

## **EAST DEVON DISTRICT COUNCIL**

### **Minutes of a Meeting of the Overview Committee held at Knowle, Sidmouth on 7 November 2017**

#### **Attendance list at end of document**

The meeting started at 6.00pm and ended at 8.26pm.

#### **\*14 Public speaking**

There were no public speakers at the meeting.

#### **\*15 Minute confirmation**

The minutes of the Overview Committee held on the 5 October 2017, were confirmed as a true record.

#### **\*16 Financial Plan**

The Strategic Lead Finance outlined to the committee the current Financial Plan in place, recently agreed by Council on 25 October 2015.

He highlighted the continuing need to address projected gaps in funding in the medium to long term. The purpose of the plan was to help mitigate the funding gap in the General Fund position, linking with the Transformation Strategy to provide saving opportunities as well as exploring income generation.

Funding gaps in the medium term were expected because of factors such as

- the implementation of the new Homeless Act;
- the end of the four year settlement in determining council's grant funding;
- rebasing of business rate income distribution.

The Council had already shown a willingness to migrate to a more commercial approach, but more needed to be done to reach a stage of being self-financing as a council. There was some funding available from the Transformation Fund and the NHB Volatility Fund, which could be used to fund recruitment, or training existing staff to the skills required, for commercial projects.

Debate from the committee included:

- Linking closely with the Asset Management Forum in delivering on existing asset projects. There had already been some successes, including with the changes to beach hut fees, that had brought in substantial income;
- How income levels were predicted in the medium to long term – the Strategic Lead Finance explained his rationale behind the elements of income, such as the predicted NHB from properties added to the Council Tax register; assumptions on the tax base of an increase of 500 Band D properties per year;
- Devon had applied to be part of a business rates pilot scheme, which, if successful, could net the Council an additional £1m in 2018/19;
- The impact of the Grenfell disaster on authorities across the country.

**RESOLVED** that the report on the Financial Plan and Transformation Strategy be noted.

#### **17 Scoping report – income generation and savings**

The Democratic Services Officer outlined the scope of work for the committee in reviewing practices elsewhere for generating income and savings. A number of other authorities had already undertaken steps to generate income that offset the reducing government funding.

The report sought agreement from the committee to pursue a review of such examples from other authorities, with a view to recommending further research by the Budget Working Group to bring a concept to a business case stage.

Debate from the committee included:

- Exploring new ideas, such as providing charging points for electronic cars;
- Work closely with neighbouring authorities, to use the benefit of seeking funding from a combined approach, rather than as separate authorities;
- Look at what the authority already does well, and see if there is room to expand the service to other authorities or private customers;
- Look at what assets are already in the District that can expand, such as Exeter Airport;
- Build more business units;
- Take advantage of low cost borrowing;
- Be ambitious to deliver the level of funding required for future years.

**RESOLVED** that the committee undertake a review of income generation and transformation savings based on successful case examples from other authorities.

**RECOMMENDED to Cabinet** that the Overview Committee report its findings on income generation and transformation savings to the Budget Working Party for further consideration and development.

#### **\*18 People Strategy Action Plan review**

The Strategic Lead Organisational Development and Transformation presented the work undertaken in delivering the Council's People Strategy.

She highlighted recent work undertaken in preparing staff for transfer to Exmouth Town Hall and to Blackdown House, Honiton. This included the development and introduction of the WorkSmart Strategy, which looked at service delivery intelligently to enable working to take place at the most appropriate location, whilst meeting the needs of the customer. Particular care is being taken prior to, and after relocation, to help ensure a smooth transition, and help retain staff and prevent an increase in staff turnover.

A recent SWAP report gave the opinion that there was substantial assurance in the People Strategy, with internal controls in place, operating effectively at all times, and risks against achievement of the objectives were well managed.

Debate from the committee included:

- Succession planning was included in the Strategy. Staff that scored highly in performance excellence reviews would be considered in light of opportunities to develop them further, where available, and performance management was undertaken where required;
- Care had been taken in designing the open plan of offices to provide spaces that reflect the work activities being carried out. This included quiet spaces for work, break out areas for team work, and meeting spaces;
- Comparison on productivity of staff could be made before and after the relocation in studying the results of the staff survey. This is regularly undertaken and will continue to be used; monitoring of staff sickness could also be used as an indicator of any impact on performance after relocation;

- Digital platform technology had changed in recent years, so a change to a new platform for a single view of the customer was planned to take place in a couple of years;
- The committee were reminded of the rationale behind calculating the office space required for the relocation.

**RESOLVED** that the review of the People Strategy Action Plan be noted, and the service be congratulated on the outcome of the recent SWAP Audit report on the People Strategy 2017/18.

## **19 Heart of the South West Productivity Strategy Consultation**

The committee were asked to provide their comments to inform a co-ordinated response to the consultation, which runs until the 30 November 2017.

In March 2014, the LEP published the area's Strategic Economic Plan, aiming to maximise economic growth across the area. Government is now focussed on productivity and is developing a national Industrial Strategy. The HotSW Productivity Strategy sets out how the South West area can help close the productivity gap and will inform the UK Industrial Strategy.

The draft strategy set out the ambition to double the size of the economy of the South West by 2036, through developing:

- the leadership and knowledge within businesses
- the ability of people in the area to work and learn in a rapidly changing global economy
- strengthening the connectivity and infrastructure that businesses rely on to get goods to market and exploit new opportunities.

The committee debate centred around four questions in the consultation:

- Does the Strategy set an appropriate balance between an ambitious yet realistic vision;
- How effective do you feel this Strategy is in highlighting the kinds of productivity challenges we face in East Devon;
- Are the strategic objectives the right ones to guide the detailed work in the coming years; and
- Are the themes the right area of focus?

Comments on the draft strategy included:

- The Heart of the South West Local Enterprise Partnership was driving the strategy. We need to develop a high level Productivity Strategy and then from that a more detailed Delivery Plan. This will help inform a framework for a combined authority that may arise from the devolution process;
- Marketing of the area needed to be targeted at the younger, vibrant working community;
- Care on avoiding displacement, whereby attracting high skilled workers to move to area rather than training up local people to fill those jobs;
- Wanting to retain an ambitious target on increasing productivity, but not sure that the target of doubling productivity by 2036 was realistic;
- Need for more business space and infrastructure to facilitate growth;
- Needs much more widespread feedback from the small and medium enterprises on how they feel they can realistically double productivity in that timescale;

- Need to increase in productivity for research and development sector, which leads to the increase of productivity in other sectors;
- Include mechanisms for improving financing – to help SMEs source funding and manage expansion;
- The Strategy did not demonstrate the same degree of local economic intelligence as the ‘All Businesses’ report Lynsey had developed and previously presented;
- Criticality of Broadband to businesses across our area. Improved productivity and fit-for-purpose Broadband are inextricably linked.
- Correct the EHOD functional economic zone set out in the draft strategy.

**RECOMMENDED that Cabinet** be invited to review and contribute to a joint response from the four Exeter and Heart of Devon authorities comprising our functioning economic market area

**RESOLVED** to note that Members can provide individual comment direct on the consultation through the online questionnaire, and/or email any additional comments to the Economic Development Manager by the 17 November 2017 to inform a co-ordinated response.

**\*20 Overview committee forward plan**

The forward plan was noted.

**Attendance list**

**Councillors Present:**

Graham Godbeer (Chairman)  
Peter Faithfull  
Rob Longhurst  
Mike Allen  
John Humphreys  
Christopher Pepper  
Jim Knight

**Councillors Also Present:**

Jill Elson  
Paul Diviani  
David Barratt  
John Dyson  
Tom Wright  
Geoff Jung

**Officers**

Simon Davey, Strategic Lead Finance  
Karen Jenkins, Strategic Lead Organisational Development and Transformation  
Rob Murray, Economic Development Officer  
Rebecca Heal, Solicitor  
Lynsey Lawrence, Economy Project Officer  
Debbie Meakin, Democratic Services Officer

**Councillor Apologies:**

Ian Hall                      Ian Thomas                      Matt Booth                      Mark Evans Martin

Chairman ..... Date.....