

Agenda for Scrutiny Committee Thursday, 3rd November, 2022, 6.00 pm

Members of Scrutiny Committee

Councillors: M Allen (Chair), J Bailey, J Bonetta, A Bruce, M Chapman, O Davey, C Gardner, S Hawkins, J Kemp (Vice-Chair), D Key, H Parr, E Rylance, B Taylor, J Whibley and T Woodward

Venue: Council Chamber, Blackdown House

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(or group number 01395 517546)

Tuesday, 25 October 2022

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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)

To agree any items to be dealt with after the public (including the press) have been excluded. There are no items which officers recommend should be dealt with in this way.

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

There are no items identified

8 Portfolio Holder Annual Report - Finance (Pages 8 - 28)

9 Key issues in the service plans - briefing by the Chief Executive

10 Forward Plan (Pages 29 - 30)

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[Decision making and equalities](#)

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EAST DEVON DISTRICT COUNCIL**Minutes of the meeting of Scrutiny Committee held Online via the Zoom app on 6 October 2022****Attendance list at end of document**

The meeting started at 6.00 pm and ended at 8.59 pm

27 Public speaking

There were no members of the public registered to speak.

28 Minutes of the previous meeting

The minutes of the previous meeting held on 8th September 2022 were accepted.

29 Declarations of interest

There were no declarations of interest.

30 Matters of urgency

There were no matters of urgency.

31 Confidential/exempt item(s)

There were no confidential / exempt items.

32 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 for scrutiny.

33 Planning for waste water, water supply and water quality

The report by the Service Lead Planning Strategy and Development Management had been introduced at the previous meeting. The Service Lead provided a re-cap of the report which referred to Government policy and guidance and the role of the Council as Local Planning Authority in delivering the Government's objectives, as well as the role of South West Water. The report also referred to the work that had been commissioned on a water cycle study to inform production of the new Local Plan. The Service Lead noted that South West Water are consulted on planning applications and are good at responding. South West Water have yet to raise any substantive issues regarding development at Cranbrook.

In response to questions and concerns, the following points were made:

- South West Water does respond to planning applications, although there are no detailed explanations of their thinking or modelling.
- If the Planning Committee is minded to refuse a planning application due to concerns regarding waste water capacity, the decision must be based on evidence, obtained either from South West Water or from external consultants.
- The water cycle study will assist with decision making.

- Historic drainage systems which combine foul water and surface water drainage are contributing to the problem.
- Modern developments include sustainable drainage and attenuation systems to ensure surface water is stored on site until the storm event has passed.

The report was noted.

34 **Beach and river water quality**

A report on the Council's remit with regard to beach and river water quality, and private water supplies, had been circulated with the agenda papers. The Council has a duty to provide bathing water quality information to the public, specifically if short-term pollution is predicted as a result of the forecasting system or actually present, and (if appropriate) to provide information advising against bathing for a recommended number of days. Electronic signs erected by StreetScene at each site are automatically updated daily to display real-time water quality information. With regard to river water quality, the Environment Agency are primarily responsible for maintaining and improving the quality of fresh, surface and underground waters within East Devon.

Additional information, including proposals, had been submitted by Cllr Jung, Portfolio Holder for Coast, Country and Environment.

Questions and comments included the following points:

- It was noted that two of the eight bathing water sampling points were rated as 'Good' rather than 'Excellent'.
- The Council has a statutory duty to display bathing water quality information, although this only applies to the summer season, May to September.
- Concern was expressed that bathing water quality information should be available all year round due to the popularity of bathing regardless of the season.
- All year real-time data should be available on the South West Water website as currently information is only made available in response to a Freedom of Information request.

The Monitoring Officer advised that the information and proposals submitted by Cllr Jung would require officer assessment, with particular regard to resources within the Council and likely outcomes.

RECOMMENDATION TO CABINET

1. For the District Council to liaise with the various local groups, Rivers Trusts, and the Environment Agency to help set up local volunteer group networks to carry out "Citizen Science monitoring" of our rivers and watercourses to provide the best possible data throughout the district.
2. For the District Council to liaise with landowners and farmers, the EA and Flood Resilience groups and other stakeholders to provide nature-based solutions.
3. To work with SWW on a strategy that will aid understanding and provide a clear direction of travel to reduce pollution and protect our beaches and clean our rivers.
4. For the District Council to request that South West Water provide real time data on their website.

35 **Portfolio Holder Annual Report - Economy and Assets**

The Portfolio Holder for Economy and Assets, Cllr Paul Hayward, presented his annual report.

In response to questions and comments the following points were made:

- The biggest issues facing businesses include non-domestic business rates, lack of footfall, the working population changing to better paid employment and fear and worry on the part of customers due to the economic climate.
- Work on a streamlined version of the Council's asset register is underway which would enable land and building assets to be accessed on the website. A report on progress is due to be made at the meeting of the Asset Management Forum in November.
- The Economic Development and Planning Policy Teams work closely together with regard to developing strategic planning policy. Information would be presented to the Strategic Planning Committee on 7 October 2022 regarding economic development aspects to be included in the new Local Plan.
- A wider debate on the potential tension between utilising land for food production versus green energy generation would be welcomed.
- It was noted that capacity within the Economic Development Team had increased in recent years, but that the issues with recruiting to the Employment & Skills post were symptomatic of the wider state of the labour market.

The Committee thanked the Economic Development Team for their excellent work and thanked the Portfolio Holder for his report.

36 **Reviewing economic development policy in rural areas - report by the Chair**

The Chair introduced his report on reviewing economic development policy in rural areas which was accompanied by a presentation.

Discussion included the following comments and points:

- The definition of what constitutes either rural or urban areas was unclear.
- The report would be better considered by the Strategic Planning Committee as part of the Local Plan process.

The Service Lead for Growth, Development and Prosperity advised that the guidance for the Rural England Prosperity Fund was clear in that the whole of East Devon was classified as a rural area, with the exception of Exmouth which has a population above 30,000. It was noted that a report on the Rural England Prosperity Fund would be going to the Cabinet meeting on 2 November 2022.

Further discussion included the following:

- Ideas in the report were welcomed and should be discussed further.
- The Council has the ability to place shape and support local businesses.
- There is already support for small business units, businesses attempting to diversify and employment land and these issues are discussed frequently in Planning Committee meetings.
- Some of the information in the report was out of date.
- There is currently no policy to support rural businesses and the debate should be about whether the Council should have a policy which brings together the work which is already being done across various areas of the Council.
- If the whole district of East Devon is deemed to be a rural area, with the exception of Exmouth, all of the Council's policies can be considered to be rural policies.

The Monitoring Officer advised that there had been no officer input to the report and that the key question was whether there is a policy gap which needed to be filled. If so, that would need to be subject to further reports which should be from officers. Alternatively, the Committee, having discussed the report, could decide that there was no gap in policy as existing policies were already addressing the issues raised by the report.

It was agreed that the report be noted, with no further action required.

37 **Quarterly performance report**

The quarterly performance plan for the first quarter of 2022/23 was noted.

38 **Forward Plan**

Two proposal forms had been submitted for consideration as follows:

1. Agricultural land – food production v energy production
1. East Devon's health strategy

With regard to the proposal form for agricultural land, discussion and comments included the following points:

- There are major concerns regarding energy and there is a need for a debate on where solar farms should be sited.
- Any discussion should include input from experts in the issues.
- Land given over to solar farms may not necessarily have been used for food production.
- All forms of renewable energy should be included in any discussion, rather than just solar.

It was agreed to add consideration of the use and provision of all forms of renewable energy across the whole district to the Forward Plan.

Regarding the proposal form for the health strategy, the Strategic Lead for Housing, Health and Environment advised that the One Devon approach is a relatively new collaboration between the NHS, local councils and the voluntary sector to provide a single joined-up health system and that this will have an impact on EDDC's public health strategy. The One Devon approach is a work in progress with the integrated care strategy due to be finalised by the beginning of December. There is a noticeable absence of reference to public and environmental health in the current approach.

The Strategic Lead also advised that the Council's public health strategy is due for review in 2023 and that the timing of any work on this review should fit well with the emerging One Devon approach.

It was noted that the proposal form refers to a recent presentation of the integrated care strategy approach which is available for Councillors.

It was agreed to add this item to the Forward Plan.

The Forward Plan was noted. It was agreed to proceed with the proposed meeting with Mid Devon District Council Scrutiny Committee regarding a joint review into the planning controls and regulatory requirements associated with the bio-energy industry with Devon, in particular anaerobic digesters.

Attendance List

Councillors present:

M Allen (Chair)

J Bailey
A Bruce
M Chapman
O Davey
J Kemp (Vice-Chair)
D Key
H Parr
E Rylance
J Whibley

Councillors also present (for some or all the meeting)

M Armstrong
P Arnott
P Hayward
N Hookway
G Jung
D Ledger
J Loudoun
D Manley
P Millar
A Moulding
M Rixson
P Skinner

Officers in attendance:

Tim Child, Service Lead - Place, Assets & Commercialisation
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)
Wendy Harris, Democratic Services Officer
Sarah Jenkins, Democratic Services Officer
Andrew Wood, Service Lead - Growth Development and Prosperity

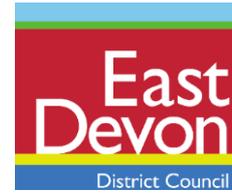
Councillor apologies:

S Hawkins
T Woodward

Chair

Date:

Finance Portfolio Holder Report
Scrutiny Committee 3rd November 2022



Introduction

My report centres on the period from April to the end of September as being the most relevant period for the Scrutiny Committee to consider. Since being appointed as the Finance Portfolio Holder in May 2020 I have worked closely with Simon Davey, John Symes and Libby Jarrett despite the restrictions caused by Covid preventing face to face meetings. To overcome the restrictions we arranged weekly zoom meetings for a number of months and these are now taking place on a bi-weekly basis and have proved invaluable to me in developing a good working relationship with the officers.

It goes without saying that the period since I became the Finance Portfolio Holder has been extremely challenging for all the staff and the fact that all the finance challenges have been met as evidenced by the relatively sound financial position that EDDC is in and the way that all the Covid related Government grants have been administered is testament to the staff involved.

The vast majority of the information contained in this report does replicate the finance related information that has already been reported on to Cabinet and Full Council for the financial year to date.

How are finances half way through the year?

General Fund

The General Fund Balance is being maintained within the adopted range, but there are requests coming through in additional asks for funding in year bring it closer to the adopted minimum level.

A favourable budget position is being reported largely because of employee cost savings due to large numbers of staff vacancies. We have also seen a large favourable change in treasury management interest receipts (see more detail below).

Downside risks remain high for the remainder of the financial year as inflationary pressures materialise. For example agreement on pay awards, increases to contractual commitments, and cost of living crisis costs such as direct/indirect energy price increases and homelessness presentations.

The September 'mini-budget' will potentially provide some support to the council through the Energy bill relief scheme covering usage between 1st Oct and 31st

March along with the reduction in national insurance. We await further detail to the extent of this support.

General Fund Revenue Budget – Sept 2022	£000
Original Budget Requirement	13,840
Predicted adverse (A) / favourable (F) spend at year end	1,062 (F)
Predicted Outturn Position 31/3/2023	12,778

General Fund Position		£000
General Fund balance as at 1/4/2022		4,300 (F)
Net predicted favourable (F) spend at year end		1,062 (F)
Approved use of General Fund Balance in year – LGA best practice guidance note		45 (A)
Approved use of General Fund Balance in year – Additional Cranbrook delivery capacity		50 (A)
Predicted General Fund Balance 31/3/2023		5,267 (F)

Housing Revenue

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

The original approved budget generates a surplus of £0.208m in 2022/23. This sum and any additional surplus is due to be added to the Capital Development Fund for future investment.

No material variance in rents are currently forecast but remains a risk with repairs & maintenance budgets forecast to be spent over the year. Other risks being monitored are employee costs due to the uncertainty around pay awards and the ongoing high inflationary environment and the impact on costs.

HRA (Surplus)/Deficit	£000
Original Budget surplus (Council 21/2/22)	208 (F)
Predicted net (under)/overspend to year end	473 (F)
Predicted Budget (Surplus)/Deficit HRA	681 (F)

Capital Programme

Capital Programme Summary	£000
Net Capital Programme Budget (Council 21/02/22)	7,919
Budget slippage into 2022/23	10,986
Revised 2022/23 budget	18,905
Capital Programme variations	0
Actual Capital Expenditure	2,094
Unpaid orders	1,031
Capital Budget Requirement per programme	15,780

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

Treasury Management – interest returns

	Annual Budget £000	Forecast Outturn £000s	Forecast Variance £000s
Internal Investments	45 (F)	482 (F)	437 (F)
External Investments	91 (F)	298 (F)	207 (F)
	136 (F)	780 (F)	644 (F)

As reported previously the interest return on externally and internally held investments have significantly increased following successive increases in the bank rate that was not forecast when the budget was set. This is providing the council with a favourable position this financial year and an opportunity to increase the budget for 2023/24.

Treasury Management – Portfolio summary

Treasury Investments at Sept 2022	
	Nominal Amount £
External Investments	
Royal London Cash Plus Fund	15,459,545.36
Payden Sterling Reserve Fund	15,463,772.05
	30,923,317.41
Internal Investments	
UK Government	
Debt Management Agency Deposit Fund (multiple term deposits)	30,750,000.00
UK Building Societies	
Thurrock Borough Council	3,000,000.00
Yorkshire Building Society	3,000,000.00
Newcastle Building Society	2,000,000.00
UK Banks	
Santander	1,000,000.00
Santander	1,000,000.00
Lloyds Bonus Call	1,000,000.00
Lloyds Call	1,000,000.00
Bank of Scotland	2,000,000.00
Money Market Funds	
CCLA Public Sector Deposit Fund	3,000,000.00
Morgan Stanley	3,000,000.00
Goldman Sachs	2,900,000.00
	53,650,000.00
Total External and Internal Investments	84,573,317.41

Capital Programme Portfolio Summary 2022/23 - month 6					Appendix A
	Portfolio	Budget after revisions	Actual	Unpaid Orders	(Under)/ Overspend
		2022/23	2022/23	2022/23	2022/23
Line		£	£	£	£
1	Corporate Services	1,373,481	107,842	-	(1,265,639)
2	Community - Housing General Fund	1,589,539	221,956	-	(1,367,583)
3	Economy and Regeneration	5,773,772	573,724	225,986	(4,974,062)
4	Environment	2,595,179	443,317	335,253	(1,816,609)
5	Street Scene	6,819,575	388,435	469,436	(5,961,705)
6	Strategic Development	1,250,000	-	-	(1,250,000)
7	TOTAL GF GROSS EXPENDITURE	19,401,546	1,735,274	1,030,674	(16,635,598)
8	Community - HRA	4,558,500	2,204,847	431	(2,353,222)
9	TOTAL GROSS EXPENDITURE	23,960,046	3,940,121	1,031,105	(18,988,820)
10	Corporate Services	(11,000)	0	-	11,000
11	Community - Housing General Fund	(1,473,864)	(1,152,102)	-	321,762
12	Economy and Regeneration	(2,249,000)	0	-	2,249,000
13	Environment	(538,640)	0	-	538,640
14	Street Scene	(782,620)	(82,000)	-	700,620
15	Strategic Development	0	0	-	-
16	TOTAL GF EXTERNAL FUNDING	(5,055,124)	(1,234,102)	-	3,821,022
17	Community - HRA	0	(612,000)	-	(612,000)
18	TOTAL EXTERNAL FUNDING	(5,055,124)	(1,846,102)	-	3,209,022
19	Corporate Services	1,362,481	107,842	-	(1,254,639)
20	Community - Housing General Fund	115,675	(930,146)	-	(1,045,821)
21	Economy and Regeneration	3,524,772	573,724	225,986	(2,725,062)
22	Environment	2,056,539	443,317	335,253	(1,277,969)
23	Street Scene	6,036,955	306,435	469,436	(5,261,085)
24	Strategic Development	1,250,000	-	-	(1,250,000)
25	TOTAL GF NET EXPENDITURE	14,346,422	501,172	1,030,674	(12,814,576)
26	Community - HRA	4,558,500	1,592,847	431	(2,965,222)
27	TOTAL NET EXPENDITURE	18,904,922	2,094,019	1,031,105	(15,779,798)

*we are currently asking services to profile budget spend to more accurately reflect likely spend

Work of the Budget Setting and Capital Allocations Panel

I chair this Panel who play a vital role in:

- Planning the finances of the Council by considering the Financial Plan, more of that later,
- Reviewing and appraising capital proposals and making recommendations on scheme inclusion into the Capital Programme which will be at the November meeting, and
- Essential governance role in monitoring the progress of key projects of the Council.

Example report to BSCAP:

Project report 2022/23						
Annual report for 2022/2023 Arranged by Aims Filtered by Flag: Include: Projects Exclude: Archive Filtered by Performance Status: Include Objective Status: On track, Variation, Concern, No Data available						
Key to Performance Status:						
Key Strategic Objective:	Milestone Missed	Achieved	On track	Variation	Concern	No Data available
* indicates that an entity is linked to the Aim by its parent Service						
Project report 2022/23						
Not linked to any aims						
Key Strategic Objective						
Objective Title Status	Objective	Comments	Responsible Officer			
On track	<u>Delivery of capital works for 2022/23</u>	23 projects approved for delivery over next 3 years against a budget of £3,166.625. Some completed, others have orders raised and others still need starting. Generally on-track.	Tim Child			

Financial Plan

The preparation and adoption of this Plan is essential for good financial management of the Council.

The 2023 – 2024 was considered by the BSCAP in early September and recommended to Council by Cabinet in October meeting.

I would recommended members who haven't already read this, do so.

Below I have copied some key parts of the Plan to highlight its content:

The Plan is in a revised style to previous years with some new thinking over our approach going forward, the Plan comprises two parts:

➤ **Part A - The Medium Term Financial Plan Model (MTFP)**

The MTFP provides a financial model and forecast of the cost of providing services over a rolling ten year period, together with an estimate of the financial resources that are likely to be available to the Council.

The process is designed to provide an early warning of any potential deficit in the required level of resources.

Affordability of the Council's capital investment programme is also modelled.

Table: MTFP Model – Annual General Fund budget shortfall assuming previous year's shortfall was found.

General Fund	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Budget Shortfall/(Surplus)	589	892	3,805	(1,128)	(122)	(17)	600	(13)	(97)	20

Actions will need to be taken to meet these shortfalls.

The Plan proposes a two stage approach which is linked to the uncertainty of Government funding for local authorities.

- Over the following year/18 months we will undertake reviews to ensure we are delivering VFM, drive efficiencies to see what savings can be achieved and to form an evidence base that we have done what we can. If this does not bear fruit then we need to look for service reduction.

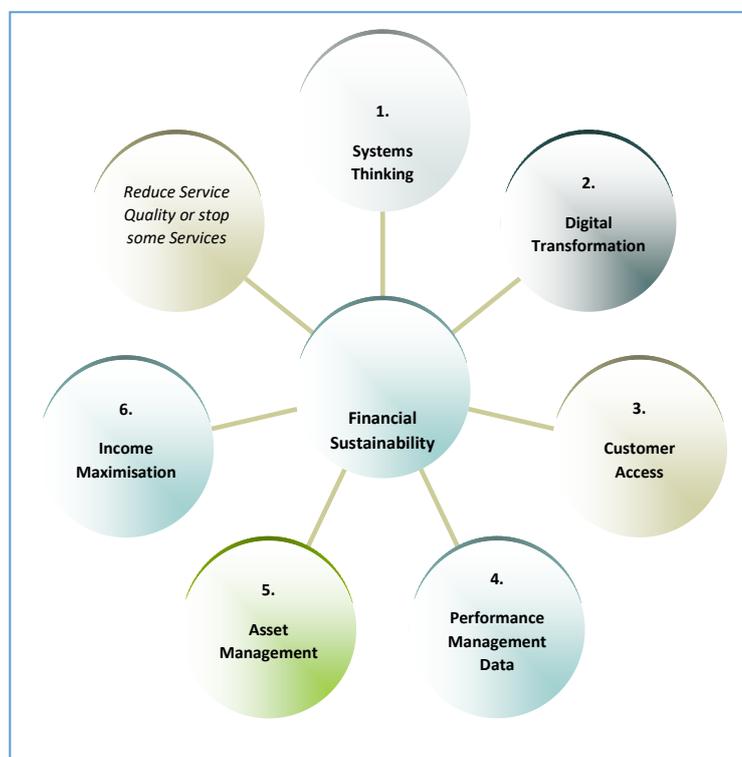
(The method of reviews is picked in Part B of the Plan below)

- If the funding gap estimated in 2025/26 of £3.8m materialises, which is dependent on Government direction, then efficiencies and income generation are not going to drive that level of savings and we will need to propose significant service reductions. But this comes at a point when we know how much we need to find and when, before radical service decisions are made. As stated we have a MTFP Risk Reserve in place to protect us against any

immediate changes should Government carry out reforms without good notice.

➤ **Part B – Financial Sustainability Model (FSM)**

This part of the Financial Plan considers how the Council will balance its finances over the coming years to continue to provide service for its residents and customers. It ensures we are achieving Value for Money throughout the Council within each service, it evidences this and seeks improvement and savings where possible. Key enablers are identified to aid us in this process with Enabler Leads identified and corporate resources being available to work with services.



I will be working with the Simon Davey to monitor progress of these reviews and how we are progressing in achieving savings.

Revenues, Benefits, Corporate Customer Service, Fraud & Compliance – Service Lead (Libby Jarrett)

Business Rates

We currently have 7489 non domestic rating assessments. Since April this has increased by 165 (previously 7324).

Total rateable value: £106,286,568

Gross rates £53,025,769 and after rate relief this is currently circa £34,813,658
Rate relief schemes

Main schemes: Small Business Rate Relief, Charity Relief, Sports Rate relief, Empty reliefs and exemptions, and rural rate relief

Temporary Schemes: Retail, Hospitality & Leisure (government temporary scheme) following Covid for 2022/23 & CARF scheme 2021/22 only

Priority this year has been to implement the CARF scheme (see below under government schemes)

The focus is also on improving the collection rates. Unfortunately due to Covid a number of businesses had fallen into arrears and the team have been working with these businesses putting in place payment arrangement plans. Collection performance for this year is showing improvement on the previous year.

Third priority is to undertake compliance reviews (including inspections) as much of this work had to be paused due to Covid and delivering government grants.

Council Tax

There are currently 73,095 Council Tax banded properties in the district. This has increased by 980 compared to this time last year (was 72,115)

Responsible for collecting for 2022/23 after discounts and reliefs £132.3m. This has increased by circa £6m compared to this time last year (was £126.2m)

84% of our residents pay their Council Tax by Direct Debit which has increased by 3% in the past 12 months. Since April we've had 687 new Direct Debits set up.

Not only do we have a track record of having the highest collection rates in Devon but also in the South West and nationally we're 5th highest out of 316 councils.

As Council Tax is a statutory charge we have a duty to take action over non-payment. For instance in this financial year we've already issued over 10K reminders and final notices, just under 2000 summonses and obtained circa 1500 liability orders. We've also set up over 2500 payment arrangements.

Due to staff being deployed onto the Energy Rebate Scheme the team were unable to start the recovery process until the end of June 2022 which has delayed Court action by 3 months.

In terms of customer demand the team have handled between April to October on average per week:

- 650 pieces of post (online forms, emails, letters, etc)
- 639 phone calls
- 50 plus changes to the valuation list
- 100 plus changes to Direct Debit details

Due to resources being diverted to implement the Energy Rebate scheme we now need to focus on the recovery side of Council tax as well as the compliance aspects.

Benefits & Financial Resilience update

Current Caseload as at 01 October 2022

	Working Age	Pension Age	Total
Housing Benefit	1674	1965	3639
Council Tax Reduction	4640	3615	8255

Universal Credit (UC) managed migration has restarted and this will reduce our working age caseload further. We are still waiting on the date that this is due to restart for East Devon. There will be a 3 month deadline for residents to apply for UC from the date they receive their migration letter. Department for Works and Pensions (DWP) will do some chase up work for those who have not applied but may require the support of LAs to help residents and ensure they claim UC. Our Council Tax Reduction caseload remains high. We are currently working on our CTR scheme and looking at making changes for 2023/24. A report with full details will be presented to Members at Cabinet at their meeting on 2 November 2022

Performance Indicators

DWP speed of processing statistics for FYE 2022 show the average number of days to assess a new claim is currently 20 days and change of circumstances is 3 days for Great Britain. The South West processing days is 18 for new claims and 3 for change in circumstances. It should be noted that processing times across the country have been increasing as Benefit teams have been tasked with providing support through the pandemic and the distribution of emergency funds such as the Household Support Fund.

East Devon's processing times for new claims in Q4 of 2022 was 14 days and 2 days for change in circumstances. Below is the processing figures for the other Devon authorities. Based on these figures we have continued to perform well despite the challenges we have faced over the last two years.

DWP Housing Benefit (HB) Speed of Processing

Quarterly figures on New HB Claims and Change of Circumstances to existing HB Claims, by local authority (LA)

Q4 2021 to 2022

Local Authority Name	New HB Claims			Change of Circumstances to existing HB Claims		
	Total number of processing days	Total number of processed cases	Average speed of processing	Total number of processing days	Total number of processed cases	Average speed of processing
East Devon	1,302	95	14	9,555	4,884	2
Exeter	2,967	222	13	15,018	3,597	4
Mid Devon	1,692	93	18	5,846	4,093	1
North Devon	3,621	143	25	13,827	4,351	3
South Hams	842	59	14	10,404	3,722	3
Teignbridge	1,466	111	13	12,407	4,621	3
Torridge	2,849	72	40	9,733	1,863	5
West Devon	836	58	14	6,682	1,821	4

Since April 2022 all LAs must now review a number of cases sent to them by the DWP known as Housing Benefit Award Accuracy and Housing Benefit Matching Service. East Devon's targets are as follows.

Type of review	Full case review (HBAA)	Self-employed review	HBMS
Target	521	94	91

We are currently on track to achieve our targets for 2022.

We also have a number of Verify Earnings and Pensions Alerts (VEP) to complete each year.

Period FYE 2022	Volume of VEP tasks sent	Total number of VEP tasks actioned	% volume of VEP task outcomes recorded against all those sent
Q1	315	279	88.6%
Q2	293	287	98.0%
Q3	265	265	100.0%
Q4	281	281	100.0%

Full year 2021/22	1154	1116	96.7%
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Our performance on VEP cases was in the top quartile of LA performance in the country. Top quartile of country performance for FYE 2022 - 96.5%, compared to 96.6% for the South West region.

Housing Benefit Overpayment recovery rates at 30 September 2022.

Total overpayments outstanding is current at £1,865,203.21. Since April 2022 we have raised £319,715.66 of new overpayments. Recovery rates are currently at 17.75% slightly down on 2021/22 rates of 19.59% at September 2021. This is partly due to the overpayments team taking on the Homes for Ukraine work and administering the interim guest payments of £200 and host sponsor thank you payments of £350.

Overpayments that we have previously been able to collect via on-going Housing Benefit has also been reduced as more working age residents are now on UC. We therefore have to apply for deductions from UC to the DWP which sometimes take a number of months before payments are received.

Government Grant Administration

Since the start of Covid, the Revenues, Benefits and Corporate Customer Services Team have been at the forefront of delivering on numerous financial schemes on behalf of government to support businesses and residents initially impacted by Covid but in the last year this has now turned into schemes to support residents with rising household bills in particular with energy costs. Since the start of 2022 the teams have been delivering on:

Business Support schemes

1. Omicron Hospitality and Leisure Grant (OHLG) scheme – January to March 2022

Government guidance here:

[Omicron Hospitality and Leisure Grant Guidance \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

- Government announced this scheme on 21 December to support businesses in the hospitality, leisure and accommodation sector in recognition of the rise in the Omicron variant which was likely to cause businesses to struggle.
- Two parts to the scheme – criteria based scheme linked to business rates and a discretionary element where additional funding was provided under the Additional Restrictions Grant (ARG).

- Scheme had to be delivered at pace as only received the guidance at the very end of December 2021 and need to be live as the scheme closed on 31 March 2022 and any unspent funding needed to be returned to the government.
- Like previous grant schemes the team worked with Teignbridge and Exeter (Strata partners) to design a common online application form.
- Scheme designed and we were live by w/c 24 January 2022
- Although we received 1,095 applications only 1,017 were approved. In total paid out £3,072,940.

2.Covid Additional Relief Fund (CARF) – January to 30 September 2022

- Scheme was to provide discretionary rate relief in respect of 2021/22 only.
- Although the Government announced on 25 March 2021 (part of Spring budget) a new rate relief scheme to support businesses affected by the pandemic that had been ineligible for previous support, the guidance wasn't actually issued until 15 December 2021.
<https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance>
- As this was discretionary funding a policy needed to be developed on how we would utilise the £2,162,973 allocation to East Devon.
- Copy of the Cabinet report and policy are available here: [\(Public Pack\)Agenda Document for Cabinet, 02/02/2022 18:00 \(eastdevon.gov.uk\)](#)
- Significant amount of modelling had to be undertaken in order to inform our local scheme and all funding had to be used by 30 September 2022 otherwise any unspent funding would be repaid back to government.
- Scheme designed was primarily a formula based scheme and allowed for 32% rate relief to eligible businesses. Initially this was based at 28% with a £30,000 cap. However as there was remaining funding it was agreed to increase the thresholds (as set out in the recommendation to Cabinet) in August 2022 to ensure all funding was utilised.
- In total 595 businesses benefitted from CARF rate relief.
- As at 30 September all CARF funding had been spent.

Grant scheme post payment assurance checks

As part of our requirements when administering the Covid grant schemes we have been required to carry out post payment assurance checks that relate back to 2020.

This involved BEIS providing a list of postcodes and from that we would then have to supply evidence and responses to the following questions:

- Details of the claim process that was used for that grant scheme – application form, 2 factor authentication (pin and business rates number),
- Declarations used as part of the claim process including details within the form of them being mandated to shut and still an active business
- Evidence had to be supplied on:
 - Business was still trading – copies of spotlight, transactions on bank statement etc.

- Business was trading day before restrictions came out – provided evidence of self-declaration and confirmation of spotlight search
- Business was required to close due to restrictions – self-declaration and post payment checks by internal fraud team
- Business was dependant on direct in-person services – self-declaration and post payment checks
- Grant value was in line with scheme guidance – review and compare of award and business rates system
- Grant paid to the correct entity

Grant schemes reviewed since April:

LRS2 (Nov 20 Grant)Local Restrictions Scheme Grant	Completed by 26.04.22
LRS3 & 3.1 (Jan - Mar 21 Grant)	Completed by 26.04.22
Restart (Apr 21 Grant)	Completed by 12.10.22
Omicron (Jan 22 Grant)	Completed by 14.06.22

Residents Support Schemes - Energy Rebate Scheme

Government announced on 3 February that there would be an energy rebate of £150 paid through Council Tax and those that paid by Direct Debit would get their money paid into their bank account in April.

Guidance issued on 22 February 2022 which set out the eligibility and criteria of the scheme. [The council tax rebate 2022-23 – billing authority guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/the-council-tax-rebate-2022-23-billing-authority-guidance)

Scheme in two parts – main scheme and discretionary scheme.

Main scheme based on government criteria and discretionary scheme based on local policy.

Main scheme closed on 30 September 2022 and Discretionary Scheme closes on 30 November.

Key issues:

- This is the largest scheme we've had to deliver at such short notice.
- This scheme was supporting circa 49,000 households
- Although scheme criteria was based on Council Tax our existing system could not be used to deliver this Energy Rebate Scheme without changes being made. This meant we had to design a system outside of this.
- Although eligibility was based on occupation as at 1 April, the Council Tax data isn't static which meant that we needed to continually reflect changes to

council tax records with the Energy Rebate data to avoid errors being made. Due to the volume of changes that the Council Tax team process each day this work was complex to do.

- We had to carry out a significant amount of data cleansing to prevent paying the Energy Rebate to those not entitled. For example; fuzzy matching of Direct Debit details (liable name and Direct Debit name needed to match), checking for duplicate liable name (to prevent paying landlords as not eligible), second home owners, etc.

Main scheme:

Eligible households	46,874
Eligible households paid via Direct Debit (as we had a valid DD) 3 payment files to reflect our 3 different dates	34,289 (all paid by end of April 2022)
Eligible households paid through EDDC salary	42
Eligible households paid through online application form Paid to CTAX, BACS or Post office Voucher)	12,328
Percentage paid	99.54%
Eligible amount paid	£6,998,850
Cases not paid	215 (only 5 of these are still resident in our area – 29 have since died and the rest have vacated)
Number of letters sent out to DD & Salary payers	34,636
Number of letters sent inviting people to apply	12504
Number of reminder letters	4,357

- This was an incredibly challenging scheme to set up due to having to design systems to be able to handle the different elements to the scheme and the limited time we had to do this under.
- Even with the majority of eligible household being paid via their bank (using their Council Tax DD details) it still left over 12,000 households to claim via the claim process.
- Due to recruitment issues we've had to redirect Customer Services and Council Tax staff to administer this scheme between April and September which has resulted in work falling behind in other areas of work.
- We've had to have on average 4 admin staff on this full time throughout this period as well as management resource to deal with the technical issues, queries, reconciliations and management reporting, etc

Discretionary Council Tax (Energy) Rebate scheme

Discretionary scheme policy was approved by Cabinet. [Agenda for Cabinet on Wednesday, 4th May, 2022, 6.00 pm - East Devon](#)

Although the policy was approved in May there were delays in getting this live due to ICT resources in the form development. Scheme went live in September.

- East Devon was allocated an amount of £269,850 to provide extra support with energy costs.
- Scheme is in two parts – targeted support and application scheme
- Households that were targeted to receive a payment were all sent a letter with an access code inviting them to apply for their rebate on-line. Help is being provided to those households who are unable to complete their application on-line. 4001 households were sent a letter advising them they were able to receive a payment of either £150 or £40.
- To date we have received 2339 applications and paid out a total of **£106,310.00**.

Payment method	BACS	Direct to CTAX acc	PO voucher
	£76,570	£22,360	£7,380

Follow up work will be carried out to contact those who have not yet completed their applications towards the end of October 2022.

Scheme closes 30 November as per government guidance and any unspent funds have to be returned.

Household Support Fund April 2022 to September 2022

Household Support Fund ran between 1 April 2022 and 30 September 2022. Spend for the Household Support payments are broken down in line with the Department for Works and Pensions reporting requirements.

As part of Team Devon's approach £90 was paid to all pensioners in receipt of Council Tax Reduction. These payments were made via the Post Office pay out scheme. 3667 payments were made totalling £330,030.

A further £111,670.00 was allocated to East Devon for the general fund.

	Households with children	Households with pensioners	Other households	Total amount
Spend	£76,944.17	£620.00	£34,185.10	£111,749.27
Volumes	642	7	345	994

	Energy and Water	Food	Essentials linked to energy and water	Wider essentials	Housing costs	Total

Spend	£77,200	£22,020.77	£2838.47	£9690.03	£0.00	£111,749.27
Volumes	641	269	21	63	0	994

Household Support Fund 3 has now been announced and we have been allocated a provisional amount of £323,033.00. We are currently working on the policy, identifying households and how this will be administered. This will be tied in with the winter pressure plans and further in-depth information will be provided in the coming report to Members on the Household Support fund.

Homes for Ukraine

Homes for Ukraine scheme commenced in April 2022. All guests under the scheme are entitled to a one-off payment of £200 on arrival in the UK. Each host is eligible for a sponsor thank you payment of £350 per month paid in arrears.

Due to the different services involved with the Homes for Ukraine scheme, the Benefits team is responsible for administering the payments to hosts and guests.

Interim guest payments are now paid either by BACS into guest bank accounts or by Post Office pay out now scheme. (Previously paid in cash collectable from Blackdown House)

291 individuals have been paid an interim payment (161 family groups) totalling **£58,200.00**.

129 hosts have claimed a sponsor thank you payment.

To date 103 (85%) of all host payments due have been paid to date. The outstanding 15% are due to a delay in DBS and safeguarding checks being outstanding meaning we are not able to pay as per government guidance. 9 payments are not yet due as their guests have not been residing with them for a month.

Total amount of host sponsor payments made up to 31 August 2022 = 158 **£55,300.00**.

Car Parking – Key Considerations

- Car Park Charges were increased for the first time in 10 years in April 2022.
- Winter charges remain relatively low with the “winter offer” in place. This will result in a proportionally higher amount of the yearly car park income being received during the summer months when compared to previous years.
- Staycations remain popular as public travel confidence did not fully return this summer. (European travel 40% lower than pre-covid levels). The prolonged effect of Covid-19 and wider fiscal uncertainty may see the staycation trend continue.
- Extraordinary events such as the Queen’s Platinum jubilee with the additional bank holiday day and some of the hottest recorded summer temperatures will have undoubtedly helped increase revenue in coastal locations this summer.

Below is some key data comparing April to September 2021 to 2022 taken from the Car Park IT System

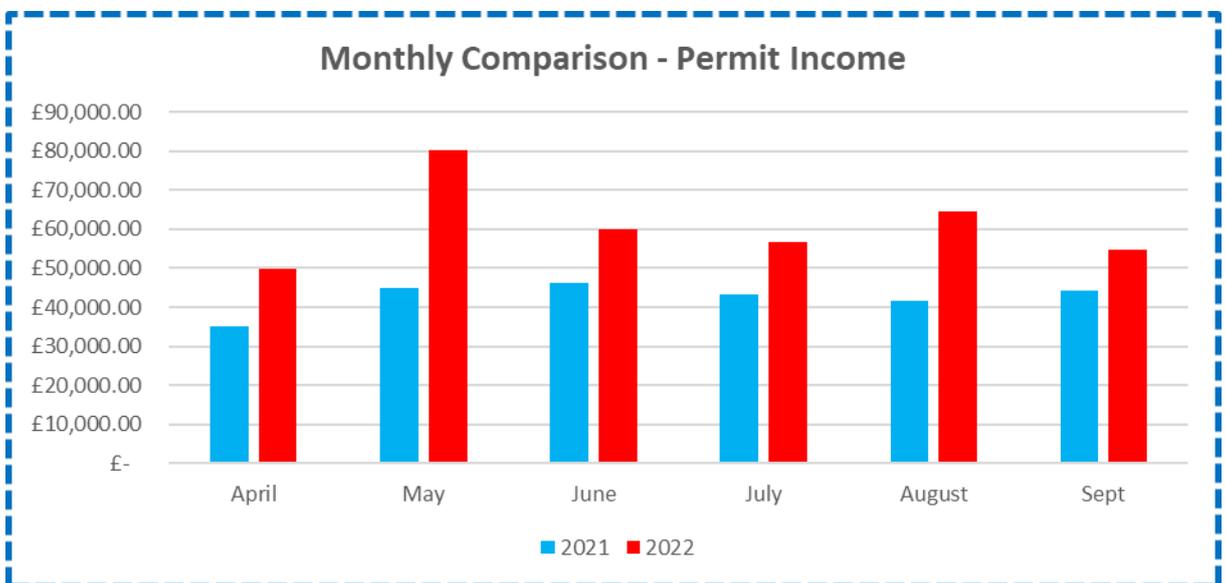
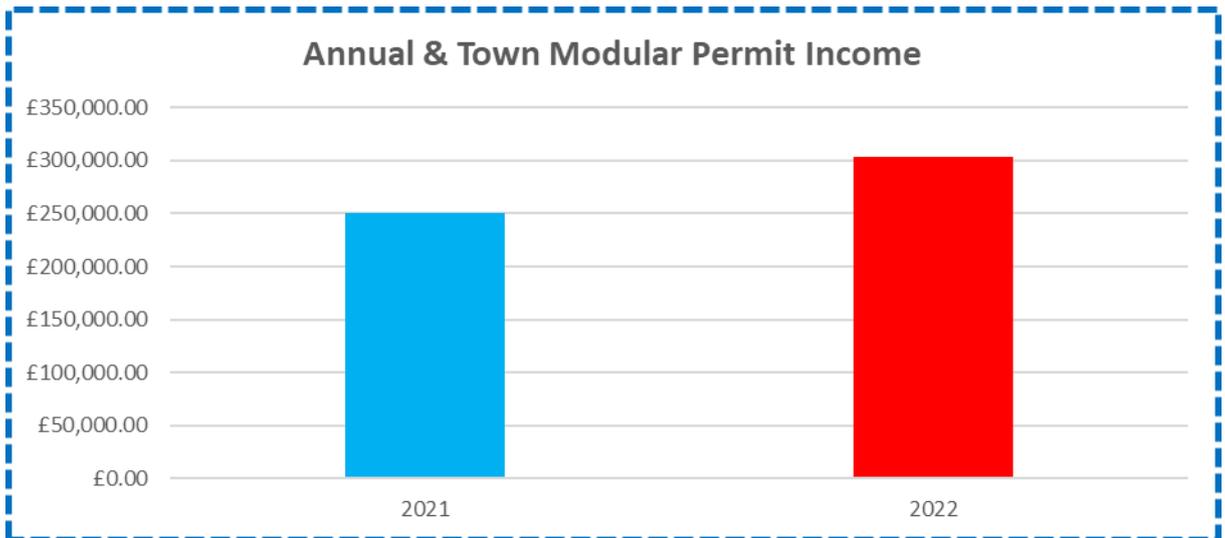
Parking Permits

Relevant information

- Town Modular increased from £100 - £120 in April 2022
- Adding a town increased from £10 - £24 in April 2022

Headline figures

- Annual and Monthly Town Permit collected income increased by £53,580 from £250,064 to £303,644 (21.4% increase)
- Number of permits issued increased from 3,418 to 4,184 (22% increase)
- Permit income per transaction has stayed the same at approximately £73



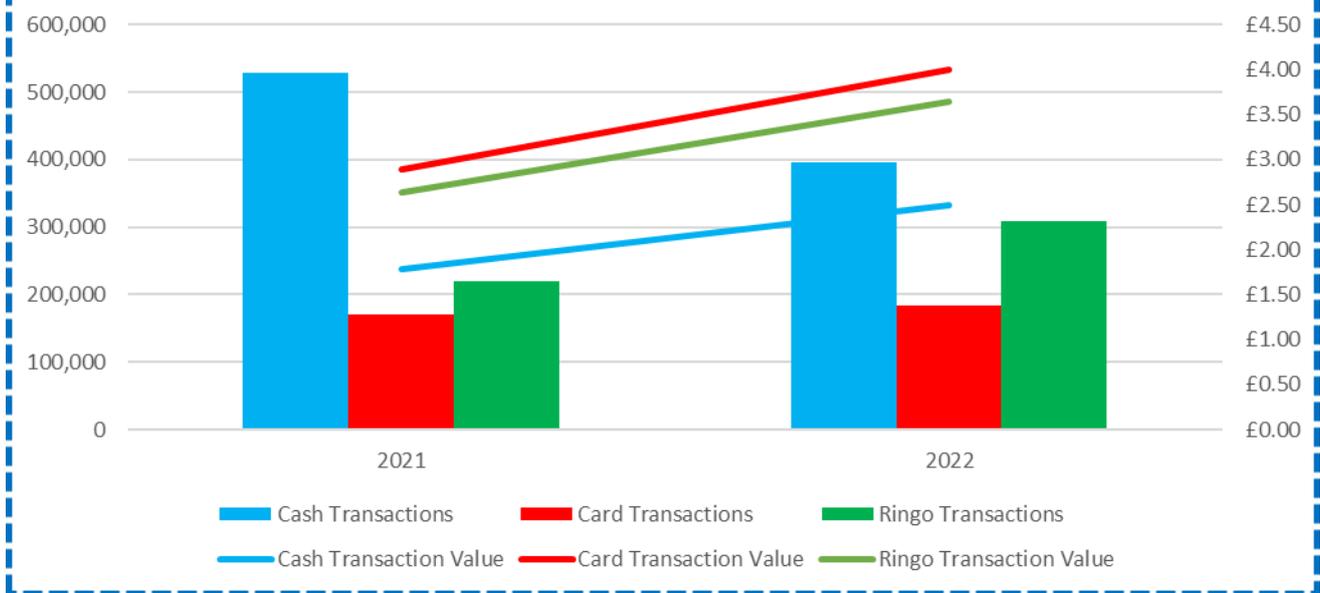
- LED Leisure Centre Permits = £4,155 for 59 permits (£2,415 for 37 permits 2021)
- 2,3,4,7 Day Permits = £18,475 for 867 permits (£19,785 for 947 permits 2022)

Pay & Display – Cash, Card & Ringo

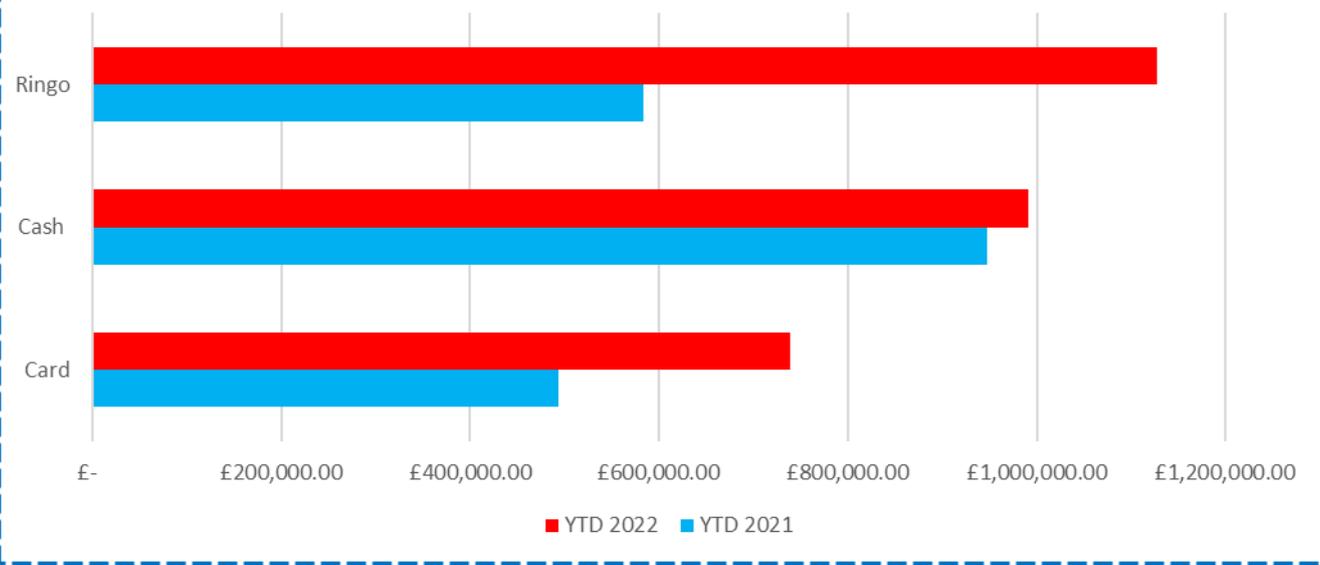
Headline figures:

- Total car park income is in line with budget, which was increased by £1.3m based on some revised hourly charges.
- Average car parking transaction value increased from **£2.20 to £3.21**

Number of transactions & value by type



Preferred Payment Method (£)



EV Charging Bays – Installation Update

CAR PARK	TOWN	# of EV BAYS	DUE FOR COMPLETION
Dolphin Street	Colyton	4	October
Roxburgh	Sidmouth	4	Early November
West Street	Axminster	10*	October (2),
Underhill	Lympstone	4	October
Central Car Park	Beer	6*	November (4), March (2)
Rolle Mews	Budleigh Salterton	4	November
Imperial Road	Exmouth	10*	October (2), November (8)
East Street	Sidmouth	4	December
Lace Walk	Honiton	4	December
Ham East	Sidmouth	2	October
Orchard Road	Seaton	2	<i>Awaiting date</i>
Lime Kiln Car Park	Budleigh Salterton	2	December
New Street Car Park	Honiton	2	<i>Awaiting date</i>

* 2 separate installations

Scrutiny Committee Forward Plan 2022 / 23
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Work for scoping and/or allocation to the Forward Plan

Proposed date	Topic
1 December	Portfolio Holder Annual Report Cllr Geoff Jung – Coast, Country & Environment
1 December	Portfolio Holder Annual Report Cllr Dan Ledger – Sustainable Homes & Communities and Strategic Planning
1 December	Report on draft training strategy (agreed at meeting on 2 December 2021) with Cllr Sarah Jackson
1 December	Quarterly performance report - Q2
11 January 2023	Joint Budget meeting with the Overview Committee
2 February 2023	Portfolio Holder Annual Report Cllr Marianne Rixson – Climate Action & Emergency Response
2 February 2023	One Devon integrated health care strategy
2 March 2023	Portfolio Holder Annual Report Cllr Sarah Jackson – Democracy, Transparency & Communications
2 March 2023	Portfolio Holder Annual Report Cllr John Loudoun – Council & Corporate Communication
2 March 2023	Quarterly performance report – Q3
6 April 2023	Portfolio Holder Annual Report Cllr Nick Hookway – Tourism, Leisure, Sport & Culture
TBC	Consideration of the use and provision of all forms of renewable energy across the whole district
TBC	Strategic review of policy formation (proposal form from Cllr Allen, agreed at June meeting) – scoping report awaited
TBC	Procedure for putting forward alternative strategies (proposal form from Cllr Allen, agreed at June meeting) – scoping report awaited

TBC	Expenditure on consultants and agency staff 2020/21 (follow up from meeting of 2 December 2021)
TBC	Proposal from Mid Devon DC Scrutiny Committee regarding a joint review into the planning controls and regulatory requirements associated with the bio-energy industry within Devon, in particular anaerobic digesters (details circulated to Members by email on 10 December 2021)
TBC – keep under review	<p>Local Plan Sites – Allocations to Delivery</p> <p>The Joint Overview and Scrutiny meeting of 17th January 2022 [minute 43c] recommended '<i>a review of the Statement of Community Involvement and consultations on planning applications to consider making greater use of site notices to publicise planning applications</i>' Goodmores Farm could be considered as part of this work if the concern relates to the consultation specifically (agreed at meeting on 3 March 2022).</p> <p>This item to be kept under review.</p>
For noting:	<p>Database of assets owned by the Council.</p> <p>Note: This work is in-hand through Strata with a demonstration for Members planned at the November Asset Management Forum meeting (scheduled for 4 November 2022).</p>
Correspondence regarding Scrutiny Committee topics	
Date received	Details
8 June 2022	Correspondence from Mr G Crawford regarding storm overflow discharge at Exmouth following the response to questions from SWW
28 June 2022	Correspondence from Mr G Crawford to advise that the Ofwat investigation into raw sewage dumping has been extended to include SWW