them continued success in bringing the project to fruition.

The Member Champion for Business echoed the sentiments of the Exmouth Ward Members. The Committee felt that there should be positive support from the District Council to help the Rolle Centre become a reality.

RECOMMENDED that a positive consideration be given to offering assistance to the Rolle Centre project.

*21 **East Devon Business Forum**

At this point of the meeting, the Chairman took public speaking.

Tony Green, a Sidmouth resident, asked why the Council listened to the East Devon Business Forum (EDBF) lobby, when, in his opinion, the EDBF has a key interest in planning matters. He also asked if the Committee felt that the current membership of the Forum risked the impartiality of the Members and if it also put officers into a difficult position. He informed the Committee that the Forum did not have a favourable public perception.

Graham Cooper, a Sidmouth resident, voiced his concern that the EDBF favoured development over employment and asked if the Forum had directly planned to influence the local plan in relation to employment land at Sidford.

Barry Curwen, a Sidmouth resident and small business owner, informed the Committee that he felt there was not enough distance between planning issues and the Forum. As a small business owner he felt that the reputation damage to the EDBF would stop other businesses joining it. He asked for a reform and a Task and Finish Forum to find an alternative that all businesses could join.

Steven Kendall-Tory, Chairman of the Sidmouth Chamber of Commerce, informed the Committee that he had canvassed his Chamber members and their opinion of the Forum was not favourable. They viewed the Forum as having access and influence over planning policy. He also felt that existing Chambers of Commerce, who work with a number of organisations, are a better source of information for the Council. He also asked for a reformation with a new name and constitution, alongside better representation.

Richard Eley, a business man of Sidmouth, welcomed the Vitality of High Streets Task and Finish Forum report on the agenda, and felt that effectiveness of such Task and Finish Forums could be applied to the EDBF. He commented on the effectiveness of Mid Devon Business Forum as a better example to follow and suggested their operation as a template in reviewing the current Forum.

Roy Stuart, Vice Chairman of the EDBF, reminded the Committee of why the Forum was set up and the contents of its constitution. He outlined the varied membership of the Forum. He told the Committee of the Forum's work in investigating the Atkins report and how their work found only 6 hectares of viable employment land. The Tym report more recently used had not been referred to the Forum. He had not seen or been consulted on employment land designated at Sidford. He reminded the Committee of the importance of the Forum, on a small budget, to assist in the current economic climate in providing strong links to other sectors, including the Local Enterprise Partnership (LEP).

Val Baker, of the Blackdown Hills Business Association and Associated East Devon Chambers of Commerce, spoke about her representation of those two associations on the EDBF. She explained her role in exchanging information for those small businesses who found it difficult to attend local Chamber of Commerce meetings, let alone the EDBF. She felt that the wide connections, including with Bicton and the Business Information Point, through the EDBF, were valuable for her to pass on the views of the associations she represented.

***21 East Devon Business Forum (continued)**

Chris Lorimer, of the Rural Business Growth Network and director of the Exeter Chamber of Commerce, told the Committee of his positive experiences in attending the EDBF over the last 18 months. He gave the example of the Forum's assistance in preparing a Rural Growth Network bid, which went on to be accepted by the LEP, resulting in some significant funding for the East Devon area. He acknowledged that local Chambers of Commerce included members who were busy running their own businesses, and felt that it helped having a single organisation such as the Forum for Chamber representatives to attend.

Greg Page-Turner of the Federation of Small Businesses (FSB), gave the Committee statistics relating to the 1,000 FSB members in the East Devon area. His representation on the Forum of the FSB helped to raise a number of issues that his members faced, including issues such as rural broadband. He felt that the Forum was an excellent vehicle for communicating with business.

David Henley, Principal of Bicton College, found his attendance at the EDBF to be a useful opportunity to listen to the views of businesses, especially in establishing skills gaps and industry needs. He quoted a number of useful presentations he had heard at the EDBF and how the Forum helped stimulate discussion between many organisations.

David Hinshellwood of Business Information Point saw the Forum as a communication vehicle, and felt there were direct benefits to local businesses as a result of the links made via the Forum.

Councillor Graham Troman explained to the Committee his reasons for bringing the item for debate, making some suggestions for improvements to refresh the Forum:

- Encourage wider membership, taking into account all sizes of business from small trader to larger corporations;
- Encourage meetings to be held in each town;
- Look to a new name to revitalise the image of the Forum;
- The Forum should hold an AGM at the Council Offices as a showpiece event;
- Encourage the Chairman to be an independent, not an elected Member of the Council;
- Find a clear strategic direction for the Forum;
- Consider a self-financing mechanism so the Forum could operate without funding from EDDC after a three year period.

Councillor Troman recommended that exploring these options was best met by setting up a Task and Finish Forum. This was seconded by Councillor Peter Bowden.

Councillor Graham Brown, current Chairman of the East Devon Business Forum, welcomed the proposal and gave his support to provide information to a Task and Finish Forum. He informed the Committee that it had been difficult at times in getting attendances from sectors across the District; and that he was elected as Chairman, not self-appointed.

*21 **East Devon Business Forum (continued)**

He made clear to the Committee that the Forum never discussed individual planning applications and he refuted allegations made towards the Economic Development Manager. He told the Committee that the Atkins report had been a desk exercise, investigated by the Forum with site visits and further investigation to provide a list of viable sites that resulted in 6 hectares of employment land being identified. He encouraged the Committee and others present to attend the EDBF and see the positive work it does for the District.

Councillor Mike Allen as Chairman of the former Local Plan Panel made clear to the Committee that the EDBF had no influence over the size of employment land in the current draft local plan. He commended the work by the Forum and supported the concept of a Task and Finish Forum.

Councillor Claire Wright outlined evidence to the Committee that she had raised at Council on 25 July in support of her motion to withdraw financial, officer and administrative support from the EDBF.

Councillor Graham Godbeer, Portfolio Holder for Economy, reminded the Committee that it was crucial to continue dialogue with the business community in order to provide jobs for the District's young people leaving fulltime education.

The Chairman reminded the Committee that a Task and Finish Forum could only make recommendations to the EDBF, as it was a separate entity from the Council. He also suggested that a Task and Finish Forum could look at the wider remit of how the Council engages with business, including but not exclusively looking at how the East Devon Business Forum could increase membership, and suggest topics for their agendas.

- RESOLVED**
1. that a Task and Finish Forum be set up to look at how the Council engages with business, including looking at how increased membership of the East Devon Business Forum could be encouraged, and make suggestion of topics for their agendas that would assist the Council in obtaining a comprehensive view of the needs of business;
 2. that the Forum consist of Councillors Graham Troman, Mike Allen, Vivien Duval Steer, Claire Wright, Steve Gazzard and Peter Burrows.

22 **Vitality of High Streets and Town Centres Task and Finish Forum**

Councillor Tim Wood presented his Forum's final report to the Committee. He reminded Members of the acute problem of decline for many town centres nationally. Key factors affecting town centre trade were set out in the report. He highlighted the deterrent of high parking charges and the imbalance of rates between town centre shops and out-of-town retail parks. The Forum felt that the concept of the town centre was worth retaining for the social benefits and the benefits to those using public transport or walking to purchase goods. He considered the Mary Portas report to only offer a sticking plaster solution to a much bigger issue.

22 **Vitality of High Streets and Town Centres Task and Finish Forum (continued)**

Many Members spoke in support of the report and debated the recommendations presented. Councillor Mike Allen felt that recommendation (11) relating to reducing the town centre size may not be appropriate in all cases. He felt that other measures such as helping shops improve their product offer could be utilised instead. Members supported a considered view of pay-on-exit parking and a suggestion was made of providing a hotline to help get empty properties back into use.

The Chairman thanked Councillor Tim Wood and the Forum Members for the extensive report.

- RECOMMENDED**
- 1 raise awareness of the right to appeal a rateable value to local businesses, particularly in respect of recent supermarket builds in the Seaton and Ottery St Mary Town areas;
 - 2 promote advice on how businesses can get help with business rates, covering both the appeal process to the Valuation Office, and the business rate reliefs available;
 - 3 that the Council pursue with Government the case for either introducing a rateable value increase on the basis of private parking spaces or allowing councils to make an annual charge for such spaces;
 - 4 explore the viability of pay on exit schemes at the Council's car parks located close to town centres; and introduces a pay by phone system as an interim step to offer the choice to users to top up their parking ticket;
 - 5 those town centres with difficulties for very short term parkers should be looked at with a view to providing some extra parking spaces for stops of half an hour;
 - 6 plans should be pursued for the provision of extra parking close to the town centres of Exmouth and Sidmouth, possibly involving the building of multi-storey car parks in those locations;
 - 7 in a review of parking charges, consider the provision of periods of much cheaper or free car parking, such as having the first half hour free, to encourage more substantial numbers of shoppers into the town centres; and consider coach parking fees and arrangements to encourage coach operators to bring passengers into towns;

22 Vitality of High Streets and Town Centres Task and Finish Forum (continued)

- 8 lobby Government to permit councils to obtain income either from rating income or more specific charges from out of town shops and retailers providing free parking, with such income being used to reduce town centre parking charges;
- 9 ensure robust monitoring both of charity shops to ensure the permitted proportion of new goods to second hand goods for sale is not exceeded; and of farm shops to ensure the percentage of local goods sold meets the requirements set out in policy E15 of the Local Plan;
- 10 work with and stimulate town councils to develop their own vision for the development of shops or activities that might act as a magnet to encourage visitors and shoppers to their town centre;
- 11 where appropriate, modify planning policies to reduce the size of town centre shopping areas to enable the smaller number of shops to be fully commercially viable;
- 12 work with the County Council and town councils to prioritise improving signage to and in towns to highlight location of town centres and key attractions;
- 13 Where there are empty premises over shops, it is recommended that the District Council, under its Empty Homes Strategy, takes a more proactive stance in investigating, where possible, with the owners of premises what possibilities there might be for their empty premises being brought into residential use.

23 Progress on Ward Member Satisfaction with Planning Task and Finish Forum resolutions

Ed Freeman, Development Manager, presented his report outlining the implementation of the resolutions from the Forum, now all implemented. He reiterated the outstanding offer for refresher training for any Member He voiced his concern to the growing trend for Members waiting for the 3 day consultation period on draft officers reports before making any comment on the application. This affected the time taken to deal with an application and in some cases caused significant delay.

Councillor Peter Bowden, Chairman of the Forum, reminded Members of the work of the Forum in getting a better interaction between Members and officers and urged Members to use their right to comment early on.

23 Progress on Ward Member Satisfaction with Planning Task and Finish Forum resolutions (continued)

Some issues with ensuring officers' draft reports reached Members with adequate time were raised, and noted to be actioned.

- RESOLVED** that Members acknowledge the report and the implementation of the resolutions of the Ward Member satisfaction with Planning Task and Finish Forum;
- RECOMMENDATION** that the Ward Member consultation process be amended such that Members only received a copy of the draft report with 3 days to comment if they have already commented on the application within the initial consultation period, allowing one month before implementation to publicise this change to Members.

***24 Planning enforcement resource and workload update**

Ed Freeman, Development Manager, presented his report outlining the current workload and staffing resource for planning enforcement cases. The Committee was pleased to see that vacancies had now been filled, if only recently.

- RESOLVED** that Members acknowledge the planning enforcement resource report and a further update be made by March 2013.

***25 Update on Arts and Culture Task and Finish Forum**

The Committee noted the outcome of the Forum report at Cabinet on 5 September 2012. Councillor John O'Leary, Chairman of the Forum, updated the Committee on the meeting of the Environment Think Tank where a number of the Forum's recommendations had been referred.. The Think Tank had begun discussions on the formulation of an Arts and Culture Forum. Councillor John O'Leary was actively involved with the Think Tank discussions, and would report to the Committee on progress.

***26 Quarterly monitoring of performance – 1st quarter 2012/13**

Councillor Ray Bloxham, Portfolio Holder for Corporate Business, highlighted the new style of report that outlined progress against the Council's promises in the Council Plan.

He also spoke on the sickness absence target, explaining to Members the degree of medium term sickness levels. In response to a question, the Chief Executive assured the Committee that the Council took a proactive approach in offering counselling for medical conditions such as depression and stress.

In response to a question about replacing the Carbon Management Officer, the Committee was reminded of the financial pressures and no assurances could be made at this stage to fill the vacant post.

*27 **Forward Plan**

Members noted the Forward Plan for the Committee.

The Community Infrastructure Levy Task and Finish Forum meeting would be delayed until mid November, pending further legislation being published. Recording of meetings did not yet appear on the Forward Plan as research was still underway for the report.

Chairman Date

Vitality of High Streets and Town Centres Task and Finish Forum Final report September 2012

(link to the full report http://www.eastdevon.gov.uk/vhstc_taff_report_270912.pdf :)

(The recommendations of the Forum were considered by the Overview and Scrutiny Committee at its meeting on 27 September 2012). Minor amendments have been incorporated into the final recommendations set out below.

RECOMMENDATIONS:

- 1 raise awareness of the right to appeal a rateable value to local businesses, particularly in respect of recent supermarket builds in the Seaton and Ottery St Mary Town areas;
- 2 promote advice on how businesses can get help with business rates, covering both the appeal process to the Valuation Office, and the business rate reliefs available;
- 3 that the Council pursue with Government the case for either introducing a rateable value increase on the basis of private parking spaces or allowing councils to make an annual charge for such spaces;
- 4 explore the viability of pay on exit schemes at the Council's car parks located close to town centres; and introduces a pay by phone system as an interim step to offer the choice to users to top up their parking ticket;
- 5 those town centres with difficulties for very short term parkers should be looked at with a view to providing some extra parking spaces for stops of half an hour;
- 6 plans should be pursued for the provision of extra parking close to the town centres of Exmouth and Sidmouth, possibly involving the building of multi-storey car parks in those locations;
- 7 in a review of parking charges, consider the provision of periods of much cheaper or free car parking, such as having the first half hour free, to encourage more substantial numbers of shoppers into the town centres; and consider coach parking fees and arrangements to encourage coach operators to bring passengers into towns;
- 8 lobby Government to permit councils to obtain income either from rating income or more specific charges from out of town shops and retailers providing free parking, with such income being used to reduce town centre parking charges;
- 9 ensure robust monitoring both of charity shops to ensure the permitted proportion of new goods to second hand goods for sale is not exceeded; and of farm shops to ensure the percentage of local goods sold meets the requirements set out in policy E15 of the Local Plan;

Vitality of High Streets and Town Centres Task and Finish Forum Final report September 2012 (continued)

(link to the full report http://www.eastdevon.gov.uk/vhstc_taff_report_270912.pdf :)

RECOMMENDATIONS: (continued)

- 10 work with and stimulate town councils to develop their own vision for the development of shops or activities that might act as a magnet to encourage visitors and shoppers to their town centre;
- 11 where appropriate, modify planning policies to reduce the size of town centre shopping areas to enable the smaller number of shops to be fully commercially viable;
- 12 work with the County Council and town councils to prioritise improving signage to and in towns to highlight location of town centres and key attractions;
- 13 where there are empty premises over shops, it is recommended that the District Council, under its Empty Homes Strategy, take a more proactive stance in investigating, where possible, with the owners of premises what possibilities there might be for their empty premises being brought into residential use.

Agenda Item 11

Cabinet

31 October 2012

SD



Financial Plan (2013-2017)

Summary

Attached to this report is the proposed Council's Financial Plan for 2013 onwards. The purpose of the Plan is to provide a financial framework within which the Council will structure and manage its finances over the next five years to ensure this fits with and supports the direction of the Council's objectives, particular the Council Plan, whilst maintaining balanced budgets.

Included within the document is a five year Medium Term Financial Plan (MTFP) model setting out in detail the assumptions and estimates involved in projecting the Council's finances forward. The medium term financial planning process is an essential part of the budget setting process and provides a financial forecast of the likely costs and resources available to the Council giving an early warning of any estimated budget gaps.

The Plan highlights projected annual shortfalls in revenue funding of:

General Fund	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Budget Shortfall	884	724	624	699	438

Figures assume the shortfall in each year is found so deficit is not carried forward.

It has been assumed that members will consider using New Homes Bonus (NHB) monies to support revenue expenditure, the logic being that Government have top sliced council funding to pay for the scheme. NHB is now part of the main funding regime for local authorities, with monies being distributed on a reward basis (additional houses = more government funding). To illustrate this position our funding pattern is shown below:

Funding Pattern	2010/11 £000	2011/12 £000	2012/13 £000	Estimated 2013/14 £000
Formula Grant (excluding Council Tax Freeze Grant)	7,031	5,963	5,232	4,828
New Homes Bonus	0	311	759	1,199
Total Funding	7,031	6,274	5,991	6,027

There is a projected deficit of £884,000 in 2013/14. It should be possible to find a level of savings through careful discussions with managers determining where it is appropriate to allow for inflation and where this can be excluded. Where service savings may be found by cutting back, where income can be increased over that assumed in the MTFP and where procurement and efficiency initiatives can help.

This will not be easy and growth items do not feature in this scenario. Any vacant posts need to be considered as to whether to include them in the budget. Managers have been asked to bring saving ideas through to members to be considered to part meet this budget deficit and secondly the possibility of funding higher priority services/areas.

Members will need to consider the appropriate level of NHB that could be used to support the funding gap, bearing in mind the more that is taken to revenue the less that is available to support capital. It also needs to be ensured that a cushion remains between the sums received in NHB and that used to fund revenue in order to mitigate the possible volatility in this funding source. It is suggested that we wait until the settlement figures are announced to have a clearer picture of the position, it needs to be appreciated that projections made in the Plan are based on best assumptions as final proposals on many of the aspects making up Government funding have yet to be finalised.

There is a clear picture that in order to balance the Council's budget going forward from 2014/15 a more radical approach is required. Initiatives are taking place or being considered; asset management work, shared service provision particularly around ICT, systems thinking principles, reduced office accommodation costs, the persuasion of customers to use more convenient and cost effective means of transacting with the Council, procurement efficiencies and income generation.

There is however a need of a more concrete approach going forward from a financial perspective with some clarity of the savings/additional income these and other initiatives will generate in order give the Council a sound financial footing going forward.

It is suggested that once the 2013/14 budget has been agreed that work starts on balancing the 2014/15 and future year budgets. This work being coordinated through a member group to consider the initiatives undertaken to date and other areas that could be considered, to include as with previous Leaders Prioritisation meetings, the cost and priority of existing service expenditure.

With the **Capital Programme** as highlighted in the Plan, although balanced on figures presented, there are many capital bids that are expected and are likely to outweigh the available funds. This is particularly true with the level of infrastructure requirements that are expected to come through for the District. For the reason outlined in the Plan it is being suggested **that a member Capital Strategy & Allocation Group is formed from members of the Cabinet** to approve a method of allocation and bid prioritisation and then to review bids for possible inclusion in the budget process against available resources.

Recommendations

1. That Cabinet recommend to Council the adoption of the Financial Plan (2013-17) attached to this report.
2. That a member Capital Strategy & Allocation Group is now formed from members of the Cabinet. Suggested membership being the Deputy Leader and Portfolio Holders for; Finance, Economy, Corporate Business and Corporate Services.
3. That following approval of 2013/14 budget a Member Group is formed to consider how the 2014/15 and future budgets will be balanced.

a) Reasons for Recommendation

It is considered good practice in managing the finances of the Council to produce a Financial Plan looking at the future direction of the Council's budgets. To consider the implications of spending plans and determine how resources will be allocated to reflect Council priorities. It is only by looking at the Council's budget over a longer period, that action can be taken that will influence the direction and shape of future service delivery.

b) Alternative Options

Members may consider alternative actions to those outlined in the Plan.

c) Risk Considerations

There are a number of risks associated with the Medium Term Financial Model contained within the Financial Plan in relation to assumptions that have been made. A prudent approach has been adopted in terms of future resources and although a comprehensive exercise was undertaken to assess future spending requirements additional demands not considered could arise or legislative changes not anticipated could occur.

Members need to be aware that there are uncertainties involved in any budget planning process and this becomes more difficult to predict as the period covered lengthens. These assumption and risks are identified within the Plan.

d) Policy and Budgetary Considerations

These considerations are included within the Plan.

e) Date for Review of Decision

The Plan will be reviewed annually; the Medium Term Financial Model contained within the Strategy will be continuously reviewed.

Legal Implications

As this Plan forms part of the Policy Framework reserved to full Council, Cabinet's role is to recommend its approval or otherwise. It is understood that the Plan has been prepared with the local authority financial framework requirements in view.

Financial Implications

These are contained within the Strategy Plan.

Consultation on Reports to the Cabinet

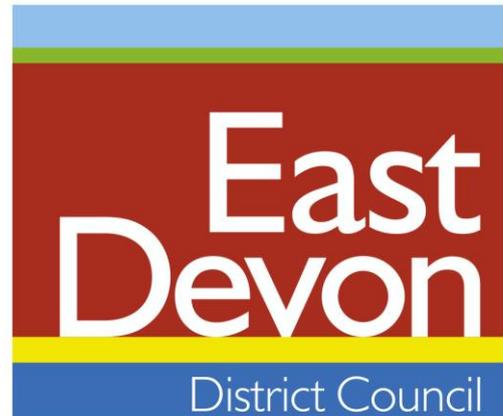
Details of this report have been considered by SMT

Background Papers

- [Council Plan](#) and linked strategies
- [LGFutures report on Five-Year General Revenue Resource Projection](#).

Simon Davey
Head of Finance

Cabinet
31 October 2012



Financial Plan (2013 -2017)

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1. About this Plan

Our Financial Plan considers the General Fund ¹ position and the Capital Programme ², the third area of the Council's finances the Housing Revenue Account ³ is reviewed in a separate report and financial plan.

The purpose of this Plan is to define how the Council will structure and manage its finances over the next five years in order to deliver services to customers and support the objectives detailed within the Council Plan.

The Financial Plan links with other key plans and documents of the Council including service plans, its Asset Management Plan and Asset Maintenance Plan, Treasury Management and input from the Council's Senior Management Team.

The Plan requires the preparation of an annual Medium Term Financial Plan model (MTFP) and is an essential part of the budget setting process. The MTFP provides a financial model and forecast of the cost of providing services over a rolling five-year period, together with an estimate of the financial resources that are likely to be available to the Council. The process is designed to provide an early warning of any potential deficit in the required level of resources.

As well as considering General Fund, the MTFP also reviews the affordability of the Council's capital investment programme, matching its forecast potential available funding against planned capital spending over a five year horizon.

The development of a five-year financial model is based upon a number of assumptions and perceived risks which clearly become more difficult to predict as the period covered lengthens. However, as a broad principle the model has been developed on the basis of 'reasonable and prudent' forecasts and assumptions in accordance with sound accounting practice.

2. Fundamental principles

Underpinning this plan, the following fundamental principles have been adopted by the Council:

- Annually a balanced revenue budget will be set with expenditure to be limited by the amount of available resources.
- The General Fund balance will be maintained at the adopted level.
- Resources will be redirected from low to high priority services to meet objectives set out in the Council Plan.
- Council Tax increases will be kept within annually announced government guidelines.

1. The General Fund records day to day spending on the delivery of Council services 2. Capital Programme spending relates to the purchase or enhancement of assets, expenditure that has a benefit greater than a year. 3. Housing Revenue Account records spending on Council Housing and its landlord function.

In considering the capital budget, the Council will continue to follow the methodology of scheme scoring and prioritisation. The Council will also seek to maximise the use of its assets.

3. Financial background

One of the most significant impacts on the Council's finances has come from the Comprehensive Spending Review 2010 (CSR 10) where the Government has cut local authorities funding as part of their programme of tackling national debt.

This Council had a £1.068m reduction in formula grant for 2011/12 and a further reduction in 2012/13 of £0.731m; over the two years this equates to a 26% reduction in funding. Further reductions are certain in the remaining two years of the spending review (2013/14 and 2014/15) and it is clear this decline in funding for local authorities will continue into the next spending review period.

Going forward, the Council will continue to find it difficult to afford its spending plans against further government spending cuts, the added pressure of inflationary increases in costs and pay awards, continued low investment income, an increasing call on services, members ambitions to enhance and improve services and the wish to keep to moderate increases in Council Tax and other fees and charges.

There are significant changes affecting the Council finances being introduced by Government, some of these being subject to Royal Assent of the Local Government Finance Bill:

- Local Business Rate Retention
- Local Government Resources Review
- Universal Credits
- Localising support for Council Tax Benefit
- Technical Reforms to Council Tax

The implications of these changes are considered within the MTFP and detailed further below.

3. Medium Term Financial Plan

The base for the MTFP is the 2012/13 approved budget and the current cost of ongoing services, adjusted to take account of a range of unavoidable costs such as pay increases, inflationary pressures, the implementation of any approved changes to the budget and any costs arising from new legislation and associated regulations or changes in customer demand. The MTFP takes account of any forecast variations in the level of both investment and fee income.

The Plan also considers and makes reasonable assumptions about the likely incomes from council tax and central government funding.

The MTFP is designed to model scenarios and to aggregate the sum of all potential financial inputs, to determine whether the Council will have sufficient resources to achieve its objectives, or indeed whether action is required to bridge a funding gap.

In formulating these calculations a number of assumptions have been made and a range of external influences considered. Appendix A identifies the various risks and pressures and provides commentary on their potential impact.

A similar exercise has been undertaken in respect of future capital expenditure, detailing the anticipated level of resources required, together with potential funding sources available to the Council to support its planned programme of works and where there are revenue implications these have been acknowledged within the Plan.

MTFP – Revenue Position

The position on General Fund services is detailed in the table below and shows the current year 2012/13 for comparison and forms the basis from which future assessments have been made.

The MTFP shows a projected deficit for 2013/14 of £0.884m which then increases annually reaching £3.370m in 2017/18 as a cumulative deficit to find. Clearly this is an unsustainable pattern and not one that the Council will allow. This issue is addressed in Section 5 of the report.

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Net Service Costs	13,430	13,502	13,548	13,902	14,312	14,904
Amendments to base budget	-	(172)	(45)	(39)	70	(70)
Pay & Inflation and other inescapables	-	146	327	377	450	481
Debt Charges	72	72	72	72	72	72
Net Budget Requirement	13,502	13,548	13,902	14,312	14,904	15,387
Government Grant (incl. CTax freeze grant 2011/12)	(5,406)	(5,002)	(4,508)	(4,110)	(3,785)	(3,750)
Council Tax	(7,015)	(7,085)	(7,227)	(7,371)	(7,519)	(7,669)
CTax Freeze Grant 12/13	(175)					
Homelessness Grant/Sec 106 con't	(139)	(139)	(139)	(99)	(99)	(99)
External Interest	(300)	(364)	(420)	(500)	(500)	(500)
Collection Fund Surplus	(114)	(74)	-	-	-	-
Savings Target	(175)	-	-	-	-	-
Agreed use of General Fund	(178)	-	-	-	(70)	-
Total Resources Available	(13,502)	(12,664)	(12,294)	(12,080)	(11,973)	(12,018)
Budget (Surplus) /Shortfall	-	884	1,608	2,232	2,931	3,369

The table above shows the cumulative shortfall assuming no action is taken to address each year's shortfall. The table below shows the shortfall each year in isolation, assuming the previous year's shortfall was found.

Table: MTFP Model – Summary of General Fund Position shortfall each year

General Fund	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Budget Shortfall	884	724	624	699	438
<i>Figures assume the shortfall in each year is found so deficit is not carried forward.</i>					

It has been assumed that members will consider using New Homes Bonus (NHB) monies to support revenue expenditure, the logic being that Government have top sliced council funding to pay for the scheme. NHB is now part of the main funding regime for local authorities, with monies being distributed on a reward basis (additional houses = more government funding). To illustrate this position our funding pattern is shown below:

Funding Pattern	2010/11	2011/12	2012/13	Estimated 2013/14
	£000	£000	£000	£000
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Total Funding	7,031	6,274	5,991	6,027

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This will not be easy and growth items do not feature in this scenario. Any vacant posts need to be considered as to whether to include them in the budget. Managers have been asked to bring saving ideas through to members to be considered to part meet this budget deficit and secondly the possibility of funding higher priority services/areas.

Members will need to consider the appropriate level of NHB that could be used to support the funding gap, bearing in mind the more that is taken to revenue the less that is available to support capital. It also needs to be ensured that a cushion remains between the sums received in NHB and that used to fund revenue in order to mitigate the possible volatility in this funding source. It is suggested that we wait until the settlement figures are announced to have a clearer picture of the position, it needs to be appreciated that projections made in the Plan are based on best assumptions as final proposals on many of the aspects making up Government funding for 2013/14 have yet to be finalised.

The model identifies the pressures and influences on the Council's revenue budgets and highlights a shortfall between the Council's spending requirements and the amount of finance available. Actions will need to be taken to meet these shortfalls and the need to keep finding savings year on year is not to be underestimated.

Areas **not** included within these figures to note are:

- Annually, members debate budgets (special items) during the budget process for items that it is felt should be included, no allowance has been made for these items. Items that are likely to come forward include:
 - The addition of cardboard and mixed plastic into the recycling and refuse collection. The most recent estimated annual cost is in the region £361,000 with capital start up costs of £252,000.
 - Consideration needs to be given to the funding of the Growth Point team going forward with resources available for the team until approximately October 2013.
 - There will be costs involved in setting up the administration of the Community Infrastructure Levy (CIL) which is estimated at £60,000. There will be a need to fund this cost initially but eventually this should be recovered from an administration charge as part of the scheme along with other ongoing costs. The requirement for infrastructure funding as part of the CIL processes will bring pressures on the Council's capital programme.
 - Kennaway House Trust has asked the Council for an annual contribution towards its running costs which will require debating.
 - Funding will be requested for the delivery of the Local Plan in 2013/14 of approximately £70,000, followed by £90,000 every 5 years.
 - Funds for the production of a Village Development Plan Document is likely to be requested of £40,000. Also from 2014/15 onwards it is likely sums of around £20,000 per annum will be required for Neighbourhood Plans.
- The MTFP includes the current management structure, which includes two Head of Service posts that are currently vacant (£160,000 with oncosts).

A clear message from the Plan is there are no resources available for growth unless capacity is found through a combination of; reprioritising spending, the achievement of savings or increased income.

As well as the factors above there are significant changes affecting the Council's finances being introduced by the Government, these are considered below.

➤ Local Business Rate Retention

It is proposed that from April local authorities will retain an element of Business Rates collected locally to support their expenditure; this will come with a corresponding reduction in formula grant funding.

Should there be an increase in Business Rate income above the Government determined baseline for an authority, then the Council will be able to retain a percentage of that income locally (for East Devon this is calculated at approximately 9% under current proposals).

If however there is a reduction in Business Rate income, then the Council has to deal with reduced resources locally. Under the proposals a reduction in rates hits authorities harder than the percentage retained for growth.

Because of the volatility of this funding, the Government is proposing a safety net mechanism is introduced whereby if any

authorities Business Rates fall by more than a certain percentage (the consultation suggests a reduction on baseline of between 7.5% to 10%), then the Government will make good losses below this figure. The Government will fund this safety net payment through a combination of top slicing the Revenue Support Grant to all council's and by taking a levy from any growth income (in East Devon's case the calculations suggest this levy will be 78%).

It should be stressed that there is no new money for this scheme; it is a redistribution of the current monies allocated to Local Government but on a different basis.

The introduction of these changes is part of the Governments **Local Government Resource Review**. This has significant implications not only with the introduction of Business Rates Retention but as part of the process a number of factors making up the balance of funding from the Revenue Support Grant are being considered. East Devon is a member of SPARSE-Rural and with whose assistance we have lobbied and responded to consultation papers in order to obtain best advantage for rural councils and East Devon in particular. It would seem that some advantage has been achieved in the latest consultation papers suggesting an increase in resources for rural authorities, although the actual outcome will not be known until we receive our settlement figures which are expected around the third week of December.

How it is believed the scheme will work in order to give some context to the sums involved.

- *If a new supermarket is built in East Devon the size of Tesco's in Seaton, the additional rate income attributable to this store would be £586,240 per annum. Of this additional money East Devon would retain £51,589.*
- *If a supermarket of the same size closed then the loss in income to the Council would be £234,496*

Effect on Council's MTFP

Business Rate Retention and Revenue Support Grant have been considered together, as in total they will be inline with the national control totals determined under the CSR. Consideration needs to be given to the top slicing of grant for

New Homes Bonus (discussed later in this Strategy) and Business Rate Retention. Modelling has been undertaken on the affect of these radical changes to the funding regime by LGFutures on behalf of Devon authorities and these results have been used to inform the Council's MTFP.

Overall it has been assumed in cash terms Government funding will drop to the Council by 7.47% (real terms 10.47%) in 2013/14, with a continuing decrease in each year of the Plan.

The assumption in the MTFP is that Business Rate growth will be line with RPI and no growth greater than this. Differing scenarios are modelled in Appendix A for comparison.

It needs to be stressed that this is an estimate of the Government's likely funding to the Council and attempts to reflect fundamental changes that have been made in the methodology of funding local authorities.

➤ Welfare Reform

With the introduction of the Welfare Reform Bill, the Government plans that local authorities will no longer be responsible for the administration of Housing Benefit payments. Benefits payments will form part of the **Universal Credit** proposals amalgamating a number of welfare payments into one system administered directly by the Department for Works and Pensions (DWP). It is proposed to be introduced in October 2013 with a lengthy period of implementation and customers rolling into the system at different stages.

This brings with it uncertainties for customers, Council staff and the financial uncertainty in understanding clearly the role the Council will play in the future. The current administration of the scheme is in theory cost neutral when taking direct grant and formula grant together, although with formula grant, individual service grant is not identifiable. There is a risk in the calculations to be used by Government to reduce funding to reflect the stopping of this responsibility that the Council could be disadvantaged.

As part of the Welfare Reform and linked with the Local Government Finance Bill, the Government are **Localising Support for Council Tax**. The proposals are that the Council will become responsible for assisting those on low incomes to help meet their Council Tax liability, not only in terms of administrating a scheme but actually setting the scheme details locally.

Financial risks associated with this relate to how the Council will be financially reimbursed for the payments made under the scheme and the cost of administration. Under the current system of Council Tax Benefit payments made are reimbursed to the Council based on actual cost, this will change to an annual allocation not tied to actual costs thereby giving significant risk to local authorities on potential costs incurred. The Governments financial target of introducing this change is to reduce overall expenditure by 10%, thereby putting local authorities into a difficult position of having to reduce benefits/discounts to those on low incomes compared with the current scheme or fund costs locally. Because of the

high pensioner population in East Devon who are protected under the scheme then the reduction for working age is likely to be nearer 30%.

The consultation period on East Devon's draft scheme has recently come to an end and proposals will be brought to the Council's Cabinet in November for recommendations to Council. The scheme is being designed to be financially cost neutral to the Council and the other funders of the scheme (Devon County Council and the Police and Fire authorities).

Effects on the Council's MTFP

For the early part of MTFP, it is assumed that as Housing Benefit workload reduces with the implementation of Universal Credit, this work and administration grant will be replaced with the local scheme for Council Tax discounts.

In the latter part of the MTFP, it is assumed that as benefit administration grant falls, this will be inline with the non-replacement of vacant posts within the Housing Benefit team. This may alter depending on the Governments final proposals and the role local authorities will play.

➤ Technical Reforms to Council Tax

A further area of reform under the Local Government Finance Bill is to give billing authorities (such as East Devon) more flexibility on some of the current Council Tax discounts granted to Council Taxpayers. This provides opportunity to generate additional income and meet other objectives.

Flexibility relates to;

- Second Homes
- Empty Properties
- Properties undergoing or requiring structural works.

A report on these proposals will be presented to the Council's Cabinet for consideration and for recommendation to Council. Depending on Councillors decision this could generate income to East Devon in the region of £48,000.

Effects on the Council's MTFP

As no decisions have been made by Council currently this possible income is excluded from the MTFP

● New Homes Bonus

In April 2011 the Government introduced the New Homes Bonus (NHB) scheme which rewards local authorities where there is housing growth in their area.

A 6 year payment of an average council tax per additional property is paid to the Council. The table below shows monies received to date and projections going forward.

New Home Bonus payments to East Devon						
	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
Year 1	311	311	311	311	311	311
Year 2		448	448	448	448	448
Year 3			440	440	440	440
Year 4				657	657	657
Year 5					999	999
Year 6						1,176
Totals	311	759	1,199	1,856	2,855	4,031
<i>Monies received in 2011-13 have been allocated. Shaded areas are estimated</i>						

Effects on the Council's MTFP

To date members have only allocated actual monies received, 2011/12 and 2012/13, to support schemes in the capital programme and to set up a fund to assist local communities.

It is assumed that members will use a proportion of this income to support revenue expenditure and help meet the £0.884m funding gap in 2013/14, with the remainder going to support capital projects.

Because of the uncertainty surrounding the final settlement it is recommended that no NHB monies are allocated to capital in the budget until an assessment is made on the final Government Grant figure announced to the Council.

4. Capital

The Council maintains a programme of capital expenditure designed to improve a wide range of community facilities and local infrastructure. The forward funding projections below only include rolling items and projects identified early by managers, **there will be a host of proposals missing from this list** that will need to be considered for funding out of the remaining resources identified. Such expenditure as office refurbishment (Exmouth and possibly the Knowle dependant on outcome of office move review), leisure centres, industrial sites, ICT projects and other asset works. Also to be added to this list is the infrastructure requirements identified as part of the CIL processes.

There will be a disparity between the Council's capital spending aspirations being greater than the amount of finance available. In producing these figures, previous recommendations have now been implemented to help fund the programme going forward. These being:

- Capital works associated with the Housing Revenue Account are self funded; these costs have been included in the HRA business model. Any capital

receipts generated from the HRA have been excluded and assumed to be used to finance HRA expenditure.

- External Interest achieved above a base level (determined at £0.5m) will be used to assist in funding the Capital Programme instead of it being used to fund revenue services; this has been reflected in the revenue MTFP.
- Members agreed that the savings achieved in 2011/12 General Fund position should be transferred into the Capital Reserve (£1.148m).

MTFP Model – Capital Expenditure and Funding Position

	2012/13 £000	2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000
Net Capital Expenditure	10,349	1,904	1,369	1,168	1,168	1,168
HRA contribution	(1,735)	(635)	(635)	(635)	(634)	(634)
GF Capital Receipts	(2,069)	(1,059)	(356)	(8)	(8)	(8)
External Interest	-	-	-	(180)	(180)	(180)
New Homes Bonus – allocated	(345)	(230)	-	-	-	-
Sec 106 & Grants	(4,155)					
Project Reserves	(77)					
Budget (Surplus)/ Deficit	1,968	(20)	378	345	346	346
Capital Reserve Remaining	(1,868)	(1,888)	(1,510)	(1,165)	(819)	(473)

The programme of expenditure includes schemes already approved by Council and rolling items such as; the provision of statutory disabled facility grants, the public toilet renovation programme, equipment replacement for street scene services, ICT replacement/upgrades and housing improvement schemes (fully funded by HRA contribution).

Even at this minimum level of capital programme expenditure there is an annual shortfall, bids will come through the annual budget process giving a greater annual deficit to be funded.

Key issues to consider for this Strategy in terms of capital are:

- Only rolling items, or early request for items, have been included in the MTFP. No amount is included for coast protection or flood prevention schemes. If any schemes do come forward, it is assumed they will attract Government funding if of high enough priority. The expenditure does not include one off schemes that would normally come forward and previously have been met from the Capital Reserve.
- Any scheme inclusion in the Programme over and above this core annual expenditure needs to be considered carefully for inclusion in future programmes on a case by case basis to determine if they meet corporate objectives and, if they can be self funded, evidenced in a business case or delivered in conjunction with other agencies/partners. Some schemes will

come with no funding but may still be required to be funded due to their nature. Consideration can be given to the use of the New Homes Bonus monies, but it is likely that the call on this money will be over subscribed. The 2012/13 capital programme above is a fairer reflection of the possible capital bids that are likely to come forward.

Because of the various nature and quantity of the capital bids that are likely to be received as part of the budget process, and the requirement to consider the allocation of capital funding sources, it is suggested that members need to be more closely involved in the process during the budget preparation stage (late October to December) to help formulate a draft budget for consideration.

The objective will be to consider all resources available against a total list of funding requirements. To consider the overall process instead of pockets of funds being held and differing officer/member involvement without the whole position being considered. **It is being proposed that a member Capital Strategy & Allocation Group is formed from members of the Cabinet** to consider the allocating of capital receipts, New Homes Bonus monies and any additional receipts that may flow through growth in Business Rate income. This Group will consider bids ranging from ICT business cases, infrastructure requests (possible allocation to CIL schemes), asset enhancement requirements, flood defence schemes and a host of competing projects.

5. The Way Forward

The MTFP highlights a situation for both the General Fund and Capital Programme whereby action is required to balance the budget going forward.

Revenue (General Fund) – 2013/14

There is a projected deficit of £884,000 in 2013/14. It should be possible to find a level of savings through careful discussions with managers determining where it is appropriate to allow for inflation and where this can be excluded. Where service savings may be found by cutting back, where income can be increased over that assumed in the MTFP and where procurement and efficiency initiatives can help.

This will not be easy and growth items do not feature in this scenario. Any vacant posts need to be considered as to whether to include them in the budget or not going forward.

Managers have been asked to bring saving ideas through to members to be considered firstly as part of balancing the budget deficit and secondly the possibility of funding higher priority services/areas. There is a debate to be had on the level of New Homes Bonus monies to be used to fund revenue services, bearing in mind the more that is taken to revenue the less that is available to support capital. It also needs to be ensured that a cushion remains between the sums received in NHB and that used to fund revenue in order to mitigate the possible volatility in this funding source. It is suggested that we wait until the settlement figures are announced to have a clearer picture of the position.

2013/14 will be the first year of the Business Rate Retention scheme with significant changes being made to local authority funding. There is uncertainty in determining the level of resources available from Government and it is believed that reasonable assumptions have been made within the MTFP. It is considered that the Council does hold an adequate General Fund Balances to deal with any adverse position to that estimated in the MTFP. If the assumptions in the MTFP are found to be incorrect sufficient sums are held to allow time for the Council to realign its services expenditure to match the actual resources available going forward.

Revenue (General Fund) – 2014/15 onwards

There is a clear picture that in order to balance the Council's budget going forward from 2014/15 a more radical approach is required. Initiatives are taking place or being considered; asset management work, shared service provision particularly around ICT, systems thinking principles, reduced office accommodation costs, the persuasion of customers to use more convenient and cost effective means of transacting with the Council, procurement efficiencies and income generation.

There is however a need of a more concrete approach going forward from a financial perspective with some clarity of the savings/additional income these and other initiatives will generate in order give the Council a sound financial footing going forward.

It is suggested that once the 2013/14 budget has been agreed that work starts on balancing the 2014/15 and future year budgets. This work being coordinated through a member group to consider the initiatives undertaken to date and other areas that could be considered, to include as with previous Leaders Prioritisation meetings, the cost and priority of existing service expenditure.

Capital Programme

As highlighted, although the programme is balanced on figures presented by using the Capital Reserve, there are many capital bids that are expected and are likely to outweigh the available funds. This is particularly true with the level of infrastructure requirements that are expected to come through for the District. For the reason outlined in this Plan, it is being suggested **that a member Capital Strategy & Allocation Group is formed from members of the Cabinet** to approve a method of allocation and bid prioritisation and then to review bids for possible inclusion in the budget process against available resources.

APPENDIX A

EXTERNAL INFLUENCES AND KEY ASSUMPTIONS WITHIN THE MTFP MODEL

- **Comprehensive Spending Review**

The Governments Spending Review sets out the framework for Government grant support to local government. The most recent Spending Review (CSR 10) covers the period 2011/12 to 2014/15 with an indication of grant levels over this period.

There is an added complication in estimating the Council's funding from 2013/14 because of the implications of the Local Government Resources Review and the implementation of Business Rate Retention Scheme which come into effect in April 2013.

The income used in the MTFP assumes nil growth for NDR and calculates the Revenue Support Grant based on Government national control totals. The calculations have been based on the methodology and information contained in Government consultation papers. It is not until a final scheme is established and the settlement figures published in December that any certainty can be gained.

Devon authorities, as part of determining any advantage to adopting pooling arrangements in Devon under the Business Rate Retention scheme (separate report will be prepared for Cabinet for consideration), have used LGFutures to help model and predict the likely funding implications of these changes. The result of this modelling has been used in the MTFP, nil growth and a prudent business rates baseline has been used as the base.

Assuming a +0.5% growth per annum in Business Rates income this equates to an additional £12,000 for the Council to that shown in the MTFP.

Assuming a -0.5% decline in Business Rate income this equates to a reduction of £62,000.

There is significant business rate growth planned for East Devon but the rewards associated with this are scaled down significantly. Additional income should be seen to that included in the MTFP but this best determined when actual figures are known.

Within the Cabinet papers (31 October 2012) presenting this Plan there is a link to a report from LGFutures which is used to inform the MTFP in relation to assumed Government funding. This explains the assumptions used and considers differing modelling, the most prudent assumptions is the one taken in the MTFP.

- **Inflation**

The provision for employee pay has been increased by 1% for 2013/14 and 2014/15 then 2% onwards. General inflation has been assumed at 3.0% for 2013/14 (2.3% 14/15, 2.6% 15/16, 3.7% 16/17 & 4% 17/18) these are based upon the latest official figures from the Office of Budget Responsibility. Leisure provision has been increased by inflation after agreed reductions in grant, fees and charges have been increased in line with general inflation estimates with the exception of car parks where no increase has been applied. A 15% increase has been applied to Planning

Application income where some certain is being given by Government that this will be the level applied (additional income of £150,000).

- **Risk assessment and sensitivity analysis**

Although the financial model is based upon what are believed to be a series of prudent assumptions, there is inevitably a risk that some or all factors applied could be inaccurate. The table below summarises the impact of any such inaccuracies that would have a detrimental effect upon the financial plan:

Financial impact of changes in assumptions 2013/14.

Factor	Predicted Cost Base (Revenue) £000	Worse by 0.5% £'000	Worse by 1.0% £'000
Pay, N.I & Pension & other employee costs	12,963	65	130
General Inflation –costs with fees & charges netted off (assumes income increased at same level as general expenditure)	5,273	26	53

- **Investment Returns**

The approach adopted, of budgeting for investment income at the bottom end of the portfolio manager's prediction, remains prudent. Interest Rate predictions have been made at: 1.0% for 2013/14 through to 2015/16 where it is increased to 1.5% onwards. If rates in 2013/14 were to be less by 0.5%, this would equate to reduced income of £0.154m

- **Council Tax Income**

Income from council tax has been included in the model assuming a 1% increase, in line with Governments proposals to obtain a freeze grant. The table below highlights the impact of increasing or reducing the council tax requirement in 2013/14.

Financial impact of changes in council tax levels.

Level of council Tax increase	Predicted council tax income £000	Gain/Loss of income from MTFP in 2013/14 £'000
Council tax yield at 1% increase	(7,085)	Nil
Yield at 4.0%	(7,295)	Gain 210
Yield at 3.0%	(7,225)	Gain 140
Yield at 2.0%	(7,155)	Gain 70
Yield at 0.0%	(7,015)	Loss 70

It does seem that the Government will offer a grant for nil increase in Council Tax for 2013/14; it is assumed this will be equivalent to 1% increase; this is the rate of increase used in the MTFP. Although the Council it is envisaged is likely to take such an offer it does mean this increase is not in the council tax base for future years. Following annual increases have been applied at 2% which is assumed capping level before evoking a referendum.

- **Cranbrook & other development**

The expected build rate for Cranbrook has been considered along with service cost implications. The majority of costs for the new town have been covered in Planning 106 agreements or are not this Council's liability, other areas such as recycling and refuse collection and street cleansing have been included in the plan when expected demand requires a stepped increase in cost, for example an additional refuse truck and recycling van is required with additional team. Other planned development in the area has been considered alongside these figures.

Agenda Item 12

Cabinet

31 October 2012

MS/JG



Private Sector Housing Renewal Plan 2012 - 2015

Summary

The Private Sector Housing Renewal Plan sets out the actions we intend to take in order to achieve the aims and objectives in the Homes and Communities Plan for private sector housing. The Plan will form the work programme for our Private sector Housing team. The previous Private Sector Housing Renewal Strategy adopted in 2008 is now out of date due to the numerous changes in national guidance and local priorities therefore a new Private Sector Housing Renewal Plan 2012 – 2015 has been prepared. Our overarching purpose is ‘better housing – better health’ and through a combination of advice, assistance and regulation we aim to improve housing conditions in the private sector.

Recommendation

That the Private Sector Housing Renewal Plan 2012 -2015 is approved.

a) Reasons for Recommendation

EDDC is required under the Housing Act 2004 and the Regulatory Reform Order 2002 to have in place a Private Sector Housing Renewal Policy.

b) Alternative Options

To adopt an alternative approach to private sector housing renewal.

c) Risk Considerations

There is a risk of not achieving our stated ambitions. Risks are captured in the Risk Register. An equalities analysis has been undertaken on the draft Plan.

d) Policy and Budgetary Considerations

The policy is set out in the Plan document and there is a reference to the budget implications and requirements to deliver the Plan.

e) Date for Review of Decision

Renewal or refresh of the Plan is required within 3 years.

1 The Private Sector Renewal Plan

- 1.1 Our Private Sector Housing Renewal Plan 2012-2015 sets out the actions that we and our partners will take to meet the housing objectives and targets set out in our Homes and Communities Plan. This in turn links to the Council Plan and the priorities in the Housing Service Plan.

- 1.2 The Plan addresses the need for housing renewal (maintaining, improving or adapting homes) in East Devon, and explains how we intend to meet this need.
- 1.3 Since our previous Private Sector Housing Renewal Strategy was adopted in 2008, there has been a change of Government, bringing with it radical change in tone and direction in national housing policies, with particular emphasis on revitalising the housing market and other priorities, include tackling long term empty homes and a renewed focus on energy efficiency.
- 1.4 The Private Sector Housing Renewal Fund has been removed. The mandatory Disabled Facilities Grant remains, but it will no longer be ring fenced and the amount of money available will be determined at a local level, along with other priorities for capital allocations.
- 1.5 The changes introduced by the Housing Act 2004 and the Regulatory Reform Order 2002 are still the main statutory provisions covering local authority work in private sector housing and we will continue to use these provisions to improve private sector housing in East Devon.
- 1.6 The Homes and Communities Plan sets out the key challenges for housing in the district as a whole.

Specific challenges for private sector housing will include:

- Addressing issues of disrepair and fuel poverty within the sector;
 - Improving conditions within Houses of Multiple Occupation;
 - Bringing empty homes back into use;
 - Continuing to deliver Disabled Facilities Grants in order to provide suitable adaptations so allowing elderly and disabled people to remain at home;
 - Delivering a fast track process for stair lifts, hoists and lifts;
 - Providing subsidised loan assistance to elderly, vulnerable and disabled owner occupiers to enable them to maintain their homes in a weather proof and safe condition;
 - Ensuring that mobile home sites are regularly inspected and full risk assessments carried out;
 - The provision of reasonable and suitable gypsy and traveller sites;
 - The regulation of private water supplies.
- 1.7 The Private Sector Housing Plan is an important part of the overall Homes and Communities Plan 2012 – 2015 with private sector properties representing approximately 90% of the housing stock in the district (79% owner occupied properties; 12% private rented) this is the tenure where most people live in East Devon.
 - 1.8 With significant pressure on resources and increases in the number of older people in East Devon in the future, the Council needs to set out how it will meet the needs of all residents and measure how it will achieve positive outcomes.

- 1.9 The actions identified in the Private Sector Housing Renewal Plan are explained in greater detail in the Delivery Action Plan **appendix 1** to the main document.
- 1.10 Monitoring of these actions will be included in the Homes & Communities Plan. If adopted the Plan will set the priorities and work programme for the Private Sector Housing team. If adopted a short summary of the document will be made available.

Legal Implications

The statutory framework in which the Plan is set remains unchanged and the report requires no further comment.

Financial Implications

The financial implications cannot be clearly identified from the report, however two additional Technical Officer Posts have currently been approved. These posts will be funded by increases in fees and charges to meet the Private Water Supply Regulations and the increase in Disabled Facilities Grants.

Consultation on Reports to the Executive

Key partners have been consulted on the draft Private Sector Housing Renewal Plan.

Background Papers

- [Private Sector Renewal Strategy 2008](#)

Meryl Spencer
Environmental Health Manager (Private Sector Housing)

Cabinet
31 October 2012

East Devon District Council Private Sector Housing Renewal Plan 2012-15

'Better housing, better health'

Introduction

Our Private Sector Housing Renewal Plan 2012-2015 sets out the actions that we and our partners will take to meet the housing objectives set out in our Homes and Communities Plan. It addresses the need for housing renewal (maintaining, improving or adapting homes) in East Devon, and explains how we intend to meet this need. Our overarching purpose is 'better housing – better health' to be achieved through advice, assistance and enforcement.

Background

Our Private Sector Housing team is responsible for investigating, maintaining, enforcing and improving housing standards and conditions in the private housing sector. This sector includes private rented, owner occupied and Housing Association accommodation. In 2010 responsibility for private sector housing in East Devon District Council moved from the Environmental Health Service to the Housing Service.

This Plan builds upon two major documents, the East Devon Council Plan 2012 - 2016 and the Homes and Communities Plan 2012-2015. Together these set out the Council's overarching aims for private sector housing renewal for the next 3 years. This document builds upon, and replaces our previous private sector housing strategies.

The overarching aim of the Homes and Communities Plan is to ensure a decent home for all that is affordable, adequate in size and suitably located. It takes into account national and local policies and evidence to set ten key aims to meet the housing needs of people in East Devon. These are aims for housing as a whole within the district including Council owned housing, other social housing and housing in the private sector.

Five of the ten aims in the Homes and Communities Plan are particularly relevant to housing in the private sector:

- Aim 4 - Bring sub-standard housing (of all tenures) up to current standards
- Aim 5 - Improve the use and safety of housing
- Aim 6 - Enable elderly persons, disabled people and people with special needs to live as independently as possible and remain in their own homes if they so wish
- Aim 7 - Improve the sustainability and energy efficiency of housing and eliminate fuel poverty

- Aim 10 - Have consistently satisfied customers.

Policy Context

The Homes and Communities Plan reviews the relevant national and local policies that particularly affect the provision of housing within the district.

Since our previous Private Sector Housing Renewal Strategy in 2008, there has been a change of Government, bringing with it radical change in tone and direction in national housing policies, with particular emphasis on revitalising the housing market and other priorities include tackling long term empty homes and renewed focus on energy efficiency. The Private Sector Housing Renewal Fund has been removed. The Disabled Facilities Grant remains but it will no longer be ring fenced and the amount of money available will be determined at a local level, along with other priorities for capital allocations. The changes introduced by the Housing Act 2004 and the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 gives local housing authorities wide ranging powers to provide assistance for housing renewal and it is a requirement that these are formally adopted and published. These are still the main statutory provisions covering local authority work in private sector housing and we will continue to use these provisions to improve private sector housing in East Devon.

Government guidance stresses that those who own homes are responsible for their repair and improvements. However, both the former and the present Governments view the equity in many private sector homes as a potential source of finance for improving the conditions in this area. The numbers of local authorities who still give financial assistance solely through grants is decreasing all the time. Many are using government backed specialist providers and offer a range of low cost schemes tailored to the needs of vulnerable households. We provide low cost, subsidised loans through Wessex Home Loans for vulnerable, elderly homeowners to maintain and repair their homes.

The Government's Housing Strategy (ref) makes it clear that bringing empty homes back into use is a major priority, and is offering financial incentives to local authorities via the New Homes Bonus. This funding is not currently supporting private sector housing work but could, if agreed, partially fund additional resources to tackle empty homes. Presently we have a partnership agreement with Exeter City Council who provides a part time Empty Homes Officer.

The 'Green Deal' is the government's major initiative aimed at improving energy efficiency in properties in the UK. The Government sees local authorities as having a significant role in this area, either as direct providers of co-ordinated finance and delivery, working in partnership with commercial Green Deal providers and community partners, or acting as advocates to promote the Green Deal.

The Government is also keen to promote social well being and it will be important for local authorities to work with local health providers to ensure that housing conditions are taken into consideration with regard to improving people's health and wellbeing.

Evidence Base/Housing in East Devon – Key facts and figures

As stated in our Homes and Communities Plan the main housing issues and challenges are:

1. A need for more affordable housing (demand far exceeds supply)
2. The high cost of owner occupation and renting in the private sector affecting the ability to secure suitable housing
3. Low wages in the district as compared to the national average
4. Poor housing conditions in the private sector
5. Fuel poverty and affordable warmth
6. The lack of suitable housing for young people.

These affect all types of tenure and ownership.

The population within East Devon is estimated to be 136,600 and the number of households is estimated to be 61,300. East Devon's population is projected to rise to 156,700 by 2026. Correspondingly the number of households is predicted to rise to 73,600 by 2026¹.

Compared to the national average (NA):

1. Significantly lower numbers of social rented properties are available (EDDC 10%, NA 18%)²
2. A significantly higher proportion of households are over 65 years of age (EDDC 44%, NA 25%)
3. A significantly higher proportion of households are receiving benefits (EDDC 22%, NA 17%)
4. Average income levels are lower (for 2010, EDDC £18,595, England £21,398)³
5. Average house prices are higher (for 2010, EDDC £266,470, NA £240,033)
6. More households in the private rented sector suffer from fuel poverty (EDDC 18.8%, NA 15.6%)⁴
7. More properties in the private rented sector are in a non decent condition (EDDC 40.8%, NA 33.2%)

¹ Office of National Statistics 2008 based sub-national population projections & Communities and Local Government Household Projections Model (2008-based) as quoted in East Devon Housing and Employment Study, 2011, Roger Tym & Partners

² Private Sector House Condition Survey 2010 December 2010 by CPC for EDDC

³ National Housing Federation South West: Home Truths 2010

⁴ Private Sector House Condition Survey 2010 December 2010 by CPC for EDDC

The Exeter and Torbay Strategic Housing Markets Assessment 2007, updated for East Devon in 2011, gives a detailed picture of housing conditions in the district.

Analysis of the overall tenure of housing stock in the East Devon district shows that 79% of properties are owned outright or with a mortgage, 12% are rented from social landlords (three quarters of which are owned by the Council) and 9% are in the private rented sector.

A total of 1046 households are currently living in technically overcrowded housing – though 505 of these households (48%) consider their home to be about the right size.

As many as 45700 (81%) technically under-occupy their property – over half of these by a factor of two bedrooms or more.

There is a tendency for more houses in rural areas to be in a poor physical condition and have problems with energy efficiency because of the typical building ages and construction types.

A total of 9% of households reported that there was at least one serious problem with their property with the most common problems being roof repairs, damp penetration or condensation and window repairs with all of these being prevalent in the Honiton area.

Overall 16,100 of properties in the private sector failed the Decent Homes standard and of that number 10,000 failed due to a Category 1 hazard. The Housing Act 2004 introduced the Housing Health and Safety Rating system (HHSRS) to assess the housing conditions and evaluate the potential risks to health and safety in properties. The HHSRS defines 29 hazards. If the risk of a hazard is assessed to be high, it is considered to be 'Category 1' and the council has a duty to take action. Such hazards are strongly associated with older dwellings (pre 1945) and dwellings occupied by households on a low income, in receipt of a benefit, heads of households aged 65 and over and residents with a disability.

The highest number of Category 1 failures is due to thermal comfort. This links to the fact that many properties in the district are old and lack sufficient insulation (loft and cavity wall) and suitable heating. Properties can therefore be cold and expensive to heat. With the aging profile of the district, older people are less likely to be able to repair and maintain their homes and afford adequate heating. They may have to choose between eating or heating, so become cold, and are more likely to fall.

Improving energy efficiency of properties is also important as this can reduce carbon emissions, help to reduce fuel poverty, remove Category 1 hazards, improve health and well being and provide warmer homes. However improving this alone is not sufficient as disrepair in the older private sector housing stock is a significant issue.

Houses in Multiple Occupation (HMO) are a specific type of housing whereby more than one household lives in a property and may or may not share access or facilities. Some HMO's must be licensed because they are over three storeys in height and are occupied by five or more households who share facilities. Many HMO's are called bedsit accommodation or long term bed and breakfast establishments, or partial flat conversions. The main issue with these types of accommodation is the lack of fire safety. Often the households who live in these properties have cooking facilities in their own rooms, which increases the likelihood of a fire starting.

We have thirty licensed HMO's in East Devon which have been licensed for five years. We have set up a programme of re-licensing these thirty properties and ensuring that any works that were required by the previous conditions have been carried out, or if not, then statutory notices are being issued prior to licensing again.

We are aware that there are many other HMOs in East Devon that should be licensed but many landlords are failing to apply. This is a part of our work that requires a proactive approach and ensuring that staffing resources are available.

We also have significant numbers of smaller HMO's which do not require licensing but are lacking in adequate facilities for fire safety and heating. At present these are being identified through service requests from tenants.

Long term empty homes. We have identified that long term empty homes, homes which have been left empty for more than six months, are a specific issue in East Devon. Our Empty Homes Strategy 2009 – 2014 sets out an action plan for dealing with empty homes. The delivery of the action plan is carried out via a Service Level Agreement with Exeter City Council who provide a part time (2 days a week) Empty Homes Officer. The past twelve months has seen three very long term empty homes in East Devon being sold and redeveloped.

Mobile homes. We have approximately 60 mobile home sites within East Devon which cater for permanent residents and holiday makers. All of these sites are licensed and require, at present an annual inspection. Risk based assessments are being carried out to identify those sites with the lowest risks due to good management and site/amenity provisions so that we are able to consider longer timescales between license inspections.

Advice, Education and Encouragement

We provide advice with respect to existing government and local initiatives in addition to any other relevant avenues to improve housing standards for example energy efficiency schemes. It is directed not only at improving housing standards, but also at ways to increase housing provision, e.g. Empty Homes work.

The prime responsibility for the condition of houses in the private sector rests with the owners of individual properties, whether owner-occupiers or landlords. Local authority officers try, except where there is an imminent risk to health and safety or where the law requires otherwise, to deal with problems concerning property condition by informal action. This can be education, awareness raising, informal advice, signposting or encouragement. Targeted marketing/education campaigns take place to promote specific initiatives - for example Cosy Devon. This project is supported and facilitated by EDDC as one of 10 partners across Devon.

Both Local Authority officers and staff of the Home Improvement Agency provide informal education and advice. In practice, this largely centres on contacts with grant applicants (giving advice where financial aid cannot be given) and with landlords where informal action is being taken to deal with unsatisfactory conditions. Landlord forums provide a useful platform to provide advice and information. We assist in the facilitation of such forums with the National Landlords Association and Smartmove.

The Authority is increasingly focusing activity to promote, facilitate and explore partnerships to improve or repair private sector housing without financial commitment.

Structured provision for advice and guidance is made regarding empty homes. The Authority has entered into a partnership arrangement with Exeter City Council. The partnership officer identifies empty properties and advises owners on the various means to bring them back into use.

We will also be looking to build on partnerships in the voluntary sector e.g. local charities, Citizens Advice Bureau, as a means of disseminating housing advice etc.

Key Challenges

The Homes and Communities Plan sets out the key challenges for housing in the district as a whole.

Specific challenges for private sector housing include:

- Addressing issues of disrepair and fuel poverty within the sector
- Improving conditions within Houses of Multiple Occupation
- Bringing empty homes back into use
- Continuing to deliver Disabled Facilities Grants in order to provide suitable adaptations so allowing elderly and disabled people to remain at home
- Delivering a fast track process for stair lifts, hoists and lifts
- Providing subsidised loan assistance to elderly, vulnerable and disabled owner occupiers to enable them to maintain their homes in a weather proof and safe condition

- Ensuring that mobile home sites are regularly inspected and full risk assessments carried out
- The provision of reasonable and suitable gypsy and traveller sites
- The regulation of private water supplies

Consultation

The draft revised Private Sector Housing Renewal Plan has been sent out to consultation to our partners, agencies and comments received have been collated and revisions made.

Objectives

Homes and Communities Plan Aim 4: Bring sub-standard housing (of all tenures) up to current standards.

The Council has both the duty and a number of powers, to assess whether the private housing stock is safe and fit for purpose and to take appropriate action.

- **Reviewing housing conditions in the district**

The Housing Act 2004 places a duty on local authorities to keep housing conditions in their area under review and inspect premises where they suspect the existence of a hazard. A stock condition survey of East Devon was completed in December 2010. This indicated that the primary hazard failures in East Devon are excess cold, damp and mould and risk of falling, caused by uneven surfaces.

Action Respond to the recommendations in the stock condition survey.

Intended outcome Primary hazards are reduced.

- **Provide the opportunity for everyone to live in a decent home**

It is government policy that everyone should have the opportunity to live in a 'decent home'. The Decent Homes Standard (DHS) comprises four broad criteria: hazards, disrepair, modern facilities and thermal comfort. 28.3% of homes in East Devon do not meet the DHS, compared with 36% nationally. Most failures relate to thermal comfort and insufficient energy efficiency levels. In common with the national picture, private rented homes are generally in the poorest condition. The stock condition survey indicates that there are 39.5% of vulnerable households, who are in receipt of one of the principal means-tested benefits or long-term disability benefits, living in non-decent dwellings in East Devon and the report recommends that resources should be targeted at this group.

Action Target assistance to vulnerable and low income households.

Intended outcome Maximise the use of Wessex Low Cost Loan products to improve owner occupied properties occupied by elderly, vulnerable and low income.

- **Assess hazards in the private sector stock**

The Housing Act 2004 introduced the Housing Health and Safety Rating System (HHSRS) to assess the housing conditions and evaluate the potential risks to health and safety in properties. The HHSRS defines 29 hazards. If the risk of a hazard is assessed to be high, it is considered to be 'Category 1' and the Council has a duty to take action. Such hazards are strongly associated with older dwellings (pre 1945) and dwellings occupied by households on a low income, in receipt of a benefit, heads of households aged 65 and over and residents with a disability.

The stock condition survey indicates that 28.3% of all properties in East Devon have Category 1 hazards under the HHSRS, representing 15.9% of owner occupier properties and 29.5% of private rented properties. 81.1% of failures related to excess cold, 14.9% related to falls on the level and 13% related to falls on stairs. 12% of dwellings with a Category 1 hazard had two or more failures. The Council is focussing on energy efficiency to tackle the lack of thermal comfort, as set out under Aim 6, and will seek to work with the voluntary and health sectors regarding health impacts of excess cold, damp and mould and falls prevention.

Action Prioritise cases where Category 1 hazards are identified.

Intended Outcome Those at the greatest risk are addressed quickly providing better health.

- **Provide low cost Loans**

East Devon currently offers low cost loans to deliver assistance to home owners whose capital is tied up in the value of their property. Loans of between £1,000 and £15,000 are available, repayable over an agreed period of up to 15 years. The delivery of these loans is via Wessex Homes Loans. In 2011/12 7 loans were offered to residents in East Devon and the Council aims to increase the number of loans offered in the next three years.

Action Encourage greater take up of loans to fund repairs.

Intended Outcome Improved and better maintained homes.

- **Caravan Sites**

East Devon has 60 residential caravan/mobile home sites. Each site is inspected annually to ensure that it meets the licensing conditions. Most recently risk assessments have been

carried out to provide a more focussed and manageable inspection regime. Where sites are well managed and in good condition these sites will be monitored on a 3 yearly basis. Where sites are not managed well these will remain on an annual inspection and enforcement opportunities will be identified to bring them up to the minimum required standards. New guidance and regulations are to be provided in 2013 to allow local authorities to set up charges to carry out licensing inspections of caravan/mobile home sites.

Action Monitor through inspection all residential caravan/mobile home sites to ensure compliance with licensing conditions and regulations.

Intended outcome to ensure good standards of accommodation in caravans and mobile homes.

Homes and Communities Plan Aim 5: Improve the use and safety of housing

As there are many pressures on both private sector and Council housing it is imperative that we make the best use of the housing stock that is available. This might mean addressing safety issues within houses to ensure that families can stay in their homes.

- **Implement the Empty Homes Strategy and revise the Action Plan**

Homes that stand empty are a wasted resource and have a detrimental effect on neighbourhoods. The government has allocated £100m to boost housing supply by bringing empty properties back into use. In addition, a financial incentive payment, called New Homes Bonus has been introduced and is payable to local authorities for each new build property and each long term empty property brought back into use every year. Nationally there are 762,000 empty homes; in East Devon there are approximately 500 empty properties that have been empty for more than six months.

East Devon has a partnership arrangement with Exeter City Council who provide a part time Empty Homes Officer. Her objective is to reduce the number of long term empty properties in East Devon, providing advice and support to empty property owners to help them bring them back into use. East Devon also has procedures for using the enforcement tools.

Actions Promote new and innovative schemes to assist owners of empty homes to bring them back into use.

Work with Council Tax and Parish and Town Council's to identify and assist in bringing empty homes back into use.

Bring at least 10 long term empty properties back into use annually.

Intended Outcome Increase housing supply by bringing long term empty properties back into use.

- **Private Water Supplies**

East Devon has around 1800 private water supplies, of which approximately 500 require risk assessments and monitoring programmes set up to ensure that the water is safe and of good quality. This public health duty is a priority for the Council and we have a programme of risk assessments to complete by 2014, which operates alongside a water sampling contract.

Actions Implement a Risk Assessment and monitoring programme to comply with the Private Water Supply Regulations 2009

Intended Outcome Provision of safe private water supplies for commercial and domestic use.

Homes and Communities Plan Aim 6: Enable elderly persons, disabled people, and people with special needs to live as independently as possible and remain in their own homes if they so wish.

We are committed to supporting and enabling people to stay in their homes, if they so wish, by direct service provision and working with other agencies. In many cases homes are suitable but residents need care or support.

- **Provide Disabled Facilities Grants (DFGs) to people who need adaptations**

DFGs are mandatory grants payable to older or disabled people (including children) who need adaptations to their homes. With an ageing population and greater life expectancy of children with disabilities, the demand for DFGs is expected to rise. The house condition survey identified potential demand to be £12.7 million, which will be a challenge to meet with limited resources. The budget for 2011/12 is £512,000 and is expected to deliver 90 completed grants/adaptations.

EDDC is working on a number of initiatives to reduce the cost of DFGs for stair lifts, through floor lifts and level access showers. These include procurement with other authorities in Devon to bulk purchase both equipment and contractors and help grant applicants to consider alternative housing options that may be more appropriate to meet their needs.

Action Complete the procurement processes for stair lifts/through floor lifts and level access showers by the end of 2013.

Intended outcome Provide DFG grant applicants the opportunity to secure lower cost adaptations.

Homes and Communities Plan Aim 7: Improve the sustainability and energy efficiency of housing and eliminate fuel poverty

We are committed to the principles of sustainability in all of our activities. We aim to meet the diverse needs of existing and future residents in ways that make effective use of natural resources, enhance the environment, promote social cohesion and inclusion and strengthen economic prosperity. By 2020, Government has a target to decrease carbon emissions by 18% on 2008 levels; carbon emissions from homes will need to be cut by 29% on 2008 levels to contribute to this target⁵. East Devon must ensure that we are contributing to this target; however, the rising cost of fuel is also a driver for improving the sustainability and energy efficiency of housing in the district. Fuel poverty occurs when a household has to spend more than 10% of its income on heating and hot water. Overall, fuel poverty in East Devon is 12.3% (down from 13.2% in 2009), with the rate in the private rented sector being 18.8%⁶.

In July 2012 the government issued new guidance to help local authorities in England improve the energy efficiency of their residential housing. The guidance, issued under the Home Energy Conservation Act (HECA) 1995, requires local authorities to publish a report on their plans to achieve improved energy efficiency by March 31st 2013. Local authorities will be required to identify practicable and cost-effective measures likely to result in significant energy reduction in all residential accommodation in their area. The Government is committed to local authorities setting their own priorities, ambitions and any related targets as they are best placed to assess their local needs and judge what will achieve significant improvements based on their particular local circumstances.

- **Affordable Warmth**

Affordable Warmth is the ability to heat your home adequately for household comfort and heat without getting into fuel debt as a result. It is the solution to fuel poverty, through better heating, insulation and increasing benefit uptake, by vulnerable families and individuals.

Fuel Poverty is an inability to afford to adequately heat a home. It occurs when people need to spend more than 10% of disposable income on fuel to achieve adequate levels of warmth in their home. It is due to a combination of factors, which typically comprise of a low household income, poor insulation standards and an inefficient or expensive heating system.

⁵ Low Carbon Transition Plan, 2009, HM Government

⁶ Private Sector Housing Condition Survey December 2010, CPC

Action Working in partnership with all other Devon authorities to continue to refresh the Devon-wide Affordable Warmth Strategy, which was started in 2010⁷, and links directly to EDDC's Affordable Warmth Strategy. Refresh the EDDC Affordable Warmth Strategy once the Devon wide Affordable Warmth Strategy is complete.

Intended outcome Improved energy efficiency of the housing stock and reduced fuel poverty.

- **Improve the energy efficiency of private stock and reduce fuel poverty**

To date Cosy Devon has provided energy efficiency measures to over 800 households in East Devon. To date we have provided 60 small grants to private landlords to install heating systems, and insulation measures.

Action Continue to assist private landlords with improving energy efficiency and heating measures in private rented properties. In partnership with other agencies and local Housing Authorities in Devon seek to progress a wide range of energy saving measures to assist in raising the energy efficiency of the private sector housing stock and reduce fuel poverty.

Intended out come To improve energy efficiency and reduce fuel poverty across the area.

- **Green Deal and ECO**

The Green Deal is the coalition government's scheme to improve energy efficiency of all properties with 'no upfront costs' and recouping payments through a charge, via instalments, on the energy bill of the property improved.

ECO or the new Energy Company Obligation will focus energy companies on improving the ability of the vulnerable and those on lower incomes to heat their homes affordably, and improve the energy efficiency of hard to treat, like solid walled, properties which have not previously been eligible for measures under energy company obligations.

Actions Work closely with energy providers and installers to consider the best way of assisting the implementation of the Governments new 'Green Deal' initiatives and ECO.

Continue to operate and promote the Cosy Devon scheme until the Green Deal and ECO start.

Work in partnership with other Devon Authorities to implement the Green Deal across East Devon within the private rented and Owner Occupied stock.

⁷ Affordable Warmth Strategy

Intended outcome To improve the thermal efficiency of homes in the district, targeting hard to treat properties in rural areas in particular.

Homes and Communities Plan Aim 10: Have consistently satisfied customers

We are continually aiming to improve customer satisfaction, which can be used as a measure of how effectively and efficiently we are working. 'Systems Thinking' is the process of understanding how things influence one another within a whole system of work and changing the system to do what matters to customers and eliminate wasteful processes.

Better Homes – better health is our clear statement of purpose that drives our service delivery.

Action Use the 'Systems Thinking' approach to improve our services to customers and deliver service efficiencies and improvements. Ensure that we do 'what matters' for customers.

Undertake benchmarking with other providers and import good practice from elsewhere.

Intended outcome Improve our service and delivery, ensuring that we do 'what matters' for our customers.

Conclusion

The Private Sector Housing Plan is an important part of the overall Homes & Communities Plan 2012 – 2015. With significant pressure on resources and increases in the number of older people in East Devon in the future, the Council needs to set out how it will meet the needs of all residents and measure how it will achieve positive outcomes. The actions identified in the Private Sector Housing Plan are explained in greater detail in the Delivery Action Plan appendix 1. We have set ambitious range of actions with the overall aim of facilitating better housing – better health.

Monitoring and Review

In order to ensure that this Plan and the Delivery Action Plan meet the key aims and actions it will be reviewed and monitored regularly.

The Delivery Action Plan will use the SMART principles and be monitored on a quarterly basis by the Private Sector Housing team and half yearly reports will be submitted to the Portfolio Holder for Homes and Communities and an annual report will be presented to Cabinet.

Appendices

- 1. Delivery Action plan**
- 2. Enforcement policy (Cabinet Oct 2011 Enforcement Charging Report)**
- 3. Financial Assistance eligibility and conditions**
- 4. HHSRS details**

Appendix A

Draft Private Sector Housing Renewal Plan 2012 – 2015 Draft Delivery Action Plan

Homes and Communities Plan Aim 4: Bring Substandard housing (of all tenures) up to current standards.					
Ref	Priority	Action	Completion date	Outcome	Comments/extra details
1.0	Reviewing housing conditions in the district	Category 1 Hazards, excess cold, damp and mould and risk of falling caused by uneven surfaces are reduced. Work with Devon Authorities to progress the most effective method to provide data for private sector house conditions in the district.	Annual report to Cabinet on primary hazard reduction. Complete analysis by July 2013	Primary hazards are reduced	Report tracked through the Homes and Communities Plan
1.1	Provide the opportunity for everyone to live in a decent home	Develop with Wessex Home Loans a suitable promotion package for low cost loans to elderly and vulnerable owner occupiers in district.	June 2013	Maximise the use of Wessex low cost loan products to improve owner occupied properties occupied by elderly and vulnerable people	
1.2	Assess hazards in the private sector stock	Prioritise Category 1 Hazards and implement enforcement of statutory notices where there is lack of co operation from landlords/managing agents.	Ongoing	Those at greatest risk are addressed quickly	
1.3	Provide low cost loans	Encourage take up of 10 loans to fund repairs per annum.	Annual	Increase the number of low cost loans	
1.4	Mandatory HMO Licensing	Review and restructure the mandatory HMO licensing procedures.	Review complete by April 2013	Ensure good standards of accommodation and safe housing for vulnerable people.	
1.5		Consider a suitable proactive approach to 'flushing out' licensable HMO's in the area.	Cabinet report annually on numbers.	Ensure good standards of accommodation and safe housing for vulnerable people.	
1.6		Implement the new mandatory relicensing of HMOs regulation requirements.	November 2012	Ensure good standards of accommodation and safe housing for vulnerable people.	

Ref	Priority	Action	Completion date	Outcome	Comments/extra details
1.7		In partnership with Devon Authorities agree a suitable Landlord and managing agent accreditation scheme	April 2014	Ensure good standards of accommodation and safe housing for vulnerable people.	
1.8	Caravan Sites	Inspect all residential caravan sites including single occupied sites annually until all have been risk assessed, then inspect on an appropriate basis.	Risk Assessment programme complete July 2013	To provide appropriate site inspection programme	
1.9		Identify and clarify new guidance documents from DCLG regarding inspection fee levels and new inspection/management requirements	April 2014	To ensure compliance with regulations and provision of safe and healthy accommodation	

Homes and Communities Plan Aim 5: Improve the use and safety of housing

Ref	Priority	Action	Completion date	Outcome	Comments/extra details
1.0	Implement the Empty Homes Strategy and revise the Action Plan	Promote new and innovative schemes to assist owners of empty homes to bring them back into use	Ongoing	Increase housing supply by bringing long term empty properties back into use	
1.1		Work with Council Tax and Town Council's to identify and assist in bringing empty homes back into use	March 2015	Increase housing supply by bringing long term empty properties back into use	
1.2		Bring 10 long term empty properties back into use annually.	Annually	Increase housing supply by bringing long term empty properties back into use	
1.3		Work with Chapter 1 and Shekinah to bring 5 long term empty homes back into use over the next 3 years	March 2015	Increase housing supply by bringing long term empty properties back into use	
1.4		Where appropriate use enforcement tools to bring long term empty properties back into use.	Ongoing	Increase housing supply by bringing long term empty properties back into use	
1.5	Private Water Supplies	Carry out the sampling programme for private water supplies	Ongoing	Early detection of unsafe private water supplies.	March 2013 full sampling programme established
1.6		Carry out 60 Risk Assessments per month in order to complete before 31 March 2013	March 2013	Safe private water supplies to domestic/commercial premises.	Construct Risk Assessment programme for implementation of re-assessments in 5 years.
1.7		Complete annual report to DWI	March 2013 March 2014 March 2015	Comply with DWI regulated requirements.	

Homes and Communities Plan Aim 6: Enable elderly persons, disabled people, and people with special needs to live as independently as possible and remain in their own homes if they so wish.

Ref	Priority	Action	Completion date	Outcome	Comments/extra details
1.0	Provide Disabled Facilities Grants (DFGs) to people who need adaptations	Implement the Fast Track procurement process for stair lifts/through floor lifts and initiate the process by 28/02/2013	End of February 2013	Provide DFG grant applicants the opportunity to secure lower cost suitable adaptations quicker.	
1.1		Complete the Schedule of Rates procurement process for bathroom adaptations and level access showers by 31/012/2013	End of December 2013	Provide DFG grant applicants the opportunity to secure lower cost suitable adaptations.	
1.2		Implement the Schedule of Rates process (above) 01/01/2014	Start 01/01/2014 and on going	Provide DFG grant applicants the opportunity to secure lower cost suitable adaptations.	
1.3		Monitor both procurement process in order to establish targets for 2014 - 2015	Ongoing	Identify faster more efficient process for procured adaptations	
1.4		Complete 90 DFG's per year	Annually (July)	Comply with government reporting requirements for adaptations	
1.5	Reinstating the provision of Home Improvement Agency type services	Working in partnership with Housing Services, Devon Authorities and Devon County Council identify the most appropriate provision of Home Improvement Agency type services across the district.	Ongoing	Assisting elderly, disabled and vulnerable homeowners to remain in their own homes if they wish to do so.	

Homes and Communities Plan Aim 7: Improve the sustainability and energy efficiency of housing and eliminate fuel poverty

Ref	Priority	Action	Completion date	Outcome	Comments/extra details
1.0	Affordable Warmth	Working in partnership with other Devon authorities to continue to refresh the Devon-wide Affordable Warmth Strategy	December 2013	Refreshed Affordable Warmth Strategy with actions and targets to meet the required targets	
1.1	Improve the energy efficiency of private stock and reduce fuel poverty	Continue to assist private landlords with improving energy efficiency and heating measures in private rented properties.	Up and running again in January 2013	Improve the energy efficiency and reduce fuel poverty across the area	Awaiting return of funds from liquidation proceedings
1.2	Green Deal and ECO.	Work closely with energy providers, installers and other Devon Authorities to assist the implementation of the Green Deal and ECO	Ongoing	To improve the thermal efficiency of homes in the district, targeting hard to treat properties and rural areas in particular	
1.3		Continue to operate and promote Cosy Devon scheme until the start of Green Deal and ECO	March 2013	Improve the energy efficiency and reduce fuel poverty across the area	Monthly reporting from JJCrump and E-ON
1.4		Continue to promote Warm Front scheme until this ceases in 2013	March 2013	Improve the energy efficiency and reduce fuel poverty across the area	Monthly reporting from Warm Front
1.5	HECA 1995, Carbon Plan,	Research and Develop the Carbon Plan following the reintroduction of HECA 1995 reporting requirements.	March 2013 plan to be available.	Comply with HECA 1995 requirements	

Homes and Communities Plan Aim 10: Have consistently satisfied customers

Ref	Priority	Action	Completion date	Outcome	Comments/extra details
1.0	Better Homes – better health	Use the ‘systems thinking’ approach to improve our services to customers and deliver service efficiencies and improvements	Ongoing	Improve our service and delivery, ensuring that we do ‘what matters’ for our customers	
1.1		Ensure we do ‘what matters’ for customers	Ongoing	Satisfied customers	
1.2		Undertake benchmarking with other providers and import good practice from elsewhere	July 2014	Better service delivery and monitoring	
1.3		Carry out regular customer surveys to identify compliments, concerns and complaints	Ongoing	Improve our service and delivery, ensuring that we do ‘what matters’ for our customers	

Agenda Item 13

Cabinet

31 October 2012

AE/smep



Parking Services Operational Review

Summary

In addition to a more strategic review of our car parking assets we have now carried out an operational review. We have identified a number of opportunities to make small changes in our operation that will improve the range of services on offer and at the same time will protect this important revenue stream.

Recommendations

The following recommendations have been identified as ways in which we could make some relatively straightforward operational changes to the way in which we will manage our car parks next year. These are changes that can be implemented on a temporary and experimental basis. A more comprehensive strategic review of our car parking assets is being coordinated by the Principal Estates Surveyor and recommendations arising from that exercise will be presented to you separately after consideration by the Asset Management Forum.

- 1. Introduce a summer season half price tariff in Exmouth's under used long stay car park in Maer Road.**
- 2. Promote and manage the use of Maer Road car park for overnight parking by camper vans and motor homes (subject to obtaining any planning consent that may be required).**
- 3. Offer weekly East Devon car parking permits for sale through Sandy Bay and Ladram Bay to encourage holiday makers to visit Exmouth.**
- 4. Continue to restrict parking in all short stay car parks to a maximum stay of 3 hours.**
- 5. Carry out a review of permit charges.**
- 6. Introduce cashless payments in all pay and display car parks using a "start/stop" payment format.**
- 7. Modify the Parking Places Order to allow trading (but only by authorised or licensed traders) to take place in car parks.**
- 8. Modify the Parking Places Order to allow overnight sleeping in car parks in campervans and motor homes for a defined maximum stay.**
- 9. Remove the restriction that prohibits any vehicle from staying longer than 24 hours in any East Devon car park to enable long stay customers to park for more than one day at a time.**
- 10. Seek tenders for the 46 remaining Sidmouth town centre reserved parking spaces.**

a) Reasons for Recommendation

To respond to issues identified within the community, to seek to manage our parking assets in the best possible way and to protect the revenue derived from parking income.

b) Alternative Options

The car parking on offer throughout East Devon has grown and evolved over many years and there is a case for commissioning a comprehensive parking needs assessment combining both strategic and operational considerations.

This report makes no attempt to replicate that approach and it does no more than identify and evaluate a number of opportunities that should help us to better manage our parking services operations. The “do nothing” option clearly exists and must be viewed in the context of falling revenues over the last two years.

c) Risk Considerations

There will be risks associated with the proposed changes, in particular the suggestion that we should experiment with a half price tariff in Maer Road in Exmouth and the risks associated with the omission of any of the measures advocated by Sidmouth Chamber of Commerce. Rather than persuading people to park for longer or to use our car park in preference to other alternatives, the half price tariff may only displace existing customers from our full price tariff car parks with consequent further erosion of revenue income. In Sidmouth the costs and benefits of various charge scenarios are difficult to evaluate and with the exception of the cashless start stop option, the “do-nothing” at this stage is being proposed as the safest option for Sidmouth.

d) Policy and Budgetary Considerations

There are no policy or budgetary considerations.

e) Date for Review of Decision

October 2013

1 Main Body of the Report

The Council’s Principal Estates Surveyor has been working with the Asset Management Forum and is bringing forward a series of strategic recommendations relating to the future of our car park assets under the asset management programme. In parallel with that, the Environment Health and Parking Services Manager has been asked to consider what can be done operationally in the short term to protect or improve the revenue income being generated by these assets.

This report has been written within the broad context of the ongoing economic downturn, the work of the Vitality of High Streets and Town Centres TAFF, representations made by Town and Parish Councils, Chambers of Commerce and individuals.

The Council’s public car parks portfolio currently amounts to 56 sites of which 43 are actively managed on a pay and display, permit or reserved bay basis and it is the ongoing management of these assets with which the remainder of this report is concerned.

The strategic value of these other car parks will be considered elsewhere.

2 Discussion - Responses

In the autumn of 2011 we wrote to all Town and Parish Councils and Chambers of Commerce seeking their responses to a number of questions concerning car park management from both an operational and strategic point of view.

The consultation responses are considered below alongside other operational factors:

Exmouth

Exmouth Town Council has suggested that the parking meters on Queen's Drive need to be managed by one authority to save confusion and unnecessary fines.

They also advocate a simple cross East Devon Tariff to encourage tourists. (note there is already a 7 day permit allowing parking in any East Devon car park for just £21.00).

They also request the standardisation of long stay fees for summer/winter rates. (note: The fees are reduced in the winter because demand is significantly less. If the charges were standard throughout the year, they would almost certainly be closer to the summer charges than the winter charges).

Exmouth Transport Partnership has suggested that a number of changes could prove to be of benefit for the town's traders, residents and visitors whilst still protecting or even enhancing the important revenue income currently being derived from parking:

The Town Council suggested that long stay car parks could be made more use of and recommended a charge of just £2-£3 per day with no overnight fee. The Transport Partnership has called for a half price (50p per hour) tariff in low use car parks such as Maer Road car park. The Town Council would support this view noting that car park revenue has reduced so suggest the short stay charges be reduced equating to 50p per hour to reduce customer resistance. (note: the falls in revenue were resultant mainly from seafront car parks. The two short stay shoppers' car parks at London Inn and Imperial Road are very well used and the London Inn car park in particular is usually at full capacity most days during the peak hours. This would seem to indicate that the charges do not necessarily deter use of the town centre car parks).

1. Encourage the use of Maer Road car park for overnight use by camper vans and mobile homes
2. Offer weekly East Devon car parking permits for sale through Sandy Bay and Ladram Bay to encourage holiday makers to visit Exmouth
3. Remove the restriction that prohibits any vehicle from staying longer than 24 hours in any East Devon car park
4. Allow short stay parking in the main town centre car parks (London Inn and Imperial Road) to be extended to 4 hours from 3 hours (to enable shoppers to spend more time exploring Exmouth's range of shopping facilities)

Budleigh Salterton Town Council requested pay and display machines where drivers can pay by the hour or for 30 minutes with a minimum of 50 pence being preferable. This is now in operation in most East Devon pay and display car parks.

Sidmouth

Sidmouth Chamber of Commerce and Sidmouth Town Council have both made a number of suggestions as to how the Council's off-street parking offer could be improved for the benefit of the town:

The Chamber of Commerce has described the perception of our car parks as "...desolate areas of uniform tarmac that are simply a cash cow for the local authority..." If this is correct, we need to try to change this perception. It is common ground that Sidmouth's car parking offer needs to be seen as part of the town centre shopping experience.

The Chamber has recognised that there are difficulties in accurately presenting and interpreting car park use data particularly in respect of spaces occupied by permit holders and has called for a "...degree of experimentation..." in terms of our current charging regimes.

They add that they "...cannot stress too strongly that this is not a case of the Council's finances versus the traders' aspirations. We are convinced that many of our proposals will achieve increased income for the Council and for business..."

They comment on the last district-wide price increase in 2010 and claim that it was almost exclusively responsible for a significant decline in car park usage and, by extension.

"...East Devon's loss of customers and business..." adding to this anecdotal evidence from Sidmouth traders who have "...reported a big increase in complaints from visitors concerning car park charges, often saying how much cheaper things were in their locality. One local camp site operator confessed that he felt obliged to tell visitors that parking in Lyme Regis was much cheaper than in Sidmouth when they requested suggestions for how they should spend their day..."

They conclude by stating:

"...car park charges in East Devon have reached a tipping point: any increase in charges would produce a corresponding drop in usage. In other words, increasing charges would bring no benefit to the EDDC budget, and would cause considerable damage to our town centre economies..."

Our consultation asked the Chamber of Commerce a number of specific questions and their response has been formulated by a number of contributors including 54 businesses who all completed the questionnaire and they present the responses on the basis that they are "...very likely to be representative of business opinion in the town..."

The full report is available on request but their recommendations are summarised below:

Should the short stay parking restriction stay as 3 hours maximum stay or could it be increased to 4 hours?

The Chamber is clear in its view that an increase would be extremely popular for traders and they also claim that our revenue income would rise by perhaps £20,000.

Should there be a pay and display system in operation at the Manor Pavilion?

The Chamber concluded that there is no logical reason for charging at Manor Road whilst offering free parking at the Manor Pavilion, and 66% would support this operational change provided there is a double ticketing arrangement for customers of the Manor Pavilion, as any disincentive to use the facility is very undesirable.

We have been advised by the Town Council that there is a perception in the town that the charges in Manor Road remain the same throughout the year. In fact, during the winter, charges are reduced from 1 November to 31 March. In the winter months the Chamber of Commerce recommend that collecting parking fees in Manor Road is "...a very inefficient way of raising revenue..." and they suggest that Manor Road should be made free from 1 November each year with charging starting again on 1 March the following year, adding that the offer of free parking in Sidmouth would also appeal to shoppers, especially in the run-up to Christmas, and could stimulate considerable extra business.

Finally, the Chamber strongly advocates the introduction of a dedicated summer shuttle bus operating between the Manor Road car park and the seafront. They estimate the cost of providing the shuttle at £26,000 per year but suggest that they would anticipate "...a significant increase in usage..." although they acknowledge some uncertainty over displacement from other paying car parks. They conclude that:

"...the cost of running the service might be completely offset by the increased revenue from the car park. More realistically, the required 'subsidy' might be somewhere in the region of £5-10,000."

Axminster

In response to the consultation there was support from Hawkchurch Parish Council for offering double ticketing to enable local businesses to refund their customers parking charges. We understand that an informal customer parking refund arrangement is currently in place at the CO-OP but we have also investigated the feasibility of introducing double tickets into the machines in West Street car park.

Our initial enquiries suggest that the additional cost to the Council of simply purchasing the extra tickets required has been estimated on the basis that we currently buy around 3 million tickets per year at £0.00405 per ticket issued (£4.05 per 1000) to service all of our car parks and in recent years we have sold a little over 120,000 tickets per year from the West Street short stay machines, so the estimated cost of this initiative in broad terms would be around £500 per annum.

Honiton

In response to the consultation, Honiton Town Council suggested that Silver Street car park is underused. However, the development of the new Community Centre on the site of the existing Dowell Street car park is due to start in January 2013. With no on-site parking available throughout the construction phase, which we expect to be the majority of 2013, the use of Silver Street may well increase.

The Town Council also suggested that some local businesses would take up an opportunity for discounting car park costs against purchases in their shops. They also long stay parking represented good value for money but thought that permits should be better advertised. They felt that our information boards are currently confusing. The Town Council also stated that they would welcome the opportunity

to supply weekly car park permits as well as the local tourist information centre. Finally, we are asked to consider whether free of charge parking days could be introduced on “down days”.

Ottery St Mary

The Town Council queried how many coaches use the car park as they were concerned about the charges. At present, it is claimed that coaches tend to use Otter Nurseries rather than the car park. Could this be related to the charges or the facilities available at Otter Nurseries? Both Payhembury Parish Council and Ottery St Mary Town Council would support the Council in making coach parking free.

Permits

East Devon’s parking permits are currently among the least expensive in the county. They are also valid for use in a number of car parks so it is actually very difficult to accurately estimate the extent to which any one car park is being used by permit holders and therefore difficult to accurately estimate the true revenue income being earned from each individual car park.

It is proposed that we should begin a review of the way in which we sell parking permits and we will now open up a short period of consultation with existing permit customers to better understand the way in which they currently use their permits and to assess the impact of any review.

In principle I will be suggesting that permits will be valid only in a specified car park or specified car parks and that the permit cost will be a function of the actual pay and display income currently being generated per space in the car parks in which it allows the holder to park. The permit will continue to offer regular customers a cheaper alternative to pay and display but is likely to generate significant revenue.

In 2011/12 we sold 6744 permits generating a net income of £401,500. Pay and display is generally charged at £1 per hour. The cost of an annual permit for one area is only £109 which in pay and display terms is just over £2 per week. For an extra £1 per week customers can extend this to enable them to park in every car park in East Devon. This provides an opportunity for further revenue generation in 2013/14.

It is currently possible to purchase a permit for a period of either six or twelve months and there is a very significant peak in demand each spring, primarily from repeat customers buying a like for like replacement for the coming season (April to September) or year. It is therefore proposed that from 1 April 2013 customers will be offered the option of purchasing their seasonal or annual permit with a validity extending into a second and third year. The advantages to the Council are the likelihood of increased revenue in 2013/14 along with a significant reduction in the admin burden with lower postage and printing costs. The benefit to the customer is a guaranteed “no price increase” in 2014 and 2015.

“Cashless” Payment Options for pay and display car parks

Payment by mobile phone has now become established as an inexpensive way of offering our customers flexible cashless payment options. The competition that has emerged in the market has now begun to drive down the set-up and operating costs to the extent that we are now recommending that East Devon enters into a contract with a mobile phone payment service available for all pay and display car parks. There are a number of options but the one that offers most flexibility to visitor and shoppers is the “start-stop” option currently being offered by [Parkmobile](#).

This will effectively allow our customer to use our existing pay and display car parks as they would a “pay on exit” car park, right up to the maximum stay period for that car park as defined in our Parking Places Order. Customers start their parking session on arrival and end their session when they leave. They are then charged according to the current tariff for precisely the amount of time they have used. If they wish to stay for the maximum permitted period they do not need to “end” their session and the computer ends it automatically and debits the maximum daily charge from their account. The collection costs amount to around 2% of revenue which compares favourably with costs associated with ticket machines and coin handling. Unlike pay on exit there are no initial infrastructure costs.

Motor homes and Campervans

The representations suggesting that overnight sleeping in motor homes and campervans could be accommodated in Maer Road car park could be equally relevant for other coastal long stay car parks. It is suggested that if successful in the first year, we could then explore the option that some of these facilities might be developed into a fully serviced option with electric hook-ups, water supply, sewage pump out and on-site showers and toilets on offer in future years.

Allowing “trading” within our car parks.

We have had a number of approaches from small local enterprises seeking to acquire a “car washing” concession to offer car wash/valeting services to our car park customers.

The existing East Devon Parking Places Order prohibits such activities, in fact prohibiting any vehicle from entering any car park for any purpose other than to park their car within it.

Reserved Parking in Sidmouth

Following the recent sale of the small York Street car park and the development of the Northcotts car park, the number of town centre reserved parking spaces in Sidmouth has now gone down from 73 to 46. All 46 remaining spaces are currently let on licences for a fee of £480 per year to residents (£960 to non-residents). More than 50 people, some of whom were recently displaced from the Northcotts car park are now on the waiting list for one of these premium spaces. In the town centre we provide a further 340 short-stay and over 300 long-stay spaces in off street car parks for pay and display and permit holder customers. The issue was discussed at Asset Management Forum on 12 July where it was agreed that mindful of the revenue income currently being generated in the nearby Ham car park from pay and display customers (over £1400 net per space per year), there is now an opportunity to review the allocation and charging regime for these spaces. The suggestion is now that we now give notice to existing customers and formally invite tenders from persons interested in the remaining 46 spaces with a recommendation that tenders should be of a minimum value of £1500 per space.

Maximum stay in short stay car parks

Representation from both Sidmouth and Exmouth have advocated an increase in the maximum permitted stay from 3 hours to 4 hours. This is based on both anecdotal evidence from businesses suggesting that customers have said they have to leave because their parking ticket is about to expire along with informal inspections revealing that car parks have spaces available during the afternoons. Both of these observations are not disputed but the availability of some spaces is

clearly beneficial to the town and the risk of blocking these spaces by longer stay customers increases in proportion. Finally, experience elsewhere suggests that all day parking by people working in the town is possible with a 4 hour maximum stay, enabling cars to be move from one short stay car park to another during lunch breaks whereas the 3 hour restriction is more likely to encourage all day customers to use long stay alternatives.

Legal Implications

There are no specific legal implications contained within the report however Legal Services is currently reviewing changes to the Parking Places Order with the Environmental Health and Parking Services Manager and these will be reported at a later date.

Financial Implications

The financial implications are contained within the report, with the exception of;

Recommendation 1 – Introduction of the summer season half price tariff may see an increase in revenue, but adversely a reduction.

Recommendation 2 – The use of overnight parking for Camper Vans & Mobile homes will possibly see an increase in revenue, though this may be off-set by the additional staffing costs to monitor the car parks overnight. Currently there is no provision in the budget for such costs, and it would be subject to the Special items process for 2013/14. If this is successful the possibility of providing shower & toilet facilities etc in these car parks, would require the Capital Bids process.

Recommendation 5 – Review of parking permit fees will require additional comments at a later stage.

Consultation on Reports to the Cabinet

SMT; All Town/Parish Councils; Chamber of Commerce; Exmouth Transport Partnership; Asset Management Forum

Background Papers

[Car Parks Review](#)

Andrew Ennis – ext. 1583
Environmental Health & Parking Services Manager

Cabinet
31 October 2012

Agenda Item 14a

Cabinet

31 October 2012

12/1207



Asset Management Plan Delivery

Car Park Review (A-B)

Summary

The Council's Corporate Property Asset Management Plan 2009-12 provides that a car park review be undertaken. The Off Street Car Parks Review (the Review) sets out information relating to all aspects of the Council's car parks.

Please note that these recommendations relate only to strategic asset holding and not operational aspects such as parking charges or payment options. Operational implications of the Review will be reported to Cabinet at a later date. Owing to the number of car parks in the Council's ownership, the recommendations will be made in a series of reports taking blocks of towns and villages in alphabetical order. This report will include Axminster, Beer, Budleigh Salterton and Broadclyst.

Recommendations

1. That Axminster Town Council is invited to identify possible opportunities to acquire sites to increase car parking available in the town, make proposals to improve arrangements for coach parking, and propose a signage plan in liaison with the District and County Council.
2. That the Principal Estates Surveyor be given authority to enter into and conclude negotiations with the Co-op to secure a fee for advertising signage installed at West Street Car Park, Axminster.
3. That the underused coach parking spaces at Poplar Mount Car Park be converted to 5 car parking spaces.
4. That the Principal Estates Surveyor be given authority to negotiate and conclude the disposal of the Victory Hall Car Park at Broadclyst to the Parish Council in consultation with the Portfolio Holder Economy.
5. Renew the lease held by Budleigh Salterton Town Council on Upper Station Road Car Park based on a commercial rental level.

a) Reasons for Recommendation

The reasons for making the recommendations are set out in the Off Street Car Park Review 2010/11 and in the main body of this report.

b) Alternative Options

Not to accept the recommendations of the Asset Management Forum.

c) Risk Considerations

The risks are set out in the Review and main body of this report.

d) Policy and Budgetary Considerations

The Asset Management Plan provides a strategic overview for the Council's use of property. To ensure that the Council can be confident in good practice, many of the initial tasks set out the plan relate to a review of its existing stock so that a greater understanding around the reason for holding property assets, their costs, income generation and their contribution to the Council's priorities and objectives, can be better understood. The Car Parks Review is part of the delivery of this Plan.

e) Date for Review of Decision

June 2012

1 Main Body of the Report

- 1.1 The Off Street Car Parks Review (the Review) sets out issues around operational matters as well as more strategic matters, along with a catalogue of car parks in the Council's ownership. This work has been carried out in consultation with the appropriate Town and Parish Councils and was considered by Overview & Scrutiny in October 2010 and subsequently by Cabinet.
- 1.2 Further consultation has been undertaken with the Town and Parish Councils and Chambers of Commerce in 2011. Feedback from the consultation, together with additional investigation on particular sites, has led to the following recommendations being agreed by the Asset Management Forum.
- 1.3 It is no longer financial viable for the Council to continue to subsidise free car parking provision. Therefore where Town and Parish Council's have made a representation for the continued provision of free car parking and where it has been made clear that the implementation of charging arrangements would not be supported, the recommendation will be to dispose of the asset to the relevant Town or Parish Council. These organisations will then be in a position to raise whatever precept is necessary to manage and maintain these car parks adequately.

2.0 Axminster – (page 52-53 of the Off Street Car Parks Review)

2.1 West Street Car Park

- 2.2 West Street car park is the largest town centre car park in Axminster with some 122 pay & display parking spaces plus seven lock up garages producing a further £2,100 per annum rental income. The car park is held by way of the freehold title with a restrictive covenant that it shall ...not be used for a petrol filling station or garage. The land is also subject to a vehicular right of way to the adjacent supermarket. The car park has a site area of 1.323 acres (including the public toilets).

The Town Council advised that this car park is used by people visiting the Axminster Medical Practice and the need to pay for car parking to visit the doctor's surgery can be distressing for some patients.

The Town Council also suggested a one way circulation realignment of the car park.

2.3 South Street Car Park

- 2.4 South Street car park is a town centre shoppers' pay & display car park with some 36 spaces.

The 0.232 acre site is surrounded by other town centre commercial development including the former derelict 'Websters Garage'. The Council has entered into an agreement to facilitate a comprehensive redevelopment which would incorporate replacement car parking provision.

2.5 Coombe Lane Car Park

- 2.6 Coombe Lane long stay car park has 87 pay & display parking spaces. This car park enjoys a special low tariff of 50p for 1 hour, £1.00 for 2 hours and £1.50 for up to 24 hours. The 0.507 acre site is held by way of the freehold but is subject to a vehicular and pedestrian right of way to the adjoining Coombefield Veterinary Hospital.

2.7 Poplar Mount Car Park

- 2.8 Poplar Mount car park is a pay & display car park with 72 space. The 0.509 acre site is held freehold and is subject to vehicular rights of way to Oak House and the Council owned Poplar Mount flats. The car park is accessed via an access way from Chard Road and has no road frontage.

2.9 Other issues/Options raised by Axminster Town Council

- 2.10 Additional car parking is required in the town.

2.11 An accessible coach park is required. The Poplar Mount car park is supposed to make this provision but is not used by the coach operators as it is difficult to access. At present, they tend to go to a lay-by at Trinity Square. In addition, the railway car park has now been redesigned so that there is no parking for coaches. Could a slip way to the side of Coombe Lane car park be incorporated (in) and then out to Musbury Road?

- 2.12 The Flamingo School car park is currently used on weekends and non-school days.

2.13 The signage directing traffic to car parks is not good. Could this be improved? (Would also be good to indicate how many spaces are available in each car park). Big P's with arrows at high level (rather than bumper level) may be more useful.

2.11 Considered that a lot of people are not aware of what is covered within the permits available and wonder if EDDC should advertise better. The Chamber of Trade may be a good forum through which to highlight availability. In addition, perhaps the weekly permits available for visitors to the area could be advertised by way of leaflets at various accommodation providers.

3.0 Beer (Page 54-55 of the Off Street Car Parks Review)

3.1 Beer Cliff Car Park

- 3.2 Beer Cliff car park is a pay & display seasonal, grass cliff-top car park accommodating 300 vehicles. The car park has an area of 4.219 acres and is held

freehold subject to a covenant that ...the land shall only be used as a car park and shall be kept as an open area with no buildings (other than a public convenience or attendant's hut). This car park is underused in the winter owing to its location but is free between November and March.

3.3 Coach Park

3.4 The Coach Park at Beer is currently the subject of an asset transfer to Beer Parish Council at no charge.

3.5 Dolphin Car Park

3.6 The Dolphin car park is the main central car park in Beer with a site area of 1.17 acres and 230 spaces. This car park is heavily used all year round and is an essential asset for Beer. The car park is held freehold but is encumbered in part by South West Water below ground sewers and tanks. There is also a legal right of access to the Doctor's surgery.

The Parish Council have confirmed that this is a very well used car park – by visitors during the day particularly in the summer, and at night by the residents. However, the Parish Council would not support any decking of the car park to increase capacity.

3.5 Other issues/Options raised by Beer Parish Council

3.6 The coaches drop off in the town and then park in the Coach Park. Some also park in the Causeway drop off point. Recommend status quo.

3.7 The Parish Council have previously discussed the possibility of getting rid of double yellow lines. This has never been taken further with Devon County Highways.

3.8 The Parish Council have considered the problem of short term parking availability but have not been able to identify any possible addition bits of land that could be used.

4.0 Broadclyst (Page 34 of The Off Street Car Parks Review)

4.1 Victory Hall Car Park

4.2 This car park is the only car park owned by the Council in the village. The 0.32 acre site is held by way of freehold interest but is subject to a restrictive covenant, for the benefit of the National Trust, that it shall not be used other than as a public car park and that no buildings are erected on the land.

The Parish Council has advised that the 41 spaces are used by visitors to the Victory Hall (owned by the Broadclyst Parish Council) together with patients using the Doctors' surgery and the Clyst Caring Day Centre (volunteer staff and car drivers bring/collecting people). In addition, the car park is used by parents taking and collecting young children at the primary and preschool. The Parish Church has no parking on site and the car park is therefore used by the congregation. At night, the car park is used by local residents as there is no safe on-road alternative for over-night parking.

The Parish Council estimates that between 150 and 200 cars use the 41 parking spaces weekdays in term time and that between 8.45 am and 9.30am it could be

filled twice over. At present, in addition to the main car park, there are 7 public spaces in the small National Trust car park which is designated specifically for the village post office/shop and for users of the public toilets. The Parish Council has been working with National Trust and Devon County Council to look at opportunities for additional car parking spaces at peak school start/finish times, but pedestrian safety issues remain unresolved and these discussions are now on hold.

Although the car park could potentially derive a small revenue income (estimated at £4,961 per annum), at an estimated running cost of £150 per space of £6,150 per annum plus the cost of installing a ticket machine at £4,500, the implementation of pay and display would not provide a net revenue income.

In addition, the Parish Council have looked at the use of the car park in some detail and it is clear that the car park being available for parents picking up and dropping off children at no charge/ without having to spend time buying tickets is of great community benefit in terms of safety of local residents and the children attending the schools.

However, while the Parish Council has put forward a strong case to have the car park remain free of charge, they are not prepared to assist in the running costs. The Parish considers that having taken over the maintenance of the public toilets in the village, no further financial burden should be paid for through the precept.

4.3 Other options/issues raised by Broadclyst Parish Council

4.4 In addition, parking and traffic safety problems also occur at the other end of the village around Clyst Vale Community College during drop off and collection times. The small council owned residents' car park (for Woodbury View) nearby, is oversubscribed owing to the extra homes that have been built let alone absorb any additional car parking.

4.5 The Parish Council welcomes the new information sign in the car park for its clarity. The renewed signs for the disabled 'blue badge' parking spaces, along with the ground markings have been much appreciated.

4.6 Existing signage directing traffic from the B3181 into the car park often suffers from overgrowth of greenery and is not as obvious as it could be from both directions. The Parish Council have requested that Devon County Council Highways review this issue.

5.0 Budleigh Salterton (Page 35-38 of The Off Street Car Parks Review)

5.1 Upper Station Road

This car park is owned by way of the freehold interest by the Council and has been leased to the Budleigh Salterton Town Council since April 1974 at a current rent of £500 per annum. The car park has 109 spaces. The current rent is £500 per annum and BSTC are responsible for all repairs and maintenance of the car park, including the boundary hedges and fences. At the moment, the Town Council are holding over on their lease but there is a provision in the lease that it may be determined at any time by either party giving to the other party not less than six months notice in writing to that effect.

BSTC offer the car park as a free service to its residents. There is no provision in the existing lease to prevent BSTC charging car parking fees. The car park is

primarily used by those who work in the town and shoppers. No other town centres in East Devon benefit from the subsidy of a free shoppers car park.

The title is subject to restrictive covenants limiting use of the land to public car parking. In 2007, Officers identified that there was a potential to create a pay and display car park if the lease to BSTC was not renewed. At the time, concern was raised by both BSTC and Clinton Devon Estates (who benefit from restrictive covenants applicable to the site) as to the legality of EDDC considering the introduction of pay and display to the car park. Subsequently, the Council sought Counsel's opinion of the matter.

Counsel was of the opinion that EDDC could charge a reasonable sum for the use of the car park by the public and that there was no reason to suppose that standard car parking charges would not be considered reasonable.

The lease to BSTC could be terminated with six months notice. Under the Landlord & Tenant Act 1954, the Council can refuse to renew a lease under certain circumstances. One reason for being able to refuse a new tenancy is that the Landlord wishes to occupy the premises themselves. Compensation would be payable to BSTC equal to two times the rateable value totalling £11,400.

If the Council were to terminate the lease to use for their own purposes as a pay and display car park, the initial equipment set up costs are estimated at £4,500. The car park, based on the annual revenue returns for the Rolle Mews car park in the town, is estimated to have a revenue producing capacity of around £60,000 per annum.

Another alternative is that the Town Council are offered a new lease at a rent which reflects the revenue projections as a pay and display car park. This would enable the Town Council to continue to make the free car parking provision if it wished to do so.

5.2 Lower Station Road Car Park

The car park is held by way of a freehold interest by the Council and is subject to a public footpath. It is currently operated by the Council as a pay and display public car park offering parking for 38 vehicles. The income potential is detrimentally affected by being adjacent to the Upper station Road free car park. The car park could be considered for redevelopment in the future, in conjunction with the adjacent workshops.

5.3 Brook Road Car Park

The car park is held by way of the freehold title and is not encumbered by any abnormal restrictions. This small site of 0.12 acre provides 15 car parking spaces and is operated as a free car park. The car park is too small to be considered as a pay and display car park but could be considered for redevelopment, subject to the grant of a planning permission. The car park is primarily used as a shoppers' car park, and is adjacent to public toilets run by the Council.

5.4 Lime Kiln Car Park

The car park is located at the eastern end of the Sea Front and is a pay and display car park offering 422 spaces. This 2.32 acre freehold site lies within the flood plain and is susceptible to inundation from the sea. Part redevelopment of this site has

therefore not been explored to date. This car park is excluded from the rating list as it serves the adjoining open space and beach (an exempt category).

5.5 Rolle Mews Car Park

This 45 space pay and display shoppers' car park is situated close to the High Street in the town centre and is conveniently located for the town's beach. There are no recommendations for changes to this site.

5.6 Other issues/Options raised by Budleigh Salterton Town Council

5.7 Machines where drivers can pay by the hour or for 30 minutes with a minimum of 50 pence are preferable. (This is an operational issue which will be considered as part of the Parking Services Operational Review).

Legal Implications

The detailed terms of any disposal should be subject to consultation with the legal team.

Where a restrictive covenant prevents development, there are a number of ways it could be removed or modified. If members are keen to investigate this on any particular site the potential can be considered in detail with the Estates team.

Financial Implications

The financial implications are detailed within the report

Consultation on Reports to the Executive

The initial Review document incorporated consultation with the Town and Parish Council when drafted in 2009. Further consultation with not only the Town and Parish Councils, but also the East Devon Chambers of Trade and Commerce, was undertaken in 2011.

Background Papers

- [The Off Street Car Parks Review 2011/12](#)

Donna Best
Principal Estates Surveyor

Cabinet
31 October 2012

Agenda Item 14b

Cabinet

31 October 2012

12/1207



Asset Management Plan Delivery

Car Park Review (C-E)

Summary

The Council's Corporate Property Asset Management Plan 2009-12 provides that a car park review be undertaken. The Off Street Car Parks Review (the Review) sets out information relating to all aspects of the Council's car parks.

Please note that these recommendations relate only to strategic asset holding and not operational aspects such as parking charges or payment options. Operational implications of the Review will be reported to Cabinet at a later date. Owing to the number of car parks in the Council's ownership, the recommendations will be made in a series of reports taking blocks of towns and villages in alphabetical order. This report will include Colyton, East Budleigh and Exmouth.

Recommendations

- 1. That the Council continue to provide the Car Park facility at Colyton.**
- 2. That the Principal Estates Surveyor be given authority to negotiate and conclude the disposal of the East Budleigh Car Park, along with the public conveniences, to the Parish Council.**
- 3. To terminate the lease at Pines Road Car Park, Exmouth and sell on the open market.**
- 4. To formalise the arrangements for LED to control and manage the Esplanade Car Park, Exmouth, in consultation with the Portfolio Holder, Economy.**
- 5. That the Principal Estates Surveyor be given authority to negotiate and conclude the disposal of Jarvis Close at Littleham Cross, along with the public conveniences, to Exmouth Town Council.**
- 6. To continue to provide free car parking to the users of the Elizabeth Hall public hall prior to any future redevelopment of the site.**
- 7. To note that the majority of the Council owned car parks in Exmouth fall within the remit of the Exmouth Town Centre and Seafront Masterplan, the planning framework adopted to support the regeneration of Exmouth.**

a) Reasons for Recommendation

The reasons for making the recommendations are set out in the Off Street Car Park Review 2010/11 and in the main body of this report.

b) Alternative Options

Not to accept the recommendations of the Asset Management Forum.

c) Risk Considerations

The risks are set out in the Review and main body of this report.

d) Policy and Budgetary Considerations

The Asset Management Plan provides a strategic overview for the Council's use of property. To ensure that the Council can be confident in good practice, many of the initial tasks set out the plan relate to a review of its existing stock so that a greater understanding around the reason for holding property assets, their costs, income generation and their contribution to the Council's priorities and objectives, can be better understood. The Car Parks Review is part of the delivery of this Plan.

e) Date for Review of Decision

June 2012

1 Main Body of the Report

1.1 The Off Street Car Parks Review (the Review) sets out issues around operational matters as well as more strategic matters, along with a catalogue of car parks in the Council's ownership. This work has been carried out in consultation with the appropriate Town and Parish Councils and was considered by Overview & Scrutiny in October 2010 and subsequently by Cabinet.

1.2 Further consultation has been undertaken with the Town and Parish Councils and Chambers of Commerce in 2011. Feedback from the consultation, together with additional investigation on particular sites, has led to the following recommendations being agreed by the Asset Management Forum.

1.3 It is no longer financially viable for the Council to continue to subsidise free car parking provision. Therefore where Town and Parish Council's have made a representation for the continued provision of free car parking and where it has been made clear that the implementation of charging arrangements would not be supported, the recommendation will be to dispose of the asset to the relevant Town or Parish Council. These organisations will then be in a position to raise whatever precept is necessary to manage and maintain these car parks adequately.

2.0 Colyton – (page 56 of the Off Street Car Parks Review)

2.1 Dolphin Street Car Park

2.2 Dolphin Street car park is primarily a visitors' and shoppers' pay and display car park with 61 parking spaces. The 0.47acre site is held by way of the freehold with a covenant prohibiting certain uses including a petrol filling station. The provision of this car park as a service to the village is important given that on-street car parking is a problem, partly due to on-street spaces being taken up by those working in the shops and parking all day. It is therefore recommended that the Council continue to provide this car park facility.

2.3 Other issues/options raised by Colyton Parish Council

- 2.4 On street parking is a problem in Colyton as those working in the shops take up the car parking all day? This is something that the Parish Council are taking up with local businesses. This will include a discussion around whether or not businesses would consider purchasing car park permits for their staff, get an idea of how many might consider this along with the price they might be prepared to pay. Might the cheap resident's permits be then extended to the owners and employees of the shops around the market?
- 2.5 It was felt that there could be opportunities for better advertising of the weekly permits available to visitors to the area. Could the Council work with the Hoteliers Association and Tourist Board in this respect?

3.0 East Budleigh – (page 39 of the Off Street Car Parks Review)

3.1 East Budleigh Car Park (also known as Hayes Lane Car Park)

- 3.2 This car park offers 32 spaces, is held by way of the freehold title by the Council and is currently provided at no charge. The Parish Council advise that the car park is mainly used by residents as the majority of the surrounding houses do not benefit from off road car parking or garaging. The car park is often used by visitors, primarily as a meeting point for walkers. In addition, the car park is used by the Church congregation, particularly for weddings, and by users of the Village Hall. The car park is therefore not heavily used in the day, but is full at weekends and at night.

It is estimated that the car park could be converted to a pay & display car park at a cost of £4,500. The estimated revenue income would be £3,872 per annum. However, given the characteristics and infrastructure of the village, there would be concerns around any increase in on-street car parking which could proved detrimental to traffic flows – particularly in the summer.

3.3 Other issues/options raised by East Budleigh Parish Council

- 3.4 Car parking for residents of the Village is evidently a problem and, being part of an Area of Outstanding Beauty, opportunities for the creation of further car parking areas is limited. However, the Parish Council are planning to approach Clinton Devon Estates who are the primary landowner in the area, to explore any possibilities.

4.0 Exmouth (Page 25-32 of the Off Street Car Parks Review)

4.1 Imperial Road Car Park

- 4.2 Imperial Road car park provides a total of 316 parking spaces; this short stay car park is split into two sections. The land is owned by the Council by way of a freehold interest in the title but is encumbered, in part, by a large underground sewage collection tank and sewer pipes which will prohibit any form of development of the major park of the car park. However, where development may be possible, the land is subject to a restrictive covenant limiting the height of any development fronting Imperial Road to two storeys in height and any dwellings constructed must be to a superior quality.

The Exmouth Town Centre and Seafront Masterplan has identified this car park to be incorporated within a regeneration scheme.

4.3 Royal Avenue Car Park

4.4 Royal Avenue car park is a long stay car park, coach and lorry park providing 176 car parking spaces together with 44 off-road parking spaces for visiting lorries and coaches.

The Exmouth Town Centre and Seafront Masterplan has identified this car park to be incorporated within a regeneration scheme.

4.5 London Inn Car Park

4.6 London Inn car park is heavily used being the closest to the town centre. The car park provides 150 spaces.

In 2008, a feasibility study was carried out to explore the possibility of decking the car park to increase the number of spaces available. A budget has been built into the Council's Capital Programme to advance this work but the project was put on hold subject to masterplanning work being undertaken.

The Exmouth Town Centre and Seafront Masterplan identified this car park to be incorporated within a regeneration scheme for retail expansion.

4.7 Queen's Drive Car Park

4.8 Queen's Drive car park situated on the seafront and provides 198 car parking and 12 coach parking spaces and serves the adjacent leisure businesses and visitors. The car park is located within an area currently designated for regeneration and is held by way of a freehold interest in the land.

The Exmouth Town Centre and Seafront Masterplan identified this car park to be incorporated within a regeneration scheme.

4.9 Queen's Drive Echelon

4.10 Queen's Drive Echelon, although essentially on-street car parking, this area is classed as a car park and is subject to a Parking Places Order. Charges apply from 1 May to 30 September and the 78 spaces are well used by beach visitors.

4.11 Foxholes Cliff Car Park

4.12 Foxholes Road car park provides 201 spaces and is located on the seafront chiefly serving visitor to the beach. The land is held by way of freehold.

The Exmouth Town Centre and Seafront Masterplan identified this car park to be incorporated within a regeneration scheme.

4.13 Maer Road Car Park

4.14 Maer Road car park provides 334 spaces; this car park is primarily used by visitors to the beach and is underutilised. The land is held by way of the freehold subject to an

agricultural right of way and also a right of way in favour of South West Water Ltd to its adjoining sewage pumping station.

The site has potential for development. However, it has been agreed that this car park may provide a suitable alternative coach park should the Royal Avenue car park be developed at a future date.

The Exmouth Town Centre and Seafront Masterplan identified this car park to be incorporated within a regeneration scheme.

4.15 Jarvis Close Car Park

4.16 Jarvis Close car park is a short stay shoppers' car park serving the Littleham Cross community and shops. It has just 12 spaces and is a non-fee paying car park. This car park is too small to make pay and display a viable option. The land is held by way of a freehold interest with no abnormal covenant and therefore has potential for alternative uses. However, it is considered an important amenity for local shoppers and essential support for the local businesses.

4.17 Pines Road Car Park

4.18 Pines Road car park is a small shoppers' car park {approx 31m² (334ft²)} serving the neighbourhood shops at Pines Road. The car park is held by way of a freehold interest and is leased to the developer of the shop units at a peppercorn rent, following a premium payment of £3,000 at the commencement of the 25 year lease in September 1987. It is recommended that the car park be offered on the open market for sale. It is anticipated that the most likely buyer will be the existing tenant to enable the retention of car parking facility. Any sale will be subject to a clawback provision should planning permission be granted in the future for an alternative use which provides any uplift in value.

4.19 Camperdown Car Park

4.20 Camperdown car park essentially serves the local residential community and water related uses. There are 31 car parking spaces and 14 car/boat trailer combination spaces. During the winter months, the car park is also used for boat storage.

The Exmouth Town Centre and Seafront Masterplan identified this site for regeneration.

4.21 Elizabeth Hall Car Park

4.22 Elizabeth Hall car park is currently a Pay and Display Parking Places Order on this free car park but it remains a free car park. This is to facilitate free car parking for users of the public hall.

A pay and display machine could be installed and charges applied daily between 8am and 6pm. This would then increase the availability of car parking on the seafront and assist the level of subsidy provided by the Council.

Further, the Council has identified the redevelopment of the Elizabeth Hall site as a priority project.

4.23 Esplanade Car Park

4.24 Esplanade car park is currently reserved for patrons of the Pavilion, who are permitted to park free of charge when visiting the Pavilion.

There is currently a Pay and Display Parking Places Order on this free car park and it is monitored by a private parking enforcement company. A pay and display machine could be installed and charges applied. Should LED wish to continue the free parking subsidy to their patrons, a double ticket issue machine could be installed. On presentation of the voucher at the Pavilion, a refund of the minimum payment charge could then be made. To do this, different tickets to those used across the rest of the district would need to be purchased.

It is anticipated that the provision of more car parking on the seafront for the use of the public, and not just users of the Pavilion, would be viewed as a good thing by local residents.

LED currently offer free parking facilities as part of the contractual terms with event holders. The free parking facility caters for cast, crew and technical support as well as lorries and coaches for larger shows and events. At present, in the region of 350 events are held at the Pavilion a year and LED maintain that if they were no longer able to maintain control over the use of the car park, there would be a detrimental impact on the venue with a loss in acts such as Centre stage and the Royal Marine Band Concerts. A significant impact on bookings and revenue would potentially necessitate an increased subsidy to LED from the Council.

4.25 Town Hall Car Park

4.26 The Town Hall car park is held by way of the freehold title and comprises 39 spaces. Charges apply on Saturdays and Sundays only (but not on bank holidays). During weekdays the car park is for the exclusive use of Exmouth Town and District Council staff, along with Devon County Council who lease the first and second floors of the Town Hall.

4.27 Other issues/options raised by Exmouth Town Council

4.28 Issues and options raised or proposed by the Town Council related only to operational matters and will be dealt with under a separate report.

Legal Implications

The detailed terms of any disposal should be subject to consultation with the legal team.

Where a restrictive covenant prevents development, there are a number of ways it could be removed or modified. If members are keen to investigate this on any particular site the potential can be considered in detail with the Estates team

Financial Implications

The financial implications are detailed within the report

Consultation on Reports to the Executive

The initial Review document incorporated consultation with the Town and Parish Council when drafted in 2009. Further consultation with not only the Town and Parish Councils, but also the East Devon Chambers of Trade and Commerce, was undertaken in 2011.

Background Documents

- [The Off Street Car Parks Review 2011/12](#)
- [Exmouth Town and Seafront Masterplan](#)

Donna Best
Principal Estates Surveyor

Cabinet
31 October 2012

Agenda Item 14c

Cabinet

31 October 2012

12/1207



Asset Management Plan Delivery

Car Park Review (F-O)

Summary

The Council's Corporate Property Asset Management Plan 2009-12 provides that a car park review be undertaken. The Off Street Car Parks Review (the Review) sets out information relating to all aspects of the Council's car parks.

Please note that these recommendations relate only to strategic asset holding and not operational aspects such as parking charges or payment options. Operational implications of the Review will be reported to Cabinet at a later date. Owing to the number of car parks in the Council's ownership, the recommendations will be made in a series of reports taking blocks of towns and villages in alphabetical order. This report will include Honiton, Lympstone, Ottery St Mary and Newton Poppleford.

Recommendations

1. That Silver Street Car Park, Honiton, be earmarked for a full investigation of development options on completion of the new community centre.
2. To offer the freehold interest in the Underhill Car Park, Lympstone, along with public conveniences, to the Parish Council.
3. That options for partial development of the Land of Canaan Car Park, Ottery St Mary, be considered following a three year period monitoring demand.
4. To offer the freehold interest in the School Lane Car Park at Newton Poppleford, along with public conveniences, to the Parish Council.

a) Reasons for Recommendation

The reasons for making the recommendations are set out in the Off Street Car Park Review 2010/11 and in the main body of this report.

b) Alternative Options

Not to accept the recommendations of the Asset Management Forum.

c) Risk Considerations

The risks are set out in the Review and main body of this report.

d) Policy and Budgetary Considerations

The Asset Management Plan provides a strategic overview for the Council's use of property. To ensure that the Council can be confident in good practice, many of the initial tasks set out the plan relate to a review of its existing stock so that a greater understanding around the reason for holding property assets, their costs, income generation and their contribution to the Council's priorities and objectives, can be better understood. The Car Parks Review is part of the delivery of this Plan.

e) Date for Review of Decision

June 2012

1 Main Body of the Report

- 1.1 The Off Street Car Parks Review (the Review) sets out issues around operational matters as well as more strategic matters, along with a catalogue of car parks in the Council's ownership. This work has been carried out in consultation with the appropriate Town and Parish Councils and was considered by Overview & Scrutiny in October 2010 and subsequently by Cabinet.
- 1.2 Further consultation has been undertaken with the Town and Parish Councils and Chambers of Commerce in 2011. Feedback from the consultation, together with additional investigation on particular sites, has led to the following recommendations being agreed by the Asset Management Forum.
- 1.3 It is no longer financial viable for the Council to continue to subsidise free car parking provision. Therefore where Town and Parish Council's have made a representation for the continued provision of free car parking and where it has been made clear that the implementation of charging arrangements would not be supported, the recommendation will be to dispose of the asset to the relevant Town or Parish Council. These organisations will then be in a position to raise whatever precept is necessary to manage and maintain these car parks adequately.

2.0 Honiton – (page 48-51 of the Off Street Car Parks Review)

2.1 Silver Street Car Park

- 2.2 Silver Street car park is situated to the north of the High Street adjacent to the Livestock Market and is primarily used as a shoppers' and commuters' car park. Access is permitted for livestock lorries accessing the Livestock Market on market days. The Pay & display car park offers 90 parking spaces.

As the freehold site of the car park adjoins the Livestock Market held by the Council by way of a long lease, and being well located to the High Street, there is potential for redevelopment of the combined sites whether in whole or in part. The area of around 1 acre comprising the Livestock Market is currently subject to a business tenancy which would have to be terminated. The freeholder of the premises would also be required to consent to any redevelopment proposals. Initial discussions were held with both parties and previously it has been considered that redevelopment would be inappropriate given the strategic importance of the livestock market. However, more recently this importance has diminished and the cattle market is now used only as collection centre for animals who are then moved to market for sale.

Responses to consultation on the future use of this car park were mixed. Yarcombe Parish Council, the Honiton and District Chamber of Commerce and Industry and Broadhembury Parish Council all considered that the car park should remain in its existing use. However, one of the Ward Members considered that the car park should be considered, in conjunction with the cattle market, for alternative uses such as community facilities or the expansion of the College facilities.

The Town Council suggested that the car park was under-utilised and questioned whether usage could be increased by mixing the balance of long and short stay places and making improved signage for the car park.

The car park site, which is held by way of a freehold title with no abnormal covenants, occupies a site of around 0.5 acres.

2.3 Lace Walk Car Park

2.4 Lace Walk car park is primarily a short stay shoppers' pay & display car park offering 197 spaces and a smaller long stay car parking area with 39 spaces. This smaller car park was previously considered as a site for a proposed Honiton Community Centre.

The car park is held by way of the freehold but is subject to certain rights of access to the Lace Walk development. The short stay car park occupies an area of around 1.45 acres and the long stay car park a site of around 0.25 acres.

The Town Council are concerned that the new alignment in the car park does not work well and are receiving complaints. In particular, it is considered that pedestrian safety is a problem, especially with the TIC currently located in the middle of the car park. It is also felt that the cut through to the long stay car park/Thelma Hulbert Gallery/community complex needs formalising. The Town Council felt that this would be an appropriate car park to pay on exit. These are operational issues and will be dealt with under cover of a separate report.

2.5 King Street Car Park

2.6 This car park is a short stay shoppers' pay & display car park with 35 spaces. The car park, which occupies a 0.20 acre site (excluding the adjoining public toilets), is held freehold with no abnormal covenants.

The response to consultation was that the car park should remain in its existing use.

2.7 Dowell Street Car Park

2.8 Dowell street car park is a pay & display long-stay car and coach park offering 61 spaces. This 0.96 acre site is held by way of a freehold title but is subject to pedestrian rights of way to the adjacent Magistrate's County and County Council buildings.

This car park serves as an overspill car park at times when the Lace Walk car park is at capacity.

The Council has agreed to transfer the car park into the ownership of the Town Council to facilitate the development of a community centre.

2.9 New Street Car Park

2.10 New Street car park is a split site located at either side of Jerrard's Close. It offers a total of 82 pay & display spaces and the site is held by way of the freehold with no abnormal covenants other than being subject to certain rights of way over the northern section of the car park. The north car park has an area of 0.21 acres and the southern car park, an area of 0.25 acres.

2.11 Other issues/suggestions raised by Honiton Town Council

2.12 The main coach drop off point is at Dowell Street where there is no toilet. Could there be a drop off point in Lace Walk? The TC are currently trying to get Devon County Council to put a layby on each side of the High Street. There is a loading bay outside the Mackarness Hall which is used by coaches, but it is considered that it would be better to have a specified setting down point.

2.13 Additional car parking is required at the Eastern end of the town, perhaps with a park and ride provision. Other park and ride provision could be made for Heathpark – for businesses based at western end and could be based on extension of existing town bus.

3.0 Lympstone (page 33 of the Off Street Car Parks Review)

3.1 Underhill Car Park

3.2 Underhill Car Park is the only public car park in Lympstone and provides 84 spaces. The land is held by way of a freehold interest with no abnormal covenants. The car park is primarily used by local residents and during the summer season, this use is increased by visitors.

The Parish Council would like to take ownership of car park and envisage using the income to assist with subsidising the running of the adjacent public conveniences.

4.0 Ottery St Mary (page 46-47 of the Off Street Car Parks Review)

4.1 Land of Canaan Car Park

4.2 The Land of Canaan car park is a large long stay pay & display car and coach park offering 121 spaces. This 1.23 acre site is held by way of a freehold title with a restriction that no buildings shall be erected of more than 30ft in height. The car park has a special low tariff to encourage usage and it is under-utilised. Coach parking is charged at 85p for each hour and £8.50 for up to 24 hours. The coach tickets are transferable to other coach parks in the District.

There is scope for some development on the car park but it is envisaged that the impact of the new Sainsbury's store will increase the use of the car park, particularly by the Sainsbury's staff and the Coleridge Medical Centre patients. Development potential would be limited by the car park lying within a flood zone 3 but could be considered again in the future subject to car parking demand.

4.3 Hind Street Car Park

4.4 Hind Street car park has recently been leased to Sainsbury's Supermarket. The lease is for a period of 150 years from 2011. The lease arrangement has secured revenue income for the Council during this period and facilitated free short term car parking for the town centre.

4.5 Brook Street Car Park

4.6 Brook Street car park is primarily used by visitors to the adjacent public hall and by local residents. It is a pay & display car park with 33 spaces. The 0.20 acre site is held freehold and is subject to a pedestrian right of way to Yonder Street and to the rear of The Institute (public hall).

4.7 Other issues/suggestions raised by Ottery St Mary Town Council

4.8 The car parking available in car parks in Ottery St Mary is considered sufficient.

4.9 On street car parking: The Town Council has made a representation to Devon County Council to consider the following:

- a) The police have moved to new premises and this has released 4 spaces which could be put back to public car parking.
- b) There are two on-street taxi spaces in Mill Street. There is not a specific taxi company in Ottery and it is requested that this provision is reduced to one space.

4.10 Could machines be updated to accept credit card payment for parking?

5.0 Newton Poppleford (page 39 of the Off Street Car Parks Review)

5.1 School Lane Car Park

5.2 School Lane car park is held by way of the freehold title and offers 33 spaces which are currently provided free of charge. There are various rights of access over the car park. The Parish Council would like the car park to remain free of charge and advise that it is well used by the Doctor's surgery, Cemetery users, shoppers, the church, school teachers and by night, local residents.

Legal Implications

The detailed terms of any disposal should be subject to consultation with the legal team.

Where a restrictive covenant prevents development, there are a number of ways it could be removed or modified. If members are keen to investigate this on any particular site the potential can be considered in detail with the Estates team

Financial Implications

The financial implications are detailed within the report

Consultation on Reports to the Executive

The initial Review document incorporated consultation with the Town and Parish Council when drafted in 2009. Further consultation with not only the Town and Parish Councils, but also the East Devon Chambers of Trade and Commerce, was undertaken in 2011.

Background Documents

- [The Off Street Car Parks Review 2011/12](#)

Donna Best
Principal Estates Surveyor

Cabinet
31 October 2012

Agenda Item 14d



Cabinet

31 October 2012

12/1207

Asset Management Plan Delivery

Car Park Review (P-Z)

Summary

The Council's Corporate Property Asset Management Plan 2009-12 provides that a car park review be undertaken. The Off Street Car Parks Review (the Review) sets out information relating to all aspects of the Council's car parks.

Please note that these recommendations relate only to strategic asset holding and not operational aspects such as parking charges or payment options. Operational implications of the Review will be reported to Cabinet at a later date. Owing to the number of car parks in the Council's ownership, the recommendations will be made in a series of reports taking blocks of towns and villages in alphabetical order. This report will include Seaton, Sidmouth and Woodbury.

Recommendations

1. **To note that the Council is in negotiation with the Town Council with regards the future of the Manor Pavilion and car parking will be an integral part of these discussions.**
2. **That a lease be offered to Sidmouth Town Council for Church Street Car Park, Sidford to enable the car park to be provided free of charges.**
3. **To offer the freehold interest of Manor Estate Yard car park, Sidbury to Sidmouth Town Council.**

a) Reasons for Recommendation

The reasons for making the recommendations are set out in the Off Street Car Park Review 2010/11 and in the main body of this report.

b) Alternative Options

To not accept the recommendations of the Asset Management Forum.

c) Risk Considerations

The risks are set out in the Review and main body of this report.

d) Policy and Budgetary Considerations

The Asset Management Plan provides a strategic overview for the Council's use of property. To ensure that the Council can be confident in good practice, many of the initial tasks set out the plan relate to a review of its existing stock so that a greater

understanding around the reason for holding property assets, their costs, income generation and their contribution to the Council's priorities and objectives, can be better understood. The Car Parks Review is part of the delivery of this Plan.

e) Date for Review of Decision

June 2012

1 Main Body of the Report

- 1.1 The Off Street Car Parks Review (the Review) sets out issues around operational matters as well as more strategic matters, along with a catalogue of car parks in the Council's ownership. This work has been carried out in consultation with the appropriate Town and Parish Councils and was considered by Overview & Scrutiny in October 2010 and subsequently by Cabinet.
- 1.2 Further consultation has been undertaken with the Town and Parish Councils and Chambers of Commerce in 2011. Feedback from the consultation, together with additional investigation on particular sites, has led to the following recommendations being agreed by the Asset Management Forum.
- 1.3 It is no longer financial viable for the Council to continue to subsidise free car parking provision. Therefore where Town and Parish Council's have made a representation for the continued provision of free car parking and where it has been made clear that the implementation of charging arrangements would not be supported, the recommendation will be to dispose of the asset to the relevant Town or Parish Council. These organisations will then be in a position to raise whatever precept is necessary to manage and maintain these car parks adequately.

2.0 Seaton – (page 57-59 of the Off Street Car Parks Review)

2.1 Harbour Road Car Park

- 3.2 This is primarily a visitor car park and is very well used during the summer months. The car park currently provides 51 short stay spaces and 316 long stay places. The car park site of 3.105 acres is held freehold but is subject to a right of way for the benefit of the Seaton Tram Co for the duration of its lease of the terminus and track.

The car park forms part of the area designated for regeneration and as part of the redevelopment proposals, will incorporate the siting of a new visitor centre for the town. It is currently anticipated that the car park will become long stay only, as short stay parking has been provided within the adjacent supermarket scheme. This has resulted in a reduction of income from ticket sales for the Council.

2.3 Orchard Road Car Park

- 2.4 The Orchard Road car park is a pay & display shoppers' car park being situated close to the town centre. It offers 168 parking spaces and is held by way of the freehold but is subject to a public footpath right of way from Old Beer Road to Stock Lane, and access rights to a number of properties adjacent to the car park. The car park has an area of 1.107 acres.

2.5 Harbour Road Coach Park

- 2.6 9 coach parking spaces are provided and there is a generally low level of use at any given time.

2.7 Town Hall (Marsh Road) Car Park

- 2.8 The car park has 20 spaces, is not a pay and display car park and is reserved for permit holders only. The car park is generally not well used and the Town Council advises that people get confused and believe that they can park in the allocated 9 spaces at Marsh Road (adjacent to the public toilets) as well as the main Town Hall car park. The 9 spaces at Marsh Road are allocated between the Town Council, Seaton's Voice staff and the Museum. One has been retained for use by Council staff and contractors. Day permits have been issued to Seaton Voice, to distribute to those hiring facilities at the hall.

In addition, the Town Council provided feedback from users that there would be a preference for a timeless permit rather than the 2 hour limit.

2.9 Other issues/suggestions raised by Seaton Town Council

- 2.10 It was felt that charges are generally in line with other districts.
- 2.11 It was felt that the coinage system was outdated and the Town Council particularly like the idea of the mobile phone payment option. (This issue will be dealt with under the Parking Services Operational Review).
- 2.12 It was considered that none of the car parks in the town were surplus to requirements.
- 2.13 A problem with buses to different areas in the district going to different places was raised. In particular, problems for traders were caused by buses waiting in the High Street and the subsequent oil getting traipsed into the shops. The County Councillor had written to Devon County Council to request that the buses wait in the designated coach parking area at the Underfleet and discussions were to be held with Stagecoach about a setting down point.

3.0 Sidmouth (Page 40-45 of the Off Street Car Parks Review)

3.1 Ham East Car Park

- 3.2 The car park is held by way of the freehold interest by the Council and currently offers 74 pay and display parking spaces within a site area of 0.274 acres.

The car park serves the Tourist Information Centre and the Swimming Pool. It also provides vehicular access to the Council's operational garages and to the Sidmouth Lifeboat premises.

This area of Ham Lane, together with the premises fronting the Esplanade, has recently been subject to a development opportunities study undertaken by community representatives. The Council will now shortly need to decide how to take this initial work on to the next stage.

3.3 Ham West Car Park

- 3.4 The car park is the main central visitors' and shoppers' car park offering 192 spaces within a site area of 1.085 acres.

The car park is held by way of freehold title but is encumbered by high voltage electricity cables which would require reposition in the event of any development of the site. The car park has recently been subject to a development opportunities study undertaken by community representatives. The Council will now shortly need to decide how to take this initial work on to the next stage.

3.5 York Street Car Park

- 3.6 This small car park offers 6 privately leased car parking spaces producing an income of £2,520 per annum. This 0.169 acre site is held freehold but is subject to a 9ft wide pedestrian right of way to the rear of the adjoining houses. The frontage onto York Street is too narrow to permit any form of development. A sale has recently been agreed to dispose of the site.

3.7 Mill Street and Northcott's Car Park

- 3.8 These two car parks are non-operational car parks where the spaces are let out to local businesses and residents under annual reserved spaces licences. The Mill Street car park has 46 reserved spaces.

The Northcott car park has 22 reserved spaces which provided an income of £9,240 2009/10. However, if the current proposal to develop part of the site for 11 social housing units proceeds, there will be a net loss of 10 parking spaces.

3.9 Roxburgh Car Park

- 3.10 The Roxburgh short stay car park was converted to a pay & display car park between 8am and 6pm daily commencing on the 29 March 2010. Prior to this date it was reserved for the exclusive use of annual permit holders between 8am and 2pm Monday to Saturday, but duelled as a pay & display public car park in the afternoons between 2pm and 6pm. It offers 75 parking spaces.

The 0.725 acre town centre site is owned by way of the freehold title with no abnormal covenants but is subject to access right to an electricity substation and cable easements.

3.11 Manor Road Car Park

- 3.12 The Manor Road car park is a visitors' long stay and coach park providing 307 parking spaces. The car park is most heavily used during the summer season and occupies an area of around 2.46 acres. The land is held freehold and is subject to a restrictive covenant that no buildings shall be erected west of a line running north to south across the site.

3.13 Temple Street Car Park

- 3.14 Temple Street car park is a small shoppers' free car park offering 30 spaces of which 11 are reserved for local businesses and residents. There is no recorded income but it is estimated that the income from a pay and display system would be in order of

£4,000 per annum. This may however result in shoppers reverting to road side parking and cause traffic management problems. The car park is held freehold, and is accessible via an access in the ownership of Oxfam, with the Council having a restricted right of way. Consultation responses from both Sidmouth Town Council and the Chamber of Commerce highlighted that there are some abuses of the reserved spaces and a case for marginally increasing the number of these spaces. Both highlighted enforcement issues and recommend more monitoring. However, it was considered that the car park should remain free and subsidised by the Council.

3.15 Manor Pavilion Car Park

3.16 This car park offers around 20 spaces and is operated as a private car park for staff, visitors and customers of the Manor Pavilion. Both the Town Council and the Chamber of Commerce recognise that the car park is currently misused and would be in support of creating additional public car parking with a double ticketing arrangement put in place for Pavilion customers.

3.17 Church Street Car Park, Sidford

3.18 Church Street car park is primarily a shoppers' car park but is also used by patients attending the adjacent medical practice. Pay & display is operative between 9.00am and 6.00pm. It provides 52 parking spaces. The land is held by way of the freehold but is subject to pedestrian rights of way and a vehicular right of way to the adjoining Sidford Medical Practice.

The Town Council consider that this car park should be made available free of charge or with at least some dedicated spaces for the medical practice and local residents. There is no on-street car parking in Sidford but for the residential area. However, the access lane/entrance to the car park becomes congested and the question was raised as to whether or not this area could be yellow lined and enforced. The access lane does form part of the area governed by the Parking Places Order and is in the ownership of the Council. If not available free of charge at all times, the Town Council queried whether or not there could be a free period. However, where this has been piloted elsewhere before, it's found that youths abuse the machines and use up all the ticket paper. The charges are minimal here (20p per ½ hour, 40p 1 hour).

If the Town Council wish to enable this car park to be provided free of charge, it is recommended that a lease be offered to them on the basis that it will cover any loss in revenue to the Council.

3.19 Manor Estate Yard, Sidbury

3.20 The Manor Estate Yard car park is a small free car park providing 19 parking spaces and primarily serves the users of the adjacent parish hall and visitors to Sidbury. The car park is not heavily used in the day and the implementation of pay & display would be likely to result in an increase in roadside parking.

3.21 Other issues/suggestions raised by Sidmouth Town Council

3.22 Park and Ride Scheme – The Town Council is keen to champion a park and ride scheme for the town. A working group made up of the three councils, the emergency services, the Chamber of Commerce, Vision Group, Stagecoach and the Hospitality Association are currently exploring options.

Legal Implications

The detailed terms of any disposal should be subject to consultation with the legal team.

Where a restrictive covenant prevents development, there are a number of ways it could be removed or modified. If members are keen to investigate this on any particular site the potential can be considered in detail with the Estates team

Financial Implications

The financial implications are detailed within the report

Consultation on Reports to the Executive

The initial Review document incorporated consultation with the Town and Parish Council when drafted in 2009. Further consultation with not only the Town and Parish Councils, but also the East Devon Chambers of Trade and Commerce, was undertaken in 2011.

Background Documents

- [The Off Street Car Parks Review 2011/12](#)

Donna Best
Principal Estates Surveyor

Cabinet
31 October 2012

Agenda Item 15

Cabinet

31 October 2012

LG



Financial Monitoring Report 2012/13 – Month 6 September

Summary

This report gives a summary of the Council's overall financial position for 2012/13 at the end of month six (30 September 2012).

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 only £1.868m will be available in the Reserve to support the programme from 2013/14 onwards.

Recommendation

- 1. The variances identified as part of the Revenue and Capital Monitoring process up to month six 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 2012/13 – To Month Six September

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 six.

2. General Fund Position as at Month Six.

2.1 The following table shows the position on investment income:

Investments	Annual Budget £000	Variation at Month 6 £000	Predicted Outturn Variation £000
External Investments	(260)	(23)	0
Internal investments	(41)	(1)	0
Total	(301)	(24)	0

The positive variation on external investment is mainly due to gains of £20,000 in trading of external investments to date. However, prudence would still dictate that this is expected to reverse by year end due to latest interest rate forecasts.

2.2 The following table shows the original budget set for the year and a total of the variations identified which are likely to affect the budget to give a predicted budget figure for the year.

	£000
Original Budget Requirement (set 22/02/12)	12,247
Add Supplementary estimates to date	565
Add:	
Month 6 predicted net over/(under) spend to Year End	50
Predicted Budget Outturn	12,862

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

Predicted over / (under) spends to Year End	Variation at Month 6 £000	Predicted Outturn Variation £000
Environment Portfolio		
Additional Car park income reduction (£129k reported previously)	32	0
Finance Portfolio:		
Audit fee for Parking ticket case	17	17
Outturn variations reported as at Month 5		33
Predicted Outturn Total Variations	49	50

1.3 These variations will have the following overall effect on the Council's General Fund Balance.

		£000
General Fund Balance 01/04/12		(5,536)
Less:		
Planned use of general fund balance in setting the budget	179	
Transfer 11/12 surplus to Capital Reserve	1,148	
Available General fund balance 2012/13		(4,209)
Supplementary Estimates previously reported		123
Axminster flood relief match funding (Cabinet 11/7/12)		3
Predicted net over / (under) spend to year end		50
Predicted General Fund Balance 31/03/13		(4,033)

This predicted balance of £4.033m is £2.514m above the Council's adopted level for the General Fund Balance of £1.519m. The Council has agreed to maintain a higher balance than the adopted level at this present time because of the many financial uncertainties and risks facing the Council.

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

	Annual Budget £000	Variation at Month 6 £000	Predicted Outturn Variation £000
Car Park charges	(2,549)	161	129
Planning fees	(1,084)	(104)	(104)
Building Control fees	(545)	23	50
Local Land Charges	(210)	0	0

2.5 Summary of Other Reserves:

	Balance B/f £000	Spend to date £000	Income to date £000	Estimated additional Spend/(Income) £000	Predicted Balance C/f £000
Transformation Reserve	(1,434)	113		321	(1,000)
Asset Management Plan Reserve	(188)			188	0
Asset Maintenance Reserve	(1,358)	86		114	(1,158)

3. **Housing Revenue Account Position up to Month 6.**

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

	Variation at Month 6 £000	Predicted Outturn Variation £000
Rent income higher than predicted due mainly to high collection rate – 98.5% allowed in budget but actual rate is 99.65%	(105)	(80)
Mobile Support Officers - vacancy	(10)	(19)
Variations from Month 5		(491)
Total	(115)	(590)

Under the new self financing regime the HRA is now funding its own capital programme and any capital variations have been reflected in the above figures.

The following table shows the original budget set for the year and a total of the variations identified above which are likely to affect the budget to give a predicted budget requirement for the year.

	£000
Budget surplus (set 22/02/12)	(1,734)
Month 6 predicted net underspend to year end	(590)
Predicted Budget Requirement	(2,324)

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

	£000
Housing Revenue Account Balance (01/04/12)	(624)
Predicted budget requirement as above	(2,324)
Predicted HRA Balance (31/03/12)	(2,948)

The recommended level for the HRA balance is currently £2.1m. The predicted balance is above the recommended level; this is considered prudent going into 2013/14 to allow for the possible detrimental effect of Welfare Reform on rent collection rates.

4. Capital Programme Position up to Month 6.

- 4.1 The following tables currently estimate the total required from the Capital Reserve as £1.968m.

- 4.1.1 Below is a summary position of the Capital Programme.

	£000	£000
Net Capital Programme Budget (Cabinet 09/02/12)		6,646
2011/12 scheme costs slipped into 2012/13 (as agreed by Cabinet in the Outturn report in June 2012)	3,564	
Revised 2012/13 budget		10,210
Months 1-5 Variations	139	
Month 6 Programme Variations (a)	(165)	
Predicted Budget Requirement		10,184
Financed by:		
In Year Usable Capital Receipts (b)	(551)	
Capital receipts reserve	(1,693)	
PWLB Loan 11 houses Morton Way	(428)	
S.106 funding	(805)	
DCLG Grant Growth Point	(3,000)	
DCLG Grant Heat & Light	(100)	
Other Capital Grants	(249)	
Capital Project Reserves	(73)	
HRA Contribution	(968)	
General Fund Revenue contribution	(4)	
New Homes Bonus	(345)	
Predicted Capital Reserve requirement	(1,968)	
Total Funding		(10,184)

Note (a) Month 6 Capital Programme Variations	£000
Seaton regeneration reclassification of balance from capital receipt to contribution	165
Total Month 6 Programme Variations	165

Note (b) Month 6 Capital Receipts Variations	£000
Adjustment to estimated Council Dwellings sales receipts based on revised legislation	(188)
Seaton regeneration reclassification of balance from capital receipt to contribution	165
Total capital receipts Month 6	(23)

Capital Reserve		£000
Brought forward balance 1 April 2012	(3,127)	
11/12 General Fund surplus transferred to Capital Reserve	(1,148)	
		(4,275)
Estimated use of reserve as at Month 5		1,971
Month 6 amendments		(3)
Balance carried forward to 2013/14		(1,868)

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

- [HRB 3 May 2012](#) Agenda Item 19 and Annexe 1

Laurelie Gifford (Financial Services Manager) Ext 2613
Mandy White (Accountant) Ext 2357

31 Oct 2012

Agenda Item 16

Cabinet

31 October 2012

CTax



Technical Reforms to Council Tax

Summary

This report sets out the Technical Reforms to Council Tax that the Government is introducing from April 2013. The reforms give billing authorities (like East Devon) more flexibility on some of the discounts which in turn provides the opportunity to generate additional income. This flexibility relates to:

- Second Homes
- Empty Properties
- Properties undergoing or requiring structural works

In addition, there are some other reforms which include;

- the right to pay council tax by 12 monthly instalments
- enabling billing authorities to publish council tax information on their website rather than in paper format.
- making the mortgagee (the lender) responsible for paying the council tax when a property is repossessed.

Recommendation

- 1) To note the contents of the report.
- 2) From 1 April 2013;
 - reduce the current Second Home discount from 10% to 0% so that 'second home owners' are liable to pay 100% council tax.
 - for properties that would fall under Class C exemption – set the discount at 100% for the first three calendar months and then reduce the discount to 0% for the next 3 calendar months.
 - impose a premium levy of 50% council tax on properties that have been empty for more than 2 years.
 - For properties that would fall under Class A exemption - set the discount at 50%.

a) Reasons for Recommendation

The Authority is required to determine discount levels to be applied to the current Exempt A's and C's. The levels of discounts recommended are similar to those being proposed by other Devon Authorities.

b) Alternative Options

As outlined in the report.

c) Risk Considerations

There is a risk that the potential income that could be raised as a result of these reforms may not materialise because the status of these properties could change or because we're unable to collect.

There is already a significant amount of change to be implemented for next April as part of Welfare Reform, including implementing a Council tax Support Scheme in time for next April. Staffing resources are already stretched.

The software changes are not delivered on time to be fully tested.

Customers will have limited amount of notice to prepare for these changes.

There is a financial and reputational risk if we do not implement these changes successfully and on time.

d) Policy and Budgetary Considerations

There is a financial risk when setting next year's tax base that the potential increase in Band D equivalent properties is overestimated.

e) Date for Review of Decision

Members may wish to review their decision and alter the discounts for future years having considered the impact these changes have had on customers and policy.

1 Background

1.1 A key element of the Government's financial strategy is the Local Government Resource Review which identified three potential areas of reform to local Government finance:

- local retention of business rates
- the replacement of council tax benefits with local council tax support schemes
- technical reforms to council tax.

1.2 These reforms supports the Government's commitment in decentralising control over finance, increasing local choice, providing a strong financial incentive to promote local economic growth and reducing the deficit.

1.3 This report focuses on the technical reforms to council tax. These new powers give billing authorities more flexibility on some of the council tax discounts including

empty properties and second homes. These changes are due to come in from April 2013.

- 1.4 These reforms provide billing authorities the opportunity to make local decisions on some of the council tax discounts and to generate additional income for all the preceptors (in proportion to their share of council tax) and may encourage landlords and homeowners to bring properties into use more quickly.
- 1.5 The Government consulted on these reforms in October 2011 and Members considered these at their Cabinet meeting on 30 November 2011.
- 1.6 In May 2012, the Government published its summary of responses and its conclusions it had reached. There were a number of areas originally proposed for reform that the Government is not taking forward at this stage due to considered complexity.
- 1.7 These reforms are contained in the Local Government Finance Bill, which is due to obtain Royal Assent in Autumn 2012. The regulations that will set out the technical changes are unlikely to be made until November/December 2012.
- 1.8 The Local Government Finance Bill, as currently drafted, requires any determinations in relation to these reforms to be discharged by the Full Council and may not be delegated to a committee or officer. This ties in with the localism agenda where the democratic elected body is making decisions at local level.
- 1.9 Therefore, any recommendations relating to the level of discount will need to be ratified by Full Council once the Local Government Finance Bill has received Royal Assent. However, because the timescales are so tight it is necessary for Members to consider these proposals now and make recommendations on these reforms so that we can provide customers with as much notice as possible of the recommended changes and for the potential additional income to be factored in when calculating next year's tax base.
- 1.10 If the Local Government Finance Bill is delayed in the House of Lords then there is a possibility that it may not receive Royal Assent until after the 5 December 2012 Council meeting. In which case it may be necessary for Members to hold a full Council meeting in January 2013 in order to implement the discounts in time. This will also apply to the local council tax support scheme which will be subject to the same decision making requirements.

2.0 Second home discounts

- 2.1 Billing Authorities will be able to charge full council tax on second homes from next April. Currently, the maximum we can charge in council tax for a 'second home' is 90%. East Devon charges the maximum.
- 2.2 A 'second home' for the purpose of council tax is a property that is unoccupied (not someone's sole or main residence) but is furnished. This means that properties that are being marketed for sale but are furnished are treated for the purpose of council tax as a 'second home'. This would also apply to furnished tenancies where there are gaps in occupation.

- 2.3 As at 1 October 2012 we had 2,466 properties classified as “second homes” for the purpose of council tax. The additional income this could generate if the discount was set at 0% would be in the region of £366,000.
- 2.4 There is a risk that owners could make their properties available for letting for more than 140 days per year in which case they would become subject to National Non Domestic Rates instead of paying council tax. Alternatively some could become occupied by a single person and only pay 75% council tax. Caution should be taken on assumptions of additional income that this reform would actually generate as the status of some of these properties could well change.
- 2.5 It is proposed that the Council takes advantage of this new flexibility and sets the discount at 0% from 1 April 2013. This will promote the effective use of the districts housing stock and to place these properties on the same charging basis as the majority of other properties.
- 2.6 This is in line with what all the other Devon authorities are proposing (see Appendix 1).

3.0 Empty Properties – Class C Exemption

- 3.1 Properties that are empty (unoccupied and unfurnished) are currently eligible for up to a 6 months exemption. This is referred to as a Class C exemption. The Government is abolishing this exemption and replacing it with a discount, between 0% to 100%. There will also be flexibility over the time-period which allows billing authorities the ability to be able to retain a period where there is no charge being levied.
- 3.2 It is worth noting that the current Class C exemption is mainly granted for one of the following reasons:
- The property is empty between tenancies.
 - Property is being sold and the owner has moved out
 - Property has been purchased and the owner or tenant has not yet moved in
 - Newly built properties after they have been completed but remain empty
- 3.3 The majority of the exemptions are for short periods and therefore the sums are relatively small. When the Government consulted on this reform the main argument against this measure came from landlords, who felt that it was unfair that they should instantly become liable for council tax when a tenancy ended.
- 3.4 The additional burden for Landlords where there are gaps between tenancies could potentially mean this cost being passed direct onto tenants in the form of higher rents. A number of our Landlords are also being impacted by other welfare changes. Although this would also apply to our own housing stock, housing associations that are registered charities would be eligible under Exemption B, see Appendix 2.
- 3.5 From an administrative perspective it would not be cost effective in having to bill, collect and recover very small amounts of money and inevitably there would be challenges over liability.
- 3.6 However, in contrast 6 months exemption is more generous than what empty shops/offices get under business rates which is limited to 3 months.

3.7 East Devon's response at the time of the consultation was that for the first 3 months there should be no charge and then a full charge be levied. This would achieve the aims of:

- Allowing a reasonable, but not excessive time to support empty properties between occupations
- Encourage faster turnaround time on empty homes.

3.8 Based on 2011/12 council tax data I have set out below what the impact would be if the discount was set at different ranges:

	Period Up to 6 months	Discount level	Number of awards impacted*	Potential additional council tax
1	Months 1-4 Months 5-6	100% 0%	688	£102,526
2	Months 1-3 Months 4-6	100% 0%	1,079	£208,664
3	Month 1 Months 2-6	100% 0%	2,860	£621,317
4	Months 1-6	0%	5,702	£1,070,960

The number of awards rather than individuals is shown, as awards can apply to the same person but relate to different periods

3.9 What the above table illustrates is that more than half of the awards are given for less than a 1 month period.

3.10 It is proposed that from 1 April 2013, the discount be set at 100% for the first 3 months and then 0% for months 4-6.

3.11 This is in line with what the majority of other Devon authorities are proposing (see Appendix 1). Members always have the option to review this decision for future years having assessed the impact of this change.

4.0 Long Term Empty Properties

4.1 The Government is introducing a provision whereby a billing authority can levy a premium of up to 50% of the council tax payable on top of the normal council tax for properties that have remained empty for a period of 2 years or more. For the purposes of council tax a property is classified as empty when it is unoccupied and unfurnished. The premium could not be applied to properties that are exempt from council tax. Appendix 2 lists the current council tax exemptions.

4.2 The intention behind this change is to encourage owners of long term empty properties to return them into use.

4.3 The Government issued a further consultation document on 28 September 2012 (see link under background papers) where they believe that there are circumstances where a premium would be inappropriate to apply, these are:

- A dwelling which is genuinely on the market for sale or letting

- A dwelling which is the sole or main residence of a member of the armed forces, who is absent from the property as a result of such service
- An annex deemed unoccupied because it is being treated by the occupier of the main dwelling, as part of that main dwelling.

- 4.4 The consultation will close on 9 November 2012 and within the consultation document it states 'It is the Government's intention that the premium will be able to be levied from 1 April 2013 and properties which will not be liable for the premium will be finalised by this date'.
- 4.5 Members may wish to consider whether there are other circumstances in which they would not wish to levy the Premium.
- 4.6 It is questionable whether by levying a premium it will have the impact of bringing these properties back into occupation. When the discount was reduced from 50% to nil in 2004, the number of empty properties reduced whereas second homes getting a 10% discount rose. There is a risk that owners would move furniture in to these property so it would be reclassified as a 'second home' or owners create false occupations in order to avoid paying the levy.
- 4.7 The Council is committed to bringing empty homes back into use. The premium could provide the Empty Homes team with an important tool in achieving one of our priorities of "Living in this outstanding place".
- 4.8 In East Devon we have 520 empty properties and of these 212 have been empty for more than two years. The additional premium could raise in the region of £91,422 per annum. It would be prudent to be cautious on the actual level of additional income this could raise because of the risks identified in 4.3. However, what should be noted is that if owners did furnish their properties or they became occupied then this would attract additional income through the New Homes Bonus Scheme.
- 4.9 It is proposed that a premium of 50% be levied on empty homes from 1 April 2013 (excluding those that the Regulations will not apply to).
- 4.10 This is in line with what the other Devon authorities are proposing to their Members (see appendix 1).

5.0 Properties undergoing structural or major repair work – Class A Exemption

- 5.1 Currently properties that are empty (unfurnished) and require or are undergoing structural or major repair works are eligible for a Class A exemption. This means that they are fully exempt from council tax for up to 12 months, or 6 months after the works are completed, whichever is shorter.
- 5.2 This exemption is being abolished and the Billing Authority is required to set its own level of discount, between 0% and 100% for the 12 month period. Unlike Exemption C the Government are not intending to allow Billing Authorities the flexibility of setting different levels of discount over the 12 month periods
- 5.3 Members need to consider whether they should replicate the current level of relief or provide some level of discount in order to promote property development, particularly supporting major upgrading and improvements to poor quality housing stock or properties that are considered a blight in our communities.

- 5.4 It should be noted that properties which have been significantly damaged by flooding or fire are likely to have been awarded this exemption where owners /tenants have had to move out.
- 5.4 If Members set the discount at lower than 100% this would mean that you would be introducing council tax bills from the start of their projects, therefore introducing extra overheads from the beginning. Also, any discount lower than 100% could mean that some customers would start off under the new Exemption C where there is likely to be no charge for the initial period.
- 5.5 During 2011/12 there were 484 awards under this exemption, however these will have been granted for various periods.
- 5.6 Using the 2011/12 council tax data, the table below sets out what the impact would be based on the discount being set at 100%, 50% or 0%.

Discount Level	Potential additional council tax
100%	£ 0.00
50%	£139,013
0%	£278,027

- 5.7 Appendix 1 sets out what the majority of other Devon Authorities are proposing to their Members.
- 5.8 It is proposed that Members set the discount at 50% from 1 April 2013.

6.0 Proposals across Devon

- 6.1 Appendix 1 contains information on what the other Devon Billing Authorities are proposing to their Members. The proposals for East Devon are aligned with the majority of other Devon Council's.

7.0 Financial Summary

- 7.1 The table on the next page shows the total potential additional council tax income that could be generated if Members approve the recommendations.

Technical Reform	Potential additional Council tax raised £	EDDC's proportion * (8%) £
Second Homes	366,000	29,280
Exemption C – Empty Properties 3 months 100% / 3months 0%	208,664	16,693
Long Term Empty Home Premium – 50% Levy	91,422.	7,313
Exemption A - Properties undergoing structural work	139,013	11,121
Total	805,099	64,407

* Assuming that 100% of the potential increase in council tax becomes income & the status of properties remains similar for 2013/14

7.2 It should be noted that the additional council tax raised is based on levels of awards or status of properties at a point in time. Also, it only becomes income once it's collected.

7.3 Clearly if the Government exclude certain empty properties from the Premium levy then this figure will be overstated. Unfortunately, we do not currently know what proportion of these empty homes would be excluded.

8.0 Other reforms

8.1 Paying council tax over 12 months

8.1.1 The Government has given consideration to whether council tax should be payable over a 12 month period rather than 10. The Government intends to leave the default position at 10 months but allow council taxpayers the right to request to pay over 12 months. This is due to come in from next April.

8.1.2 We currently have 62,662 customers who pay by 10 instalments and 1,428 who pay by 12 instalments.

8.1.3 Clearly if a significant proportion of our customers opted to pay by 12 instalments then this would cause a financial implication on interest received as the majority of council tax is collected by January of each financial year. It would also impact on how money is paid out to the major precepting authorities.

8.1.4 We have always allowed customers to pay by 12 instalments on request. This is not something that has been promoted on our bills, which is now likely to be made a legal requirement. I would expect that a number of our working age benefit customers (because of localising council tax support /less funding) may opt to pay by 12 months especially those that have never paid council tax before. However, for our remaining customers I would also expect to see the number gradually increase over time.

8.2 Publishing council tax information on our website

8.2.1 From next year it will no longer be a requirement to publish the quantity of information currently provided in the council tax leaflet that is sent out with the council tax bills. This can now be made available on-line, subject to the right of any customer, who requires a hard copy. The council will need to consider how best it wishes to communicate with householders in view of this change.

8.3 Mortgagee (lender) in possession

8.3.1 The current exemption Class L which applies to a Mortgagee in Possession is to be abolished and will mean the lender will be liable to pay the council tax. This only applies where the property is unoccupied. As at 1 October we had 7 customers in receipt of this exemption. However, during 2011/12 we had 51 accounts where we had awarded this exemption for a period within the year. The value of this for 2011/12 was £22,607.92.

9.0 Consultation / Publicity

- 9.1 There is no specific legal requirement to consult on these reforms.
- 9.2 As the timescale for when Members can determine the new discounts (earliest 5 December 2012) and when these changes will become effective it would be ideal for these proposed changes to be publicised on our website and council tax stationery following Cabinet's recommendations. This is so we can give customers as much advanced warning of the likely changes prior to them being implemented on 1 April 2013.

10.0 Considerations

- 10.1 In order to implement these changes we will need to update council tax billing stationery, website and leaflets. We will also need to communicate these changes ahead of annual billing especially for those customers where they will see an increase in their bills. Unfortunately, this will be on top of the work that we are doing as part of the Welfare changes which includes the Localisation of Council Tax Benefit where we have to get a scheme implemented in time for next April. There is a significant amount of work that needs to be done before we send out the annual bills at the beginning of March 2013. It is important that we get this right for the customer and to ensure that we don't damage the Council's reputation.
- 10.2 Our software supplier has indicated that the software will be updated for these changes to be implemented in time for annual billing in February / March 2013.
- 10.3 Members have the option to review their decision to vary the above discounts for future years. This will give Members the opportunity to consider the impact any changes have had both in East Devon and other Authorities. For example; some billing authorities may be setting much lower levels of discount on Exemption A and C's. During the course of next year we will monitor the impact of these changes.

Legal Implications

The council will have the discretion to set the level of discount, having regard to local circumstances, as set out in the report, if the Local Government Finance Bill is enacted in its current form and the proposed regulations made.

As regards calculating whether properties have been left empty for more than two years, the Bill provides no account is to be taken of any one or more periods of occupation of not more than 6 weeks, or such longer period as the Secretary of State may by regulations specify.

Financial Implications

The financial details are contained within the report. If Members accepted the recommendations then this equates to additional income for this Council of £64,407 however, because of the uncertainties outlined in the report it would be prudent to budget for additional income of £48,000.

Consultation on Reports to the Cabinet

The Government consulted on these reforms in October 2011 and responses were published in May 2012. These were considered by Cabinet at their meeting on 30 November 2011.

The recommendations contained within this report have been agreed by Strategic Management Team (SMT).

Background Papers

- ❑ [Technical reform for council tax: Summary of responses report - Local government - Department for Communities and Local Government](#)
 - ❑ [Technical Reforms to Council Tax: Determining the circumstances in which dwellings should not be liable to the empty homes premium - Consultation - Local government - Department for Communities and Local Government](#)
 - ❑ At Cabinet meeting on 30 November 2011 (agenda item 14) Members considered the Government's consultation paper on these reforms
http://www.eastdevon.gov.uk/cabinet_agenda_301111.pdf
 - ❑ [Equality Impact Assessment](#)
-

Libby Jarrett
Revenues & Benefits Manager

Cabinet
31 October 2012

COUNCIL TAX TECHNICAL REFORMS – PROPOSALS TO MEMBERS

COUNCIL	EXEMPTION A (Undergoing or requiring major or structural repairs for up to 12 months)	EXEMPTION C (Unoccupied & unfurnished for up to 6 months)	2nd HOMES (Unoccupied but furnished – currently all charge 90%)	Long Term Empty 2 years +
East Devon DC	50% discount	Months 1- 3 100% discount Months 4-6 0% discount	0% discount (100% charge)	50% premium
Exeter CC	100% discount (no change)	6 months 100% discount (no change)	0% discount (100% charge)	50% premium
Mid Devon DC	50% discount	Months 1-3 100% discount Months 4-6 0% discount	0% discount (100% charge)	50% premium*
Torrige DC	100% discount (no change)	Months 1-3 100% discount Months 4-6 0% discount	0% discount (100% charge)	50% premium*
Teignbridge DC	50% discount	Months 1-3 100% discount Months 4-6 0% discount	0% discount (100% charge)	50% premium
South Hams DC	100% discount (no change)	6 months 100% discount (no change)	0% discount (100% charge)	50% premium
West Devon BC	100% discount (no change)	6 months 100% discount (no change)	0% discount (100% charge)	50% premium
North Devon DC	100% discount (no change)	Month 1-3 100% discount Months 4-6 0% discount	0% discount (100% charge)	50% premium
Plymouth CC	100% discount (no change)	Month 1-3 100% discount Months 4-6 0% discount	0% discount (100% charge)	50% premium
Torbay Council	?	?	0% discount (100% charge)	50% premium

* Torrige District Council & Mid Devon District Council currently only charge empty properties at 90%. They intend to increase this to 100% from 1 April 2013 and then apply the premium for those that have been empty for more than 2 years.

Current exemptions from Council Tax

Class	Description
A	Vacant dwellings where major repair works or structural alterations are required, under way or recently completed. (up to 12 months from the date it became in need of repair). [This exemption is subject to reform]
B	Unoccupied dwellings owned by a charity (up to 6 months)
C	A vacant dwelling (i.e. empty and substantially unfurnished) (up to 6 months). [This exemption is subject to reform]
D	A dwelling left unoccupied by people who are in prison
E	An unoccupied dwelling which was previously the sole or main residence of a person who has moved into a hospital or care home
F	Dwellings left empty by a deceased person (6 months after date of probate).
G	An unoccupied dwelling where the occupation is prohibited by law
H	Unoccupied clergy dwellings.
I	An unoccupied dwelling which was previously the sole or main residence of a person who is the owner or tenant and has moved to receive personal care
J	An unoccupied dwelling which was previously the sole or main residence of a person who is the owner or tenant and who has moved in order to provide personal care to another person.
K	An unoccupied dwelling where the owner is a student who last lived in the dwelling as their main home.
L	An unoccupied dwelling which has been taken into possession by a mortgage lender. [This exemption is subject to reform]
M	A hall of residence provided predominantly for the accommodation of students.
N	A dwelling which is occupied only by students, the foreign spouses of students or school and college leavers
O	Armed forces accommodation
P	A dwelling where at least one person who would otherwise be liable has a relevant association with a Visiting Force.
Q	An unoccupied dwelling where the person who would otherwise be liable is a trustee in bankruptcy.
R	Empty caravan pitches and moorings.
S	A dwelling occupied only by a person, or persons, aged under 18
T	A dwelling which forms part of a single property which includes another dwelling and may not be let separately from the dwelling without a breach of planning control
U	A dwelling occupied by a person, or persons, who is or are severely mentally impaired who would otherwise be liable to pay the Council Tax or only by one or more severely mentally impaired person.
V	A dwelling in which at least one person who would otherwise be liable is a diplomat.
W	A dwelling which forms part of a single property, including at least one or other dwelling, and which is the sole or main residence of a dependant relative of a person who is resident in the other dwelling.

Agenda Item 17

Cabinet

31 October 2012

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Approach for increasing the amount of Council housing

Summary

This report sets out how we propose to continue to increase the Council's housing stock through new build and the acquisition of homes, and the approach we intend to adopt. A report went to the Housing Review Board in September 2012 where Members adopted a Development Statement, which establishes a set of principles for our development programme.

Cabinet requested a report on the plans for increasing the Council's housing stock.

This is our first attempt at producing a Development Statement and it is likely to evolve over time as our experience as a developer of affordable housing expands.

Recommendation

That the Development Statement be adopted and used as the basis of securing more Council homes through acquisitions and new build.

a) Reasons for Recommendation

To enable the continued development or acquisition of suitable property to add the Council's housing stock and to help meet the affordable housing need in East Devon.

b) Alternative Options

Not to increase Council Housing stock and operate a development programme.

c) Risk Considerations

Diminished HRA surplus due to higher expenditure, or reduced income. Increase in borrowing rates. Unknown events that effect HRA income, including Right to Buy sales. Developers and Construction partners going into liquidation.

d) Policy and Budgetary Considerations

These are explained in the report. New build and acquisitions will be funded by Housing Revenue Account surpluses, borrowing, commuted sums, Right to Buy receipts, Homes and Communities Agency grant or any combination of these sources of finance.

e) Date for Review of Decision

An annual review of development activity and financing is proposed. Activity is also captured in the financial monitoring reports.

1 Background

- 1.1 Following on from the self-financing exercise, the successful completion of 17 new Council Homes in 2011 and the purchase of 11 new houses in Axminster this year, our appetite for development and increasing the Council's housing stock has continued to grow. This approach is consistent with our Homes and Communities Plan and Housing Revenue Account (HRA) Business Plan, which include statements on increasing the amount of affordable housing. Our financial projections in the HRA Business Plan show that in the future we will have the resources to run a modest development programme, as well as maintaining existing Council homes in good condition, which must be our first expenditure priority.
- 1.2 We are qualified to develop as a Homes and Communities Agency Investment Partner, and we are currently a member of Partnership South West a Registered Provider development consortium.
- 1.3 The Housing Review Board recently considered and approved a Development Statement, which outlines our intended approach to new development and acquisition opportunities (**annex 1**). A cautious approach to development is advocated in the early years of the Business Plan where we are constrained by the 'borrowing cap' set by Government as part of the self-financing exercise (£87,844,000) which leaves us with borrowing 'headroom' of £3.5 million. After the first few years of the Business Plan surpluses are projected to accumulate and our ambitions can grow.
- 1.4 If we are to continue to build or purchase housing then some opportunities we respond to will inevitably prove to be abortive, but at times we will need to be quick and responsive to the development and acquisition opportunities that arise if we are to meet our growth aspirations. Development and acquisitions come with a set of risks and our Risk Register sets out our approach to mitigating these risks.
- 1.5 We need to recognise that we will be competing with other Registered Providers for development and acquisition opportunities, unless we are proposing to develop on our own land.
- 1.6 The HRA Business Plan has new affordable housing listed as a priority for new expenditure and as an objective and we have said:

We will increase the housing stock through new build and acquisitions.

The Plan goes on to say:

We aim to maintain a modest new build programme and acquire properties where appropriate. We will finance the development costs through a combination of borrowing financed through rental income streams, Right to Buy and other receipts, and HRA surpluses.

We will need to consider the affordable rent regime for new build to cover the costs of development. It is likely that development will be viable on land owned by the Council. Specific development proposals will be reported to the Housing Review Board for consideration and approval and the Business Plan amended to reflect future commitments.

We will work to a Development Statement, which contains a set of development principles.

2. The development approach advocated

- 2.1 Our intention is to use the Development Statement as the basis of our approach and as a mechanism to secure funding from a number of sources that include Housing Revenue Account borrowing from the Public Works Loan Board, surplus funds, Right to Buy receipts, and using commuted sums from Section 106 Agreements/Community Infrastructure Levy/New Homes Bonus.
- 2.2 Other funding and development opportunities are mentioned within the Development Statement. We will always assess the financial viability of a project and consider how projected rental income might meet the development costs together with what, if any, subsidy is required by the scheme.
- 2.3 A financial appraisal will be produced for every scheme prior to seeking approval to proceed. This will show projected development costs including surveys, legal's, etc; rent projections less an appropriate management and maintenance allowance; rent loss through voids; and financing costs (borrowing). In the absence of public subsidy/grants scheme viability will only likely work on the basis of affordable rents.
- 2.4 Project appraisals will be reported to the Housing Review Board whose minutes get reported on to Cabinet. In some exceptional cases a quick decision may be required and we have mechanisms through Portfolio Holder/Cabinet Member/Chief Executive to make urgent decisions.
- 2.5 We are creating a Virtual Housing Development Team to consider and progress development opportunities. This team will come together as a when required to scrutinise and test development proposals.
- 2.6 We also plan to establish a development budget subject to identifying an HRA surplus at the end of this financial year. This budget will facilitate the continued Council house building programme and or property acquisitions. In some years we may be able to fund property purchases using our surplus without borrowing.
- 2.7 The development budget would include an 'at risk' pot that enables potential Council own build schemes to be worked up to planning consent stage. These schemes would be almost 'shovel ready' subject to securing construction funding etc. The budget requirement equates to approximately £50 / £80,000 per ten properties.
- 2.8 As well as the 'at risk' budget, a further budget of £500k / £1m is proposed to enable future Council house development. This may include building our own Council homes, buying from a developer or from the open market. This approach ensures that the Council has a greater range of choice when deciding how to allocate these funds, and achieve best value for money. It is envisaged that this budget be added to year on year if not spent.

3. Conclusions

- 3.1 Due to the Housing Revenue Account reform (self-financing) earlier this year we remain confident that a funding surplus can be identified so that a budget can be set ensuring the continued delivery of new Council homes. The financial health of the Account will also give us the confidence to borrow up to our 'headroom' limit, if necessary, to finance new affordable housing.

- 3.2 The approach proposed should enable the Council to establish itself as a serious operator within the affordable housing development sector in East Devon. It is expected that this desire to continue to provide new Council homes, alongside the more traditional route via a Registered Provider (Housing Association) will help to increase the overall numbers of affordable housing delivered in East Devon.
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Legal Implications

There are no legal implications on which to comment within the report. Legal Services will advise on the specific legal matters at the point of each new development proposal.

Financial Implications

The financial implications are indicated within the report but the viability of the proposal is dependent on building sufficient HRA surpluses over and above the agreed minimum balance of £2.1m. The predicted surplus at the end of this financial year currently stands at £2.9m but there are uncertainties about the effect of Welfare Reform on rent collection for 2013/14 onwards which must be taken into account when setting future budgets.

Consultation on Reports to the Executive

None.

Background Papers

- [Housing Revenue Account Business Plan 2012](#).
- [Homes and Communities Plan 2012](#).

John Golding

Head of Housing

Cabinet

31 October 2012

Development Statement for increasing Council housing stock

Introduction

The Homes and Communities Plan 2012, and Housing Revenue Account Business Plan has as its first aim to 'provide a range of affordable housing to meeting housing needs'. The development of new council homes and the building on suitable council owned land is incorporated within this aim.

This Development Statement **deals only with delivering more council owned housing stock.** Affordable housing provided by other means, such as by housing associations and other developers, is considered elsewhere. We are likely to refine and add to this development statement as our experience and knowledge grows.

It is important that any affordable housing is made available at a cost low enough for people to afford, taking into account local incomes and house prices. It should remain affordable for future eligible households.

Following on from the successful completion of 2 homes in 2009/10 followed by 17 new council homes in 2010/11, councillors and staff are keen to see the Council continue to add homes to the council's housing stock. This is particularly important in relation to the changes in the Right to Buy regulations which are likely to mean that the sale of existing council properties increases over the next few years.

We have set out below the desired outcomes, the possible options available for acquiring new council properties, the options for financing such acquisitions, the resources required and other matters to be considered.

Desired outcomes

The Homes and Communities Plan 2012 sets an aspiration that we will deliver at least 100 new affordable homes per year. These will include both homes delivered by housing associations and other developers, as well as new council owned properties.

We anticipate that of these 10% will be council owned properties (approximately 10 per year) and that we will be able to at least replace the number of homes sold under the Right to Buy with new council owned stock. We have entered into an agreement with the Communities for Local Government to use Right to Buy receipts on the provision of affordable housing.

Options available for building or acquiring new council housing:

1. Build our own properties, on our own land, using in house management expertise, and contracting out to builders.
2. Buy properties developed via a section 106 agreements directly from the developer or housing association.
3. Buy properties through a development consortium such as Partnership South West.
4. Buy back ex-council homes in areas of agreed high housing need, where Section 106 money is available (Exmouth, Honiton).

5. Buy individual open market properties to meet the housing need of specific tenants.
6. Consider land banking council owned land for future development.
7. Purchase land for future development.

Options available for financing own build development

1. Direct funding from the Housing Revenue Account
2. Borrowing from the Public Works Loans Board
3. Using commuted funds from Section 106 money (for this we will endeavour to keep the restrictions for use of the S106 money as broad as possible)
4. Sell housing assets such as garage sites, decommissioned properties, individual development sites, and ring fence the receipt for housing development
5. Allocating any receipts from Right to Buy sales, licence agreements etc are ring fenced for new housing
6. Building a number of properties and selling a percentage either as open market or affordable housing. Receipt for the sales of these properties could then fund further council own build development

Resources available

1. We have one full time Housing Enabling Officer, whose role also encompasses considerable work in liaising with local housing associations, other developers, planning and rural housing enablers.
2. The part time support of the Housing Projects Officer and the Senior Technical Officer (who has architectural expertise to bring to any council own build projects).
3. Management support from the Housing Needs and Strategy Manager, and the Head of Housing.

It should be remembered that running a council own build programme will require significant amount of staff time. It is estimated that the time involved to complete the council own build project 2010/11 came to approximately 780 man hours.

Tenure of new council properties

A rental income at the level of social rent is unlikely to be able to finance a council own build project unless there is a significant subsidy from the Housing Revenue Account or other grant funding.

Therefore we would expect to charge an intermediate rent for any new council housing. This would be rent below open market rent but above social housing rent, and would typically be 80% of Market Rents and be no higher than the applicable Local Housing Allowance.

We could also consider introducing a shared ownership model to some new properties, whereby the resident purchases part of the equity, the remaining staying with the Council and for which the Council charges rental income. Typically this would be between 2 and 3% of the un-owned equity.

The properties will be let through Devon Home Choice and in accordance with our Tenancy Policy and Strategy.

Larger scale redevelopment

We will consider redevelopment of areas of council housing land that are under-utilised and where redevelopment would allow for the density of housing to be increased. The costs involved in re-housing, and compensating, existing tenants would need to be taken into account, especially as it is likely many of these tenants may be vulnerable.

Design and standards

We will always look to procure new affordable housing that achieves the highest possible standards and achieves value for money. We will attempt to meet the Homes and Communities Agency design and quality standards relevant at the time of build/acquisition and report any variation.

Over time we will produce a detailed development brief for new build which sets out the Council's minimum requirements for homes, services, facilities, and environment.

We will use our own standard house type where appropriate. This will be refined over time and influenced by tenant's feedback.

Budget and decision making

To be able to work up schemes to a 'development ready' stage will require up front, at risk costs. A budget to cover such work will allow schemes to be properly assessed and considered. It is estimated that a budget of £50-80K per 10 properties would be sufficient.

With the recent changes to the financing of Council Housing, and considering other potential funding sources, a yearly budget of approximately £1m would enable the delivery of 10 new council homes per annum.

It will be necessary to have a clear and swift decision making process, particularly with regard to any approaches to purchase ex-council or open market properties, or direct from a developer.

It is suggested that a virtual project team (The Housing Development Team) is set up to review the development of council own build projects bi-annually, or sooner should circumstance dictate. It is suggested that this is made up of: The Head of Housing, the Cabinet Member(s) for Housing and Sustainable Communities, the Chair of the Housing Review Board, the Housing Needs and Strategy Manager, the Development and Housing Enabling Officer, and a Council Tenant. Other Officers will be invited to contribute as and when required.

A financial appraisal and risk assessment will be undertaken in relation to each development/acquisition project. This will determine the level of funding required, the funding costs, and allow for management and maintenance, rent loss due to voids etc.

We will assume a 2% loss of rental income and standard rate of £1400 p.a. management and maintenance cost.

Virtual Housing Development Team (remit and responsibilities)

The purpose of The Virtual Housing Development Team (VHDT) is to be able consider and make, if necessary, quick decisions about development opportunities and or house acquisition or other related matters. If we are going to be successful at increasing the Councils housing stock it will be necessary for the Team to become more commercially minded, and be able react to opportunities in a similar way to a developer.

The Team will report to the Housing Review Board on decisions made in relation to the development programme.

The VHDT will carefully consider all opportunities that arise, and be particularly mindful of the following;

- Does it represent 'value for money'?
- Is the opportunity financially viable?
- Consider how best to fund, this may be from the HRA surplus, external borrowing or using commuted sums etc
- Assess risk
- Ensure that any decisions are consistent with Homes and Communities Plan.
- All opportunities to increase the councils housing stock, whether it's building, buying from a developer or from the open market, will be considered against known costs / values.
- Carefully consider any impact on the Housing Review Account's Business Plan.

July 2012.

Agenda Item 18

Cabinet

31 October 2012

Karen Jenkins



Communications update and proposal for street name plates

Summary

Further to the Communications and Reputation review which took place in March 2012, a number of actions are underway. This report provides a brief summary of progress against our Communications Plan.

In addition, this short report highlights the need to review the design of our street name plates in East Devon to ensure that we are maximising opportunities to embed our familiar 'five stripe brand' throughout the district. This issue has become pressing due to the need to order significant signage for Cranbrook.

Currently, we brand our vans and street furniture to ensure that our communities can see clearly that EDDC is responsible for these. In the same way, street name plates are an extremely effective tool in identifying EDDC as the 'owner' of the district – particularly important in the context of Cranbrook. The proposed more modern design aims to create more visibility of our brand and is consistent with the approach we are using elsewhere in the district.

Recommendation

That Cabinet notes the progress against our Communications Plan following the communication and reputation review.

That Cabinet considers the proposal to move from using the crest on street name plates to using our familiar 'five stripe brand' to produce a more instantly recognisable brand and more modern signage.

a) Reasons for Recommendation

To maximise opportunities for our community to recognise EDDC's role through the consistent use of one EDDC brand.

b) Alternative Options

To continue using the crest for street name plates.

c) Risk Considerations

Without due regard to these issues there are reputational risks and missed opportunities to enhance our reputation.

d) Policy and Budgetary Considerations

There are no significant additional budget considerations which have not already been factored into the budget.

1 Summary of progress against Communications Plan

- 1.1 Fiona Narburgh's summary from the communication and reputation review was that EDDC 'is not getting its message out there'. We have a good story to tell but we need to tell it more effectively through increased brand awareness and better communication so that our residents feel more engaged! In turn, this will improve our reputation.
- 1.2 Following this review and the development of our Communications Plan, we have achieved the following:
 - Development of our brand awareness among staff – we are here to **solve people's problems** and we are about **trust, reassurance and expertise**.
 - Embedding our Council Plan, priorities and values with staff through staff awareness seminars.
 - More effective communication with our staff about key issues so that they can be ambassadors of the Council and reinforce key messages as they interact with our customers on a daily basis.
 - Recruitment of Tim Borrett to the post of Communications and Public Affairs Manager (start date 1 November) to give us the capacity to further progress the actions agreed in our Communication Plan.
 - Recruitment of Social Media Apprentice – Shona Medcroft to improve our social media presence.
 - Development of the technical, content and brand design of an e-magazine which will be published every six weeks from the end of this year. This will be a key opportunity for us to communicate directly with our customers and to interact and engage with them more frequently.
 - Updates to all areas of our website are ongoing in particular Council Tax pages and corporate pages. We have trained some 25 officers in how to load fresh content onto the website.
 - Development of dedicated web pages for key projects such as office relocation project (Moving and Improving).
 - Preparation and development of a Residents' Survey which will be sent out this year to help track satisfaction with our services and our reputation.
 - Purchase of LG Futures tool to create a shared understanding of our community and training of key officers in how to use this tool.
 - Creation of East Devon Facebook page and greater presence on Twitter – we now have 1100 followers and growing.
 - Revamp of our performance information to make it easier to understand and the introduction of the monthly performance snapshot so that everyone can see service levels at a glance.
 - Implementation of an annual performance report charting our performance against the Council Plan.
 - Engagement with equalities groups to help us improve communication and consultation particularly with the visually impaired.

1.3 We have plans to implement the following very soon:

- Further development of our social media presence.
- A campaign charting 'a day in the life of' which will feature key officers being interviewed to show the complexity and diversity of what the Council does. This will be a press and social media campaign aimed at enhancing the reputation of our officers with the local community.
- A project to upgrade the website tool and content to help make this more accessible and engaging through an increased use of film and audio content.
- Regular press briefings to help provide the press with the wider context of around key issues.
- Ensure that as and when street furniture and signage comes up for review, we are paying attention to opportunities to rebrand.
- Development of a community group to help us when we are developing leaflets, communications and our website.
- Investor in People Gold assessment on 21/22 November – an external endorsement to enhance our reputation.

2 New design proposal for street name plates

- 2.1 The attached design work shows the proposal to update our street name plates, when they need replacing, with a more modern design which is consistent with the branding we use for EDDC.
- 2.2 This issue is particularly important at this time due to a pressing need to buy large numbers of name plates for Cranbrook.
- 2.3 We want to ensure that our brand is as visible and recognisable as possible. This move away from the crest to a more modern brand is being used on our vehicles, street furniture, in our publications and on our website. Using our brand consistently in this way will help achieve greater recognition of it within the community.

Legal Implications

There are no legal implications unless a complaint is upheld resulting in formal legal action.

Financial Implications

There are no financial implications unless a complaint is upheld and compensation has to be paid.

Appendices

- Design proposal for street name plates (produced by James deLeiburne)

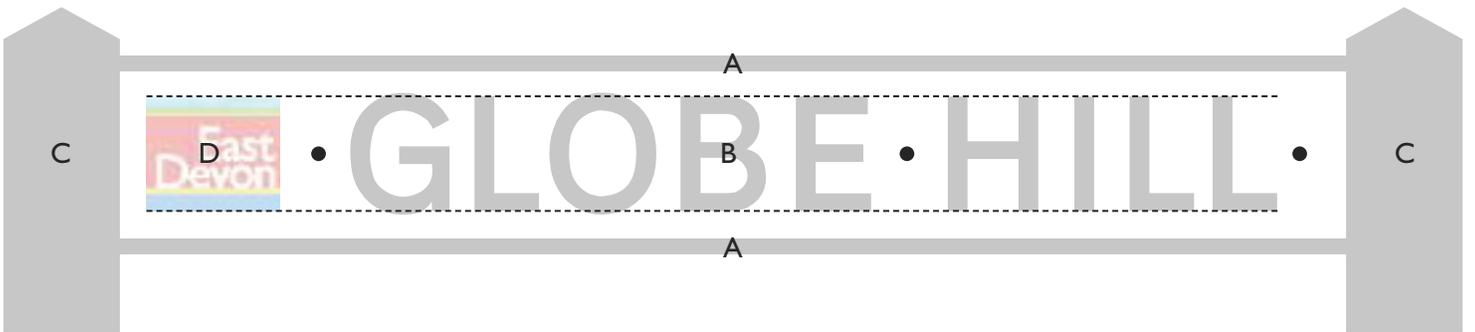
Fig. 1 Existing East Devon street name plate



Fig. 2 Proposed revised design



Fig. 3 Design deconstruction



Posts and frame made from recycled plastic, coloured black

Pyramid caps on posts

Background of name plate made from light-reflective material

Type set in 'Transport' sans face

Brand mark (D) used is version for small applications, with web address removed due to legibility

Cap height of lettering (B) and height of brand mark (D) equal at 90 mm

20 mm between top of white area of sign (A) and lettering (B)

20 mm between post (C) and brand mark (D)

55 mm (approx. word space for lettering set at 90 mm) between brand mark (D) and lettering (B)

55 mm (approx. word space for lettering set at 90 mm) between lettering (B) and any sub-letters

Agenda Item 19

Cabinet

October 2012



Monitoring of formal complaints and Local Government Ombudsman complaints – Quarter 1 and 2 2012/13

Summary

This report provides information on formal complaints for the period April – September 2012. It also considers complaints referred to the Council or decided during that time.

Recommendation

That Cabinet considers the nature of complaints dealt with and learning points arising.

a) Reasons for Recommendation

To continue to improve the way we handle complaints and to learn from them.

b) Alternative Options

To deal with complaints as they are received with no further consideration of numbers or service areas to be improved.

c) Risk Considerations

Potential criticism, deterioration of reputation and failure to improve. Lack of credibility in the complaints procedure.

d) Policy and Budgetary Considerations

Policy implications are contained in the report. There are no significant budget considerations.

e) Date for Review of Decision

The complaints procedure is reviewed annually. The numbers of stage 2 and Ombudsman complaints is monitored quarterly.

1 Background

- 1.1 The Information and Complaints Officer considers the Council's responses to complaints which reach stage 2 of our formal complaints procedure and prepares responses for consideration by the Monitoring Officer. In most cases, a complaint which reaches stage 2 indicates that the complainant has already received a response from the service manager and remains dissatisfied.

- 1.2 If a complainant is not happy after the stage 2 consideration, they can refer their complaint to the Local Government Ombudsman.
- 1.3 Complaints and compliments should be regularly considered by Cabinet and appropriate action taken, including learning from mistakes.

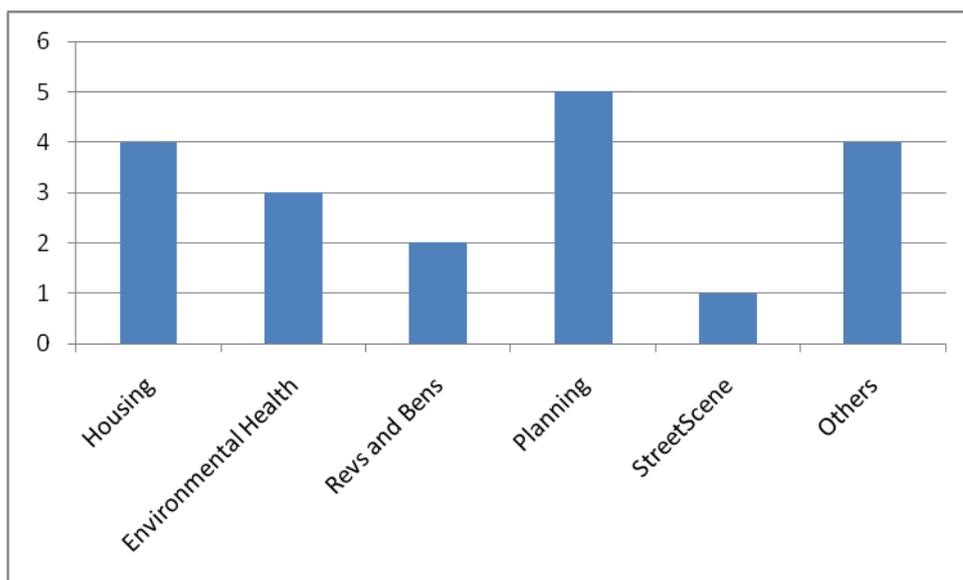
2 Summary of formal complaints received and learning points

- 2.1 Between 1 April 2012 and 30 September 26 formal complaints were received as follows:

Housing: 10
 Planning: 10
 Revs and Bens: 2
 StreetScene and Env Health: 4

- 2.2 During the same time period 19 complaints were dealt with at stage 2. Two of these complaints remain “open” with one being considered as a potential case for mediation. One complaint was upheld and the remaining 15 were successfully resolved.

- 2.3 These can be broken down as follows:



Service	Type of complaint		
	Service failure	Staff conduct	Policy/decision making
Housing	Correct procedure not followed in housing appeal*	Officer not making prior appointment before home visit	Incorrect decision made re housing allocation Compensation sought for damage caused by damp in property
Environmental Health		Alleged unhelpful and overly assertive conduct when issuing a formal notice.	2 complaints about lack of action over noise complaints
Revs and Bens	Delays in benefit decision	Alleged breach of Data Protection Act	

Planning	Lack of enforcement of conditions at new housing development (X2)		Queries over s106 agreement Local Plan issues (X2) Disagreement with planning decision
StreetScene			Debris falling onto property from council trees
Others	Dissatisfaction with response to Freedom of Information Act request		Disagreement with council actions in connection with office re-location project (X3)

*This complaint was upheld – see 2.4 below

- 2.4 In one of the complaints considered during this time period the Council acknowledged that we had not followed published procedure. An applicant had appealed against her housing banding but the appeal was considered on more than one occasion by the officer responsible for the original decision. Although more senior officers had been involved in the decision, this was not made clear to the complainant and letters should not have been sent in the name of the original officer.
- 2.5 The service manager has issued a reminder to all staff of the correct procedure and which officers should be involved in the appeal decision making process. We apologised to the complainant for time and trouble incurred in chasing the matter and, as a goodwill gesture, we put the applicant back into a higher band enabling her to bid for suitable property. The complainant expressed her appreciation to the council for the way the matter was dealt with.

3 Local Government Ombudsman complaints received

- 3.1 The Ombudsman made additional enquiries in connection with two complaints which remain outstanding during this period but no new complaints were referred to us.

4 Local Government Ombudsman complaints decided

- 4.1 6 complaints were closed during this time period, and no findings were made against us.
- 4.2 In one complaint, it was alleged that the Council had made mistakes and delayed considering applications for council tax and housing benefit and had not followed correct procedure.
- 4.3 The Ombudsman concluded that the Council had been clear about the documents and information we needed to see and had followed correct procedure before issuing a liability order.
- 4.4 The Ombudsman also found that the Council could have done more during the period between July 2010 and April 2011 to confirm to the applicant whether we need more information or why the claim could not be pursued. However, in the absence of any evidence that the complainant was trying to get the matter resolved during this time, the ombudsman did not conclude that any injustice had been caused.

- 4.5 In a planning complaint, the complainant alleged that the Council had wrongly decided that a dormer extension in the property next door did not need planning permission (under Permitted Development rules).
- 4.6 The Ombudsman did not find reason to criticise the Council's reasoning and decision and did not pursue the matter further.
- 4.7 One complaint was closed after being active for more than a year. The complainant alleged fault in the Housing Needs process and the Ombudsman was initially minded to criticise our handling of this homelessness case. However, after lengthy consideration, the view was reached that the Council's efforts to prevent the applicant's homelessness, rather than placing her in emergency temporary accommodation, could not be criticised.
- 4.8 The Assistant Ombudsman did query whether the Council's policy of taking homelessness applications only when other avenues have been exhausted, could lead to further complaints in the future, but concluded that the complainant had not suffered any personal injustice as a result of this policy.
- 3.9 The Head of Housing is conducting a review of this, and other homelessness issues, and will report findings to Cabinet.

5 Ombudsman – other matters

- 5.1 4 complaints were referred back to the Council by the Ombudsman as premature (not yet been through the Council's own complaints procedure)
- 5.2 1 planning complaint was dismissed as having been adequately addressed by the Council's own complaints procedure although in doing so, the Ombudsman queried whether the "Advice to Objectors" information could be made more widely available. It was suggested that the Council considered enclosing copies of the guidance (or a summary version) with the neighbour consultation letter and also consider whether the guidance is sufficiently visible on our website.
- 5.3 The Planning Practice Manager is looking into these matters.

6 Other matters

- 6.1 A new information sheet (attached) has been produced to make it clearer to the public how they can make a complaint to us. This will be displayed in public areas.
- 6.2 Changes are currently being made to update the complaints/compliment and feedback facility online to enable people to more easily feedback to us and to do so anonymously where appropriate.
- 6.3 The online information about formal complaints is going to be simplified and a new online comment form set up. These changes will take effect from end November 2012.

Legal Implications

There are no legal implications unless a complaint is upheld resulting in formal legal action.

Financial Implications

There are no financial implications unless a complaint is upheld and compensation has to be paid.

Kate Symington
Information and Complaints Officer

22 June 2012

By email

Mr M Williams
Chief Executive
East Devon District Council

Dear Mr Williams

Annual Review Letter

I am writing with our annual summary of statistics on the complaints made to me about your authority for the year ended 31 March 2012. I hope the information set out in the enclosed tables will be useful to you.

The statistics include the number of enquiries and complaints received by our Advice Team, the number forwarded by the Advice Team to my office, and decisions made on complaints about your authority. The decision descriptions have been changed to more closely follow the wording in our legislation and to give greater precision. Our guidance on statistics provides further explanation ([see our website](#)).

The statistics also show the time taken by your authority to respond to written enquiries.

I am pleased to say that I have no concerns about your authority's response times and there are no issues arising from the complaints that I want to bring to your attention.

Changes to our role

I am also pleased to have this opportunity to update you on changes to our role. Since April 2010 we have been exercising jurisdiction over the internal management of schools on a pilot basis in 14 local authority areas. This was repealed in the Education Act 2011 and the power restored to the Secretary of State for Education. During the short period of the pilot we believe we have had a positive impact on the way in which schools handle complaints. This was endorsed by independent research commissioned by the Department for Education which is available [on their website](#).

Our jurisdiction will end in July 2012 and all complaints about internal school matters will be completed by 31 January 2013.

From April 2013, as a result of the Localism Act 2011, local authority tenants will take complaints about their landlord to the Independent Housing Ombudsman (IHO). We are working with the IHO to ensure a smooth transition that will include information for local authority officers and members.

Supporting good local public administration

We launched a new series of Focus reports during 2011/12 to develop our role in supporting good local public administration and service improvement. They draw on the learning arising from our

casework in specific service areas. Subjects have included school admissions, children out of school, homelessness and use of bankruptcy powers. The reports describe good practice and highlight what can go wrong and the injustice caused. They also make recommendations on priority areas for improvement.

We were pleased that a survey of local government revenue officers provided positive feedback on the bankruptcy focus report. Some 85% said they found it useful.

In July 2011, we also published a report with the Centre for Public Scrutiny about how complaints can feed into local authority scrutiny and business planning arrangements.

We support local complaint resolution as the most speedy route to remedy. Our training programme on effective complaint handling is an important part of our work in this area. In 2011/12 we delivered 76 courses to councils, reaching 1,230 individual learners.

We have developed our course evaluation to measure the impact of our training more effectively. It has shown that 87% of learners gained new skills and knowledge to help them improve complaint-handling practice, 83% made changes to complaint-handling practice after training, and 73% said the improvements they made resulted in greater efficiency.

Further details of publications and training opportunities are on [our website](#).

Publishing decisions

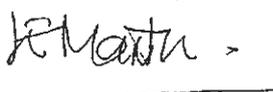
Following consultation with councils, we are planning to launch an open publication scheme during the next year where we will be publishing on our website the final decision statements on all complaints. Making more information publicly available will increase our openness and transparency, and enhance our accountability.

Our aim is to provide a comprehensive picture of complaint decisions and reasons for councils and the public. This will help inform citizens about local services and create a new source of information on maladministration, service failure and injustice.

We will publish a copy of this annual review with those of all other English local authorities on our website on 12 July 2012. This will be the same day as publication of our Annual Report 2011/12 where you will find further information about our work.

We always welcome feedback from councils and would be pleased to receive your views. If it would be helpful, I should be pleased to arrange a meeting for myself or a senior manager to discuss our work in more detail.

Yours sincerely



Dr Jane Martin
Local Government Ombudsman

Local authority report - East Devon DC

LGO advice team

for the period - 01/04/2011 to 31/03/2012

Enquiries and complaints received	Benefits & Tax	Environmental Services & Public Protection & Regulation	Highways & Transport	Housing	Planning & Development	Total
Advice given	0	1	0	1	1	3
Prerequisite complaints	2	3	0	5	2	12
Forwarded to Investigative team (resubmitted)	1	1	0	1	6	9
Forwarded to Investigative team (new)	0	2	1	1	10	14
Total	3	7	1	8	19	38

Investigative team - Decisions

	Not investigated		Investigated			Report	Total
	No power to investigate	No reason to use exceptional power to investigate	Investigation not justified & Other	Not enough evidence of fault	No or minor injustice & Other		
1	1	1	1	7	6	0	18

Response times to first enquiries	No of first enquiries	Avg no of days to respond
	13	25.9

Agenda Item 20

Cabinet

31 October 2012

12/1203



Manstone Workshops, Sidmouth

Summary

An area to the South of the entry road is currently used as an unofficial parking area by existing tenants at Manstone Workshops. It is proposed that this area be used to increase the Council's workspace provision in Sidmouth with the construction of two new workshop units.

The estimated cost for construction is £110,000. This includes the cost of obtaining planning consent and tendering for a building contract. The additional gross revenue expectation is £9,800 per annum.

Recommendation

To provide delegated authority to the Principal Estates Surveyor, in consultation with the Portfolio Holders for Economy and Finance, to oversee the implementation of a project to construct two new workshops

a) Reasons for Recommendation

The reasons for reaching the recommendation are set out in the main body of the report

b) Alternative Options

If the Council chooses to do nothing it will continue to maintain an unofficial parking area with no income

c) Risk Considerations

The main risk consideration is around ensuring that the new workshops are attractive to local businesses wanting to rent workshop space and thereby provide the rental income to warrant the Council's investment. The Economic & Estates Team are confident that the market remains buoyant for small workshops and that the Council's industrial portfolio is still enjoying over 95% occupancy levels.

d) Policy and Budgetary Considerations

This proposal meets with the Council's aspirations to support Economic growth and development in the District, and in particular, support to small and medium size businesses.

The investment also helps to sustain the revenue contribution the Council's non-housing property portfolio makes to the general fund.

e) Date for Review of Decision

This project should be reviewed by the Portfolio Holders for Economy and Finance throughout the lifetime of the project, along with the members of the Asset Management Forum. Particular milestones will include the point at which a planning permission is secured and subsequently, construction costs are known.

1 Background

- 1.1 As part of the Council's commitment under its Property Asset Management Plan, a review was undertaken of its tenanted property, including its industrial workshops. An appraisal of the site during this review identified the possibility to construct two new workshop units on an area currently used within the site as unofficial car parking.

2.0 Site

- 2.1 The subject site is approximately 278 sq metres in size and located within the curtilage of the existing Manstone Workshops industrial site in Sidmouth.

- 2.2 Currently the area is grassed over and used as unofficial parking by some of the tenants at Manstone Workshops.



3.0 The Opportunity

- 3.1 It is considered that two additional workshops units of circa 70 sq m each (750 sq ft) could be constructed while still leaving sufficient parking spaces for existing users.
- 3.2 The Estates Department have carried out a valuation of the site in order to assess the potential increase in revenue together with the likely cost of completing the development.
- 3.3 Small industrial/workshops are an existing part of the Council's portfolio that let well and provide valued premises at reasonable rents for local businesses. With almost 100% occupancy levels, demand is high for this type of unit and would provide Sidmouth with continued economic growth together with a low risk future income for the Council.

4.0 Financial Implications

- 4.1 **Increased rental income** – The existing workshop units at Manstone are popular and are currently fully let. The rental levels for these premises are good with rents equivalent to around £6.50 per sq ft being achieved. It is anticipated that the proposed units would achieve a rent of a similar level and on this basis, that the increased rental income would be £4,900 per unit per annum (or £9,800 per annum overall).

- 4.2 Development Costs** – The cost of delivering this scheme has been assessed at £110,000 and this includes planning, professional fees and contingencies together with construction cost and external works. Given the size of the scheme, it is anticipated that savings on costs will be made by using in-house staff to carry out the design work and manage the construction contract.
- 4.3 Overall Project Finance** – We have considered the cost of managing the proposed units together with associated costs such as repairs and possible rental voids and have adjusted the rental income making a 10% allowance. This leaves a net income of £8,820 per annum which represents a return of 8.18% on the costs outlined above.
- 4.4 A copy of the appraisal is attached.
- 4.5 In addition, the cost of borrowing finance should be considered. A Public Works Loan Board would cost, for example, £11,569 per annum over a 10 year loan period for £110,000 (£121,472 total cost).

Legal Implications

It is advised that the leases in favour of the existing tenants on this Industrial Estate are checked to establish whether or not they have been granted rights over the land in question.

Financial Implications

As the attached cost analysis (appendix 2) shows it is year 15 before the cash flow position is beneficial to the Council (if funded by capital reserves it would be a year earlier). However, from then on the annual revenue position will be £8,820 better off (assuming no additional maintenance costs due to aging). It should be noted that loan rates change daily.

Consultation on Reports to the Executive

The recommendations of this report are supported by the Asset Management Forum.

Appendices

- Appendix 1 – Development Appraisal
- Appendix 2 – Cost Analysis

Donna Best Ext 1584
Principal Estates Surveyor

Cabinet
31 October 2012

Manstone Workshops					
Financial Viability					
	Units	Sq Metre	£per sq M	£ per unit	Total
New units with 1 parking space	2	70	70	£9,800	
		YP @ 8.5%	11.76%	£9,800	£115,294
Gross Development Market Value					£115,294
Less marketing and agents fees		1.50%		£1,729	
Less solicitors fees		1.00%		£1,153	
Net Development Market Value					£112,412
CONSTRUCTION COSTS	£ per sq M	sq Metre			
Single storey	£600	140			£84,000
Planning Fees					£335
External Works					£10,000
Contingency				10%	£9,400
Construction Costs					£103,735
Fees*		4%			£4,149
s106 / Estimate					£0
Finance Costs**					£0
Sub Total					£4,149
Total Construction Costs					£107,884
				say	£110,000
Project return					£4,527
Annual income less costs @ 10%					£8,820
Return on Investment					8.18%

* Shown lower than usual as will be primarily be undertaken in-house (agents, architects, legals)

**PWLB for £111,000 @ 1.84% = annual repayment of £11,673.9 per annum over 10 years (£122,576 total repayment)

APPENDIX 2

Cost and Income Analysis

Current Cost & Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
<u>Funding</u>															
<u>Capital</u>															
<u>Revenue</u>															
Total Current Cost/(Income)	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

Proposed Cost & Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
<u>Funding</u>															
PWLB Loan	(£110,000)														
Principal loan repayments		£10,476	£10,476	£10,476	£10,476	£10,476	£10,476	£10,476	£10,476	£10,476	£10,476	£5,238			
<u>Capital</u>															
Build cost	£110,000														
<u>Revenue</u>															
Rental Income		(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)	(£9,800)
Maintenance/Voids @ 10%		£980	£980	£980	£980	£980	£980	£980	£980	£980	£980	£980	£980	£980	£980
Interest loan repayments		£1,093	£1,093	£1,093	£1,093	£1,093	£1,093	£1,093	£1,093	£1,093	£1,093	£546			
Total Proposed Cost/(Income)	£0	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	(£3,036)	(£8,820)	(£8,820)	(£8,820)

NB: Timings have been simplified.

<u>Cashflow Position:</u>																
Additional cost or lost Income/(saving or increased income)	£0	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	£2,749	(£3,036)	(£8,820)	(£8,820)	(£8,820)
Cumulative Cost/(Saving)	£0	£2,749	£5,498	£8,247	£10,996	£13,745	£16,494	£19,243	£21,992	£24,741	£27,490	£24,455	£15,635	£6,815	(£2,006)	

Agenda Item 21

Cabinet

31 October 2012

Performance Report September 2012

Monthly Performance Report September 2012



Summary

Performance information for the 2012/13 financial year for September 2012 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 2012/13 financial year for September 2012.

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. In summary all measures are showing satisfactory performance.

1. A monthly Performance Snapshot is attached for information in Appendix A.
2. A full report showing more detail for all the performance indicators mentioned above appears in Appendix B.
3. Rolling reports/charts for Housing, StreetScene and Revenues and Benefits appear in Appendix C.
4. 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 September 2012](#)
- [Appendix B - The Performance Indicator monitoring report for the 2012/13 financial year for September 2012.](#)
- [Appendix C – System Thinking Reports for Streetscene, Housing and Revenues and Benefits](#)
- [Appendix D - Explanations and definitions.](#)

Mark Williams
Chief Executive

Cabinet
31 October 2012

Exclusion of the Public

The Vice-Chairman of the Committee 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(s) 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).”