

**Agenda for consultative meeting of the Cabinet
Wednesday, 8th September, 2021, 6.00 pm**



Members of Cabinet

Councillors M Armstrong, P Arnott (Chair), P Hayward (Vice-Chair), G Jung, D Ledger, M Rixson, J Rowland, J Loudoun, S Jackson and N Hookway

East Devon District Council
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Venue: Online via the Zoom app.

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(or group number 01395 517546)

Tuesday, 31 August 2021

Important - this meeting will be conducted online and recorded by Zoom only. Please do not attend Blackdown House. Members are asked to follow the [Protocol for Remote Meetings](#)

This meeting is being recorded by EDDC for subsequent publication on the Council's website and will be streamed live to the Council's Youtube Channel at <https://www.youtube.com/channel/UCmNHQruge3LVl4hcgRnbwBw>

Public speakers are now required to register to speak – for more information please use the following link: <https://eastdevon.gov.uk/council-and-democracy/have-your-say-at-meetings/all-other-public-meetings/#article-content>

Between 27th July 2021 to 17th January 2022, the Council has delegated much of the decision making to officers. Any officer decisions arising from recommendations from a consultative meeting can be found here – [Senior Officer Decision notices - East Devon](#).

1 Public speaking

Information on [public speaking is available online](#)

2 Minutes of the previous meeting (Pages 3 - 7)

3 Apologies

4 Declarations of interest

Guidance is available online to Councillors and co-opted members on making [declarations of interest](#)

5 Matters of urgency

Information on [matters of urgency](#) is available online

- 6 Confidential/exempt item(s)
- 7 Forward Plan (Pages 8 - 9)
- 8 Minutes of Strata Joint Scrutiny Committee held on 12 July 2021 (Pages 10 - 13)
- 9 Minutes of Recycling and Waste Partnership Board held on 14 July 2021 (Pages 14 - 22)
- 10 Minutes of Community Grant Panel held on 22 July 2021 (Pages 23 - 25)
- 11 Minutes of Asset Management Forum held on 27 July 2021 (Pages 26 - 30)
- 12 Minutes of Scrutiny Committee held on 29 July 2021 (Pages 31 - 35)

Matters for Decision

- 13 **Financial Monitoring Report 2021/22 - Month 4 July 2021** (Pages 36 - 44)

This report gives a summary of the Council's overall financial position for 2021/22 at the end of month four (31 July 2021).

- 14 **Home Safeguard: Contract with PPP (Night Owl)** (Pages 45 - 48)

To gain approval for the temporary outsourcing of Home Safeguard's emergency pendant alarm and out of hours service between the hours of 22:15 – 07:15

- 15 **Beer Community Land Trust Refinancing of Development Loan** (Pages 49 - 51)

A request has been received from Beer Community Land Trust (CLT) asking the Council to refinance two elements of previously approved development loans.

- 16 **Innovation and Resilience Fund - Policy and Terms of Reference** (Pages 52 - 71)

This report sets out the proposed Policy for the deployment of the Innovation and Resilience Fund (formerly known as the AIR Fund) Policy and associated Terms of Reference for the decision making Panel.

- 17 **Housing Options team staffing requirement** (Pages 72 - 75)

[Decision making and equalities](#)

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

EAST DEVON DISTRICT COUNCIL

Minutes of the consultative meeting of Cabinet held at Online via Zoom on 28 July 2021

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.29 pm

44 **Public speaking**

There were no members of the public registered to speak.

45 **Minutes of the previous meeting**

The minutes of Cabinet held on 14 July 2021 were recommended for approval as a true record.

46 **Declarations of interest**

Min 49. Cranbrook New Community: 10 years in.
Councillor Dan Ledger, Personal, Member of Cranbrook Strategic Delivery Board.

Min 49. Cranbrook New Community: 10 years in.
Councillor Paul Hayward, Personal, Has close family members living in Cranbrook.

Min 50. Cranbrook Town Centre.
Councillor Dan Ledger, Personal, Member of Cranbrook Strategic Delivery Board.

Min 50. Cranbrook Town Centre.
Councillor Paul Hayward, Personal, Has close family members living in Cranbrook.

Min 51. Cranbrook Local Infrastructure Fund.
Councillor Dan Ledger, Personal, Member of Cranbrook Strategic Delivery Board.

Min 51. Cranbrook Local Infrastructure Fund.
Councillor Paul Hayward, Personal, Has close family members living in Cranbrook.

Min 52. Appointment of Financial Advisor to support the delivery of Zero Carbon Development in the West End.
Councillor Dan Ledger, Personal, Member of Cranbrook Strategic Delivery Board.

Min 52. Appointment of Financial Advisor to support the delivery of Zero Carbon Development in the West End.
Councillor Paul Hayward, Personal, Has close family members living in Cranbrook.

Min 53. Cranbrook Town Centre Land Acquisition.
Councillor Dan Ledger, Personal, Member of Cranbrook Strategic Delivery Board.

Min 53. Cranbrook Town Centre Land Acquisition.
Councillor Paul Hayward, Personal, Has close family members living in Cranbrook.

47 **Matters of urgency**

None

48 Confidential/exempt item(s)

None

49 Cranbrook New Community: 10 years in

The Service Lead Growth, Development & Prosperity highlighted that it was just over 10 years since development of the Cranbrook new community commenced. Originally planned to have a population of around 7,000 people, Cranbrook was now expected to expand to circa 8,000 homes and a population nearing 20,000 people. The report took stock of how the development of the town had progressed over the past decade including identifying key learning points. Recommendations were put forward as to how additional revenue could be generated to support the delivery of assets and services in the town going forward.

Discussions included the following:

- Residents of Cranbrook had also made a financial investment into the town
- The need to understand past decisions and look forward to the future of the town
- It was right to focus on Cranbrook in order to support its residents to deliver their town

Having received the report and noted the contents, members were accepting of endorsing the principle of adopting an asset endowment / profit share approach to generate additional revenue for the town to support the delivery of assets and services on an ongoing basis and noted that other reports would address the matter further. In light of this members did not feel it necessary to make any specific recommendations.

50 Cranbrook Town Centre

The Enterprise Zone Programme Manager provided an overview of the progress made to support the delivery of Cranbrook town centre, funded by the Enterprise Zone programme. She provided information on the progress being made on the acquisition of land within the town centre and delivery of modular space.

Having received the report and noted the contents, members were accepting of endorsing the principles of supporting delivery of modular space through capital investment through the EZ programme and developing a proposal for a Health, Wellbeing and Leisure Hub. Members noted that other reports would address the matter further and therefore did not feel it necessary to make any specific recommendations.

51 Cranbrook Local Infrastructure Fund

The Service Leads Growth, Development & Prosperity and Planning Strategy and Development Management put forward a proposal for the establishment of a revolving infrastructure fund to support the delivery of critical infrastructure in step with new homes as an essential part of the continued expansion of the Cranbrook new community. They highlighted how an equivalent mechanism had been used successfully in the past to enable infrastructure, such as new schools, to be brought forward and delivered at the earliest opportunity. The proposals would both benefit residents and help to address ongoing viability challenges in relation to the expansion areas for Cranbrook.

Discussions included the following:

- Developing infrastructure was very important to get right
- Cranbrook needed this development as well as a viable and reliable electricity supply
- The electricity supply was fundamental and needed to be prioritised to be the first piece of infrastructure to develop
- Cranbrook's function was to provide new homes in the district
- The successful GP's surgery was almost at full capacity with plans for an extension in order to accommodate new patients. The Health and Wellbeing centre was crucial to support this
- This was a means to an end to get things underway. There was no central government funding so we had no other options. There was good strong security to back the investment

The Portfolio Holder Finance stated he welcomed this proposal as a way forward and gave reassurance that the loan was well within the borrowing limits of the council and an investment into the future as well as being the only solution available.

Having received the report and noted the contents together with the fact a further report would detail the Terms of Reference for the Fund, Cabinet;

RECOMMENDED:

to Council that there is an in principle agreement to borrow up to £40m from the Public Works Loan Board to capitalise the Cranbrook Local Infrastructure Fund.

REASON:

To ensure the cost effective and timely delivery of critical infrastructure to support the continued development of the Cranbrook new community.

52 **Appointment of Financial Advisor to support the delivery of Zero Carbon Development in the West End**

The Enterprise Zone Programme Manager asked for support to the delivery of Zero Carbon Development in the West End as it was necessary to procure the support of financial support. The project was a short time frame to develop a business case and met the deadlines of the funding organisation. It was recommended that Global City Future are appointed as Financial Advisors to undertake the development of a business case and support negotiations for this project. It was requested that this appointment is made as an exemption to Standing Orders.

RECOMMENDED:

that the request for Exemption to Standing Orders in respect of the appointment of Global City Futures as Financial Advisors to provide EDDC with advice on the emerging Zero Carbon Development scheme, subject to Council resolving to accept the grant in relation to the Heat Network Investment programme, be approved.

REASON:

To provide Financial Advice to the Council, due to the Council not having the in-house expertise or capacity necessary to undertake the business case and negotiation support for the project.

53 **Cranbrook Town Centre Land Acquisition**

The report provided information on the progress being made on the acquisition of land within the town centre to be funded through the Enterprise Zone programme. It highlighted the challenges associated with negotiating an acceptable price and put forward recommendations as how to proceed.

Councillor Kim Bloxham thanked officers for their well-informed reports which had helped to highlight the urgency and importance for investment into the infrastructure at Cranbrook.

Having received the report and noted the contents together with the fact a further report would be brought on the detailed investment programme, members endorsed the principle of acquiring land in Cranbrook town centre through capital investment through the EZ programme. Members also agreed with officers commissioning further specialist advice in relation to compulsory purchase. In light of this members did not feel it necessary to make any specific recommendations.

Attendance List

Present:

Portfolio Holders

P Arnott	Leader
P Hayward	Deputy Leader and Portfolio Holder Economy and Assets
G Jung	Portfolio Holder Coast, Country and Environment
D Ledger	Portfolio Holder Strategic Planning
M Rixson	Portfolio Holder Climate Action and Emergency Response
J Rowland	Portfolio Holder Finance
J Loudoun	Portfolio Holder Council and Corporate Co-ordination
S Jackson	Portfolio Holder Democracy, Transparency and Communications
N Hookway	Portfolio Holder Tourism, Sport, Leisure and Culture

Cabinet apologies:

M Armstrong	Portfolio Holder Sustainable Homes and Communities
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Also present (for some or all the meeting)

Councillor Jess Bailey
 Councillor Kevin Blakey
 Councillor Kim Bloxham
 Councillor Jake Bonetta
 Councillor Colin Brown
 Councillor Olly Davey
 Councillor Bruce De Saram
 Councillor Steve Gazzard
 Councillor Val Ranger
 Councillor Eileen Wragg

Also present:

Officers:

Amanda Coombes, Democratic Services Officer

Ed Freeman, Service Lead Planning Strategy and Development Management
John Golding, Strategic Lead Housing, Health and Environment
Henry Gordon Lennox, Strategic Lead Governance and Licensing (and Monitoring Officer)
Naomi Harnett, Principal Projects Manager East Of Exeter
Debbie Meakin, Democratic Services Officer
John Symes, Finance Manager
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)
Mark Williams, Chief Executive
Andrew Wood, Service Lead - Growth Development and Prosperity

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Forward Plan of Key Decisions - For the 4 month period: 1 October 2021 to 31 January 2022

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 9Q of the Local Government Act 2000, 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.

A public notice period of 28 clear days is required when a Key Decision is to be taken by the Council's Cabinet even if the meeting is wholly or partly to be in private.

The Cabinet may only take Key Decisions in accordance with the requirements of the Executive Procedure Rules set out in Part 4 of the Constitution and the Local Authorities (Executive Arrangements) (Meetings and Access to information) (England) Regulations 2012. 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, Blackdown House, Border Road, Heathpark Industrial Estate, Honiton. The law and the Council's constitution permit urgent Key Decisions to be made without 28 clear days' notice of the proposed decisions having been published provided certain procedures are followed. A decision notice will be published for these in exactly the same way.

This plan also identifies Key Decisions which are to be considered in the private part of the meeting (Part B) and the reason why. Any written representations that a particular decision should be moved to the public part of the meeting (Part A) should be sent to the Democratic Services Team (address as above) as soon as possible. **Members of the public have the opportunity to speak on the relevant decision at the meeting in accordance with the Council's public speaking rules.**

Obtaining documents

Committee reports in respect of Key Decisions include links to the relevant background documents. If a printed copy of all or part of any report or background document is required please contact Democratic Services (address as above) or by calling 01395 517546.

Key Decision	Portfolio (Lead Officer)	Documents to be considered before Cabinet take decision	Whether other documents will be considered before decision taken [Y/N]	Other meetings where matter is to be debated / considered	Date of Cabinet meeting	Part A = Public meeting Part B = private meeting [with reasons]
Play Strategy	Coast, Country and Environment (Andrew Hancock)		Y		October 2021	Part A
Toilet Review	Coast, Country and Environment (Andrew Hancock)		Y		November 2021	Part A

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 Leader of the Council c/o Democratic Services (as above).

September 2021

STRATA - JOINT SCRUTINY COMMITTEE

MONDAY, 12 JULY 2021

Present:

Councillors Twiss, Atkinson, Clarence and Nuttall

Members Attendance:

Councillors

Apologies:

Councillors King, Hookway, Denning, Sparkes and J Petherick

Officers in Attendance:

Laurence Whitlock, Strata IT Director
Paul Nicholls, Company Director for STRATA
Simon Davey, Strata Board Director
Robin Barlow, Head of Security & Compliance
Peter Johns, Head of IT Solutions Delivery
Martin Millmow, Head of Document Centres
Adrian Smith, Head of Infrastructure & Support
Trish Corns, Democratic Services Officer
Christopher Morgan, Trainee Democratic Services Officer

9. ELECTION OF CHAIR 2021/2022

In accordance with the existing annual rotation for the position of Chair, Councillor Nuttall proposed that Councillor Clarence representing Teignbridge District Council be elected Chair for the 2021/22 Municipal Year. This was seconded by Councillor Twiss and

RESOLVED

Councillor Clarence be elected Chair for the 2021/22 Municipal Year.

10. MINUTES

The minutes of the meeting held on 11 January were approved as a correct record and signed by the Chair, with the amendment of *Chair* being added to the sign off at the end of the minutes.

11. DECLARATIONS OF INTEREST

None.

12. QUESTIONS FROM THE PUBLIC UNDER PROCEDURAL RULES

None.

13. QUESTION FROM MEMBERS OF THE COUNCILS UNDER PROCEDURE RULES

None.

14. STRATA PERFORMANCE REPORT

The Strata IT Director referred to the report circulated with the agenda which updated Members on the performance of Strata since January 2021.

Whilst dealing with the increased demand in the service due to Covid and agile working and the recent return to the Council Chambers for meetings, success had included: the migration to Windows 10 and work commencing on optimising Global Desktop. Improvements would include a reduction in screen pixilation for Zoom and Teams, password synchronization, which will enable Councillors to manage their own passwords; commencement of the rollout of O365; greater levels of collaboration and document management; near completion of the replacement of Windows 2008 servers enabling Strata to gain PSN accreditation for a further 12 month period; the continued support for officers working from either the office or remotely as the lifting of Covid restrictions could see more staff working increased days at the offices; responding to new cyber challenges; the roll out of cyber awareness training to all staff; prioritising work demand for the three authorities to get back on track following prioritisation of Covid priorities; IT training services for both staff and Councillors which have been successful and widely used; support for hybrid Councillor meetings for all authorities; the Business Plan had been signed off by all three authorities; and the company had made savings of £1.051,425 for 2020/21 which was repaid to the Councils at the start of the financial year.

It was noted that there was minimal Strata staff sickness (at an average of 1.3 days per FTE) over a 12 month period which was possibly as a result of staff working remotely and not in close contact with colleagues. 500 hours of flexitime had been lost by Strata staff over the last six months which equates to free time to the three authorities.

It was noted that remote working had resulted in a significant decrease in printing across the three authorities, and a resulting decrease in costs which has a positive impact on the Climate Change agenda. However the increasing use of IT and remote working could have a negative impact on the Carbon footprint of the authorities. . Strata are currently working with Exeter University to finalise a Carbon Impact report covering the last three years.

RECOMMENDED - The report be noted.

15. STRATA FINANCE REPORT, BUDGET MONITORING AT MAY 2021

The East Devon District Council Strata Director presented the agenda report which detailed the financial position of the 2021/22 budget as at May 2021.

The Company had been given a total of £6.6 million to run the IT Services in 2021/22 along with funding for various capital projects. The Company also maintained an account for additional purchases throughout the year, which is invoiced to each Council based on actual purchases made.

Although savings of £310,000 were delivered, Strata asked for £210,000 to be used for specific service improvements. This was agreed by the three Councils and Strata reduced the payments for all Councils by £500,000 at the start of the year. In response to the challenges the Councils faced as a result of the restrictions imposed in response to Covid-19 Strata identified an additional £340,000 of one off savings on top of the £696,167. The outturn position was broadly in line with that projection.

RECOMMENDED - The report be noted.

16. STRATA FINANCE REPORT BUDGET MONITORING OUTTURN 2020/21

Consideration was given to the agenda report which advised on the financial position of Strata at the end of 2020-21 including the Statement of Accounts at Appendix B. These Statutory Accounts evidenced the true financial position of the Company and were affected by items not included in the management accounts such as the pension fund deficit and depreciation. The Accounts were approved by the Board on 28 May 2021.

The company made savings of £1,051,425 through efficiencies and cost saving initiatives, this did not however impact on the overall quality of the Strata service provision.

RECOMMENDED - The report be noted.

17. EAST DEVON DISTRICT COUNCIL AND EXETER CITY COUNCIL IT SURVEY FEEDBACK

Consideration was given to the agenda report which detailed the results of a Councillor survey undertaken during late March and early April 2021. Strata and the Democratic Services Teams from East Devon District Council and Exeter City Council undertook the survey of Councillors in relation to the current and future IT requirements. The outcomes of the survey would act to inform and guide a potential redesign of the IT solution that it delivered to Councillors to enable them to perform their important role in supporting the citizens of Devon.

The report present the findings of the survey which would enable a discussion to be entered into between Strata, the authorities and representative Councillors. It was hoped that 60% of Councillors would complete the survey and this was achieved.

The conclusions of the survey were:

1) There is no single solution that will address all of the identified needs of the Councillors who responded.

- 2) That having a single device/screen for Virtual Council meetings is very challenging.
- 3) That devices need to be refreshed (replaced after a period of time) to ensure they do not go end of life, and budgets need to be set by the Councils to support this.
- 4) EDDC and ECC are not maximising or realising the benefits of ModernGov and a refresher exercise is required for Councillors.
- 5) Security restrictions need reviewing to improve usability, especially around calendar appointments, email attachments and application installs.

RECOMMENDED

The report be noted and the finding be discussed with the Client Leads and Democratic Service Leads of the two authorities being East Devon District and Exeter City Councils, to identify potential solutions to the requirements.

The conclusions of the discussions be presented to the Councillor representatives for consideration.

18. COUNCILLOR IT USER GROUP DISCUSSION DOCUMENT

The Committee considered the agenda report which proposed the setting up of a Councillor IT User Group be setup to enable focussed discussions to be held into ongoing Councillor IT provision. The aim is to identify areas where improvements could be made, to identify Councillor IT training needs and to reflect on trends in the IT industry which may be relevant to the work of Local Government.

The proposed Terms of Reference and the attendee compilation was set out at report pages 4 and 6 respectively.

RECOMMENDED

The proposed Terms of Reference and the attendee compilation as set out in the agenda report be approved with the addition of the following:

1. The Group meet every 3 months in the first year.
2. A representative from all three Councils be present at all meetings, and the representatives be authorised to appoint a substitute if unable to attend.

CLLR C CLARANCE
Chairman

Recommendations for Cabinet that will resolve in an action being taken:

Recycling and Waste Partnership Board on 14 July 2021

Minute 7 SUEZ bridging solution regarding contract tipping point
RECOMMENDED by the Recycling and Waste Partnership Board:
<ol style="list-style-type: none"> 1. that Cabinet note that the Board had received the presentation regarding the bridging solution and had requested more detail in a written report. 2. that Cabinet note that a more detailed report on a bridging solution would be brought forward for its consideration in due course.
Minute 8 SUEZ report on current collection issues and action plan
RECOMMENDED by the Recycling and Waste Partnership Board:
<ol style="list-style-type: none"> 1. that Cabinet approve that SUEZ be requested to provide a written improvement and action plan to deal with current collection issues, including further material segregation trials, in discussion with crews and EDDC officers. 2. that Cabinet approve that members visit the Greendale depot site to observe the work that was undertaken there, with members also shadowing collection crews on their rounds.
Minute 10 Force majeure position and performance framework
RECOMMENDED by the Recycling and Waste Partnership Board:
that Cabinet approve the current force majeure position with SUEZ cease with the ending of coronavirus restrictions on 19 July 2021.

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Recycling and Waste Partnership Board held at Online via the Zoom app on 14 July 2021

Attendance list at end of document

The meeting started at 10.00 am and ended at 12.45 pm

1 Minutes of the previous meeting

The minutes of the Recycling and Waste Partnership Board meeting held on 28 April 2021 were confirmed as a true record.

2 Declarations of interest

Declarations of interest.

Councillor Denise Bickley, Personal, Chair of Sidmouth Plastic Warriors.

Declarations of interest.

Councillor Eleanor Rylance, Personal, Ward member for Broadclyst, which included Hill Barton Business Park.

Declarations of interest.

Councillor Geoff Jung, Personal, Ward member for Woodbury and Lypstone, which included Greendale.

3 Matters arising

There were no matters arising or questions submitted in advance of the meeting.

4 Devon County Council & Coastal Waste - green waste composting

The Recycling and Waste Contract Manager introduced Chris Chandler, Senior Waste Manager, Devon County Council and Lyn Chadwick, Compost Contract Manager, Coastal Waste. They had been invited to attend the meeting to discuss composting operations and outputs from the composting contract at Hill Barton Business Park.

Chris explained that EDDC was the collection authority and that DCC was the disposal authority for the district. Approximately 5,500 tonnes of garden waste was collected in East Devon per year and the composting facility at Hill Barton was operated by Coastal Waste on a ten year contract. Green waste from East Devon, Exeter and Mid Devon was processed at the Hill Barton centre. Lyn went on to explain the composting process and what happened to the compost once finished.

There was 25,500 tonnes of green waste taken on site per year and composting was a 12 week process. The product needed to be off site after these 12 weeks in order to enable more material to be taken. The facility was reliant on farmers collecting the end product and they were reluctant to expand on capacity as the service was working well. The local farmers did their own haulage which was beneficial to them as they tended to collect in bulk. It was felt that this was more beneficial to the environment than trying to market the compost to a retail market as members of the public would only collect small

amounts at a time. Also, for a retail market the compost would need to be matured for 9 months, which was not practical on the site.

In response to a question about potential environmental damage from the compost being spread thickly on fields, Lyn replied that there had never been an issue with run off from the compost. Farmers received the results of the compost tests before they spread it and it was their responsibility to report it to the Environment Agency.

It was noted that plastics was a huge issue across the industry at present. The process removed as much plastic as possible and there was a screening process at the end. No more than 0.12% of plastic was permitted in the end product. Although many products were labelled as 'compostable' this was only possible where the correct facilities existed. Devon County Council had previously made representations to Government that it was disingenuous to produce these things without any ability to process them. The Recycling and Waste Manager added that this would become part of Extended Producer Responsibility, with a binary labelling system for what was practically recyclable rather than just possibly recyclable.

Members were advised that it was not necessary to purchase food waste bags as the plastic packaging was removed at the start of the process. Infact the food waste bags often got caught up in the anaerobic digestion system. It was better to reuse existing plastic bags, or ideally use no bags at all. It was requested that contact be made with Vegware to investigate options and actively work with the waste sector to grow their routes.

On behalf of the Board the Chair thanked Lyn and Chris for attending the meeting and answering members' questions. He felt that a visit to the Hill Barton site would be useful for the Board.

RESOLVED:

1. that members of the Partnership Board visit the Coastal Waste composting site at Hill Barton.
2. that the Chair and the Recycling and Waste Contract Manager raise the issue of plastic bags and 'compostable' labelling at the next Devon Authorities Strategic Waste Committee (DASWC) meeting.
3. that the Chair request that DASWC contact Vegware to investigate potential routes.

5 Joint operational and contract report

The Recycling and Waste Contract Manager and the SUEZ Contract Manager gave the Board a joint report on a contract and operational update for the period March to June 2021. The quarter started well, but from early May staff shortages and recruitment difficulties had led to problems such as non-deployment of rounds, incomplete rounds, high levels of missed collections and disrupted services. There was no easy solution to this sector wide problem, but training and recruitment measures were being put in place to improve the situation. The teams were being flexible on a day to day basis to make the best use of the resources available and communicate disruption to services. It was reported that recruitment advertising was being approached differently, using EDDC social media links in a joint way of finding staff. A bonus scheme had been implemented to retain current staff and pay reviews were underway to meet a highly competitive market, where there was a high demand for drivers and limited availability.

The clinical waste review had produced positive outcomes and the communal recycling facilities at EDDC blocks of flats had been improved. The milestone of 16,000 green waste subscriptions had been passed. Property count continued to rise. Record sales values for dry recyclable materials were being achieved as markets became more buoyant. The partnership sold 4540 tonnes at a value of £520,622. During June it sold £117,388 which was the best performing month since the contract began.

The SUEZ Contract Manager explained that the high number of accidents in March was mainly due to fatigue of drivers. There was concern that staff fatigue would occur again if crews had to continue with Saturday catch up collections. Following crew behaviour training which was rolled out in May the safety statistics decreased in June, along with customer complaints. It was noted that there had been a huge increase in access issues due to people being at home with their cars parked on the roads. Increased home working had created artificial narrow access which the crews could not predict. SUEZ reported that collection points and additional narrow access vehicles were being considered. It was hoped that residents could be encouraged to park more responsibly on collection days. Crews also had new devices with better photo ability for reporting of issues.

It was noted that although missed collections had increased, complaints had not. Complaints regarding spillages had reduced and communication levels were high. Councillors found the end of day reports very helpful as a way of keeping people informed.

On behalf of the Board the Chair thanked the officers for keeping the service running and for their efforts in recruiting staff.

6 Update on SUEZ recruitment progress and plans

The issues surrounding the recruitment and retention of staff were discussed throughout the meeting. At a contract level SUEZ were approaching recruitment advertising differently. EDDC social media links were being used in a joint way of finding staff, there was a Radio Exe advert and approaches had been made to the Royal Marines charity and to the Fire Service.

A bonus scheme had been implemented and trialled to retain current staff. Pay reviews were also in the process to meet a highly competitive market, where there was high demand for drivers and limited availability.

SUEZ was running an apprenticeship scheme to train member of staff to gain their LGV licenses, with three loaders due to take their driving tests soon

7 Suez bridging solution regarding contract tipping point

The SUEZ Principal Commercial Manager outlined a number of key changes that had impacted service delivery of recycling collections in East Devon. These were more significant than allowed for under the terms of the contract and would be relevant to the end of the contract term:

- Property numbers were rising more steeply than anticipated.
- Residents were recycling in larger volumes by around 10% than in previous years.
- The current round structure could not keep up with increased demand, resulting in:
 - Increased missed/late collections.

- Reduction in service levels.

As a result of this, along with a number of assumptions, a bridging solution to end of the contract was proposed to bridge the gap between now and when the rolling out of Extended Producer Responsibility (EPR) legislation and Deposit Return Schemes (DRS) would change requirements again. The proposal was:

- 1 additional supervisor.
- 9 additional drivers.
- 16 additional loaders.
- 6 additional vehicles (4 Romaquips and 2 narrow access vehicles).

The risks of this bridging solution were:

- Property growth increased faster than forecast.
- Recruitment of additional staff.
- Availability and delivery of more vehicles.

It was noted that EDDC had been meeting with SUEZ to address the bridging solution. It was acknowledged that the tonnages currently being collected were what would have been expected from 73,000 properties (contract tipping point) and that a bridging solution was required. This would need to be addressed through the Council's governance and constitutional process. The Board were reassured that this had always been envisaged in the contract and the officers were doing due diligence before finalising a fully costed proposal. More detailed information was required from SUEZ, to include a detailed build-up of costs and a timeline plan for vehicle deliveries. Following this, reports would be taken to the Partnership Board, Cabinet and full Council.

In response to a question about the use of electric vehicles the Regional Director South West reported that as a company SUEZ was trialling all sorts of electric vehicles and that the market was developing. The biggest consideration/challenge was the space requirements for how and where the vehicles would be charged. It was felt that the large scale purchase of fleet would be the best time to address this. The Service Lead – StreetScene confirmed that officers were actively looking at the decarbonisation of the fleet and that the target end date was 2026, which was the end of the contract and the life scale of the existing fleet.

RECOMMENDED:

1. that Cabinet note that the Board had received the presentation regarding the bridging solution and had requested more detail in a written report.
2. that Cabinet note that a more detailed report on a bridging solution would be brought forward for its consideration in due course.

8 **SUEZ report on current collection issues and action plan**

The SUEZ Principal Commercial Manager explained that during recent weeks there had been an increase in the volume of complaints made about the service. These had been made directly to councillors, via the customer service centre and on social media. He gave the Board a summary of what had happened and what SUEZ were doing about it. There had been a number of operational challenges:

- The Covid 19 pandemic had impacted both the composition and quantity of material being collected.
- Home working has meant more parked cars, increasing access issues.
- The job market has changed – more companies were competing to recruit drivers.
- National shortage of drivers:

- Covid – a number of drivers returned to their country of origin and had not yet returned.
- Brexit – legal changes to rights to live and work in the UK and UK access to labour.
- Covid – driving test centres were shut, resulting in 41% less drivers taking tests.
- Challenging market to recruit drivers, both full time and agency.

In addition to this:

- Rounds had been impacted by property increases.
- Relaxing of lockdown allowed access to pubs and restaurants.
- There were currently 4 driver vacancies – 13% of the driving requirement.
- Disciplinary issues having a larger impact than they would in a steady state.
- The service was reliant on staff availability and a large requirement for human resources.
- Potential to get worse as the driver market continued to be under resourced during the summer months.

A key problem was the lack of availability of agency staff. Previously agencies had been used to cover vacancies in the short term, but this hadn't been possible in recent months. The agencies often did not have drivers available when they were needed.

The Board acknowledged that the root cause of the collection issue was the driver shortage and noted SUEZ's plans to address this:

- Detailed review of agency agreements.
- Recruitment of drivers – 3 currently being interviewed.
- Internal driver training – 4 staff currently being trained to drive.
- Manage and reduce absenteeism and encourage teams to help to complete outstanding work – trialling a bonus scheme, which if successful would be rolled forward.

The Board were presented with a number of service curtailment options to consider and were advised that these had been assessed and discussed at a local level. For now the service was getting by weekly. It was acknowledged that there was no quick fix. SUEZ were requested to provide a written improvement plan.

The Strategic Lead – Housing, Health and Environment expressed frustration at the lack of innovation. The report provided good analysis, but required more action and 'thinking outside of the box'. He was concerned that the complaints and missed collections were damaging the reputation of the service, which the partnership had worked hard on and taken a long time to build up. He hoped the partnership could work on some wider solutions and was keen for SUEZ to use its power/influence. The action plan required something more radical in order to avoid further summer disruption.

It was noted that residents could help crews increase their pick rate and speed of rounds by sorting their materials in the recycling box. SUEZ were trialling various areas and issues to enhance this.

The Board agreed that a visit to the Greendale depot site for its members would help increase understanding of all the activities that were undertaken there. It would also be helpful and informative for Board members to shadow collection crews on their rounds.

RECOMMENDED:

1. that Cabinet approve that SUEZ be requested to provide a written improvement and action plan to deal with current collection issues, including further material segregation trials, in discussion with crews and EDDC officers.
2. that Cabinet approve that members visit the Greendale depot site to observe the work that was undertaken there, with members also shadowing collection crews on their rounds.

9 **SUEZ crew customer care/behaviours training programme**

The Recycling Officer, SUEZ outlined the toolbox talks given to crews as part of their customer care/behaviours training programme. It was important for the crews to learn how the way they did their job affected the service the contract delivered to the residents of East Devon and how this affected residents' behaviour. It also affected the image and credibility of EDDC and SUEZ, as well as their day to day work life.

The 5 golden rules of crew behaviour were:

1. Never litter.
2. Always return bins neatly.
3. Always behave responsibly.
4. Drive with care.
5. Use social media responsibly.

The training provided the crews with reasons why they were being asked to follow the rules, as well as examples of social media complaints. A training video would also be produced.

Overall crews had received the training well and it was hoped that the positive effects would continue. This toolbox training would be given to crews every six months, and used for the induction of all staff, including agency. Other incentives were also being devised to help keep staff morale up.

The Recycling Officer was thanked for a brilliant presentation and it was noted that an improvement had been seen in container returns, and complaints in general were coming down. Positive customer feedback was also passed onto the crews.

RESOLVED: that the Recycling Officer be thanked for her hard work and the toolbox training continued.

10 **Force majeure position and performance framework**

The Board noted the performance point summary and the financial deduction summary and the importance of tracking these to monitor performance of the contract, even during a pandemic. The Board also noted that a force majeure had been called (from 23 March 2020 for the duration of the Covid 19 pandemic) that no financial penalties should be levied on SUEZ. The Board discussed the ending of the current force majeure and agreed that it should coincide with the end of coronavirus restrictions (planned for 19 July 2021). This would not prevent SUEZ from requesting another force majeure in the future, if required. SUEZ requested a cautious approach initially as the service was still feeling the effects of lockdown legislation, such as the requirement for crews to self isolate.

RECOMMENDED: that Cabinet approve the current force majeure position with SUEZ cease with the ending of coronavirus restrictions on 19 July 2021.

11 **Green waste quarterly accounts**

The Recycling and Waste Manager thanked the Accountant and the StreetScene Budget and Equipment Monitoring Officer for producing the accounts. It was noted it had not yet been possible to build depreciation into the accounts. The teams were thanked for their hard work.

12 **Clinical collections review**

The Recycling and Waste Officer EDDC explained that the aim of the project was to divert non-infectious waste from the clinical waste stream to the domestic refuse stream, reducing costs for the Waste Disposal Authority (DCC), to bring EDDC in line with other Local Authorities who undertook this review 4 years ago.

Resident surveys were sent to all properties that received weekly collections, the responses then enabled the officers to ascertain if households were producing infectious waste or not.

Prior to the review in April 2021 275 weekly bag collections were made. There were two stages to the project, which resulted in 237 collections being removed, with 16 residents yet to respond to the two letters. Only a few complaints were received following the removal of the collections, all of which were negated following further discussions with the officers.

The positive outcomes from the project were:

- Reduced clinical collections.
- Reduced clinical tonnage sent for high temperature disposal – this also resulted in carbon savings.
- Staff productivity gains – prior to the project there was one driver working full time making collections. The workload of the driver had now significantly reduced and he was able to deliver refuse and recycling containers alongside the clinical work, which in turn had allowed the service to keep these deliveries on track.
- Carbon savings – fewer collections had resulted in less travelling and lower fuel consumption.
- Reduced costs for the waste disposal authority.
- EDDC was now aligned with other Devon district authorities.

On behalf of the Board the Recycling and Waste Officer was thanked for her report. The Recycling and Waste Contract Manager commented that removal of clinical collections had been expected to be contentious, but very few complaints had been received, mainly due to the excellent communications from the Recycling and Waste Officer.

13 **Resources and Waste Strategy update - progress and implications**

The Recycling and Waste Contract Manager updated the Board on the Resources and Waste Strategy. The consultation phase had now ended on 4 July. Two responses had been submitted for each of the three consultations. One on behalf of EDDC and one through DASWC as a Devon group of authorities. The timetable was still vague but the Environment Bill was expected to get Royal Assent in Autumn 2021. Early 2022 (possibly April) would be the anticipated publication of the regulations and it was hoped that plans could start to be made once the content of the regulations were known. The

requirements of the regulations would determine what communications would be required and how and where they would be targeted.

Attendance List

Board Members:

Councillors present:

G Jung (Chair)
D Bickley
E Rylance (Vice-Chair)
T Wright
G Pook
M Rixson

Officers present:

G Bourton, Recycling and Waste Contract Manager
J Golding, Strategic Lead Housing, Health and Environment
A Hancock, Service Lead StreetScene

Suez present:

J Pike
N Tandy
J Gatter

Councillors also present (for some or all the meeting)

P Arnott
O Davey
B De Saram

Officers in attendance:

Andrew Hopkins, Communications and Events Consultant
Lou Hodges, Recycling and Waste Officer
Alethea Thompson, Democratic Services Officer

Suez representatives in attendance:

Lily Morton, Recycling Officer

Board Member apologies:

Chairman

Date:

Recommendations for Cabinet that will resolve in an action being taken:

Community Grant Panel on 22 July 2021

Minute 59

RECOMMENDED to Cabinet:

1. that the Community Buildings Fund eligibility criteria be extended to include:
 - a. Community buildings within town council areas, but outside of the town itself and in a separate village;
 - b. All community pubs.
2. **to recommend to Council** that the budget for the Community Buildings Fund be increased to £35k for the financial year 2022/2023.

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Community Grant Panel held at Online via zoom on 22 July 2021

Attendance list at end of document

The meeting started at 10.03 am and ended at 11.00 am

54 Public Speaking

There were no members of the public that wished to speak.

55 Minutes of the previous meeting

The minutes of the previous meeting held on the 23 March 2021 were confirmed as a true record.

56 Declarations of Interest

Cllr Jess Bailey; Minute 59; Personal: Member of West Hill Parish Council, and Devon County Councillor.

Cllr John Loudoun; Minute 59; Personal: Involved in saving a village pub approximately five years prior; and Member of Sidmouth Town Council.

Cllr Geoff Pook; Minute 59; Personal: Member of Beer Parish Council.

57 Matters of Urgency

There were no matters of urgency.

58 Confidential or exempt items

There were no items that officers recommended should be dealt with requiring exclusion of the press or public.

59 Community Buildings Fund

The Panel received a report outlining options to consider in refining the eligibility criteria for the Community Buildings Fund. Any changes to eligibility that the Panel felt should be recommended would have impact on budget and therefore needed to be taken into account in the budget setting process later in the year for the 2022/23 budget.

The Panel considered the merits and implications of including:

- All community buildings within town areas
- Community buildings in town areas but outside of the town boundary
- All community pubs.

Discussion included:

- The scheme provided relatively small amounts but were valued by local schemes where funding couldn't be sourced from the local town or parish council;
- Being mindful of any increase in budget in relation to the ongoing budget situation;
- Concern in expanding those eligible to apply, as that may mean stretching the existing fund too thinly;

- Sympathy for small communities, including churches, who struggled to get financial support; but care in opening up the fund to cover such anomalies as set out in the report;
- The current budget had not been increased in line with inflation for many years;
- The current community buildings fund criteria asked if the applicant had approached the local town or parish council for funding – in some cases such funding was not available or supported by the local parish;
- Opening up the eligibility to include community pubs and those community buildings in town areas but outside of the town itself, meant that a possible additional seven projects could be included;
- Taking into account the lack of inflation applied and the additional projects that widening the eligibility could permit as discussed by the panel, the panel reached an indicative budget figure for 2022/2023 as £35k.

The wider issue of supporting local community buildings that were available to the public to use was discussed, in terms of the proposals for the community asset transfer procedure. Many Panel members agreed that debate needed to take place on how public assets could be supported in terms of capital funding from the Council, but this discussion fell outside of the remit of the Panel. The Chair and Cllr Pook agreed to take this issue to the Asset Management Forum Chair to pursue further.

RECOMMENDED to Cabinet:

1. that the Community Buildings Fund eligibility criteria be extended to include:
 - a. Community buildings within town council areas, but outside of the town itself and in a separate village;
 - b. All community pubs.
2. to recommend to Council that the budget for the Community Buildings Fund be increased to £35k for the financial year 2022/2023.

Attendance List

Councillors present:

J Rowland (Chair)
J Bailey
J Loudoun
H Parr
G Pook

Officers in attendance:

Jamie Buckley, Community Engagement and Funding Officer
Debbie Meakin, Democratic Services Officer

Recommendations for Cabinet that will resolve in an action being taken:

Asset Management Forum on 27 July 2021

Minute 62: Request for budget from Asset Maintenance Reserve

Recommended to Cabinet

that Cabinet recommend to Council that the sum of £245,700 be made available from the Asset Maintenance Reserve to fund the emergency works to the properties identified within the report as follows:

- a) Sidmouth Swimming Pool £35K (excluding VAT)
- b) Connaught Gardens Shelter 1B £62K (excluding VAT)
- c) Connaught Gardens Watch Tower £25K (excluding VAT)
- d) Exmouth Town Hall and Exmouth Pavilion Mansafe System £9,700 (excluding VAT)
- e) Initial remedial works from Fire Risk Assessments £44K (excluding VAT) with further capital bid required
- f) Norman Lockyer Observatory £70K (excluding VAT)

EAST DEVON DISTRICT COUNCIL

Minutes of the consultative meeting of Asset Management Forum held online via zoom on 27 July 2021

Attendance list at end of document

The meeting started at 2.00 pm and ended at 3.38 pm

55 Public speaking

There were no members of the public registered to speak.

56 Minutes from the previous meeting

The minutes of the previous meeting held on the 9 March 2021 were recommended to senior officers for approval.

57 Declarations of interest

Cllr P Hayward; Minute 61; Personal interest: Parish Clerk to All Saints, Chardstock and Newton Poppleford and Harpford Councils
Cllr D Ledger: Minute 61; Personal interest: Member of Seaton Town Council.

58 Matters of urgency

There were no matters of urgency.

59 Confidential/exempt item(s)

There were no confidential or exempt items.

60 Property Matters Newsletter

The Forum considered the July edition of the Property Matters newsletter, which highlights recent work by the Place Assets and Commercialisation team, including:

- Workshop unit let at Millwey Rise workshops;
- Business rate work to identify potential savings on the costs associated with the Councils commercial estate;
- Right to Buy (RTB) valuations in demand;
- Making an entrance at EDBC with a new video door entry system;
- New look for Honiton Pool with work commencing in September, due for completion before the end of the year;
- COVID precautionary work;
- Asset valuation work completed.

Questions and comments arising from the newsletter included:

- Implications of the demand in RTB valuations, with approximately 60 to 70 applications being processed;
- Clarification on the recent Cabinet decision on the former Millwey Rise football pitches in Axminster, whereby the resolution was that the housing land was reserved for affordable/social housing development and associated community

facilities, subject to planning permission. The next step was to explore the delivery models;

- A technical question on where RTB applies would be investigated and responded to after the meeting.

The Forum noted the newsletter.

61 **Community Asset Transfer Procedure - results of consultation**

The Service Lead for Place, Assets and Commercialisation updated the Forum on feedback from the consultation on the Community Asset Transfer Procedure. Nine responses were received from town and parish councils, broadly in support of the procedure.

In conjunction with the consultation period, a review of the core data of the asset register has been underway to help inform decision making on which assets should be within the scope of transfer

A small number had made an approach for transfer, and these will be explored to establish if those requests are still valid once the new procedure has been adopted.

The next step was to prepare a report for Cabinet to consider the formal adoption of the new procedure.

Questions and comments included:

- Discussion on the need for an appeal process within the procedure. On balance, with particular note at the first stage where the Portfolio Holder would decide if a requested asset should go forward for transfer, the Chair outlined the steps he would take to confer with other Portfolio Holders – leading to the view of the Forum that an appeal process was not necessary to be included;
- The procedure did not have a time limitation on any subsequent application made, should the first application be refused;
- The timing of the first stage of the process was set as a maximum of four months, in line with the frequency that the Forum met and therefore could consider the applications; however, any application would be processed as swiftly as possible in accordance and it was expected that less complicated transfers might take far less time to decide at the first stage;
- In order to manage expectation and limited resource, those towns and parishes that had already approached the Council would be reviewed first.

The Forum requested that the officer prepared a report for Cabinet, recommending that the draft Community Asset Transfer Procedure is adopted, which the Service Lead for Place, Assets and Commercialisation agreed to undertake.

62 **Request for budget from Asset Maintenance Reserve**

The report presented to the Forum set out the requirement for emergency works to the following sites:

- Sidmouth Swimming Pool £35k (excluding VAT)
- Connaught Gardens Shelter 1B £62k (excluding VAT)
- Connaught Gardens Watch Tower £25K (excluding VAT)

- Exmouth Town Hall and Exmouth Pavilion Mansafe System £9,700 (excluding VAT)
- Initial remedial works from Fire Risk Assessments £44K (excluding VAT) with further capital bid required
- Norman Lockyer Observatory £70K (excluding VAT)

The request was made in order to avoid delaying works until the 2022/23 capital bids are assessed in December. The Asset Maintenance Reserve had at present £778K available, therefore covering this use of £245,700 of expenditure.

Questions and comments included:

- Justification for replacement boiler being fuelled by gas discussed, and recognised as acceptable for the lifespan of 10/15 years which falls before the Government target of no gas boilers by 2040. Research was done into other options, such as ground source heat pumps, but was not viable for the Pool in this instance;
- Any oak required for the works on the Connaught shelter would be from sustainable sources;
- The lease of the Observatory to the Society runs until 2035. Members felt it would be beneficial to promote the value of the Observatory and that Council branding would be appreciated, as it was a Council asset;
- The Portfolio Holder for Finance would discuss the Asset Maintenance Reserve with the Strategic Lead for Finance, in light of the concern about how long the reserve would last against emergency works in future years;
- Council would need to consider if any receipts from asset disposals in future years would be best allocated to the Asset Maintenance Reserve to fund the maintenance and enhancement of assets.

Recommended to Cabinet

that Cabinet recommend to Council that the sum of £245,700 be made available from the Asset Maintenance Reserve to fund the emergency works to the properties identified within the report as follows:

- a) Sidmouth Swimming Pool £35K (excluding VAT)
- b) Connaught Gardens Shelter 1B £62K (excluding VAT)
- c) Connaught Gardens Watch Tower £25K (excluding VAT)
- d) Exmouth Town Hall and Exmouth Pavilion Mansafe System £9,700 (excluding VAT)
- e) Initial remedial works from Fire Risk Assessments £44K (excluding VAT) with further capital bid required
- f) Norman Lockyer Observatory £70K (excluding VAT)

63 Place and Prosperity Investment Fund

The Service Lead for Place, Assets and Commercialisation provided an update to the Forum on the revision of the new draft Investment Framework. Following discussion at the previous meeting, further drafting has taken place to take account of that discussion, but competing work priorities in the past few months had delayed the revision.

A new timeline for completion of the framework had therefore been drawn up, with the intention of adoption of the framework before the end of 2021 subject to necessary approvals.

The Forum noted the update.

Attendance List

Councillors present:

P Arnott
P Hayward (Chair)
D Ledger
J Rowland
G Pratt

Councillors also present (for some or all the meeting)

O Davey
S Jackson
G Jung
P Millar
A Moulding
G Pook

Officers in attendance:

Tim Child, Service Lead - Place, Assets & Commercialisation
Rob Harrison, Senior Estates Surveyor
Alison Hayward, Project Manager Place, Assets & Commercialisation
Steve Pratten, Interim Principal Surveyor
Jorge Pineda-Langford, Principal Building Surveyor, Property & FM
Debbie Meakin, Democratic Services Officer

Recommendations for Cabinet that will resolve in an action being taken:

Consultative meeting of the Scrutiny Committee held on 29 July 2021

Minute 7 Report on proposed actions to improve staff morale

A. That the Cabinet (through the Portfolio Holders for Democracy & Transparency and Strategic Planning) assess whether Member Champion roles should be reintroduced, particularly in respect of the Council as Local Planning Authority.

B. That Cabinet considers asking the Member Development Working Group to meet as soon as possible to review and revise the member training programme with a view to providing training designed to mitigate concerns raised in the staff survey.

EAST DEVON DISTRICT COUNCIL

Minutes of the consultative meeting of Scrutiny Committee held Online via the Zoom app on 29 July 2021

Attendance list at end of document

The meeting started at 6.00 pm and ended at 8.40 pm

1 Public speaking

There were no members of the public registered to speak.

2 Minutes of the previous meeting

The minutes of the previous meeting held on 8 April 2021 were recommended to senior officers for approval.

3 Declarations of interest

Minute 7. Report on proposed actions to improve staff morale.
Councillor Vicky Johns, Personal, Member was of the view that all Councillors had an interest in this item.

Minute 8. Planning Enforcement Process.
Councillor Olly Davey, Personal, Member is an Exmouth Town Councillor.

4 Matters of urgency

There were no matters of urgency.

5 Confidential/exempt item(s)

There were no confidential / exempt items.

6 Decisions made by Cabinet called in by Members for scrutiny in accordance with the Overview and Scrutiny Procedure Rules

There were no decisions made by Cabinet called in by Members for scrutiny.

7 Report on proposed actions to improve staff morale

The Chief Executive presented his report which was a follow up to the report to the Scrutiny Committee at its meeting on 4 March 2021, when the findings of a Health and Safety Executive approved survey of all staff taken during February 2021 had been presented.

Since the last Scrutiny Committee meeting, Strategic and Service Leads had worked with their teams to discuss the result and develop actions plans to work on any issues raised regarding operational matters. The action plans formed part of an ongoing work to address and where necessary revisit issues raised through the survey results. The Chief Executive's report outlined the issues raised in the action plans.

It was intended that the same Health and Safety Executive approved questionnaire would be distributed to staff during October / November 2021 and that this would allow for a comparison position to be established and an assessment of the extent to which the concerns raised have been addressed.

In response to questions, the Chief Executive advised the following:

- Regarding IT issues, further investigation would be needed as not all problems were experienced all of the time
- Recruitment of staff remained problematic for various reasons including difficulties of re-locating during the pandemic and the shortage of professional staff wanting to work in local government
- Regarding the Code of Conduct and standards procedures, Members should take responsibility for their own behaviour and measures to enforce standards should remain for exceptional circumstances only
- The new Corporate HR Manager would be in post from 2 August and work on a pay review would be undertaken to ensure that the Council remained as a median pay employer as per its policy
- Member development and training was in the Monitoring Officer's work plan
- The draft Council Plan was expected to be presented to the Overview and Scrutiny Committees in September / October
- The CEO would prepare a project plan to set out the way forward with implementing the actions proposed in the report

During the debate, Members were advised of the background to the formation of the new Personnel Committee which would be chaired by the Chair of the Council. Members also discussed the role of Portfolio Holders and Member Champions and the ways in which these roles could improve the flow of information and assist with signposting.

The Chair thanked the CEO for his report.

Having received the report and noted the comments, members were accepting of endorsing the proposed actions set out in the CEO's report and that reports addressing the proposed actions will be presented to Cabinet and the Personnel Committee in due course.

Members also felt that the CEO and / or Strategic Lead Governance & Licensing should liaise with all Committee Chairs (and Vice Chairs) to encourage managing their meetings so as to allow appropriate breaks (from screens and for general comfort) for the benefit of both staff and Members.

Recommendations

That the Cabinet (through the Portfolio Holders for Democracy & Transparency and Strategic Planning) assess whether Member Champion roles should be reintroduced, particularly in respect of the Council as Local Planning Authority, and

That Cabinet considers asking the Member Development Working Group to meet as soon as possible to review and revise the member training programme with a view to providing training designed to mitigate concerns raised in the staff survey, and

That the Chief Executive brings a report back to the Scrutiny Committee meeting of 7 October 2021 to provide reassurance as to when and how the actions in the report would be addressed. The Chief Executive confirmed that the report would be provided.

8 **Planning Enforcement Process**

A report by the Service Lead Planning Strategy and Development Management had been circulated in advance. The report responded to a request from the Committee to look at the planning enforcement process and the resourcing of planning enforcement. It sought to outline the principles of enforcement, the process followed and how the work is resourced.

Responses to questions to the Service Lead Planning Strategy and Development Management and debate by Members included the following points:

- There is adequate officer capacity currently, but no slack in the system if an officer is on leave or sick
- A significant amount of officer time is spent explaining the enforcement system to members of the public and a simple guide for residents might assist with understanding the process and would free up officer time to concentrate on other planning matters such as reducing the backlog of applications
- Planning would support the introduction of fines for planning breaches and lobbying of Government needs to continue
- It is recognised that there is frustration among members regarding the limited enforcement powers available to Planning and which are unlikely to change, although there are powers which give rights of access to officers in order to carry out inspections

The Committee acknowledged the report and its contents and recognised that planning enforcement is constrained by current legislation.

9 **Quarterly Monitoring of Performance - Quarter 4 2020 - 21**

Regarding the Quarterly Monitoring of Performance, it was noted that the absence report looking at working days lost due to sickness was ready and would be brought to the next meeting.

The Committee considered and acknowledged the report on Quarterly Monitoring of Performance for the 4th quarter - January to March 2021.

10 **Forward Plan**

Members considered the proposal form on Playing Pitch Strategy submitted by Cllr Millar.

The Committee was advised that the Strategic Planning Committee had agreed at its February meeting that the Playing Pitch Strategy would be considered when officer resources allowed as the current focus was on the new Local Plan process. Members of

the Scrutiny Committee were welcome to attend and contribute to the Strategic Planning Committee.

The Committee was content to leave consideration of the Playing Pitch Strategy to the Strategic Planning Committee.

Attendance List

Councillors present:

V Ranger (Vice-Chair)
M Allen
M Chapman
O Davey
V Johns
H Parr
E Rylance
A Bruce
P Millar
T Wright (Chair)

Councillors also present (for some or all the meeting)

J Bailey
C Brown
B De Saram
B Ingham
D Ledger
J Loudoun
M Rixson
J Rowland
M Armstrong
S Chamberlain
I Thomas

Officers in attendance:

Mark Williams, Chief Executive
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)
Ed Freeman, Service Lead Planning Strategy and Development Management
John Golding, Strategic Lead Housing, Health and Environment
Wendy Harris, Democratic Services Officer
Rebecca Heal, Solicitor
Sarah Jenkins, Democratic Services Officer
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)
Mark Williams, Chief Executive

Councillor apologies:

A Colman
C Gardner
S Hawkins

Chair

Date:

Report to: Cabinet



Date of Meeting 8 September 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Financial Monitoring Report 2021/22 – Month 4 July 2021

Report summary:

This report gives a summary of the Council's overall financial position for 2021/22 at the end of month four (31 July 2021).

Current monitoring indicates that:

- The General Fund Balance is being maintained within the adopted levels.

The first four months of the financial year has seen a return to more stable financial performance however, service demand remains high in many service areas.

Income levels continue to recover, for example car parking income, as services reopen.

Specific cost pressures have been identify and importantly funded from additional Government grant, these are listed within the report.

- The Housing Revenue Account Balance is being maintained at or above the adopted level.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

The variances identified as part of the Revenue and Capital Monitoring process up to Month 4 be acknowledged.

Reason for recommendation:

The report updates Members on the overall financial position of the Authority at set periods and includes recommendations where corrective action is required for the remainder of the financial year.

Officer: John Symes, Finance Manager, jsymes@eastdevon.gov.uk, 01395 517413

Portfolio(s) (check which apply):

- Climate Action and Emergencies
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Culture, Tourism, Leisure and Sport
- Democracy and Transparency
- Economy and Assets
- Finance

- Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information

Link to [Council Plan](#):

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Report in full

1. Introduction

- 1.1 The purpose of this monitoring report is to update members of Cabinet on the overall financial position of the Authority following the end of month four. The report considers expenditure to date and projections on year-end spend to determine if the Council will maintain its spending within budget and maintain the General Fund Balance and the Housing Revenue Account Balance within the adopted ranges.

2. General Fund Position as at Month 4 July 2021

- 2.1 The following table shows the original budget set for the year and any supplementary estimates approved to date affecting the General Fund position. In year variances have been identified which are likely to alter the outturn position for the year as detailed in the table below. Budget monitoring will continue throughout the year with the projected outturn position being refined.

The financial implication of the pandemic continues in the new financial year but services reopening has led to a more stable financial position. Any further future restriction could dramatically alter this position however. Continuing service specific cost demands have been identified and are being funded by additional Government grant, which is mitigating the impact on the General Fund balance.

The Government Income Compensation Scheme continued to operate for lost income in April, May and June. We await final guidance of the revised scheme but an early estimated claim of £70k has been included in our forecast.

Service demand remains high with particular issues in Streetscene recruitment and retention, as highlighted recently to Cabinet, with additional budget in this area having been agreed and is included below.

The Government funding of £1.316m (£616k additional CV-19 grant plus £700k Lower Tier Service Grant) and its allocation is included below. This includes funding towards the total allocation of £535k for the financial support for LED.

General Fund Position	£000
Original Budget Requirement (set 24/02/21)	13,840
Predicted adverse (A) / favourable (F) spend at year end (detailed below)	229 (A)
Predicted Outturn Position 31/3/2022	14,069

A summary of the predicted over and under spends to the Year End is shown below:

Predicted adverse (A) / favourable (F) spends	Predicted Outturn Variation £000
<u>Council & Grant Income</u>	
Grant Funding – total of £1.316m received. Total of £867k allocated to newly created budget, leaving £449k to allocate	867 (F)
Interest – continued low interest rate environment	76 (A)
Government income compensation scheme grant – early estimate of claim although we await further guidance on exact revised scheme details	70 (F)
<u>Portfolio Variances – Specific Service Costs</u>	
LED financial support – additional subsidy upto £535k less £192k National Leisure Recovery Grant	343 (A)
Discretionary Hardship Fund (£50k Food Bank)	100 (A)
Mental Health resource	50 (A)
Queens Drive Open Space	19 (A)
Additional toilet cleaning	71 (A)
Management review	25 (A)
Council Plan	5 (A)
LED outreach programme	50 (A)
Poverty Strategy	30 (A)
S/S recruitment and retention	174 (A)
Housing Benefit subsidy – overpayments recovery position £273k, Write-Offs £50k, Net Benefits position £99k	422 (A)
Housing Benefit admin – additional Government Grant expected	170 (F)
Court summons income down – forecast at 60%	40 (A)
Car Parks – car park income down early in year but latest figures show recovery to pre-pandemic levels. Early losses possibly compensated subject to confirmed Government SFC scheme	0
Manor Pavilion - reductions in customer receipts offset with reduced expenditure. Will be monitored closely on recovery and Apr-Jun income compensation claim to be finalised	61 (A)

Recycling income – positive income levels due to combination of high commodity prices and volume. Will be monitored closely as highly volatile area.	204 (F)
Bulky household waste – reduction in income due to redeployment of staff to recycling crews	22 (A)
Total overall employee costs forecast on £14.8m budget against the £349k budgeted salary saving	52 (A)
Predicted Net Outturn Total Variations General Fund	229 (A)

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

		£000
General Fund balance as at 1/4/2021		3,922 (F)
Use of General Fund to balance 2021/22 Budget		122 (A)
Delay in Car Park income rise	300 (A)	
Council Tax Surplus	367 (F)	
CT Surplus to reserve for future yrs deficit	189 (A)	
Net predicted overspend		229 (A)
Approved use of General Fund Balance in year – LGA learning review		18 (A)
Predicted General Fund Balance 31/03/22		3,553 (F)

The Council has an adopted range for the General Fund Balance to be within £3m to £3.8m.

The predicted balance is currently within this range and any required action can be taken at year end.

Summary of newly created budget allocations and remaining balance:

Newly created budget for allocation against approved costs – allocation of grant funding of £1.316m	£000s
Discretionary Hardship Fund (£50k food fund)	100
Mental Health resource	50
Queens Drive Open Space	19
Additional toilet cleaning	71
Management review	25

Council Plan	5
LED financial support (value upto £535k less £192k National Leisure Recovery Grant)	343
LED outreach programme	50
Poverty Strategy	30
S/S recruitment & retention	174
To be allocated	449

3. Housing Revenue Account Position – month 4

3.1 The following table shows the variation against the original budget, which will affect the Housing Revenue Account year-end position.

Predicted adverse (A) / favourable (F) spends	Predicted Outturn Variation £000
Income	169 (A)
Repairs and Maintenance – General	117 (F)
Repairs and Maintenance – Special	139 (F)
Supervision & Management	368 (F)
Other Expenditure	176 (F)
Major Repairs	254 (F)
Financing interest on Balances	11 (A)
Predicted Outturn Total Variations HRA	874 (F)

Notable items of budget variance are;

- Income lower – garage rents due to be lower than budgeted due to high void levels.
- Expenditure – large amounts of catch up works required in the year due to COVID, material underspends in the year will be reserved.
- Surplus forecast to be better than budget at this early stage.

3.2 The following table shows the original budget surplus set for the year and the total variations as identified above, giving a revised budget surplus for the year.

HRA (Surplus)/Deficit	£000
Original Budget surplus (Council 24/2/21)	985 (F)
Predicted net (under)/overspend to year end	874 (F)
Predicted Budget (Surplus)/Deficit HRA	1,859 (F)

The original approved budget generates a surplus of £0.985m in 2021/22. This sum was to be used to help finance the purchase of properties, continuing with the £5m annual investment programme (£3.5m from reserves/surplus and £1.5m from RTB receipts).

3.3 The following table shows the effect on HRA Reserve:

	£000
HRA balance as at 1/4/2021	3,100 (F)
Predicted net over / (under) spend to year end	1,859 (F)
Predicted HRA Balance 31/03/22	4,959 (F)

The HRA Balance is required to be maintained within the adopted range of £2.1m and £3.1m, it is currently being projected to be £5.0m at the end of 2021/22. The outturn report will confirm this position and its possible allocation. Other reserves held by the HRA are contained in the most recent report to Housing Review Board.

4. Capital Programme Position up to Month 4

4.1 Below is the estimated current position for the capital programme, which reflects a re-profiling of expenditure taking into account carried forward from the 2020/21 budget.

Capital Programme Summary	£000
Net Capital Programme Budget (Council 26/02/20)	8,964
2020/21 outturn position, budget slippage into 2021/22	10,239
Revised 2020/21 budget	19,203
Capital Programme variations	0
Actual Capital Expenditure	1,696
Unpaid orders	1,665
Capital Budget Requirement per programme	15,842

4.2 Details of portfolio budgets and expenditure is available at appendix A.

4.3 The Council currently does not hold a general capital reserve and all funding needs to be found. The cash required to fund the expenditure can be met from internal cash balances or through raising loans, this decision is made in line with Council's Treasury Management Strategy. The revenue implications of funding this position has been factored into the revenue monitoring position.

5. Treasury Management

5.1 The treasury management interest received position is summarised below:

	Annual Budget £000	Forecast Outturn £000s	Forecast Variance £000s
Internal Investments	63 (F)	54 (F)	9 (A)
External Investments	155 (F)	89 (F)	67 (A)
	218 (F)	143 (F)	76 (A)

5.2 Detail of the treasury management portfolio is available at appendix B.

Financial implications:

Contained within the report.

Legal implications:

Any legal implications are identified in the report and no further comment is required.

Portfolio	Budget after revisions	Actual	Unpaid Orders	(Under)/ Overspend
	2021/22	2021/22	2021/22	2021/22
	£	£	£	£
Corporate Services	1,411,249	55,038	0	(1,356,211)
Community - Housing General Fund	1,167,037	(30,253)	0	(1,197,290)
Economy and Regeneration	7,615,336	196,394	1,345,886	(6,073,055)
Environment	2,798,550	1,946	4,149	(2,792,455)
Street Scene	4,851,498	19,607	313,550	(4,518,340)
Strategic Development	1,250,000	0	0	(1,250,000)
TOTAL GF GROSS EXPENDITURE	19,093,670	242,733	1,663,585	(17,187,351)
Community - HRA	4,726,000	2,170,758	1,224	(2,554,018)
TOTAL GROSS EXPENDITURE	23,819,670	2,413,492	1,664,809	(19,741,369)
Corporate Services	(11,000)	0	0	11,000
Community - Housing General Fund	(1,046,237)	(667,945)	0	378,292
Economy and Regeneration	(2,269,000)	0	0	2,269,000
Environment	(587,240)	0	0	587,240
Street Scene	(703,620)	(50,000)	0	653,620
Strategic Development	0	0	0	0
TOTAL GF EXTERNAL FUNDING	(4,617,097)	(717,945)	0	3,899,152
Community - HRA	0	0	0	0
TOTAL EXTERNAL FUNDING	(4,617,097)	(717,945)	0	3,899,152
Corporate Services	1,400,249	55,038	0	(1,345,211)
Community - Housing General Fund	120,800	(698,198)	0	(818,998)
Economy and Regeneration	5,346,336	196,394	1,345,886	(3,804,055)
Environment	2,211,310	1,946	4,149	(2,205,215)
Street Scene	4,147,878	(30,393)	313,550	(3,864,720)
Strategic Development	1,250,000	0	0	(1,250,000)
TOTAL GF NET EXPENDITURE	14,476,573	(475,212)	1,663,585	(13,288,199)
Community - HRA	4,726,000	2,170,758	1,224	(2,554,018)
TOTAL NET EXPENDITURE	19,202,573	1,695,547	1,664,809	(15,842,217)

EDDC Treasury Management Portfolio

List of investments held as at 31 July 2021

Fund	£
External investments	
Payden & Rygel Reserve Fund	15,539,101
Royal London Asset Management Cash Plus Fund	15,511,405
Internal Investments	
Banks	
Bank of Scotland - Call Account	2,000,000
Lloyds Bank plc - Call Account	2,000,000
Santander - Call Account	2,000,000
Money Market Funds	
CCLA Public Secotr Deposit Fund	2,600,000
Morgan Stanley	3,000,000
Fixed Rate Deposits - Building Societies	
Coventry Building Society	3,000,000
Nationwide Building Society	3,000,000
Yorkshire Building Society	3,000,000
Leeds Building Society	1,000,000
West Bromwich Building Society	3,000,000
National Counties Building Society	2,000,000
Progressive Building Society	2,000,000
Principality Building Society	3,000,000
Fixed Rate Deposits - Other Local Authorities	
Thurrock Borough Council	3,000,000
Fixed Rate Deposits - Debt Management Office of UK Government	4,800,000
	70,450,506

Report to: Cabinet



Date of Meeting 8 September 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Home Safeguard: Contract with PPP (Night Owl)

Report summary:

To gain approval for the temporary outsourcing of Home Safeguard's emergency pendant alarm and out of hours service between the hours of 22:15 – 07:15

The Night Operators were a team of 4 call handlers, with 3 members of the team working a shift pattern of 2 nights on and 4 nights off, with the 4th member of the team covering holiday and sickness. During the last 12 months we have lost 3 of these night call handlers and have been unable to recruit replacements.

At the same time we are upgrading the call handling system and need to ensure appropriate resilience is maintained throughout the period.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

- 1) That Cabinet recommends the approval of the Contract Standing Orders Exemption Report
- 2) That Cabinet recommends the granting of authority for the signing of the contract with PPP (Night Owl)

Reason for recommendation:

This is a vital service offering support to elderly and vulnerable residents in the private sector of East Devon as well as corporate customers and tenants living in our Sheltered Housing. Home Safeguard is operational 24 hours a day, 365 days a year.

It is also a statutory requirement for the authority to provide an out of hours service to deal with certain emergency situations and Home Safeguard performs this role for East Devon District Council and also for Teignbridge District Council.

Officer: Sue Bewes sbewes@eastdevon.gov.uk

Portfolio(s) (check which apply):

- Climate Action and Emergencies
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Culture, Tourism, Leisure and Sport
- Democracy and Transparency

- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities

Equalities impact High Impact

Home Safeguard Service, including monitoring of alarms, out of hours and lone worker services. Home Safeguard is East Devon’s Emergency Control Centre providing a service 24/7, 365 days a year. Its core business is the monitoring of pendant alarms for sheltered housing and private individuals living within the district, in addition to a number of small corporate customers. It provides the ‘out of hours’ service for East Devon and Teignbridge District Councils, plus the lone worker safety provision for both authorities.

Climate change Low Impact

Risk: High Risk; Failure to be able to cover 24/7 service

Links to background information:

Link to [Council Plan](#):

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

1 Background

1.1 The Home Safeguard call centre has maintained essential services throughout the pandemic, but as with many other services, has lost a number of night operators (3), they work between the hours of 2215 – 0715. This is a solo shift in which they respond to emergency alarms that have been activated within people’s homes and ‘out of hours’ calls from across East Devon and Teignbridge districts

1.2 Recruitment to these crucial roles has been repeatedly unsuccessful and therefore alternative arrangements have had to be considered. Resilience in the team has suffered, nights are solo working and when any member of the team has been on leave or absent due to sickness, shifts have had to be covered by existing staff. This has often been the service manager, which has resulted in her not being available for work the following day. Alternatively the alarm calls have had to be redirected to our Disaster Recovery Centre – Exeter Home Call, but this has still left the out of hours calls to be covered by staff locally.

2 The Solution

2.1 PPP (Night Owl) operate a call handling service based in Chichester using the same call handling system as we do, and they are upgrading to the same system that we are.

2.2 The wellbeing of our staff is paramount. This is a high demand service with a relatively small staff team. By entering into these arrangements with PPP (Night Owl) staff will not be required to cover as many additional shifts as they have done previously.

2.3 The call handling skills and knowledge base within PPP is an important element in this arrangement; it is crucial that experienced cover is in place in case of emergency response being required. To date we have been reliant on other members of Housing staff to help cover. This is no

longer sustainable as they need to return to their regular roles now that the authority's recovery plans are well underway. PPP (Night Owl) operate three call centres (in Chichester, Exeter and Ashburton) so they have adequate cover regardless of the situation, and all are trained in the same techniques as our own staff. Careful familiarisation training has taken place to ensure they are fully cognisant of our local practices, procedures and requirements.

2.4 From July 14th 2021 Home Safeguard has been temporarily decanted to Blackdown House, while system and office upgrades are undertaken at Lymebourne House. It is expected that this decant period will be about 4 months.

2.5 The new system went live in BDH on the 14th July 2021 this is a cloud based call handling system, which means that Exeter Home Call are no longer able to facilitate our Disaster Recovery as they do not use a digital system. PPP (Night Owl) already operate a cloud based system and therefore are able to step in and seamlessly cover our nights.

2.6 Home Safeguard are the first call centre taking up the option of the Night Owl facility. However other call centres are also looking at outsourcing this element of their services due to similar recruitment issues. There are also financial drivers for many organisations as outsourcing is more cost effective than directly employing night staff.

3 The Cost

3.1 Call volumes for nights vary, but average 21 per night currently. It is difficult to quantify the amount of time that will be spent on each call as reasons for them differ hugely, the range of issues Home Safeguard deals with on a daily / nightly basis is extremely varied. PPP (Night Owl) call handlers, are trained and knowledgeable, and able to provide a professional service on our behalf.

3.2 The initial contract term with PPP is 4 months, the costs for which are £18k plus any additional nights we may require (charged separately at £178 pn) should we lose more staff. Our remaining night operator works 3 shifts per week and PPP cover the remainder

3.3 For illustration purposes the following figures show the annual cost of using PPP in comparison to direct employed staff. PPP's annual costs would be circa £48,000 which is relatively good value compared to direct delivery. The annual cost for each of the vacant call handling positions is approximately £17,388, including on costs (30%) and night enhancement (15%) so the figure for the 3 positions is £52,164.

3.4 The outsourcing of this element of our service to PPP would result in an annual saving of approximately £4,164. In practise the financial gain will be greater than this, as we would see a huge reduction in overtime payments to other staff including the service manager, who have been covering these vacant posts. This contract will also provide non-financial benefits in extra resilience and security for a vital service while it navigates through a period of rapid change and future proofing.

3.5 The reason for the cost illustration in 3.3 and 3.4 above is; should the recruitment issues continue beyond the 4 month timeframe, there is scope to extend the arrangement with PPP Night Owl. There is also the potential to make this a permanent arrangement if it offers consistent cost savings, whilst ensuring uninterrupted service delivery and resilience

Financial implications:

Financial details are contained in the report and the proposal can be met within the existing approved budget.

Legal implications:

The contract value falls below the threshold set out in the Public Contracts Regulations 2015 and therefore the EU procurement procedure (which is still currently relevant) does not apply and Cabinet has the power to recommend the authorisation (delegated to Senior Officers in accordance with the decision of Council 26th July 2021) of exemptions from the requirement to seek quotations or invite tenders pursuant to the Council's Contract Standing orders Rule 2.3. The reason for using the exemption in this case appears justified. There are no further legal comments pursuant to the report.

Report to: Cabinet



Date of Meeting 8 September 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Beer Community Land Trust Refinancing of Development Loan

Report summary:

A request (linked) has been received from Beer Community Land Trust (CLT) asking the Council to refinance two elements of previously approved development loans. The request is to help the Trust address delay issues through Covid and certain cost increases as identified in their request. The dates below differ from the initial request due to the passing of time from the CLT request and further discussions with the Trust in the preparation of this report. Values have not changed.

As a reminder the Council has made available development finance to the CLT for two schemes providing local affordable housing:

- 1st scheme (7 houses; 4 affordable rental and 3 discounted sales) - Now complete with original loan being £1,060,000, the majority now repaid in line with the agreement. The final sum outstanding is £290,000 due for repayment now. The request from the CLT is for a further 5 year term, with £40,000 principal paid off now, leaving £250,000 being refinanced giving a repayment date of October 2026.

To be refinanced on the same terms in relation to corresponding Public Works Loan Rate with a margin added to ensure compliance with subsidy control/competition rules.

- 2nd scheme (6 units; 2 houses and 1 flat affordable rental, 2 houses and 1 flat shared equity) – Currently in development with a loan of £1,150,000. The request does not to increase the amount borrowed but asks to reschedule the loan tranches and extend the term of the loans by a maximum of 6 months.
- The 1st tranche of £250,000 scheduled repayment June 2022 extended to November 2022
- The 2nd tranche of £550,000 to be released in September 2021 with repayment in October 2026
- The 3rd tranche of £350,000 to be released before March 2022 with repayment by November 2022

Again to be refinanced on the same terms.

The development finance to Beer CLT has previously been agreed on the understanding that appropriate collateral is legally secured to protect the Council and all costs are recovered to give a cost neutral or better position to the Council. Should Cabinet agree to the refinancing as requested then it will be ensured these two key aspects remain.

Other aspects on loan draw down detailed in CLT request are within the current agreement and do not require Cabinet approval.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet recommend to approve Beer CLT request of refinancing previously approved development loans as detailed in the report.

That Cabinet recommends that the Council's costs of entering into revised agreements, including due diligence, legal and surveying costs are to be met by the Borrower.

Reason for recommendation:

Council have agreed to provide development finance to Beer CLT in order to provide local housing at no cost to the Council. The request for refinancing from the Trust is in line with that decision.

Officer: Simon Davey, Strategic Lead Finance, sdavey@eastdevon.gov.uk

Portfolio(s) (check which apply):

- Climate Action and Emergencies
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Culture, Tourism, Leisure and Sport
- Democracy and Transparency
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk; The risk considerations have not significantly changed from the original decision was made.

Links to background information [Request from Beer CLT to refinance elements of their development loan.](#)

Link to [Council Plan](#):

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Financial implications:

Detailed in the report summary

Legal implications:

Legal Services will ensure that the Council's interests are appropriately protected and will ensure that all necessary documentation is completed.



Report to: Cabinet

Date of Meeting: 8 September 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release: N/A

Innovation and Resilience Fund – Policy and Terms of Reference

Report summary:

This report sets out the proposed Policy for the deployment of the Innovation and Resilience Fund (formerly known as the AIR Fund) Policy and associated Terms of Reference for the decision making Panel. The Policy document details how the application process will be managed and the criteria businesses and organisations will be required to meet to access the grant funding. The Terms of Reference sets out the roles and responsibilities of members sitting on the IRF Panel, including the task of rejecting or awarding IRF grant funding. These documents build on the work already undertaken and presented in the AIR Fund Prospectus published in February 2021.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet:

1. Recommends the approval of the appended Innovation and Resilience Fund (IRF) Policy document
2. Recommends the delegation of authority to the Service Lead (Growth, Development and Prosperity) in consultation with the Leader, Deputy Leader, Portfolio Holder for Finance and Chief Finance Officer to agree such further changes to this Policy as may be required
3. Recommends the approval of the appended Terms of Reference document for the IRF Panel
4. Recommends the delegation of authority to the Service Lead (Growth, Development and Prosperity) in consultation with the Leader, Deputy Leader, Portfolio Holder for Finance and Chief Finance Officer to agree such further changes to this Terms of Reference document as may be required
5. Recommends the approval of the appointment of a cross-party group of members to the IRF Panel, comprising the Leader, Deputy Leader and Portfolio Holders for Finance and Climate Action & Emergency Response, two Conservative members, one of the Independent members and one Cranbrook Voice member, to be nominated by the respective Groups

Reason for recommendation:

With clearly defined eligibility criteria in place, officers can begin to develop the application forms and back-office processes needed to launch the IRF scheme in late September 2021. The terms of reference will enable members of the IRF Panel to make decisions which are consistent with the Policy once the scheme is live.

Officer: Tom Winters twinters@eastdevon.gov.uk 01395 571528

Portfolio(s) (check which apply):

- Climate Action and Emergencies
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Culture, Tourism, Leisure and Sport
- Democracy and Transparency
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change High Impact

Risk: Low Risk;

Links to background information [AIR Fund Prospectus](#), [ARG Guidance](#), [Team Devon Economy and Business Recovery Prospectus](#), [Supporting Economic Recovery](#) Agenda item 13 report to Cabinet 3rd Feb 2021; [Business Support Grant Measures](#) Agenda item 7 report to Cabinet 20th Jan 2021; [Covid-19 Economic Response and Recovery – Resources](#) Agenda item 17 report to Cabinet 25th Nov 2020

Link to [Council Plan](#):

Priorities (check which apply)

- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Report in full

1. Background and context

1.1. To date East Devon District Council has provided Government funded grants to local businesses totalling more than £83.3m, including over £4.2m in discretionary ARG (Additional Restrictions Grant) funding. The delivery of COVID-19 business grant funding has been a lifeline for East Devon businesses of varying sizes operating in varying sectors. As our focus now shifts away from business survival focussed support, the upcoming Innovation and Resilience Fund will act as the Council's primary tool for cultivating East Devon's economic recovery.

1.2. During the 25 November 2020 Cabinet meeting, members agreed to reserve £1m of the original ARG allocation to fund a recovery focussed grant scheme. This was put on hold, as further restrictions were introduced and the whole ARG allocation was required for the survival focussed grants to businesses. As EDDC managed to successfully spend its ARG funds by the Government's July 2021 deadline, EDDC will now receive a further £1,144,070 of funding from Government, all of which must be spent by the end of March 2022. On 14 July 2021, Cabinet approved the request to spend up to £100,000 of this top-up to cover the overspend from the ARG3 scheme, with the remainder used to fund the IRF scheme in lieu of the original £1m reserve. A further £1m of EDDC's business rates retention scheme pilot will be used to match-fund the ARG top-up. Therefore, a total of at least £2,044,070 will be available for the IRF scheme.

1.3. The need for a recovery focussed scheme cannot be understated. The number of East Devon based Universal Credit claimants stood at almost 2,600 in June 2021, compared to just below 1,000 in June 2019. The number of employees furloughed in June 2021 stood at 3,500, with the associated risk of further job losses as the furlough scheme winds down. For those in work, the lowest paid 20% of workers have witnessed a 13% drop in income, with house prices reaching record levels and inflation expected to reach 4% (the highest rate in a decade) later this year.

2. IRF Policy

2.1. There is a clear and practical case for supporting East Devon's recovery from the COVID-19 pandemic. The IRF scheme is the principal means of offering that support at a local level. The IRF scheme places an emphasis on:

- Projects that enable and safeguard high value jobs
- Projects that support business diversification and the development of new and innovative products
- Projects that offer inclusive opportunities to disadvantaged individuals
- Projects that enable carbon reductions and biodiversity enhancements

A key overarching objective is to ensure that businesses and organisations are able to thrive in a post pandemic environment.

2.2. As the IRF is recovery rather than survival focussed, applicants must propose a specific project which they are seeking funding for and propose how much IRF grant funding they require to deliver that project. These projects must have a transformational effect on the business/organisation, rather than supporting aesthetic changes or subsidising their usual operational costs. Grant funding must be used to purchase products and services necessary to deliver the proposed project and must be compliant with the Government's ARG guidance.

2.3. There are two stages to the IRF application process, an expression of interest stage (Eoi) and a full bid application stage. The Eoi will be available to complete online, allowing EDDC to capture all of the information required by Government for issuing ARG funds. The Eoi will also give officers insight into the applicant's proposed project, allowing them to offer advice or refer them onto the BIP (Business Information Point) who can act as a project sponsor, assisting the applicant with their full bid application, at no cost to the applicant. The full bid application will require applicants to outline their project proposal in more depth, allowing officers to score each application against the key objectives detailed in the Policy. The IRF will also enable collaborative applications to be submitted, which can include non-commercial organisations.

2.4. Applicants will score more highly if they are willing to match-fund the project costs themselves or access additional funding from another source. Demonstrating good value for money, risk mitigation and a commitment to spend IRF funding via local suppliers will also benefit IRF applicants. Additional scores will also be applied to those in 'priority groups', including the sectors specified in the Team Devon Economy and Business Recovery Prospectus for example. The scoring matrix will be presented to the IRF Panel for approved prior to launch.

2.5. The name of the scheme was changed from the Adaptation, Innovation and Resilience Fund (AIR Fund) to the Innovation and Resilience Fund (IRF) due to multiple misinterpretations that the AIR Fund scheme was targeted specifically at the aerospace sector, Exeter Airport or businesses located in the Airpark and Skypark. The name was changed to reassure prospective applicants that businesses in all sectors, based anywhere in East Devon, can apply.

3. IRF Panel and Terms of Reference

3.1. The Policy document outlines how the application process for the IRF is to function. An important part of that process is the decision-making roles and responsibilities rested with the IRF Panel. The Terms of Reference set out how decisions are to be made, the role officers have in supporting panel members and ensuring the whole process is consistent with the Policy. This will ensure that every application is taken through the same process route and is judged fairly on its own merit.

3.2. The Terms of Reference also set out the frequency of meetings and the preparatory work undertaken by officers to support panel members in their decision making capacity.

3.3. It is advised that the IRF Panel supersedes the ARG Panel, continuing with the same cross-party allocation of panel members and the same structure of meetings.

4. Engagement and Communications

4.1. To ensure the IRF application process is inclusive, accessible and practical, an IRF Business Review Group will be assembled, whereby a small number of representatives from the local business community will be invited to test and review the application forms prior to the scheme launch. This will ensure the forms do not become overburdened with technical jargon and are written in a way which encourages applicants to submit a full bid.

4.2. A detailed communications plan is being drafted to ensure the scheme is promoted and marketed across the whole local area, targeting a range of businesses across various sectors. This will include email notifications, newsletter releases, social media posts and direct contact with businesses who have already shown interest in the scheme.

5. Conclusion

5.1. The IRF scheme will be a pivotal part of EDDC's economic recovery plan. With a clear Policy document in place, the Economic Development team can begin to deliver the promise to provide an innovation and resilience focussed scheme for local businesses and organisation. An IRF Panel, supported by the Terms of Reference, will allow democratic oversight of the scheme, working in tandem with the Policy document and utilising the positive experiences of the previous ARG Panel.

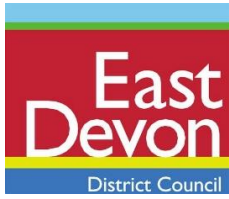
5.2. Our recommendation is for Cabinet members to approve the Policy and Terms of Reference documents and to confirm the appointment of a cross-party IRF Panel.

Financial implications:

There are no additional finance implications to that previously approved by Council. The funding for this scheme, as set out in the report, is from Government monies and £1m from the Council's Business Rate Reserve which the use of the Reserve for this purpose has already been approved by Council.

Legal implications:

Legal Services has not had the opportunity to review the Terms of Reference and Policy prior to the publication of this paper, we will work with colleagues subsequently to ensure that all is in order and in accordance with scheme rules etc.



East Devon District Council

Innovation and Resilience Fund (IRF)

Policy & Guidance

DRAFT

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Definitions

The following definitions are used within this document:

'Additional Restrictions Grant (ARG)' means the funding provided by Government;

'Council'; means East Devon District Council;

'COVID-19' (coronavirus); means the infectious disease caused by the most recently discovered coronavirus;

'Department for Business, Energy & Industrial Strategy (BEIS)'; means the Government department responsible for the Additional Restrictions Grant (ARG) scheme and guidance;

'Funding Agreement'; means the agreement between the Council and the applicant that sets out the terms and conditions of the project funding award;

'Innovation and Resilience Fund' (IRF); means the current grant scheme administered by the Council;

'Match-funding'; means funds provided by the applicant or another source (excluding the Council) to fund a percentage of the total project cost;

'Project'; means the activity which the applicant is seeking to achieve using project funding;

'Project funding' (IRF funding); means the Innovation and Resilience Fund grant awarded by the Council to the applicant;

'Quote'; means the estimated cost of a good or service provided by a supplier to the applicant;

'Ratepayer'; means the person who, according to the Council's records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions or widespread national restrictions;

'Trading'; means businesses and organisations that are carrying on a trade or profession, or buying and selling goods or services in order to generate turnover;

1.0 Scheme Purpose and Background

1.1 The purpose of this document is to determine eligibility for a grant award payment under the Council's Innovation and Resilience Fund (IRF) scheme.

1.2 The purpose of this scheme is to provide project grants to businesses and organisations in East Devon to help secure the area's economic recovery. Project funding will be allocated to projects which help businesses innovate to improve competitiveness and strengthen resilience by adapting to a green and inclusive post-COVID economy.

1.3 Whereas previous East Devon COVID-19 grant schemes were survival focused, the IRF scheme is dedicated to promoting recovery, with emphasis on new and existing high value employment, innovation and shifting towards a more green and inclusive economy.

2.0 Funding

2.1 A total of £X has been allocated to this scheme. This includes £X of East Devon's Additional Restrictions Grant (ARG) allocation issued by Government and £1,000,000 from East Devon's business rates retention scheme pilot.

2.2 Whilst the awarding of grants will be at the Council's discretion, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which must be met by each business or organisation making an application.

2.3 The ARG portion of the scheme allocation will be funded by Government and paid to the Council under S31 of the Local Government Act 2003. This will be available for the 2021/22 financial year only, whilst the EDDC portion will remain available up until the point when the Council decides to close the scheme.

3.0 Eligible Applications

3.1 For the purposes of this scheme the Council has decided that the following eligibility criteria must be met in order to receive project funding through the Innovation and Resilience Fund.

3.2 The fund is open to individual and collaborative applications from businesses, charities, social enterprises and other types of trading organisations located in East Devon. Organisations are considered to be trading if they are carrying on a trade or profession, or buying and selling goods or services in order to generate turnover. Non-trading organisations, such as town councils for example, are able to apply for a collaborative application but not an individual application. Non-commercial organisations can only bid for project funding to provide direct support services to local businesses.

3.3 A business/organisation can only receive project funding if it:

- is seeking funding for a specific transformational project/innovation
- does not intend to use the funding to substitute lost income/turnover; to cover fixed business/operation costs; or as a wage supplement

- primarily operates and trades within East Devon
- is not in administration, insolvent or has been struck off the Companies House register
- has not exceeded the permitted subsidy control threshold

3.4 A business can only receive project funding if it was trading before 1 January 2021. A non-commercial organisation can only receive funding if it was operating in its intended capacity before 1 January 2021. The Council reserves the right to change this date at its discretion throughout the duration of the scheme. Any updates to the date threshold will be detailed online.

3.5 Both ratepayer and non-ratepayer businesses/organisations are able to apply, including those who run their business from home or on a mobile basis.

3.6 A business/organisation can only receive project funding for one application. Successful IRF recipients are welcome to submit a separate collaborative bid with other businesses/organisations.

3.7 A collaborative bid must include at least two separate businesses/organisations. There is no maximum threshold for joint bid participants. A project lead must be put forward who will be responsible for coordinating group input and ultimately for successfully delivering the project if project funding is awarded. The project lead and all partners must be able to meet the criteria set out in section 3.3 and 3.4 to be eligible to apply, although businesses/organisations based outside of East Devon are able to be included as partners, for as long as these types of businesses/organisations do not exceed 50% of all partners in the bid.

3.8 Applicants (directors/owners/major shareholders) can apply for project funding for each business, with separate project proposals required from each business. If an applicant is a director/owner/major shareholder of more than one business registered/trading at a particular address, only one of those businesses can receive project funding. Collaborative bids are not eligible in cases where the majority of participating businesses/organisations have either shared directors, shared owners, shared major shareholders or immediate family members acting as directors, owners or major shareholders.

3.9 Where the Council has reason to believe that the information provided by the applicant during the application process is inaccurate, it may withhold or recover the project funding.

3.10 Where any business or individual misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any project funding paid and take appropriate legal action. Likewise, if any person is found to have falsified records in order to obtain project funding.

4.0 Eligible Projects

4.1 Applicants can only apply for IRF funding to deliver a project that will have a transformational effect on the business/organisation. The IRF is not designed to support the continuation of a business/organisation's standard operations and practice. A project is considered to be transformational if it can achieve one or more of the following:

- Employment: promote new higher wage employment or safeguard existing high value employment under threat
- Diversify: allow the business to diversify, develop a new product or innovation, enter new markets or adapt to new market conditions or working practises
- Green: enable carbon reductions, energy efficiencies or promote biodiversity
- Inclusive: provides sustainable opportunities to low-income/disadvantaged individuals, local graduates or helps to alleviate poverty

4.2 Project funding from the IRF can only be used to fund goods or services to deliver the transformational project outlined in the applicant's application form. Examples of eligible costs include, but are not limited to, the following:

- Equipment that will create new higher paid employment
- Equipment that will allow the business to diversify and enter new markets
- Equipment that will allow the business to become carbon neutral or negative
- Digital platforms to allow the business to start selling or take bookings online
- Specialist training to allow the business to expand into new markets
- Adaptations to enable the provision of services to disadvantaged groups

For collaborative projects, examples of eligible costs include, but are not limited to, the following:

- Initiatives to increase sourcing from local suppliers
- Initiatives to support high streets and town centres
- Training initiatives to support disadvantaged people into work
- Events to promote local business and showcase the local area

4.3 For the avoidance of any doubt, the following costs and activities are not eligible for IRF funding:

- Directly funding a new or existing job, or substituting/supplementing/supporting any new or existing salary
- Funding for any activity not relating to a tangible project proposal for innovation, improved resilience or adaptation
- Funding to cover aesthetic and non-transformational changes to a business, its existing premises, products, website, etc
- Funding for any activity that would lead to a significant increase in carbon emissions or biodiversity loss
- Funding to cover the continuation of a business/organisation's standard operations, such as existing fixed costs (rent/mortgage payments, utility bills, vehicle leases, equipment leases, etc), input costs, taxes or debt repayments
- Funding to purchase financial and non-productive assets, such as stocks, shares, bonds, buy-to-let property
- Funding to cover costs associated with depreciation or normal wear and tear
- Funding to cover feasibility studies

4.4 Only one project can be submitted per application, although an application can contain costs for more than one product, service or provision to deliver that project.

4.5 All projects must be delivered within 18 months of when the project funding is awarded. Special exemptions for projects that require more than 18 months to be delivered will be considered where applicants can demonstrate that their proposed project will lead to exceptional positive benefits for the local economy. Businesses or organisations seeking to submit an exempted application will be required to email irf@eastdevon.gov.uk with specific justifications for support and full details of their case before submitting an expression of interest.

5.0 Funding Amounts

5.1 Applicants will be required to request a funding amount in the full bid application form that is based on the estimated total cost of their proposed project. Copies of quotes must be provided to evidence those costs when the full bid is submitted.

5.2 Project funding of up to £50,000 is available per individual business or organisation, whereas project funding of up to £150,000 is available per collaborative bid. The minimum grant amount that can be requested by any applicant is £2,500.

5.3 Special exemptions for grants above the thresholds in 5.2 will be considered where applicants can demonstrate that their proposed project will lead to exceptional positive benefits for the local economy. Businesses or organisations seeking to submit an exempted application will be required to email irf@eastdevon.gov.uk with specific justifications for support and full details of their case before submitting an expression of interest.

5.4 For the first three months of the scheme, 25% of the total scheme allocation (£X) will be reserved for collaborative bids. After the first three months, the remaining funds will be integrated with the remaining allocation for both individual and collaborative bids.

5.5 Applicants are strongly encouraged to secure match-funding by either committing to fund a significant part of the project themselves or securing funding from another source. Although match-funding for projects is not required, match-funded applications will be prioritised and will score more highly in the appraisal. Match-funding will only be considered if it is committed and not already spent. Even with match-funding in place, applicants will still need to demonstrate that the proposed project is transformational and good value for money.

5.6 All applicants must provide copies of quotes for the goods and/or services they intend to procure using the project funding. At least two quotes should be provided per good/service. One quote will be accepted when a specialist good/service is required and only one supplier is present in the market. All quotes must be provided as a screenshot or scan, along with a date and a web address if the price is found online. All quotes will be subject to verification. Applicants which propose to use local suppliers will score more highly compared to suppliers outside of the district.

5.7 Applicants are welcome to provide quotes and procure from any supplier, excluding suppliers where the applicant is a director, or major shareholder of the supplier, or where an immediate family member of the applicant is a director or major shareholder of the supplier.

5.8 The Council will undertake both pre and post-payment anti-fraud checks. Any attempt to fraudulently claim public grant funding will result in funds being recovered and legal action being taken in every instance.

6.0 Making an Application

6.1 All applicants are required to submit an expression of interest application form online before they can submit a full bid application form. The Council will not permit any exceptions to this. The expression of interest period will allow applicants to briefly outline their project idea to the Council. Applicants will then be provided with feedback regarding the eligibility of the project.

6.2 If the proposed project outlined in the expression of interest appears to be consistent with the eligibility criteria set out in section 3 and section 4, the applicant will be invited to submit a full bid. If this is not the case, the applicant will be declined to proceed and advised to better align any future expressions of interest with the policy.

6.3 The expression of interest online application form is available to complete with effect from X. This stage of the scheme will remain open until X. The scheme will remain open for full bids until X. The Council reserves the right to close the scheme at an earlier time and date or extend the duration of the scheme. Further details regarding scheme dates and deadlines will be detailed and regularly updated online. Any business or organisation considering making an application to the IRF is advised to subscribe to the Council's email business bulletin to ensure they receive up to date information in relation to the fund. You can subscribe [here](#).

6.4 The Council has contracted the Business Information Point (BIP) to provide a free project sponsor service to assist particular applicants with developing their applications and getting them 'bid ready'. The Council will refer an applicant to the BIP at the point when officers identify the need for this type of support, including tailored one-to-one support sessions and online workshops. The Council will fully cover the cost of this support provision to full bid IRF applicants.

6.5 Applicants who are invited to submit a full bid application will receive a digital application document via email. Applicants must complete this application form and return to the Council via email appending all the required evidence and supporting documents, such as quotes or any feasibility studies and business plans for example.

6.6 The Council reserves the right to request any supplementary information from applicants, and they should look to provide this, where requested, as soon as possible. The Council will suspend an application in the event an applicant fails to provide sufficient requested evidence. If this is not provided within the required timeframe communicated to the applicant in the request, the application may then be rejected.

6.7 An application to the Innovation and Resilience Fund is deemed to have been made when a duly completed full bid application form is received via the Council's inbox irf@eastdevon.gov.uk

6.8 Full details of the Council’s scheme, including how to apply are available online at [X](#) and marketed via the East Devon business update which all businesses are encouraged to subscribe to.

7.0 Assessing Applications

7.1 Full bid applications will be scored by officers using a scoring matrix. The table below outlines how points will be assigned:

Category	Description
Funding	Has the applicant committed to partially funding the project or secured funding from another source?
Employment	Will new higher wage employment opportunities be created or existing jobs safeguarded?
Diversification	Will this enable diversification or adaptation for new markets or working conditions?
Green	Will there be carbon savings or biodiversity enhancements?
Inclusive	Will there be employment, training or other opportunities for local low-income or disadvantaged individuals or graduates?
Risk	What is the likelihood of the project not achieving its core aims?
Value	Are the project costs reasonable and adequately evidenced?
Priority	Is the applicant in a priority group?
Local	Does the applicant seek to procure from an East Devon business?
Sustainability	For how long will the economic, social and environmental impacts of this project be felt?

7.2 The scoring matrix also contains pass/fail criteria based on sections 3.3, 3.4 and 4.3 of the Policy. The application must pass all of these pass/fail criteria if it is to be approved.

7.3 If the application fails any of the pass/fail criteria, or scores 20% or below of the available points in the scoring matrix, the application will either be rejected, or the applicant will be asked to amend their full bid application and resubmit it.

7.4 If an application both scores above 20% of the available points and passes the pass/fail criteria in the scoring matrix, the application will be presented to an IRF Panel of EDDC councillors who will make a final decision on each application. The total score will assist IRF Panel members in determining the competitiveness of a particular application. The IRF Panel can choose to approve the application, reject the application or ask the applicant to amend their full bid application and resubmit it.

7.5 Where amendments are required to a submitted full bid application, the Council may refer the applicant onto the BIP for further assistance and support.

7.6 Officers will use their discretion to determine how many points are awarded to each application, whether an application should be rejected before being presented to the IRF Panel or whether amendments and a resubmission of the application is required before or after being presented to the IRF Panel.

7.7 All decisions made by the Council shall be notified to the applicant by email.

8.0 Funding Agreement

8.1 Before any funds can be awarded, applicants must sign a Funding Agreement to ensure the business/organisation agrees to use the IRF grant payment to deliver the specific project milestones, sub-tasks and outcomes detailed in their application. The Funding Agreement will only be shared with applicants who have had their project approved for funding by the IRF Panel. The Funding Agreement will be provided to the applicant by email.

8.2 The purpose of the Funding Agreement is to ensure that IRF grant awards are not used for purposes which the Council considers to be inappropriate. The Funding Agreement is a legal document that will allow the Council to reclaim project funding from the IRF recipient should the terms and conditions set out in the Funding Agreement not be met.

8.3 If an application contains a match funding commitment, the applicant will also need to supply a separate legal agreement, as an appendage to the Funding Agreement, committing them or their funding provider to this spend.

8.4 Project funding will be dispersed as soon as possible from the point when both the full bid application has been approved by the IRF Panel and the Funding Agreement has been signed by both the applicant and the Council.

8.5 Successful applicants will be required to provide evidence to demonstrate that they have spent their project funding appropriately and in line with their supported project proposal and Funding Agreement. Applicants will also be required to provide regular updates to the Council to keep track of project milestones and whether the key project objectives have been met. Progress will be reported at relevant Council meetings with any personal or commercially sensitive information redacted. Further details regarding monitoring and evaluating will be outlined in the Funding Agreement.

9.0 Priority Groups

9.1 Project proposals which directly support the following businesses, places and people will be prioritised in the scoring matrix:

Sector:

- High tech engineering
- Digital technology
- Clean energy
- Sustainable transport and aviation/aerospace

- Cultural and creative industries
- Town centre retail
- Sustainable tourism
- Food & drink production
- Businesses which predominantly supply any of the above
- Community, not-for-profit and social enterprises

Place:

- Town centres and high streets
- Places that have scored highly on Devon County Council's vulnerability index: specific areas within Axminster, Exmouth and Honiton

People (applies only to sole traders):

- 16 to 24-year-olds
- Over 50s
- Applicants with a disability

10.0 Subsidies and EU State Aid

10.1 The EU State Aid rules no longer apply to subsidies granted in the UK following the end of the transition period.

10.2 The UK, however, remains bound by its international commitments, including subsidy obligations set out in the Trade and Cooperation Agreement (TCA) with the EU.

10.3 The Council can still pay out subsidies under previously approved schemes and this includes subsidies related to COVID-19 that have previously been given under the EU State Aid Temporary Framework.

10.4 Applicants should make themselves aware of their obligations under the Government's subsidies arrangements available on gov.uk

11.0 Scheme of Delegation

11.1 The Council has approved this scheme.

11.2 Officers of the Council will administer the scheme and the Section 151 Officer is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, in line with Government guidance.

11.3 The Council reserves the right to change any element of this scheme at any time. Significant changes will be communicated via the Council's email business bulletins. You can subscribe [here](#).

12.0 Review of Decisions

12.1 The Council will operate an internal review process but will only accept an applicant's request for a review of its decision relating to a full bid application. Decisions relating to an expression of interest application will not be reviewed by the Council.

12.2 All such requests for a rejected full bid application to be reviewed must be made in writing to the Council within 14 days of the Council's decision. The request should state the specific reasons why the applicant is aggrieved with the decision of the Council and how the application is Policy compliant, meeting all the necessary assessment criteria. New information may be submitted at this stage to support the applicant's appeal.

12.3 The application will be reconsidered by a senior officer as soon as practicable, and the applicant informed in writing or by email of the decision. This decision shall be final.

12.4 A business/organisation can reapply to the IRF scheme if their initial application was rejected. A second application will only be considered if the proposed project differs significantly from the project proposed in the initial application. A business/organisation can only reapply once. If a second application is also rejected, any subsequent applications will be automatically rejected.

13.0 Complaints

13.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

14.0 Taxation

14.1 The Council has been informed by Government that all payments under the ARG scheme are taxable.

14.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.

14.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

15.0 Risk of Fraud

15.1 Neither the Council, nor Government will accept deliberate manipulation of the IRF scheme or fraud. Any applicant found falsifying information to gain grant money or failing to declare entitlement to any of the specified grant will face prosecution and any project funding issued will be recovered from them.

15.2 Applicants should note that, where project funding is awarded by the Council, details of each individual payment may be passed to Government.

16.0 Recovery of Amounts Incorrectly Paid

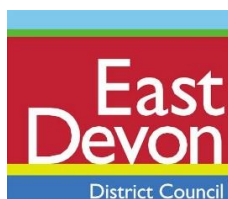
16.1 If it is established that any award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

17.0 Data Protection

17.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.

17.2 Applicants will be made aware that detail about their application, including business name, contact details and amount awarded, will be shared with the department for Business, Energy and Industrial Strategy for the purpose of monitoring and evaluating the scheme. Details may also be shared with other Council departments and contracted parties for verification and anti-fraud purposes.

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Innovation and Resilience Fund (IRF)

IRF Panel - Terms of Reference

1.0 Purpose

1.1 The purpose of the IRF Panel is to evaluate IRF applications; deciding which Policy compliant applications are to be awarded a grant and which are to be rejected. This panel will supersede the ARG Panel, continuing with the same cross-party allocation of panel members and the same structure of meetings.

1.2 The purpose of this document is to support panel members in clarifying relevant roles and responsibilities for this scheme.

2.0 Panel Meetings

2.1 Panel meetings will take place once per month, or at a more regular frequency determined by the level of applications received to the IRF. Panel meetings will begin from the point at which the first full bid application is received and scored by the IRF case officers. Panel meetings will continue to take place while applications continue to be received and until the scheme is closed. Meetings will be postponed if there are no applications that require evaluating in any 4 week period.

2.2 Prior to each panel meeting, IRF case officers will prepare a report to panel members outlining the core details of each application, along with how the submission has been considered against a set of agreed IRF criteria (set out in the Policy). Reports to panel will include the applicant name, the main elements of the proposed scheme, the amount of project funding requested and the application score. Full bid application forms will be appended to the report.

3.0 Evaluating Applications

3.1 Funds allocated to the IRF scheme will only be spent in cases where the IRF Panel has both reviewed and approved that spend. No IRF grant award will be offered without this approval.

3.2 Only applications that are channelled through the recognised application route, as outlined in the Policy, can be presented to the IRF Panel and evaluated. Each full application must have

been preceded by an initial Expression of Interest via EDDC's web form. A flowchart of the application process is available in Appendix 1 of this document.

3.2 All new and returning applications presented to the IRF Panel must be scored by IRF case officers before being presented to and considered by the IRF Panel, to ensure the application is consistent with IRF Policy and the degree to which it meets the fund objectives.

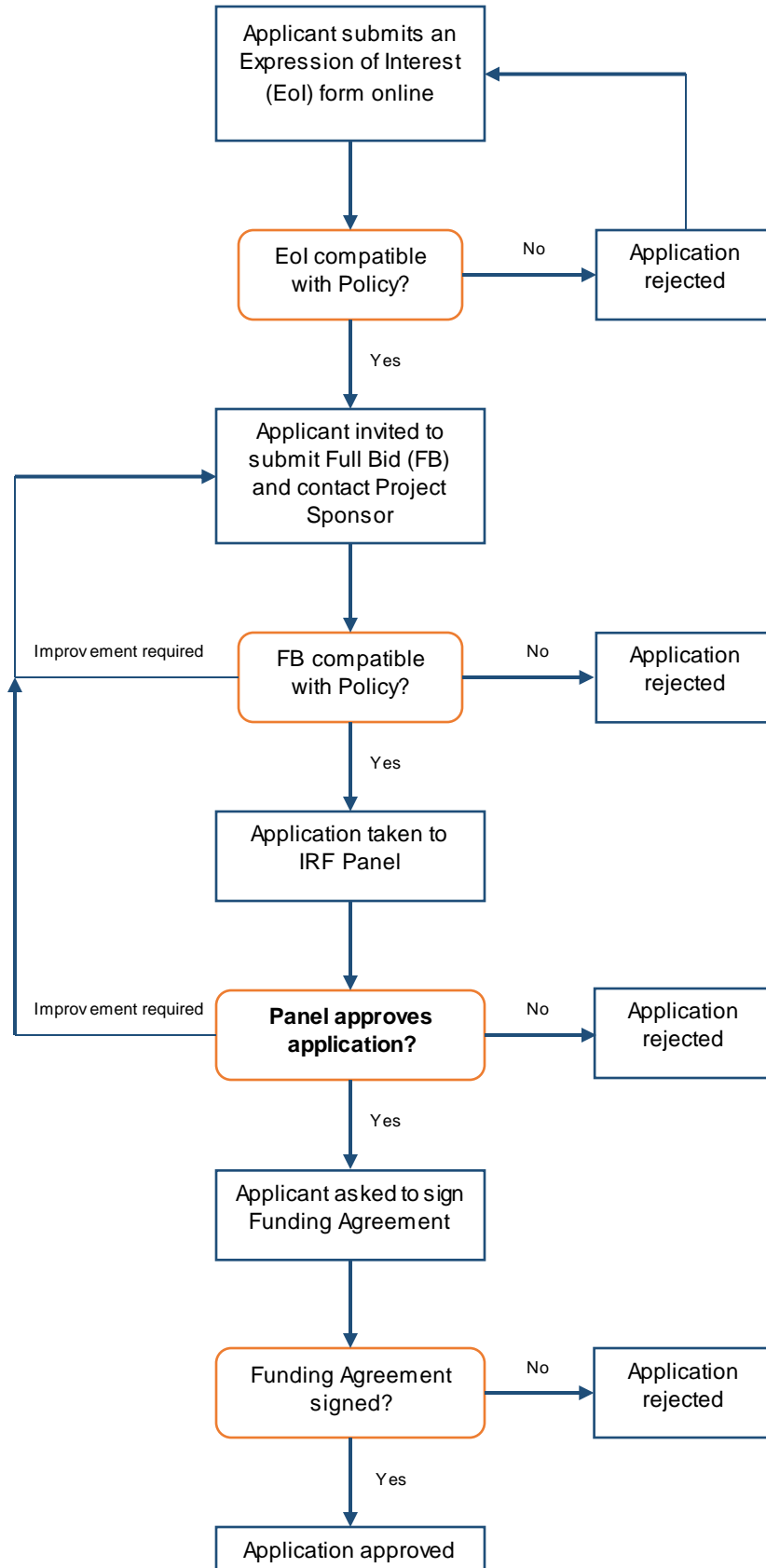
3.3 The IRF Panel can choose to request additional information from the applicant before choosing to award or reject the application. In this instance, the applicant will be required to amend their full bid application which will be re-scored by the IRF case officers and re-evaluated by the IRF Panel at a subsequent panel meeting.

3.4 Each IRF application presented to the IRF Panel will be evaluated individually. Exemptions to this can be made for particularly straightforward applications that score very highly against the agreed fund criteria (60% of available points or above) and are seeking project funding of less than £10,000. In such instances, these applications will be batched into a 'group decision', where a shortened report is provided, detailing the headline information only. If Panel members are content that all such batched submissions are Policy compliant and with a high likelihood of successful delivery, they will be invited to approve or reject all the applications in the batch without making an individual decision on each individual application. At any point, an IRF Panel member can request an application within a batch to be individually evaluated by the panel. To allow officers time to compile a requested report, such requests should be made 24 hours prior to that panel meeting.

3.5 All applications which score below 20% of available points or below will not be presented to the IRF Panel for evaluation.

Appendix 1

IR Fund Application Process Route





Report to: Cabinet

Date of Meeting: 8 September 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Request for additional staffing resources

Report summary:

To address a staffing requirement within the Housing Options team

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet recommend to Council to approve the additional budget in respect of two additional fixed term, full time Housing Officer posts, for 12 months each, to deal with the additional demand on the homelessness service. Budget in the region of £67,576 for two 12 months posts is recommended to Council for approval.

Reason for recommendation:

To ensure the Housing Options team are better equipped to tackle the level of pressure on the homelessness service

Officer: Andrew Mitchell, Housing Solutions Manager amitchell@eastdevon.gov.uk 01395 517469

Portfolio(s) (check which apply):

- Climate Action and Emergencies
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Culture, Tourism, Leisure and Sport
- Democracy and Transparency
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk; The risk of not making the recommended change to the current staffing arrangement includes higher numbers of homeless cases and a resulting increase in the temporary accommodation budget.

Links to background information [Cabinet report 3 March 2021 item 348](#)

Link to [Council Plan](#):

Priorities (check which apply)

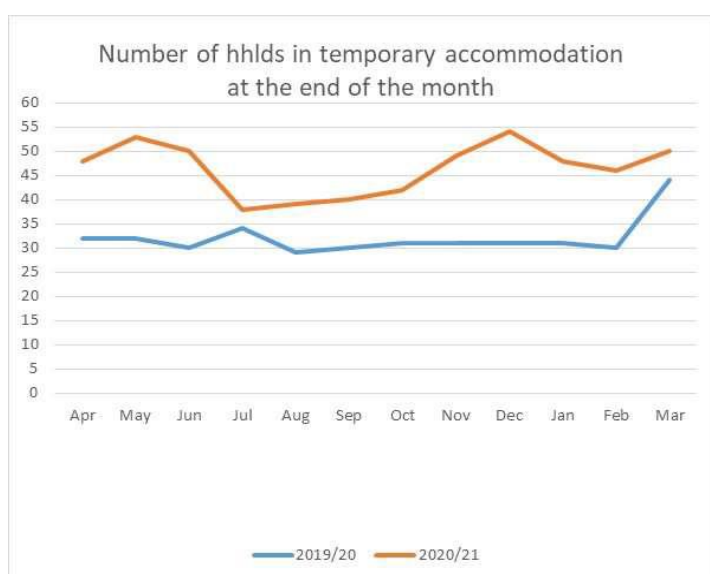
- Outstanding Place and Environment
- Outstanding Homes and Communities
- Outstanding Economic Growth, Productivity, and Prosperity
- Outstanding Council and Council Services

Report in full

1. Current levels of homelessness in the district and effects of the pandemic

1.1 The pandemic has resulted in large numbers of homeless situations for members of the public and this has been reflected in a significant rise in the need for emergency accommodation. There have been consistently higher numbers of people requiring emergency accommodation compared to the pre-pandemic era. Since the pandemic we have seen high numbers of people approaching as homeless for various reasons, most notably fleeing domestic violence, relationship breakdowns and no longer being able to move around freely and 'sofa-surf'. Also to be factored in are the economic factors created by the pandemic including people losing jobs and income being reduced, creating difficulties in affording rent and mortgage payments and ultimately creating homeless situations for members of the public.

1.2 This rise in the need for emergency accommodation, effectively showing the number of homeless presentations where people are immediately homeless with no viable alternative accommodation options, can be seen in the graph below. It is important to note that this increase has occurred without the inclusion of households being evicted from the private sector, due to the restrictions placed on landlords for over a year. Loss of accommodation in the private sector is ordinarily and consistently, year on year, the main recorded reason for homelessness in the region so to experience this rise in need without the main contributing factor being included is a significant situation.



1.3 We are now in the position where the expected 'second wave' of homelessness is upon us as restrictions previously placed upon landlords in the private sector, where they had been unable to evict tenants, have been lifted. This restriction had been in place for over a year and therefore there are a large number of households now facing homelessness due to

being served notices to quit. We are seeing a large number of homeless approaches with the serving of a notice to quits as the reason for impending homelessness and this is mirrored by a large rise in demand in new applications for social housing through Devon Home Choice, where notices from private landlords have been included in the application. The rise has been so significant that we have had to move a member of the Allocations team across from another role to help the Devon Home Choice Officer meet the increased demand.

- 1.4 To give an idea on the demand levels for customers who are facing imminent homelessness, over the past two weeks 70 cases have been passed by the Allocations team to the Options team where new applicants have stated they will become homeless due to notices to quit, parental evictions or domestic violence. These levels are unsustainable. As of 5th August 2021 there were 252 open homeless cases and we are expecting to see a substantial rise in the number of households placed into temporary accommodation in the coming weeks and months due to the number of new cases of people being evicted from the private sector. Housing Officers within the Options team are all holding high caseloads, to the point where we are unable to assign new cases due to a lack of capacity. 26 cases stood unassigned as of 5th August 2021, which is a level we have never experienced previously.
- 1.5 An effect of the restrictions being in place for so long is that there is less opportunity to intervene and prevent homelessness where it was previously possible, pre-pandemic. Under usual circumstances, once a notice has been served by a private landlord there is potential to intervene and mediate, negotiate or provide financial assistance or advice in order for the notice to be retracted and the impending homeless situation prevented. However, with such long notices period currently being experienced we have seen cases of relationships between landlords and tenants beyond the point of repair, and rent arrears escalated beyond potential prevention practices.
- 1.6 It has been well documented that rent levels have been increasing within the private sector. Families working full-time are being priced out of the market due to the rise in home working and people relocating to the area, resulting in increased rent levels. This will impact on homelessness levels and our demand and need for temporary accommodation. The housing register is receiving high levels of new applications each week.
- 1.7 There has been a notable increase in cases of domestic violence coming through. As a measure, the monthly Multi Agency Risk Assessment Committee (MARAC) meetings that deal with domestic abuse cases in the region have moved from monthly to fortnightly to meet demand, and this arranged is expected to remain.
- 1.8 Another factor is the effect of the pandemic and increase in homelessness on members of the Housing Options team, who have faced increased pressure levels. At present we have two full time Housing Officers who have been off work with work related stress issues, both now on a phased return with one of the Housing Officers not having completed a full working week since October 2020. Two other members of the team have reported incidents of stress and have had time off work as a result.

2. Funding for staffing

- 2.1 The current structure of the Housing Options team consists of thirteen full time posts and one part time post, including a manager and two senior Housing Officers, which are all

funded through the general fund. Increased funding to tackle homelessness has been received from the MHCLG for 2021-22 compared to the previous year. The Homelessness Prevention Grant for 2021-22 totals £261,375, compared to a combined £181,600 in 2020-21 through the Flexible Homelessness Support Grant (£111,394) and the Homelessness Reduction Grant (£70,206). This increase is in reaction to increased demand levels which are demonstrated through regular statistical returns to the government.

2.2 Four additional fixed term posts exist within the team due to further MHCLG funding through the Rough Sleeper Initiative (RSI). This funding has been available annually for the past three years through a bidding system and is specifically aimed at assisting rough sleepers. For 2021-22 a total of £161,999 has been awarded to EDDC, with the following full-time posts all funded for this financial year:

- Two Rough Sleeper Navigators
- One Private Sector Liaison Officer and
- One Housing Officer focusing on Housing First support

3. Staffing recommendation

3.1 Due to the significant rise in homeless cases and the overall effects of the pandemic, and with particular reference to the high number of new approaches being made from private sector tenants facing eviction now that the restrictions have been lifted, it is considered that additional resources are required for a fixed term period. It is believed that it is essential to bring in two additional fixed term Housing Officer posts at the earliest opportunity in order to maintain the focus on preventing homelessness and avoiding significant rises in the numbers of individuals and households that become homeless, which would in turn become extremely costly to the service through additional temporary accommodation placements. Any funding for this post would need to be drawn from the general fund.

3.2 The cost for each post, based on the posts being full time and at the bottom of scale 6, would be £33,788 (£25,991 plus on costs) for 12 months. The cost for both posts would be £67,576 for 12 months.

Financial implications:

Financial implications are included within the report.

Legal implications:

There are no additional legal comments at this time.