

EAST DEVON DISTRICT COUNCIL

Minutes of the Joint Budget Meeting of the Overview and Scrutiny Committees held at Council Chamber, Blackdown House, Honiton on 12 January 2023

Attendance list at end of document

The meeting started at 10.05 am and ended at 3.55 pm

75 Public speaking

There were no members of the public registered to speak.

76 Minutes of the previous meeting

The minutes of the previous meeting were received and agreed at the previous session on 11 January 2023.

77 Declarations of interest

Minutes 80 – 87 Key Service Plan Objectives 2023-2024 and Minute 88 Draft Revenue and Capital Budgets 2023 – 2024.

Councillor Tony Woodward, Disclosable Pecuniary Interest: Councillor has contract as casual worker with LED Leisure Management Ltd.

The Monitoring Officer granted Cllr Woodward a dispensation to remain in the meeting as without a dispensation the Overview Committee would have been inquorate at certain points during the meeting.

Minute 86 Communications, Digital Services and Engagement Team.

Councillor Eleanor Rylance, Affects Non-Registerable Interest: Councillor is a host on the Homes for Ukraine scheme.

78 Matters of urgency

There were no matters of urgency.

79 Confidential/exempt item(s)

There were no confidential or exempt items.

80 Key Service Plan Objectives 2023-2024

The committees considered individual service plan objectives as set out in these minutes for the following services:

- Finance
- Growth, Development and Prosperity
- Planning
- Governance and Licensing
- Place, Assets and Commercialisation
- Communications, Digital Services and Engagement Team

- HR and Payroll Service

81 **Finance**

The Director for Finance, the Assistant Director Revenues and Benefits and the Finance Manager provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

The Portfolio Holder for Finance remarked on the volume and breadth of work that is covered, commenting on the challenges that are presented, and the achievements. He thanked the Finance and Revenues & Benefits teams for their hard work.

For the Finance team, work for the coming year would include:

- Implementation of the Financial Sustainability Model; this work is critical in terms of balancing the budget going forward and ensuring effective and efficient delivery of services. Progress will be reported to Members through the Budget Setting and Capital Allocations Panel, with minutes going on to Cabinet.
- Working with Devon Procurement Services to develop a matrix of activities to embed practices in the Council's procurement processes to reduce the carbon footprint, in line with the Procurement Strategy 2022-2027 adopted by Members.
- Implementation of new Finance System. The Finance Manager explained that this is a major project that will touch all areas of the Council; the system will facilitate better reporting and budget monitoring, with user friendly dashboards and the ability to better identify trends. Exeter City Council (ECC) and Teignbridge District Council (TDC) will be on the same system, enabling closer working between the three authorities.

For the Revenues and Benefits team, work for the coming year would include:

- Poverty Strategy – to continue to develop the Poverty Dashboard to drive the Council's response to help residents with the cost of living crisis.
- Development and approval of the Household Support Fund 3 and Discretionary Fund.
- Council Tax Reduction Scheme – currently a revised, more generous scheme is being proposed which will lift the lowest income households out of paying council tax altogether. If approved, the new scheme will be implemented leading up to 2023/24.
- Implementation of Business Rates Revaluation and government schemes announced in the Autumn budget.
- Carrying out a review of telephony across the Council to ensure efficient and streamlined processes and high standards of customer service.
- Carrying out feasibility with ECC Revenues & Benefits Service on exploring opportunities for partnership working/scoping how services can be better aligned.

Clarification and responses included:

- Whilst this Council has a regular relationship with ECC and TDC in terms of shared IT systems, TDC uses different Revenues and Benefits software to that used by this Council and ECC, therefore synergies are closer with ECC. ECC have been proactive in approaching this Council with a view to closer partnership working, and the Assistant Director Revenues & Benefits will be meeting with her counterpart in ECC imminently, to start these conversations.
- The Director for Finance assured Members that sharing computer systems with ECC and TDC does not increase risks of hacking, since data are already held on the same servers, and the same controls and processes through Strata are in place.
- A Member sought to understand where the automations and efficiencies will come in with the new finance system, given that there will be other multiple systems feeding into the main finance system. He asked whether officers would have overview and authorisation of certain transactions, to mitigate risk from errors. The Director for Finance confirmed

that key controls around reconciliations and hierarchy of authorisations are already in place, and will remain in place with the new system. The benefits of the new system are mainly around the ability to report, and procurement. The efficiencies arise from all three authorities designing the finance system together, with development of the same systems and process, meaning that the specialist accountants from the authorities can work together, thereby mitigating against risk of failure.

- It is expected that local councils will continue to be used to deliver funding schemes brought forward by central government, given that district councils in particular are well placed to adapt and get payments out quickly to local residents. Grants are now targeting cost of living, and no further funding is expected in relation to the Covid pandemic.
- The Council does receive funding to cover the costs of administering funding schemes announced by central government, but there is a significant time lag on this being received.
- This Council has a positive track record relative to some other councils in managing the challenges of delivering funding schemes, with the right skills sets, a lot of experience and an agile workforce. The service is therefore able to flex and prioritise and deprioritise work in order to deliver, without reliance on agencies.
- One Member asked if this year's Council Tax and rent increases will mean that more households become eligible for 100% Council Tax reduction. The Assistant Director Revenues & Benefits explained that the Council Tax Reduction Scheme does not take account of expenditure but looks at income to determine which band households fall into. She added that band widths had been revised to allow for the rise in benefits in line with inflation.
- A lot of work takes place to support households with financial resilience and working with trusted partners to try to remove barriers for households in poverty to access support.

Recommended to Cabinet by the Overview and Scrutiny Committees

that the Service Plan 2023-24 for the Finance service be adopted.

82 **Growth, Development and Prosperity**

The Assistant Director Growth, Development and Prosperity provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

For the Growth, Development and Prosperity team, work for the coming year would include:

- Input to the development of the new Local Plan with a focus on establishing robust, effective and defensible policies and proposals in a range of areas.
- Lead on the deployment of the UK Shared Prosperity Fund and Rural Economic Productivity Fund (UKSPF) programmes ensuring core outputs and key milestones are achieved on time and to budget, in line with the UKSPF Investment Plan.
- Provide ongoing support to the East Devon Tourism Network, enabling delivery of relevant Tourism Strategy objectives.
- Ongoing implementation of the Bidsmart initiative across all service areas, with a more collaborative, informed approach to identifying and responding robustly to external funding opportunities.
- Delivery of a vibrant town centre for Cranbrook
- Ongoing work which aligns with the Climate Change Action Plan including Clyst Valley canopy work and the district heating interconnector project.

Questions, clarification and responses included:

- Work has been done at the Heart of the South West level around a vision for sustainable aviation in the area. This included potential for test corridors linking Yeovil, Exeter and Plymouth; it was recognised that work around the launch of Virgin Orbit's Cosmic Girl at Cornwall Airport in Newquay has brought technology and jobs to that part of Cornwall. There is the potential to develop a wider proposition around sustainable aviation as part of the Great South West initiative. This would pick up from the test flights for hybrid-electric propulsion between Exeter and Newquay airport that took place in the summer of 2021.
- The East Devon Tourism Network will bring together a range of bodies and organisations to ensure good visibility on grant schemes and other support coming forward.
- Exeter Airport has been slow to recover from the impact of the pandemic and the demise of FlyBe. The significance of the airport for development of the Science Park and the wider business community is unclear; some key business routes (e.g. to Amsterdam, Paris) have not re-emerged and it would be difficult to demonstrate empirically whether this has impacted on the development of the Science Park. The airport has benefited from financial support which includes £200k from this Council through the Special Case Funds during the pandemic, as well as business rate relief and the furlough scheme nationally.
- Work around delivery of the various assets in Cranbrook is coordinated through the Strategic Delivery Board, and an implementation plan is reviewed at every meeting.

Recommended to Cabinet by the Overview and Scrutiny Committees

that the Service Plan 2023-24 for the Growth, Development and Prosperity service be adopted

83 **Planning**

The Assistant Director for Planning provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

The service plan for the coming year included:

- To progress the Local Plan through to a publication draft in accordance with the timetable set out within the local development scheme and in accordance with Members aspirations outlined in the Council Plan.
- Following adoption of the Cranbrook Plan, to determine planning applications for the expansion at Cranbrook and secure the range of uses needed to create the vibrant town envisaged by policy; and to determine applications for the expansion areas at Cranbrook to maintain a supply of housing plots and meet the aspirations for growing the town.
- To manage the efficient and orderly transfer of data in the local land charges system to the Land Registry.

Clarification and responses included:

- Ongoing difficulties around staff recruitment and retention have impacted on service delivery. It is hoped that the recent Reward Review will make the Council more competitive with other public sector organisations, and this will be tested in advertised roles; however, public sector salaries will always lag behind private sector, and people can only compromise to a certain extent. The service is also working to grow its own surveyors and planners for the future, with apprentices being brought in. Additionally, professional bodies are opening up greater routes to qualification into the planning and surveying professions, but it will take time for courses to embed and for people to come in through these routes.
- It was noted that planning fees set by central government have not increased since an inflationary increase around 8 years ago and do not reflect the amount of work involved. Michael Gove MP recently made an announcement about changes to the planning system, including revised fees, and it is hoped that further detail will be announced before the end of the financial year.

- Following any further announcement from central government around changes to the planning system, the Council would need to wait until a revised version of the National Planning Policy Framework (NPPF) is in place for it to impact planning decisions, and it is not known how long this will take. The Strategic Planning Committee could consider holding off on some decisions in terms of the Local Plan, until such time as the NPPF consultation and its implications are fully understood.
- East Devon is the lead authority for the mitigation strategy for phosphate levels arising from development affecting the River Axe, and is due to receive £100k in funding for the catchment as a whole. A report will be brought to Strategic Planning Committee outlining how the funding could be used; the funding could pay for a dedicated officer to put together the mitigation strategy, with consultants brought in for specialist areas of work. Mitigation is already being delivered through a number of projects and it should be no more than a couple of years before contributions come in through the planning process. There is a risk that in prioritising contributions towards protected habitats, developers will be less able to deliver affordable housing and this is beyond the Council's control; however, the Council will do its best to secure affordable housing within these constraints.
- Currently the Environment Agency is leading on a project which potentially delivers mitigation for the River Axe on a wider scale, with associated cost efficiencies; the Assistant Director for Planning hopes to bring a report to Members in the next couple of months about how the Council can work with the Environment Agency to address the issues.
- Headlines from the Local Plan consultation are expected to be brought to the March meeting of Strategic Planning Committee. All consultation responses including emails and slips written by hand at drop-in centres will be taken into account.
- In respect of delivering infrastructure, CIL was only meant to be part of the funding and unless further funding streams become available from government, there will be insufficient resource to deliver all of the infrastructure that is needed.
- It is hoped that a draft Playing Pitch Strategy will be brought to Members for adoption, within the next six months

Recommended to Cabinet by the Overview and Scrutiny Committees that the Service Plan 2023-24 for the Planning service be adopted.

84 **Governance and Licensing**

The Director for Governance and Licensing provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

The service plan for the coming year included:

- Conduct of the May 2023 elections safely and effectively, with voter ID.
- Implementation of the Induction/Member Development Programme, following May 2023 elections.
- Ensuring implementation of any decision by Council to change its governance arrangements following the outcomes of the Governance Review Working Party.

Clarification and responses included:

- Members were asked to engage with the independent remuneration review process and give their views to the Panel which is impartial.
- When Councillors are appointed to committees after the May 2023 elections, they will need to be properly appraised of the implications and expectations on them, so that the workload is shared evenly.
- Average response time for Freedom of Information requests is within the statutory 20 days.
- A national campaign is now launched highlighting the need for voter ID, ahead of the May 2023 elections, and the returning officer has attended a relevant training course.
- Mandatory training for Members will be delivered early, following the May 2023 elections.

- The new Code of Conduct had been effective in bringing forward Members interests that were previously not obvious, however some Members commented that the electorate were confused about declarations of interest since the new Code had been introduced, and asked for a review of the current framework.

Recommended to Cabinet by the Overview and Scrutiny Committees that the Service Plan 2023-24 for the Governance and Licensing service be adopted, subject to the inclusion of an objective to review the Members Code of Conduct in relation to the declarations of interest.

85 **Place, Assets and Commercialisation**

The Assistant Director Place, Assets and Commercialisation provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

The service plan for the coming year included:

- Commence delivery of priority actions adopted through the new Asset Management Plan to be adopted Spring 2023.
- Support delivery of the Leisure Strategy.
- Delivery of terms of reference and Placemaking Strategy for Exmouth.
- Commence implementation of a Place & Prosperity Fund to be adopted Summer 2023.
- Supporting towns and other communities with the Shared Prosperity Fund, Place & Prosperity Fund and Levelling Up.
- Deliver outcomes of the Public Toilets Review.
- Complete lease to Seaton Tramway of Seaton Jurassic, with associated documentation.
- Undertake a review of depot provision.
- To increase awareness of what is meant by the term Placemaking and facilitate a discussion on this topic and what opportunities are available within East Devon to enable Placemaking outcomes.
- Complete lease to NHS of surplus 1st floor offices at Exmouth Town Hall.
- Agree and report on Performance Indicators through Asset Management Forum.
- Using carbon footprint data of building assets as a baseline, introduce a mechanism for capturing details of works undertaken to buildings to evidence progress towards net zero.

Clarification and responses included:

- Key areas of focus are i) placemaking, and in particular finding solutions for stalled employment sites; and ii) improving energy efficiency and sustainability of the Council's buildings.
- In terms of the let portfolio, there is natural churn and when properties become vacant they are usually re-let easily; there is not a problem with voids or the payment of rents.
- Discussions with town and parish councils concerning the transfer of public toilets have been challenging; however, Heads of Terms were agreed by Members and included in the consultation, and it is not intended to re-write them. Regular updates are provided to members of Cabinet and can be circulated more widely to Members.
- In terms of placemaking strategy for the district's towns other than Exmouth, the starting point is what are the opportunities in those towns; there are fewer opportunities in towns where the Council controls fewer assets. A similar project to the Axe Valley study is being rolled out under Shared Prosperity Funding and if opportunities are identified through this study, then the Council can consider how to deliver them.
- The Beer pilot around community asset transfer has been very complex due to the nature of the assets concerned, and learnings have been taken from it. Community asset transfer is a key piece of work and moving forward, it will be important to identify at the outset what is achievable and to decide whether it is practical.

- The service is working on creating an asset register containing useful relevant information other than just what the Council owns, and an update on this work will be provided to Asset Management Forum in March.
- At point 3.3 on the service plan, 'deliver terms of reference and placemaking strategy for Exmouth' refers not to terms of reference for the Placemaking in Exmouth Town and Seafont Group, but to decisions around the priorities for Exmouth as a place, following the consultation and identification of themes and characteristics, and what projects will be taken forward.
- The wording concerning Broadclyst Leisure Centre at 3.2 in the service plan is lifted from the newly adopted Leisure Strategy.
- A Member asked that the service plan includes specific reference to the site at Websters Garage, Axminster within the first priority listed under section 3.1.
- Electricity costs for the Council's buildings have increased considerably, and the service has reviewed the tariffs that the buildings are on. Work is being done through the capital programme with a view to making efficiency savings but as many of the Council's buildings are quite small, opportunities for financial savings from solar panels are quite limited. The biggest opportunities for carbon and financial savings from solar panels relate to leisure sites, but as utilities are paid for by LED, there is not a financial benefit directly to EDDC.

Recommended to Cabinet by the Overview and Scrutiny Committees that the Service Plan 2023-24 for the Place, Assets and Commercialisation service be adopted subject to an amendment within the first priority listed under section 3.1 to make specific reference to the site at Websters Garage, Axminster.

86 **Communications, Digital Services and Engagement Team**

The Communications Consultant provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

The service plan for the coming year included:

- The Corporate team leading on the digital transformation work under the Financial Sustainability Model, with outputs to be delivered through the year.
- Establishing an equality training and support programme for staff, with training to be delivered by March 2024
- Review of the Community Engagement Policy by December 2023
- Ongoing delivery of the Homes for Ukraine scheme and the management of the matching service provision by Citizens Advice East Devon throughout 2023/24.

Clarification and responses included:

- The service is working to improve the website as part of its day to day work, and the Communications Consultant will keep Members informed on progress.
- The home page of the website has been modified to make it clearer how people can contact the Council, including by telephone.
- The Communications Consultant is working closely with the HR team to build staff resilience especially the community development part of the service which has been weakened by long term staff absence.
- The service will be looking at the way some of the community grants are set up, with an aspiration to get them out more quickly with better publicity and encouraging groups and organisations to apply.
- The Corporate team are working on producing a regular newsletter for Members. Internal communications to staff are dealt with by the HR Service, supported by the Corporate team.
- The Corporate team has grown in size to 10 team members with a further team member being recruited.

Recommended to Cabinet by the Overview and Scrutiny Committees that the Service Plan 2023-24 for the Communications, Digital Services and Engagement Team service be adopted.

87 **HR and Payroll Service**

The HR Manager provided clarification and response to questions from Members in relation to the service plan for the service for 2023-24.

The service plan for the coming year included:

- Provide support and advice on Chief Officer recruitment.
- Evaluate the impact of the Reward Review and reporting outcomes to Personnel Committee and SMT+.
- Agree actions to support Worksmart, informed by the survey analysis and audit, reporting outcomes to Personnel Committee and SMT+.
- Scope and commence Grow Our Own Project to maximise the use of apprenticeships, engagement with local schools and colleges and the development of career pathways, succession planning and talent management.
- Introduction of improved staff benefits offer.
- Scope and begin to implement work to improve the recruitment approach.
- Investors in People reaccreditation and incorporation of learning outcomes into the service plan, as appropriate.

Clarification and responses included:

- Worksmart refers to the set of principles which underpin the hybrid working arrangement. Anecdotally, the flexibility offered by Worksmart appears to be helping with recruitment and retention, and the principles can be modified in light of feedback from evaluation surveys.
- The organisation's Investors in People platinum status ends in March 2023, and on-site visits as part of the reaccreditation process will commence in February. Reaccreditation is every three years and the HR Manager will check and inform Members of the cost.
- HR and Payroll are a small team; there were two part-time business partners covering the Council and supporting Strata. An additional business partner has been secured for Housing specifically, and this has made a considerable difference in moving forward on workforce issues for Housing.
- The Council has a very positive relationship with Unison, and this was particularly helpful during the Reward Review work.
- The HR Manager is the lead officer for inclusion, diversity and equality. These principles interweave through everything that the service does and there are opportunities to share ideas and best practice across authorities. A Member suggested it would be appropriate to have a Member Champion for Equality, Diversity and Inclusion.

Recommended to Cabinet by the Overview and Scrutiny Committees that the Service Plan 2023-24 for the HR and Payroll service be adopted.

88 **Draft Revenue and Capital Budgets 2023 - 2024**

The committees had agreed a provisional recommendation to Cabinet, subject to discussion on the service plans taking place. The Director for Finance confirmed that none of the recommended amendments to the service plans would materially impact on the proposed budget.

Discussion and clarification included the following points:

- The Director for Finance stated that the draft budget as presented includes a figure of £1.372m for LED, and does not allow for an additional sum of £126k subsequently

requested by LED. If Members wanted to make a separate recommendation concerning the additional sum, this would need to be made as a separate element to the budget.

- Reports from LED had indicated that they were at the lower end of their reserves in terms of their recommended balances, and this is a matter that will be scrutinised by LED Monitoring Forum. .

Recommended to Cabinet by the Overview and Scrutiny Committees to approve the draft revenue and capital budgets for 2023/24.

Attendance List

Councillors present:

O Davey
H Parr
E Rylance
B Taylor
T Woodward
J Bonetta (arrived at 12.00pm)
S Gazzard
I Hall
M Hartnell
V Johns (Chair)

Councillors also present (for some or all the meeting)

P Arnott
G Jung
J Loudoun
M Rixson
J Rowland
P Skinner
T Wright
P Faithfull

Officers in attendance:

Simon Davey, Director of Finance
Joanna Fellows, Corporate HR Manager
Ed Freeman, Assistant Director Planning Strategy and Development Management
Henry Gordon Lennox, Director of Governance and Licensing (and Monitoring Officer)
Andrew Hopkins, Communications Consultant
Sarah James, Democratic Services Officer
Libby Jarrett, Assistant Director Revenues, Benefits, Customer Services & Corporate Fraud
John Symes, Finance Manager
Andrew Wood, Assistant Director Growth Development and Prosperity

Councillor apologies:

M Allen
J Bailey
M Chapman
C Gardner
S Hawkins
D Key
P Millar

J Whibley
D Barrow
D Manley
A Moulding

Chair:

Date: