

Agenda for Council
Wednesday, 21st February, 2024, 6.00 pm

To: All elected Members of the Council; Honorary Aldermen

Venue: Council Chamber, Blackdown House, Honiton

Contact: Andrew Melhuish, Democratic Services Manager;

(or group number 01395 517546)
Issued Monday, 12 February 2024
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This meeting is being recorded for subsequent publication on the Council's website and will be streamed live to the [East Devon District Council YouTube channel](#)

Dear Sir/Madam

Meeting of the Council of the District of East Devon on
Wednesday, 21st February, 2024 at 6.00 pm

You are called upon to attend the above meeting to be held in the Council Chamber, Blackdown House, Honiton. It is proposed that the matters set out on the agenda below will be considered at the meeting and resolution or resolutions passed as the Council considers expedient.

Yours faithfully

A handwritten signature in black ink that reads "M. Wellman".

Interim Chief Executives: Melanie Wellman, Simon Davey and Tracy Hendren

1 Apologies

To receive any apologies for absence.

2 Minutes of the previous meeting (Pages 7 - 19)

To approve the minutes from the previous meeting.

3 Declarations of interest

To receive and note any declarations of interests in respect of any matters included on the agenda for consideration at this meeting.

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

4 Public speaking

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue.

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

5 Matters of urgency

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

6 Announcements from the Chairman and Leader

7 Confidential/exempt item(s)

To agree any items to be dealt with after the public (including the Press) have been excluded. There are two items which officers recommend should be dealt with in this way, but if confidential minutes from Cabinet and/or the Council's Committees are being discussed, Officers may recommend consideration in the private part of the meeting.

8 To answer questions asked by Members of the Council pursuant to Procedure Rules No. 9.2 and 9.5 (Pages 20 - 23)

9 Council Tax Resolution 2024/2025 (Pages 24 - 38)

10 Reports from the Cabinet and the Council's Committees and questions on those reports (Pages 39 - 139)

- a) Minutes – Audit and Governance Committee on 14 December 2023 and 18 January 2024
- b) Minutes – Cabinet on 3 January and 31 January 2024
- c) Minutes – Planning Committee on 19 December 2023 and 30 January 2024
- d) Minutes – Strategic Planning Committee on 9 January 2024
- e) Minutes – Joint Scrutiny Committee and Overview Committee on 11 January 2024
- f) Minutes – Exmouth Beach Management Plan Steering Group on 16 January 2024
- g) Minutes – Leisure Strategy Delivery Forum (formerly LED Monitoring Forum) on 16 January 2024
- h) Minutes – Overview Committee on 18 January 2024
- i) Minutes – Placemaking Exmouth Town and Seafront Group on 23 January 2024
- j) Minutes – Sidmouth and East Beach Management Plan Project Advisory Group on 23 January 2024
- k) Minutes – Scrutiny Committee on 24 January and 1 February 2024
- l) Minutes – Housing Review Board on 25 January 2024
- m) Minutes – Personnel Committee on 29 January 2024
- n) Minutes – Licensing and Enforcement Sub Committee on 6 February 2024

11 **Strata Business Plan 2024-2025** (Pages 140 - 266)

Recommendation from Strata Joint Executive Committee on 30 January 2024.

12 **Public Toilets Review Project** (Pages 267 - 271)

Recommendation from Cabinet on 3 January 2024.

13 **Council Tax Reduction Scheme** (Pages 272 - 279)

Recommendation from Cabinet on 3 January 2024.

14 **Information Governance** (Pages 280 - 285)

Recommendation from Audit and Governance Committee on 18 January 2024.

- 15 **Pay Policy Statement** (Pages 286 - 290)
Recommendation from Personnel Committee on 29 January 2024.
- 16 **Gas and Fire Safety Policies** (Pages 291 - 320)
Recommendations from Cabinet on 31 January and Housing Review Board on 25 January 2024.
- 17 **Asset Management Strategy** (Pages 321 - 332)
Recommendation from Cabinet on 31 January 2024 and Housing Review Board on 25 January 2024.
- 18 **Housing Task Force** (Page 333)
Recommendation from Cabinet on 31 January 2024 and Housing Review Board on 25 January 2024.
- 19 **Council Tax Charges Second Homes and Empty Homes** (Pages 334 - 342)
Recommendation from Cabinet on 31 January 2024.
- 20 **Capital Strategy 2024/2025** (Pages 343 - 360)
Recommendation from Cabinet on 31 January 2024.
- 21 **Treasury Management 2024 - 2025, Minimum Revenue Provision Policy Statement and Annual Investment Strategy** (Pages 361 - 406)
Recommendation from Cabinet on 31 January 2024.
- 22 **Safeguarding Policy Review** (Pages 407 - 420)
Recommendation from Cabinet on 31 January 2024.
- 23 **Review of Polling Districts and Places** (Pages 421 - 427)
- 24 **Motion on Notice - Sewage & South West Water** (Pages 428 - 431)

Motion 1: Sewage & South West Water

Motion Proposed: Cllr Todd Olive

Motion Seconded: Cllr Geoff Jung

Motion signed: Cllrs Olly Davey, Nick Hookway, Paul Arnott, Richard Jefferies, Paula Fernley, Matt Hall, Marianne Rixson, Yehudi Levine, Anne Hall, Charlotte Fitzgerald, Sarah Jackson, Chris Burhop and John Heath

Motion received: 1 February 2024

East Devon District Council,

Noting widespread concern among East Devon residents regarding the state of local and national sewage infrastructure,

Recognising with grave concern significant disruption to the functioning of Exmouth's sewage network due to a series of major pipe failures in December 2023, and *noting* extensive disruption to residents resulting from tanker movements and repair works as a result,

Alarmed at the failure of South West Water to advise East Devon District Council of sewage overflows in Exmouth over the same period, leading to reports of people and pets falling ill from exposure to untreated human waste during sea swimming,

Stressing that these issues affect all East Devon residents, whether coastal or inland, and *noting* that in 2022, the last year for which full data is available:

- I. all five of South West Water's worst-performing East Devon consented overflow outlets by hours of spill, and four of the five worst-performing outlets by number of individual spills, were located inland,
- II. sewage overflows from South West Water outlets in East Devon ran for over 20,000 hours, with over two-and-a-half thousand individual spills,
- III. four South West Water outlets in East Devon spilled for over a thousand hours each, with the worst-performing outlet spilling for 1966 hours, or nearly a quarter of year,
- IV. five South West Water outlets in East Devon spilled over a hundred times, with the worst-performing outlet spilling on more than two in every three days on average, and
- V. twenty-six of thirty East Devon District Council wards experienced a spill, meaning over 82% of East Devon's population lived in a ward affected by untreated sewage overflows,

Noting with alarm that constraints and actions identified in a 2010 Water Cycle Study regarding sewage infrastructure capacities have not been actioned, including:

- I. The construction of a new Wastewater Treatment Works to serve the new community at Cranbrook,
- II. Improvements to existing treatment works at Maer Lane and elsewhere to facilitate new development and population increases in view of contemporary capacity limits, and
- III. Improvements to existing treatment works at Otterton and Sidmouth to improve river water quality,

Emphasising the importance of East Devon's coasts and rivers to our area's outstanding natural environment, and the intrinsic aesthetic, cultural, and existence value of this to our residents, and *considering* the substantial contribution that these natural assets make to our local economy via tourism, as recognised by our 2022 Tourism and Cultural Strategies,

Expressing concern that a failure to properly control sewage overflows into rivers and associated phosphate pollution is actively undermining efforts by East Devon District Council and others to promote ecological measures which diversify

25 Local Government (Access to Information) Act 1985 - Exclusion of Press and Public

The Vice-Chair to move the following:

“that under Section 100(A) (4) of the Local Government Act 1972 the public (including the press) be excluded from the meeting as exempt information, of the description set out on the agenda, is likely to be disclosed and on balance the public interest is in discussing this item in private session (Part B)”.

Part B

26 Housing Task Force (Pages 432 - 441)

Under the Openness of Local Government Bodies Regulations 2014, any members of the public are now allowed to take photographs, film and audio record the proceedings and report on all public meetings (including on social media). No prior notification is needed but it would be helpful if you could let the democratic services team know you plan to film or record so that any necessary arrangements can be made to provide reasonable facilities for you to report on meetings. This permission does not extend to private meetings or parts of meetings which are not open to the public. You should take all recording and photography equipment with you if a public meeting moves into a session which is not open to the public.

If you are recording the meeting, you are asked to act in a reasonable manner and not disrupt the conduct of meetings for example by using intrusive lighting, flash photography or asking people to repeat statements for the benefit of the recording. You may not make an oral commentary during the meeting. The Chairman has the power to control public recording and/or reporting so it does not disrupt the meeting.

Members of the public exercising their right to speak during Public Question Time will be recorded.

[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 meeting of Council held at Council Chamber, Blackdown House, Honiton on 6 December 2023****Attendance list at end of document**

The meeting started at 6.00 pm and ended at 8.53 pm

60 Minutes of the previous meeting

RESOLVED that the minutes of Full Council held on 18 October 2023 be confirmed as a correct record.

61 Apologies

Apologies received from Cllrs Violet Bonetta, Christopher Burhop, Fred Caygill, Sarah Chamberlain, Marcus Hartnell, Mike Howe, Jamie Kemp, Dan Ledger, Sophie Richards, Joe Whibley and Daniel Wilson.

62 Declarations of interest

None.

63 Petition - The George Inn, Chardstock

The Council invited the Peter Manley to present a petition on behalf of The George Inn Continuity Group calling on the Council to gain access to The George Inn, Chardstock and to carry out a full independent inspection of the property in order to facilitate the following:

- assess and report the extent of deterioration and damage
- assess and report the scope of works needed to remedy the deterioration and damage
- issue statutory notices, as required to the property owners and oversee the satisfactory completion of the required repairs needed to safeguard this historic community asset.

Members noted that the petition contained 1,048 verified signatures.

The Chair thanked The George Inn Continuity Group for submitting the petition and **RESOLVED** that the petition is referred to the Assistant Director Planning, Strategy and Development Management.

64 Public speaking

Councillor Duncan Mackinder had registered to speak in respect of Agenda Item 4 Petition The George Inn, Chardstock.

Cllr Mackinder supported the petition submitted by The George Inn Continuity Group and made the following comments:

- Loss of spending by visitors to the area
- Loss of business rates to the Council
- Preservation of listed building by owners and a mechanism to ensure owners continued to pay business rates
- Conservation Officer to prioritise the inspection of the building to bring it back into use for the benefits of the local community and visitors to East Devon.

The Chair thanked Cllr Mackinder for his comments which were duly noted.

65 **Matters of urgency**

There were no matters of urgency for this meeting.

66 **Announcements from the Chair and Leader**

The Chair of Council, Cllr Eleanor Rylance wished everyone a calm and peaceful holiday season.

The Leader of Council, Cllr Paul Arnott announced that Cllr Richard Jefferies was appointed as the Associate Portfolio Holder Culture, Leisure, Sport and Tourism.

67 **Confidential/exempt item(s)**

There were no items of confidential/exempt business at this meeting.

68 **To answer questions asked by Members of the Council pursuant to Procedure Rules No. 9.2 and 9.5**

There were two questions on notice asked by members of the Council pursuant to Procedure Rule no. 9.2

Question 1 submitted by Cllr Jess Bailey for the Leader of Council, Cllr Paul Arnott. The question and response were set out in the Council Agenda and are attached at Appendix A of these minutes.

Cllr Jess Bailey thanked the Leader of Council for the response and requested that a meeting is set up between the Leader of Council, Cllr Jess Bailey and the Assistant Director for Planning to further discuss the issues raised in the question.

The Leader of Council, Cllr Paul Arnott confirmed that a meeting would be arranged.

RESOLVED that a meeting is convened between the Leader of Council, Cllr Jess Bailey and the Assistant Director for Planning, Strategy and Development Management.

Question 2 submitted by Cllr Ian Barlow for the Leader of Council, Cllr Paul Arnott. The question and response were set out in the Council Agenda and are attached at Appendix A of these minutes.

The Leader of Council, Cllr Paul Arnott proposed that the comments expressed in the question should be raised during the Peer Review process.

69 **Reports from the Cabinet and the Council's Committees and questions on those reports**

Minute no. 82 Cabinet on 29 November 2023 (Arts and Culture Forum – Terms of Reference)

The Leader of Council, Cllr Paul Arnott introduced the recommendations from the minutes of the Art and Culture Forum held on 8 November 2023 relating to the updated terms of reference of the Arts and Culture Forum.

RESOLVED to approve the terms of reference of the Arts and Culture Forum.

Minute no. 83 Cabinet on 29 November 2023 (Future of Warm Hubs)

The Leader of Council, Cllr Paul Arnott introduced the recommendations from the minutes of the Housing Review Board held on 9 November 2023 relating to the Warm Hubs Project.

RESOLVED to approve a budget of £50,000 to allocate towards delivering and designating the Warm Hubs project.

Minute no. 90 Cabinet on 29 November 2023 (Exmouth Sea Wall Emergency Repairs Budget)

The Leader of Council, Cllr Paul Arnott presented the recommendations from Cabinet seeking funding to carry out emergency repair works to Exmouth Seafront.

RESOLVED to approve a sum of up to £1.1m allocated to carry out emergency works to Exmouth Seafront, such works may also act as the permanent solution. It was noted that external contributions may be received which may reduce the spend.

Minute no. 94 Cabinet on 29 November 2023 (Treasury Management Performance 2023/2024 – 1 April to 30 September 2023)

The Leader of Council presented the recommendations from Cabinet relating to the Treasury Management performance from 1 April to 30 September 2023.

RESOLVED to not the treasury management activity and Prudential Indicators from 1 April to 30 September 2023.

Minute no. 100 Cabinet on 29 November 2023 (Site acquisition opportunity)

The Leader of Council presented the recommendations from Cabinet relating to a site acquisition opportunity in Axbridge.

RESOLVED to agree that a budget of up to £40,000 is allocated for due diligence work to be undertaken to inform the council's decision on acquiring the site and for future feasibility studies.

70 **Minutes of Cabinet held on 29 November 2023. Minute numbers 72 - 100**

RESOLVED: That the minutes of the Cabinet on 29 November 2023 are noted.

71 **Minutes of Scrutiny Committee held on 5 October 2023. Minute numbers 19 - 28**

RESOLVED: That the minutes of the Scrutiny Committee held on 5 October 2023 are noted.

72 **Minutes of Scrutiny Committee held on 16 November 2023. Minute numbers 29 - 39**

RESOLVED: That the minutes of the Scrutiny Committee held on 16 November 2023 are noted.

73 **Minutes of Housing Review Board held on 9 November 2023. Minute numbers 21 - 36**

RESOLVED: That the minutes of the Housing Review Board held on 9 November 2023 are noted.

74 **Minutes of Strategic Planning Committee held on 3 October 2023. Minute numbers 25 - 32**

RESOLVED: That the minutes of the Planning Committee held on 5 October 2023 are noted.

75 **Minutes of Strategic Planning Committee 31 October 2023. Minute numbers 33 - 40**

RESOLVED: That the minutes of the Planning Committee held on 31 October 2023 are noted.

76 **Minutes of Planning Committee held on 26 September 2023. Minute numbers 56 - 71**

RESOLVED: That the minutes of the Planning Committee held on 26 September 2023 are noted.

77 **Minutes of Planning Committee held on 24 October 2023. Minute numbers 72 - 87**

RESOLVED: That the minutes of the Planning Committee held on 24 October 2023 are noted.

(a) **Minutes of Planning Committee held on 21 November 2023. Minute numbers 88 - 95**

RESOLVED: That the minutes of the Planning Committee held on 21 November 2023 are noted.

78 **Minutes of Licensing & Enforcement Committee held on 15 November 2023. Minute numbers 8 - 14**

RESOLVED: That the minutes of the Licensing and Enforcement Committee held on 15 November 2023 are noted.

(a) **Minutes of Licensing & Enforcement Sub Committee held on 25**

October 2023. Minute numbers 23 - 28

RESOLVED: That the minutes of the Licensing and Enforcement Sub Committee held on 25 October 2023 are noted.

79 **Minutes of Standards Committee held on 14 November 2023. Minute numbers 10 - 17**

Minute no. 15 Standards Committee on 14 November 2023 (Revised Code of Conduct complaints procedure)

The Monitoring Officer, Melanie Wellman, presented a recommendation from the Standards Committee setting out details of revisions to the Member Code of Conduct Complaints Procedure.

Cllr Eleanor Rylance proposed the recommendation which was seconded by Cllr Sam Hawkins.

Having been duly proposed and seconded the Council **RESOLVED** to approve the Member Code of Conduct Complaints Procedure.

(a) **Minutes of Personnel Committee held on 17 October 2023. Minute numbers 11 - 19**

RESOLVED: That the minutes of the Personnel Committee held on 17 October 2023 are noted.

80 **Minutes of Overview Committee held on 12 October 2023. Minute numbers 9 - 17**

RESOLVED: That the minutes of the Overview Committee held on 12 October 2023 are noted.

81 **Minutes of Overview Committee held on 9 November 2023. Minute numbers 18 - 25**

RESOLVED: That the minutes of the Overview Committee held on 9 November 2023 are noted. Refer back to Overview to review

82 **Report from the Independent Remuneration Panel**

The Chair of Council, Cllr Eleanor Rylance welcomed the Chair of the Independent Remuneration Panel (IRP), Nigel Arnold to the meeting.

Members noted that it was agreed in 2022 that new Independent Remuneration Panel members should be appointed to conduct a review of current allowances to ensure that we were engaging with a wide and diverse range of potential Councillors and that the existing Councillors are appropriately remunerated for their voluntary role. The current East Devon Independent Remuneration Panel was appointed in January 2023 with a view to review the allowances paid to EDDC Councillors

The Chair of the IRP commented on the work of the Panel, including:

- No increase to allowances since 2008
 - Allowances should reflect the increased commitments and professional nature of being a councillor and providing a public service and serving the community
 - Questionnaire and interviews held during 2023 and allowances set against a benchmark of similar sized authorities
 - Ten recommendations set out in the IRP report as follows:
1. that the Basic Allowance for East Devon District Councillors should be increased to £5,260, representing the average Basic Allowance from our benchmarked councils.
 2. that the increase to the Basic Allowance should be backdated to the May 2023 election.
 3. that an increase to the Special Responsibility Allowance based on the average benchmark for equivalent posts in councils we benchmarked, except;
 - Where a post with a benchmarked increase is higher than the NJC index (5) it will be capped at the NJC increase.
 - Where a post with a benchmark percentage increase would be lower than currently graded or is not replicated within the benchmarked councils (7) it will receive the NJC increase.
 4. that these increases (set out in 3 above) to the Special Responsibility Allowance should be backdated to the 1st June 2023.
 5. that if a member, with the agreement of the Leader of the Council, is acting in a capacity of a cabinet or portfolio holder for a significant period due to the incumbent being absent through sickness or extended leave of absence, that individual should, if not in receipt of a Special Responsibility Allowance, be paid the full agreed amount of the incumbent Special Responsibility Allowance. If they are already in receipt of a Special Responsibility Allowance and continue to receive it they should receive 50% of the Special Responsibility Allowance for that new post/responsibility.
 6. that the Basic Allowance should increase each year on the 1st May beginning May 2024 and Special Responsibility Allowance should increase each year on 1st June beginning in 2024 in line with the average of the agreed National Joint Council Pay Award for staff. This index should be reviewed every 4 years.
 7. that there are no changes to the current Travel Rates and Subsistence Allowances for Councillors at this time as they are aligned to EDDC staff allowances.
 8. that there are no changes to the current Child Care and Dependants' Carers' Allowance.
 9. that all Co-optees on the Housing Review Board should be in receipt of an annual allowance in addition to their travel expense.
 10. that an annual allowance be introduced in line with the views of Democratic Services and Home Office guidance from 1st May 2024. These allowances should be reviewed after 4 years.

Housing Review Board	£550	
Standards Committee	£400	
Independent Remuneration Panel		£400

The Council discussed the IRP recommendations and the following points were raised:

- levels of allowances at East Devon District Council had remained unchanged since 2008;
- allowances need to be attractive to encourage a diverse range of candidates to stand for local election

The Chair thanked the IRP for their work in reviewing the allowances paid to councillors.

Cllr Ian Barlow proposed the recommendations from the IRP and this was seconded by Cllr Steve Gazzard.

Having been duly proposed and seconded the Council **RESOLVED:**

- 1 that the Basic Allowance for East Devon District Councillors should be increased to £5,260, representing the average Basic Allowance from our benchmarked councils.
- 2 that the increase to the Basic Allowance should be backdated to the May 2023 election.
- 3 that an increase to the Special Responsibility Allowance based on the average benchmark for equivalent posts in councils we benchmarked, except;
 - Where a post with a benchmarked increase is higher than the NJC index (5) it will be capped at the NJC increase.
 - Where a post with a benchmark percentage increase would be lower than currently graded or is not replicated within the benchmarked councils (7) it will receive the NJC increase.
- 4 that these increases (set out in 3 above) to the Special Responsibility Allowance should be backdated to the 1st June 2023.
- 5 that if a member, with the agreement of the Leader of the Council, is acting in a capacity of a cabinet or portfolio holder for a significant period due to the incumbent being absent through sickness or extended leave of absence, that individual should, if not in receipt of a Special Responsibility Allowance, be paid the full agreed amount of the incumbent Special Responsibility Allowance. If they are already in receipt of a Special Responsibility Allowance and continue to receive it they should receive 50% of the Special Responsibility Allowance for that new post/responsibility.
- 6 that the Basic Allowance should increase each year on the 1st May beginning May 2024 and Special Responsibility Allowance should increase each year on 1st June beginning in 2024 in line with the average of the agreed National Joint Council Pay Award for staff. This index should be reviewed every 4 years.
- 7 that there are no changes to the current Travel Rates and Subsistence Allowances for Councillors at this time as they are aligned to EDDC staff allowances.
- 8 that there are no changes to the current Child Care and Dependants' Carers' Allowance.
- 9 that all Co-optees on the Housing Review Board should be in receipt of an annual allowance in addition to their travel expense.
- 10 that an annual allowance be introduced in line with the views of Democratic Services and Home Office guidance from 1st May 2024. These allowances should be reviewed after 4 years.

Housing Review Board	£550
Standards Committee	£400
Independent Remuneration Panel	£400

83 Allocation of Committee Places

The Democratic Services Manager, Andrew Melhuish presented a report setting out details of a change to the allocation and appointments of members for seats on the Council's committees for the remainder of the 2023/2024 municipal year following the resignation of a member of the Conservative Group and that member joining the Independent Group.

The Council discussed the report and noted that the change in membership resulted in the number of seats allocated to the Independent Group increased by one seat and the Conservative Group seat allocation reduced by one seat.

Cllr John Loudoun proposed the recommendations which were seconded by Cllr Todd Olive and having duly been proposed and seconded the Council **RESOLVED:**

1. that the revised political balance of the Council is agreed and that the proposed allocation of committee places for 2023/2024 is agreed.
2. that authority is delegated to the Monitoring Officer in consultation with the appropriate Group Leader to make in year changes to committee and joint committee appointments (excluding the appointment of Chairs and Vice Chairs) in accordance with the allocation of places to political groups by the Council and the wishes of the relevant political group leader.

84 **Proposed Dissolution of the Heart of the South West Joint Committee**

The Council received a report seeking approval for the dissolution of the Heart of the South West (HotSW) Joint Committee.

The Council noted that the HotSW Joint Committee was made up of Somerset Council, Devon County Council, Plymouth Council, Torbay Council, National Parks and the 8 Devon District Councils. The dissolution followed a steer from the Leaders and senior members of several authorities for proposals to be brought forward to all authorities to consider their withdrawal and dissolution of the Joint Committee.

Cllr Paul Hayward proposed the recommendation which was seconded by Cllr Marianne Rixson and having duly been proposed and seconded the Council **RESOLVED** that it agrees to serve notice of its withdrawal and that the Heart of the South West Joint Committee be dissolved on 31 December 2023.

85 **Colyford Parish Council**

The Monitoring Officer, Melanie Wellman presented a report seeking to advance the next instalment of the precept or loaning funds in the sum of £1,202 to Colyford Parish Council to assist with cash flow pending the transfer of funds from Colyton Parish Council pursuant to the Reorganisation Order made on 11 January 2023.

The Council discussed the report and noted that £10,000 has now been released to Colyford Parish Council.

Cllr Tony McCullom proposed the recommendation which was seconded by Cllr Derek Haggerty and having been duly proposed and seconded the Council **RESOLVED**:

1. That the Council recommends that the sum of £1,202 is loaned or advanced from the precept to Colyford Parish Council.
2. That delegated authority is granted to the Director of Governance and Licensing in consultation with the Director of Finance to agree the form of advance or loan to Colyford Parish Council.

Cllrs Paul Arnott and Helen Parr abstained from the vote and requested that their abstention was recorded in the minutes.

86 **Motion on Notice - Motion 1: Coach Tourism in East Devon District**

The Chair of Council, Cllr Eleanor Rylance invited Cllr Derek Haggerty to propose a motion on notice which was seconded by Cllr John Heath and signed by Cllrs Brian Bailey, Jenny Brown, John Heath, Bethany Collins and Ian Barlow as follows:

Increasing coach passenger visitors to East Devon including Exmouth, Budleigh, Sidmouth, Beer, Seaton, Honiton, Colyton, Axminster, Ottery St Mary plus, any other town or village who wishes to take part.

Many towns and city councils in the UK are turning away coach tourism, causing a loss of £millions of group tourism income, to attractions businesses and the local economy. Covid has only just allowed things to start returning to a more normal growth in coach tourism, possibly now, coachers are one of the greenest forms of transport.

2024 onwards this EDDC council could step up again as leading first choice coach tourist area, attracting more UK and incoming tourists from all over the world into the East Devon District, already 2024 is looking buoyant for coach tourism with a predicted 30% + more visitors to the UK. East Devon stepping forward now, would attract a lot more coach tourism.

What is required for this to happen in each destination?

1. Improved signage for attractions, coach & car parking, town centres toilets. TIC.
2. Free coach parking facilities in East Devon, (not bus parking)
3. Designated drop off and pick up points for coach passengers.
4. Coach driver facilities (driver break stop, where the driver can use toilet & get snacks)
5. Meet and greet service possibly linked with TIC, towns & attractions (this could be funded by the visitor).
6. this project means everyone working together as one East Devon Team improving the tourist footfall, aimed at working for our district as voted,

As councillors working together as one EDDC team, we can improve consistently for our towns, all businesses, attractions and hotels, and all future council administrations.

This ongoing incentive would bind together all high street businesses, attractions, all types of accommodations including holiday parks, taking groups of all sizes from around the world.

EDDC could have its own coach friendly programme, working free with CPT, confederation of passenger transport. This project would reach every visiting coach and holiday operator. competing with every other holiday destination around the country, but first we must agree to step forward accepting one of the greenest forms of transportation in today's tourism marketplace, this project will grow into a consistent source of revenue for tourism in our East Devon District.

I am more than happy to work with each town to help reach our ongoing goals.

Members discussed referring the motion to the Overview Committee for further investigation and whether a Task and Finish Group should be set up. Cllr Derek Haggerty accepted the revised wording of the motion and the seconder to the motion, Cllr John Heath supported it.

Cllr Paul Arnott proposed an amendment to the motion: that the motion should be referred to the Overview Committee for further investigation and whether to set up a

Task and Finish Forum to undertake that work. The amendment was seconded by Cllr Derek Haggerty.

Having duly been proposed and seconded the Council **RESOLVED** that the motion should be referred to the Overview Committee for further investigation and whether to set up a Task and Finish Forum to undertake that work.

Cllr Ian Chubb left the meeting at 7.19pm.

87 **Motion on Notice - Motion 2: Government Planning Policies**

The Chair of Council invited Cllr Jess Bailey to present a motion on notice which was seconded by Cllr Bethany Collins and signed by Cllrs Peter Faithfull, Vicky Johns and Melanie Martin, as follows:

Background

As a result of Conservative government planning policies, EDDC planning officers are under considerable pressure to recommend approval of totally inappropriate, highly unpopular, and very damaging planning applications such as that for land east of Sidmouth Road, Ottery St Mary and Land at Eastfield West Hill.

East Devon is being penalised by the government due to its lack of '5 year land supply' despite an excellent track record in recent years. 9,000 new homes have been delivered over the past decade in East Devon and more than 4,000 houses are set to be delivered in the next 5 years.

This Council is fully committed to ensuring homes are delivered for residents - particularly those who are younger and less well off. However, this Council believes that harm will be caused to the countryside and communities of East Devon under the government's approach.

That this Council therefore agrees to urgently instruct a senior planning barrister at KC level to review the position of EDDC and provide EDDC with advice (including by reference to case law) how best to robustly resist speculative development and uphold EDDC local plan and neighbourhood plan policies in order to protect the countryside and communities of East Devon.

Cllr Jess Bailey altered the motion to read that this Council will ask the Planning Advisory Service or other appropriate organisation to review its planning reports given its lack of 5 year land supply and advise how best to resist speculative development particularly by reference to the work of other councils and decisions taken by the planning inspectorate.

Cllr Loudoun proposed an amendment to the motion, namely that this Council therefore agrees to urgently ask all Devon District Councils and the LGA to agree to mount a legal challenge to robustly resist speculative development and uphold EDDC and other councils' Local Plans and Neighbourhood Plan policies in order to protect the countryside and communities of East Devon and elsewhere.

The amendment was seconded by Cllr Vicky Johns and a vote was taken to support the motion as amended.

Cllr Chris Ingham moved that the vote on the motion be put and this was seconded by Cllr Stuart Hughes and carried.

The motion was put to the vote and having duly been moved and seconded the Council **RESOLVED:**

1. that this Council will ask the Planning Advisory Service or other appropriate organisation to review its planning reports given its lack of 5 year land supply and advise how best to resist speculative development particularly by reference to the work of other councils and decisions taken by the planning inspectorate.
2. that this Council therefore agrees to urgently ask all Devon District Councils and the Local Government Association to agree to mount a legal challenge to robustly resist speculative development and uphold EDDC and other councils' Local Plans and Neighbourhood Plan policies in order to protect the countryside and communities of East Devon and elsewhere.

Cllr Chris Ingham left the meeting at 8.10pm.

88 **Motion on Notice - Motion 3: Public Convenience provision**

Motion 3: Public Convenience provision

Motion Proposed: Cllr Ian Barlow and seconded Cllr Peter Faithfull

Motion signed: Cllrs Jenny Brown, Sarah Chamberlain, Ben Ingham and Daniel Wilson

With the state of our housing stock, with about 25% of our 4,177 Social houses failing to meet the decent homes standard, can we justify spending £5 million on upgrading our 15 toilet blocks across East Devon or £333,000 on a survey to look at how to decarbonise three swimming pools.

We would suggest that a working group urgently looks at the plans for our toilet provision and the estimated cost before this council's reputation is further damaged in the eyes of its residents, as we would be spending more on 15 toilets than the annual planned improvements to our 4,177 properties.

Cllr Paul Hayward proposed an amendment to the motion: that this Council agrees that a politically balanced Finance Portfolio holders working group comprising 7 members to be chaired by the Portfolio Holder for Finance and Assets and politically balanced be established as soon as practicable to consider the proposals for our future toilet provision and the estimated costs of the long-overdue modernisation works.

The motion was seconded by Cllr Marianne Rixson and having been put to the vote was carried.

Cllr Paul Hayward proposed the substantive motion and was seconded by Cllr John Loudoun which was duly put to the vote and Council **RESOLVED** that this Council agrees that a politically balanced Finance Portfolio holders working group comprising 7 members to be chaired by the Portfolio Holder for Finance and Assets and politically balanced be established as soon as practicable to consider the proposals for our future toilet provision and the estimated costs of the long-overdue modernisation works.

89 **Report of the Monitoring Officer - Constitutional Working Group**

The Monitoring Officer, Melanie Wellman, presented a report seeking the creation of a member constitutional working group to be consulted and to inform a review of the Council's Constitution.

Cllr Sam Hawkins proposed the recommendation which was seconded by Cllr Sarah Jackson and having duly been put to the vote the Council **RESOLVED**:

1. to set up a constitutional working group made up of nice members of Council.
2. that Council nominate members to the constitutional working group in accordance with the proposals outlined in the report.

90 **Report on appointments to Panels, Forums and Joint Bodies and Appointment of Representatives on outside bodies**

The Democratic Services Manager, Andrew Melhuish, presented a report seeking agreement of the Terms of Reference and membership for the Seaton Beach Management Plan Steering Group and to appoint the Portfolio Holder for Coast, Country and Environment to the Exmouth Beach Management Plan Steering Group.

Cllr Todd Olive proposed the recommendation which was seconded by Cllr Ian Barlow and having duly been put to the vote Council **RESOLVED**:

1. to approve the Terms of Reference and membership of the Seaton Beach Management Plan Steering Group.
2. to appoint the Portfolio Holder for Coast, Country and Environment as the Chair of the Exmouth Beach Management Plan Steering Group.

Outside Body representatives

The Council also considered appointing representatives to two outside bodies, namely: SPACE and East Devon Citizens Advice.

In respect of SPACE Cllr Loudoun nominated Cllr John Heath as the representative and this was seconded by Cllr Bethany Collins, Cllr Ian Barlow was also nominated and this was seconded by Cllr Stuart Hughes. A vote was taken on both nominations and Council **RESOLVED** to appoint Cllr John Heath as the Council's representative on SPACE.

Cllr John Loudoun proposed Cllr Yehudi Levine as the representative on the East Devon Citizens Advice which was seconded by Cllr Todd Olive. Having duly been put to the vote Council **RESOLVED** to appoint Cllr Yehudi Levine as the Council's representative on the East Devon Citizens Advice.

Safeguarding Champion

The Council considered the appointment of a Safeguarding Champion.

Cllr Paul Arnott proposed Cllr John Heath which was seconded by Cllr Eileen Wragg. Having duly been put to the vote Council **RESOLVED** to appoint Cllr John Heath as the Safeguarding Champion.

Attendance List
Councillors present:

P Arnott	C Fitzgerald	J Loudoun
B Bailey	S Gazzard	D Mackinder
J Bailey	M Goodman	M Martin
I Barlow	D Haggerty	T McCollum
K Blakey	A Hall	C Nicholas
K Bloxham	M Hall	J O'Leary
C Brown	S Hawkins	T Olive
J Brown	P Hayward	H Parr
A Bruce	J Heath	H Riddell
M Chapman	N Hookway	M Rixson
I Chubb	S Hughes	E Rylance
B Collins	B Ingham	S Smith
R Collins	S Jackson	A Toye
O Davey	R Jefferies	S Westerman
T Dumper	V Johns	E Wragg
P Faithfull	G Jung	
P Fernley	Y Levine	

Officers in attendance:

Simon Davey, Director of Finance
Andrew Melhuish, Democratic Services Manager
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)

Councillor apologies:

V Bonetta
C Burhop
F Caygill
S Chamberlain
M Hartnell
M Howe
J Kemp
D Ledger
S Richards
J Whibley
D Wilson

Chair

Date:

Question on Notice in accordance with 9.2 and 9.3 of the Council Procedure Rules			
	Question from:	Question:	PFH Response to question
1.	Cllr Ben Ingham	Why was the recent green wedge report allowed to be published without any vetting by the Executive Leadership Team?	Leader of Council: Due to an oversight the report did not come into ELT as it should have. Officers have been reminded of the need to report strategic issues such as these into ELT for consideration, before they are presented to members.
2.	Cllr Mike Goodman	<p>According to the EU's climate service, for the first-time global warming has exceeded 1.5C across an entire year, Climate change matters to our residents.</p> <p>Can this Council make the development of their climate change strategy a priority and complete this by late summer much earlier than currently planned?</p>	<p>PFH Climate Action & Emergency 1). With regard to global warming exceeding 1.5C across an entire year, according to an article on BBC News, 'this first year-long breach does not break the landmark Paris agreement, but it does bring the world closer to so doing in the long term.'</p> <p>The 8th February 2024 article further states: 'Regrettably both the UK's main parties have scaled back the type of pledges that many climate scientists say are needed globally if the worst impacts of warming are to be avoided.'</p> <p>2). Turning to EDDC's climate change strategy, this was adopted for the period 2020-2025 at Cabinet on 5th Feb 2020.</p> <p>Although the strategy has another year to run, officers have been working with our partners at SWEEG over the past 6 months and have a target of bringing a revised strategy forward in the summer of 2024. There will also be an 'annual' 24/25 action plan that draws together the climate actions that services are delivering next year.</p> <p>In partnership with officers and my Portfolio holder colleagues, some fantastic results have already been achieved, as reported at Scrutiny in February and November 2023. There will be more to report later this year.</p>
3.	Cllr Mike Goodman	This council have one of the most proactive and leading poverty strategy in the UK. This was highlighted during the	Leader of Council: The Benefits and Financial Resilience Manager and Assistant Director are working with our VCSE (Devon Communities Together) specifically around the issue of hidden and rural

		<p>poverty section of the peer review.</p> <p>What more can the council and Councillors do to communicate this work to residents and those in need?</p>	<p>poverty. The aim of this work is to raise awareness of how we can help and support residents who are financially struggling but aren't accessing support. For example, we are looking at which areas in the District don't have a good voluntary support network already in place and how we can provide that provision or work with the local community to raise awareness. This will help reach residents who are digitally excluded.</p> <p>We are continuing to link up with voluntary sector groups across the District to promote the work of the Financial Resilience team, attending community events and when required a face to face service out in the community; such as locating an officer in a Foodbank. We periodically will look at press releases and contact key organisations to help reach residents and are currently working on a pensioner take up campaign for welfare benefits.</p> <p>As part of the 2023/ 24 annual report we will be providing more data including outcomes including the work of the Financial Resilience Team. This report will be submitted to the Poverty panel later this year and allows all Members to be aware of the work the Council is doing as part of our Poverty Strategy in turn helping to spread the message.</p>
4.	Cllr Mike Goodman	<p>The Council said some time ago they were employing an officer to develop a tree strategy, can the portfolio holder update council on the progress made.</p>	<p>PFH Coast, Country & Environment:</p> <p>I am delighted to report that progress is now being made with the development of a Tree Strategy for EDDC. The delay has been down to awaiting the production of Devon's Tree & Woodland Strategy which we have now just received as a final draft. East Devon DC contributed funding, along with the other Devon LAs, towards the production of the Devon Strategy. This will provide the county-wide and higher level framework for East Devon DC's Tree Strategy. The plan was always to ensure that both these documents would synergise on key aims and objectives around tree planting, nature recovery and climate change actions and that East Devon's document would through</p>

			<p>consultation and discussion add in the key “local issues/challenges” to cover off in its Strategy. These will likely cover the areas on TPO’s and enforcement issues as well as tree planting targets. The workscope for the EDDC Tree Strategy will be discussed at the 21 March meeting of Overview Committee and then a brief will be prepared for work to develop the Strategy. A budget has been secured for this work.</p>
5.	Cllr Mike Goodman	<p>In 2020/21 it was decided by without consultation with the public to re wild the cemeteries in East Devon. Was this the right decision? What lessons were learnt?</p>	<p>PFH Finance & Assets and Coast, Country & Environment: Managing our spaces for wildlife is not a new approach and we have been doing this across sites maintained by StreetScene since 2010. The approach to manage more sites for wildlife with meadow grass and wildflower was expanded through our service plan in 2020 until now, and indeed this area is being reviewed by Scrutiny in the spring, with StreetScene Officers preparing a report for this currently. I might suggest therefore that this issue is dealt with through this planned work.</p> <p>Sections of Sidmouth Cemetery have had meadow grass cut regimes (Old cemetery area) since 2010. Managing cemeteries as spaces for wildlife is not new and many church parochial councils require the management to be encouraging this approach with the CPRE providing encouragement and awards each year. There is guidance available online from this charity called ‘Managing God’s Acre’ - https://www.caringforgodsacre.org.uk/</p> <p>The approach has worked reasonably well, and sites managed for wildlife across our spaces were increased in 2020 as part of planned works that were documented in our service plans. Things worked reasonably well, with some wonderful wildflowers encouraged across the newer part of the cemetery in 2021. We then experienced issues with our own team in the 22/23 season not adhering to our plan, which is where the real dissatisfaction has stemmed from. During this same period (growing season 23) our Operations</p>

			<p>manager left, it took until November last year before our new Operations Manager joined, who is now dealing with the issue and complaints. She has met with Sidmouth Town Council and local community groups to agree a re-focussed plan to manage the site balancing different views.</p>
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Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Council Tax Resolution 2024/25

Report summary:

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2024/25.

In agreeing to the Cabinet recommendations on the Revenue and Capital Budgets 2024/25 (Minute Number 133) on the 31st January 2024 this gives the Council Tax requirement for this Council of £10,414,911 resulting in a Council Tax Band D amount of £166.78. This is an increase of £5 a year (3.09%), within the threshold stipulated by government before triggering a council tax referendum.

The Budget report to Cabinet on 31st January 2024 can be found here: [Agenda for Cabinet on Wednesday, 31st January, 2024, 6.00 pm - East Devon](#) this report contains links to the detailed Revenue and Capital Budget report to Cabinet on the 3rd January 2024.

In accordance with Section 25 of the Local Government Act 2003 the Chief Financial Officer (Director of Finance) has reported to the authority on the robustness of the 2024/25 budgets and is satisfied with the adequacy of the proposed financial reserves. **The 2024/25 budget recommended by Cabinet is balanced with expenditure matched by available income.**

There is a legal requirement for the Council to set a budget and associated Council Tax; the process for Council Tax Billing starts the day after the Council meeting in order to meet the necessary deadlines (bill printing, dispatch and appropriate direct debit notifications etc.). The obligation to make a lawful budget each year is shared equally by each Member. A similar deadline is associated with council house rent accounts.

The Council Tax setting process is that all preceptors (Devon County Council, Police and Crime Commissioner for Devon and Cornwall, Devon & Somerset Fire & Rescue Authority and town and parish councils) will set their budgets and relevant council tax requirement and then this Council, as the billing authority, will formally set the Council Tax for the area to include all amounts to be collected. This report sets out the details of this Council's Council Tax requirement and the precepts for other bodies.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. To approve the formal Council Tax Resolution at Appendix A

Reason for recommendation:

The Council as a billing authority is required to set the Council Tax for 2024/25.

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change High Impact

Risk: Low Risk; [Click here to enter text on risk considerations relating to your report.](#)

Links to background information [Click here to enter links to background information; appendices online; and previous reports. These must link to an electronic document. Do not include any confidential or exempt information.](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

1. East Devon District Council's Budget 2024/25

1.1 In agreeing to the Cabinet recommendations on the Revenue and Capital Budgets 2024/25 (Minute Number 133) on the 31st January 2024 this gives the Council Tax requirement for this Council of £10,414,911 resulting in a Council Tax Band D amount of £166.78. This is an increase of £5 a year (3.09%), within the threshold stipulated by government before triggering a council tax referendum.

1.2 The Budget report to Cabinet on 31st January 2024 can be found here: [Agenda for Cabinet on Wednesday, 31st January, 2024, 6.00 pm - East Devon](#) this report contains links to the detailed Revenue and Capital Budget report to Cabinet on the 3rd January 2024.

2 Council Tax Resolution 2024/25

2.1 The precept levels of other precepting bodies are detailed below.

It should be noted the amounts below for Devon County Council and Fire & Rescue Authority are provisional as they don't meet to set their budget and precept until; Devon on 15th February and Fire on 16th February.

Should the amounts change then a revised report will be issued to Council.

- **Town & Parish Councils**

The Town & Parish Council Precepts for 2024/25 are detailed in Schedule 1 and total £5,718,162.21. The increase in the average Band D Council Tax for Town and Parish councils is 12.42% and results in an average Band D Council Tax figure of £91.57 for 2024/25.

- **Devon County Council**

Devon County Council set their precept at £107,138,444.49. This results in a Band D Council Tax of £1,715.67. This is a total increase of 4.99%.

- **Police and Crime Commissioner for Devon and Cornwall**

Police and Crime Commissioner for Devon and Cornwall set their precept at £17,141,701.50. This results in a Band D Council Tax of £274.50, being a 4.95% increase on the previous year.

- **Devon & Somerset Fire & Rescue Authority**

Devon & Somerset Fire & Rescue Authority set their precept at £6,224,717. This results in a Band D Council Tax of £99.68, being a 2.99% increase on the previous year.

2.2 This Council's calculations are set out in the formal Council Tax Resolution in Appendix A. This follows Cabinet's recommendation to Council on the 2024/25 budget.

2.3 This recommendation is reflected in the formal Council Tax Resolution at Appendix A and the total Band D Council Tax will be as follows:

COUNCIL TAX LEVIES	2023/2024	2024/2025	Variation
	£	£	%
East Devon District Council	161.78	166.78	3.09%
Parish & Town Councils (Average)	81.45	91.57	12.42%
Sub Total	243.23	258.35	-
Devon County Council	1,634.13*	1,715.67*	4.99%
Police and Crime Commissioner for Devon and Cornwall	261.56	274.50	4.95%
Devon & Somerset Fire & Rescue Authority	96.79	99.68	2.99%
TOTALS	£2,235.71	£2,348.20	5.03%

* This increase of 4.99% includes a charge for adult social care services representing 2% of the increase.

Financial implications:

This report sets the Council's Council Tax requirement for 2024/25 which is derived from its Budget Requirement as recommended by Cabinet on 31st January 2024.

Legal implications:

The legal position is detailed in the report and no further comment is required.

The Council is recommended to resolve as follows:

1. It be noted that on 3rd January 2024 Cabinet (minute reference 112 refers) calculated the Council Tax Base 2024/25.
 - (a) for the whole Council area as 62,447 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as detailed in Schedule 1 attached.

2. As a preliminary step, calculate that the Council Tax requirement for the Council's own purposes for 2024/25 (excluding Parish precepts) is £10,414,911.

3. That the following amounts be calculated for the year 2024/25 in accordance with Sections 30 to 36 of the Act:
 - (a) £112,487,938 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.

 - (b) £96,354,865 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

 - (c) £16,133,073 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).

 - (d) £258.35 being the amount at 3(c) above (Item R), all divided by Item T (1(a) above), calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).

 - (e) £5,718,162.21 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Schedule 1).

 - (f) £166.78 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

- (g) The amounts stated in column 5 of the schedule 1 attached given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area specified in column 1 of Schedule 1 divided in each case by the amount at 1(a) above, calculated by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its Council tax for the year for dwellings in those parts of its area set out in column 1 of Schedule 1 to which one or more special items relate.
- (h) The amounts set out in Schedule 2 attached given by multiplying the amounts at 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
4. That it be noted that for the year 2024/25 Devon County Council, Police and Crime Commissioner for Devon and Cornwall and Devon and Somerset Fire and Rescue Authority have stated the following amounts in precepts issued to the District Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Bands	Precepting Authority		
	Devon County Council	Police & Crime Com for Devon & Cornwall	Devon & Somerset Fire & Rescue
A	£1,143.78	£183.00	£66.45
B	£1,334.41	£213.50	£77.53
C	£1,525.04	£244.00	£88.60
<u>D</u>	<u>£1,715.67</u>	<u>£274.50</u>	<u>£99.68</u>
E	£2,096.93	£335.50	£121.83
F	£2,478.19	£396.50	£143.98
G	£2,859.45	£457.50	£166.13
H	£3,431.34	£549.00	£199.36

5. That, having calculated the aggregate in each case of the amounts at 3 (h) and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts set out in Schedule 3 attached as the amounts of council tax for the year 2024/25 for each of the categories of dwellings shown in Schedule 3.
- 6 The Council has determined that its relevant basic amount of Council Tax for 2024/25 is **not** excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. As the billing authority, the Council has **not** been notified by a major precepting authority that its relevant basic amount of Council Tax for 2024/25 is excessive and therefore the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

SCHEDULE 1 2024/25					
Parish	Parish Precept	Tax Base	Basic Parish Tax	Basic Tax Parish + EDDC	Basic Tax + DCC + Fire Authority + Police & Crime Comm D&C
	£		£	£	£
All Saints	16,500.00	259	63.71	230.49	2,320.34
Awliscombe	5,000.00	230	21.74	188.52	2,278.37
Axminster	446,524.00	2898	154.08	320.86	2,410.71
Axmouth	12,582.00	250	50.33	217.11	2,306.96
Aylesbeare	14,350.00	263	54.56	221.34	2,311.19
Beer	37,152.00	670	55.45	222.23	2,312.08
Bishops Clyst	46,661.60	615	75.87	242.65	2,332.50
Brampford Speke	8,500.00	155	54.84	221.62	2,311.47
Branscombe	9,500.00	326	29.14	195.92	2,285.77
Broadclyst	430,685.00	2757	156.22	323.00	2,412.85
Broadhembury	9,063.60	332	27.30	194.08	2,283.93
Buckerell	5,525.00	119	46.43	213.21	2,303.06
Budleigh Salterton	165,900.00	2826	58.70	225.48	2,315.33
Chardstock	31,715.00	411	77.17	243.95	2,333.80
Clyst Honiton	16,500.00	114	144.74	311.52	2,401.37
Clyst Hydon	3,800.00	132	28.79	195.57	2,285.42
Clyst St George	9,558.00	400	23.90	190.68	2,280.53
Clyst St Lawrence	-	46	0.00	166.78	2,256.63
Colaton Raleigh	11,272.00	311	36.24	203.02	2,292.87
Colyford	20,641.00	435	47.45	214.23	2,304.08
Colyton	54,759.00	1021	53.63	220.41	2,310.26
Combe Raleigh	2,222.00	102	21.78	188.56	2,278.41
Combpyne-Rousdon	5,428.00	194	27.98	194.76	2,284.61
Cotleigh	3,600.00	106	33.96	200.74	2,290.59
Cranbrook	659,021.22	2574	256.03	422.81	2,512.66
Dalwood	7,476.00	211	35.43	202.21	2,292.06
Dunkeswell	36,300.00	599	60.60	227.38	2,317.23
E.Budleigh/Bicton	30,420.00	510	59.65	226.43	2,316.28
Exmouth	870,592.00	13181	66.05	232.83	2,322.68
Farringdon	9,363.00	156	60.02	226.80	2,316.65
Farway	3,500.00	130	26.92	193.70	2,283.55
Feniton	33,240.85	673	49.39	216.17	2,306.02
Gittisham	10,139.08	458	22.14	188.92	2,278.77
Hawkchurch	10,700.00	271	39.48	206.26	2,296.11
Honiton	595,225.00	4000	148.81	315.59	2,405.44
Huxham	-	48	0.00	166.78	2,256.63
Kilminster	24,000.00	409	58.68	225.46	2,315.31
Luppitt	12,800.00	219	58.45	225.23	2,315.08
Lympstone	52,137.50	928	56.18	222.96	2,312.81
Membury	11,070.00	276	40.11	206.89	2,296.74
Monkton	5,500.00	76	72.37	239.15	2,329.00
Musbury	10,000.00	242	41.32	208.10	2,297.95
Netherexe	-	26	0.00	166.78	2,256.63
Newton Poppleford	74,571.00	954	78.17	244.95	2,334.80
Northleigh	3,400.00	82	41.46	208.24	2,298.09
Offwell	9,000.00	189	47.62	214.40	2,304.25
Otterton	14,145.27	302	46.84	213.62	2,303.47
Ottery St Mary	282,510.00	2922	96.68	263.46	2,353.31
Payhembury	12,313.00	338	36.43	203.21	2,293.06
Plymtree	4,745.00	261	18.18	184.96	2,274.81
Poltimore	7,000.00	135	51.85	218.63	2,308.48
Rewe	10,666.12	191	55.84	222.62	2,312.47
Rockbeare	40,000.00	386	103.63	270.41	2,360.26
Seaton	434,763.00	3278	132.63	299.41	2,389.26
Sheldon	1,500.00	85	17.65	184.43	2,274.28
Shute	6,000.00	296	20.27	187.05	2,276.90
Sidmouth	713,945.00	6952	102.70	269.48	2,359.33
Southleigh	4,500.00	115	39.13	205.91	2,295.76
Stockland	14,987.00	338	44.34	211.12	2,300.97
Stoke Canon	11,000.00	247	44.53	211.31	2,301.16
Talaton	9,140.00	245	37.31	204.09	2,293.94
Uplyme	53,880.00	891	60.47	227.25	2,317.10
Upottery	14,000.00	333	42.04	208.82	2,298.67
Upton Pyne	10,539.97	225	46.84	213.62	2,303.47
West Hill	56,875.00	1168	48.69	215.47	2,305.32
Whimple	26,686.00	734	36.36	203.14	2,292.99
Widworthy	6,800.00	141	48.23	215.01	2,304.86
Woodbury	139,155.00	1455	95.64	262.42	2,352.27
Yarcombe	7,118.00	225	31.64	198.42	2,288.27
	5,718,162.21				

SCHEDULE 2 2024/25								
EAST DEVON DISTRICT COUNCIL INCLUDING SPECIAL ITEMS (Town and Parish tax)								
Parish	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
All Saints	153.66	179.27	204.88	230.49	281.71	332.93	384.15	460.98
Awliscombe	125.68	146.63	167.57	188.52	230.41	272.30	314.20	377.04
Axminster	213.91	249.56	285.21	320.86	392.16	463.46	534.77	641.72
Axmouthe	144.74	168.87	192.99	217.11	265.35	313.60	361.85	434.22
Aylesbeare	147.56	172.16	196.75	221.34	270.52	319.71	368.90	442.68
Beer	148.16	172.85	197.54	222.23	271.61	320.99	370.39	444.46
Bishops Clyst	161.77	188.73	215.69	242.65	296.57	350.49	404.42	485.30
Brampford Speke	147.75	172.37	197.00	221.62	270.87	320.11	369.37	443.24
Branscombe	130.62	152.38	174.15	195.92	239.46	282.99	326.54	391.84
Broadclyst	215.34	251.22	287.11	323.00	394.78	466.55	538.34	646.00
Broadhembury	129.39	150.95	172.52	194.08	237.21	280.33	323.47	388.16
Buckerell	142.14	165.83	189.52	213.21	260.59	307.97	355.35	426.42
Budleigh Salterton	150.32	175.38	200.43	225.48	275.58	325.69	375.80	450.96
Chardstock	162.64	189.74	216.85	243.95	298.16	352.37	406.59	487.90
Clyst Honiton	207.68	242.30	276.91	311.52	380.74	449.97	519.20	623.04
Clyst Hydon	130.38	152.11	173.84	195.57	239.03	282.49	325.95	391.14
Clyst St George	127.12	148.31	169.49	190.68	233.05	275.42	317.80	381.36
Clyst St Lawrence	111.19	129.72	148.25	166.78	203.84	240.90	277.97	333.56
Colaton Raleigh	135.35	157.91	180.46	203.02	248.13	293.25	338.37	406.04
Colyford	142.82	166.63	190.43	214.23	261.83	309.44	357.05	428.46
Colyton	146.94	171.43	195.92	220.41	269.39	318.37	367.35	440.82
Combe Raleigh	125.71	146.66	167.61	188.56	230.46	272.36	314.27	377.12
Combpayne-Rousdon	129.84	151.48	173.12	194.76	238.04	281.32	324.60	389.52
Cotleigh	133.83	156.13	178.44	200.74	245.35	289.95	334.57	401.48
Cranbrook	281.88	328.85	375.83	422.81	516.77	610.72	704.69	845.62
Dalwood	134.81	157.28	179.74	202.21	247.14	292.08	337.02	404.42
Dunkeswell	151.59	176.85	202.12	227.38	277.91	328.43	378.97	454.76
East Budleigh with Bicton	150.96	176.11	201.27	226.43	276.75	327.06	377.39	452.86
Exmouth	155.22	181.09	206.96	232.83	284.57	336.31	388.05	465.66
Farringdon	151.20	176.40	201.60	226.80	277.20	327.60	378.00	453.60
Farway	129.14	150.66	172.18	193.70	236.74	279.78	322.84	387.40
Feniton	144.12	168.13	192.15	216.17	264.21	312.24	360.29	432.34
Gittisham	125.95	146.94	167.93	188.92	230.90	272.88	314.87	377.84
Hawkchurch	137.51	160.43	183.34	206.26	252.09	297.93	343.77	412.52
Honiton	210.40	245.46	280.53	315.59	385.72	455.85	525.99	631.18
Huxham	111.19	129.72	148.25	166.78	203.84	240.90	277.97	333.56
Kilminster	150.31	175.36	200.41	225.46	275.56	325.66	375.77	450.92
Luppitt	150.16	175.18	200.21	225.23	275.28	325.33	375.39	450.46
Lymptone	148.64	173.42	198.19	222.96	272.50	322.05	371.60	445.92
Membury	137.93	160.92	183.90	206.89	252.86	298.84	344.82	413.78
Monkton	159.44	186.01	212.58	239.15	292.29	345.43	398.59	478.30
Musbury	138.74	161.86	184.98	208.10	254.34	300.58	346.84	416.20
Netherexe	111.19	129.72	148.25	166.78	203.84	240.90	277.97	333.56
Newton Poppleford	163.30	190.52	217.73	244.95	299.38	353.81	408.25	489.90
Northleigh	138.83	161.97	185.10	208.24	254.51	300.79	347.07	416.48
Offwell	142.94	166.76	190.58	214.40	262.04	309.68	357.34	428.80
Otterton	142.42	166.15	189.89	213.62	261.09	308.56	356.04	427.24
Ottery St Mary	175.64	204.92	234.19	263.46	322.00	380.55	439.10	526.92
Payhembury	135.48	158.05	180.63	203.21	248.37	293.52	338.69	406.42
Plymtree	123.31	143.86	164.41	184.96	226.06	267.16	308.27	369.92
Poltimore	145.76	170.05	194.34	218.63	267.21	315.79	364.39	437.26
Rewe	148.42	173.15	197.89	222.62	272.09	321.56	371.04	445.24
Rockbeare	180.28	210.32	240.37	270.41	330.50	390.59	450.69	540.82
Seaton	199.61	232.88	266.14	299.41	365.94	432.48	499.02	598.82
Sheldon	122.96	143.45	163.94	184.43	225.41	266.39	307.39	368.86
Shute	124.70	145.49	166.27	187.05	228.61	270.18	311.75	374.10
Sidmouth	179.66	209.60	239.54	269.48	329.36	389.24	449.14	538.96
Southleigh	137.28	160.15	183.03	205.91	251.67	297.42	343.19	411.82
Stockland	140.75	164.21	187.66	211.12	258.03	304.95	351.87	422.24
Stoke Canon	140.88	164.35	187.83	211.31	258.27	305.22	352.19	422.62
Talaton	136.06	158.74	181.41	204.09	249.44	294.79	340.15	408.18
Uplyme	151.50	176.75	202.00	227.25	277.75	328.25	378.75	454.50
Upton Pyne	139.22	162.42	185.62	208.82	255.22	301.62	348.04	417.64
West Hill	143.65	167.59	191.53	215.47	263.35	311.23	359.12	430.94
Whimble	135.43	158.00	180.57	203.14	248.28	293.42	338.57	406.28
Widworthy	143.34	167.23	191.12	215.01	262.79	310.57	358.35	430.02
Woodbury	174.95	204.11	233.26	262.42	320.73	379.05	437.37	524.84
Yarcombe	132.28	154.33	176.37	198.42	242.51	286.60	330.70	396.84

SCHEDULE 3 2024/25								
EAST DEVON DISTRICT COUNCIL INCLUDING SPECIAL ITEMS, DEVON COUNTY COUNCIL, POLICE AND CRIME COMMISSIONER FOR DEVON & CORNWALL and DEVON & SOMERSET FIRE & RESCUE AUTHORITY								
Parish	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	£	£	£	£	£	£	£	£
All Saints	1,546.89	1,804.71	2,062.52	2,320.34	2,835.97	3,351.60	3,867.23	4,640.68
Awliscombe	1,518.91	1,772.07	2,025.21	2,278.37	2,784.67	3,290.97	3,797.28	4,556.74
Axminster	1,607.14	1,875.00	2,142.85	2,410.71	2,946.42	3,482.13	4,017.85	4,821.42
Axmouth	1,537.97	1,794.31	2,050.63	2,306.96	2,819.61	3,332.27	3,844.93	4,613.92
Aylesbeare	1,540.79	1,797.60	2,054.39	2,311.19	2,824.78	3,338.38	3,851.98	4,622.38
Beer	1,541.39	1,798.29	2,055.18	2,312.08	2,825.87	3,339.66	3,853.47	4,624.16
Bishops Clyst	1,555.00	1,814.17	2,073.33	2,332.50	2,850.83	3,369.16	3,887.50	4,665.00
Bramford Speke	1,540.98	1,797.81	2,054.64	2,311.47	2,825.13	3,338.78	3,852.45	4,622.94
Branscombe	1,523.85	1,777.82	2,031.79	2,285.77	2,793.72	3,301.66	3,809.62	4,571.54
Broadclyst	1,608.57	1,876.66	2,144.75	2,412.85	2,949.04	3,485.22	4,021.42	4,825.70
Broadhembury	1,522.62	1,776.39	2,030.16	2,283.93	2,791.47	3,299.00	3,806.55	4,567.86
Buckerell	1,535.37	1,791.27	2,047.16	2,303.06	2,814.85	3,326.64	3,838.43	4,606.12
Budleigh Salterton	1,543.55	1,800.82	2,058.07	2,315.33	2,829.84	3,344.36	3,858.88	4,630.66
Chardstock	1,555.87	1,815.18	2,074.49	2,333.80	2,852.42	3,371.04	3,889.67	4,667.60
Clyst Honiton	1,600.91	1,867.74	2,134.55	2,401.37	2,935.00	3,468.64	4,002.28	4,802.74
Clyst Hydon	1,523.61	1,777.55	2,031.48	2,285.42	2,793.29	3,301.16	3,809.03	4,570.84
Clyst St George	1,520.35	1,773.75	2,027.13	2,280.53	2,787.31	3,294.09	3,800.88	4,561.06
Clyst St Lawrence	1,504.42	1,755.16	2,005.89	2,256.63	2,758.10	3,259.57	3,761.05	4,513.26
Colaton Raleigh	1,528.58	1,783.35	2,038.10	2,292.87	2,802.39	3,311.92	3,821.45	4,585.74
Colyford	1,536.05	1,792.07	2,048.07	2,304.08	2,816.09	3,328.11	3,840.13	4,608.16
Colyton	1,540.17	1,796.87	2,053.56	2,310.26	2,823.65	3,337.04	3,850.43	4,620.52
Combe Raleigh	1,518.94	1,772.10	2,025.25	2,278.41	2,784.72	3,291.03	3,797.35	4,556.82
Combpyne-Rousdon	1,523.07	1,776.92	2,030.76	2,284.61	2,792.30	3,299.99	3,807.68	4,569.22
Cotleigh	1,527.06	1,781.57	2,036.08	2,290.59	2,799.61	3,308.62	3,817.65	4,581.18
Cranbrook	1,675.11	1,954.29	2,233.47	2,512.66	3,071.03	3,629.39	4,187.77	5,025.32
Dalwood	1,528.04	1,782.72	2,037.38	2,292.06	2,801.40	3,310.75	3,820.10	4,584.12
Dunkeswell	1,544.82	1,802.29	2,059.76	2,317.23	2,832.17	3,347.10	3,862.05	4,634.46
East Budleigh with Bicton	1,544.19	1,801.55	2,058.91	2,316.28	2,831.01	3,345.73	3,860.47	4,632.56
Exmouth	1,548.45	1,806.53	2,064.60	2,322.68	2,838.83	3,354.98	3,871.13	4,645.36
Farringdon	1,544.43	1,801.84	2,059.24	2,316.65	2,831.46	3,346.27	3,861.08	4,633.30
Farway	1,522.37	1,776.10	2,029.82	2,283.55	2,791.00	3,298.45	3,805.92	4,567.10
Feniton	1,537.35	1,793.57	2,049.79	2,306.02	2,818.47	3,330.91	3,843.37	4,612.04
Gittisham	1,519.18	1,772.38	2,025.57	2,278.77	2,785.16	3,291.55	3,797.95	4,557.54
Hawkchurch	1,530.74	1,785.87	2,040.98	2,296.11	2,806.35	3,316.60	3,826.85	4,592.22
Honiton	1,603.63	1,870.90	2,138.17	2,405.44	2,939.98	3,474.52	4,009.07	4,810.88
Huxham	1,504.42	1,755.16	2,005.89	2,256.63	2,758.10	3,259.57	3,761.05	4,513.26
Kilminster	1,543.54	1,800.80	2,058.05	2,315.31	2,829.82	3,344.33	3,858.85	4,630.62
Luppitt	1,543.39	1,800.62	2,057.85	2,315.08	2,829.54	3,344.00	3,858.47	4,630.16
Lypstone	1,541.87	1,798.86	2,055.83	2,312.81	2,826.76	3,340.72	3,854.68	4,625.62
Membury	1,531.16	1,786.36	2,041.54	2,296.74	2,807.12	3,317.51	3,827.90	4,593.48
Monkton	1,552.67	1,811.45	2,070.22	2,329.00	2,846.55	3,364.10	3,881.67	4,658.00
Musbury	1,531.97	1,787.30	2,042.62	2,297.95	2,808.60	3,319.25	3,829.92	4,595.90
Netherexe	1,504.42	1,755.16	2,005.89	2,256.63	2,758.10	3,259.57	3,761.05	4,513.26
Newton Poppleford	1,556.53	1,815.96	2,075.37	2,334.80	2,853.64	3,372.48	3,891.33	4,669.60
Northleigh	1,532.06	1,787.41	2,042.74	2,298.09	2,808.77	3,319.46	3,830.15	4,596.18
Offwell	1,536.17	1,792.20	2,048.22	2,304.25	2,816.30	3,328.35	3,840.42	4,608.50
Otterton	1,535.65	1,791.59	2,047.53	2,303.47	2,815.35	3,327.23	3,839.12	4,606.94
Ottery St Mary	1,568.87	1,830.36	2,091.83	2,353.31	2,876.26	3,399.22	3,922.18	4,706.62
Payhembury	1,528.71	1,783.49	2,038.27	2,293.06	2,802.63	3,312.19	3,821.77	4,586.12
Plymtree	1,516.54	1,769.30	2,022.05	2,274.81	2,780.32	3,285.83	3,791.35	4,549.62
Poltimore	1,538.99	1,795.49	2,051.98	2,308.48	2,821.47	3,334.46	3,847.47	4,616.96
Rewe	1,541.65	1,798.59	2,055.53	2,312.47	2,826.35	3,340.23	3,854.12	4,624.94
Rockbeare	1,573.51	1,835.76	2,098.01	2,360.26	2,884.76	3,409.26	3,933.77	4,720.52
Seaton	1,592.84	1,858.32	2,123.78	2,389.26	2,920.20	3,451.15	3,982.10	4,778.52
Sheldon	1,516.19	1,768.89	2,021.58	2,274.28	2,779.67	3,285.06	3,790.47	4,548.56
Shute	1,517.93	1,770.93	2,023.91	2,276.90	2,782.87	3,288.85	3,794.83	4,553.80
Sidmouth	1,572.89	1,835.04	2,097.18	2,359.33	2,883.62	3,407.91	3,932.22	4,718.66
Southleigh	1,530.51	1,785.59	2,040.67	2,295.76	2,805.93	3,316.09	3,826.27	4,591.52
Stockland	1,533.98	1,789.65	2,045.30	2,300.97	2,812.29	3,323.62	3,834.95	4,601.94
Stoke Canon	1,534.11	1,789.79	2,045.47	2,301.16	2,812.53	3,323.89	3,835.27	4,602.32
Talaton	1,529.29	1,784.18	2,039.05	2,293.94	2,803.70	3,313.46	3,823.23	4,587.88
Uplyme	1,544.73	1,802.19	2,059.64	2,317.10	2,832.01	3,346.92	3,861.83	4,634.20
Uppottery	1,532.45	1,787.86	2,043.26	2,298.67	2,809.48	3,320.29	3,831.12	4,597.34
Upton Pyne	1,535.65	1,791.59	2,047.53	2,303.47	2,815.35	3,327.23	3,839.12	4,606.94
West Hill	1,536.88	1,793.03	2,049.17	2,305.32	2,817.61	3,329.90	3,842.20	4,610.64
Whimble	1,528.66	1,783.44	2,038.21	2,292.99	2,802.54	3,312.09	3,821.65	4,585.98
Widworthy	1,536.57	1,792.67	2,048.76	2,304.86	2,817.05	3,329.24	3,841.43	4,609.72
Woodbury	1,568.18	1,829.55	2,090.90	2,352.27	2,874.99	3,397.72	3,920.45	4,704.54
Yarcombe	1,525.51	1,779.77	2,034.01	2,288.27	2,796.77	3,305.27	3,813.78	4,576.54

Report to: Cabinet



Date of Meeting 31 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Revenue and Capital Budgets 2024/25

Report summary:

Cabinet adopted draft Revenue and Capital Budgets for 2024/25 at its meeting on 3rd January 2024. A joint meeting of the Overview and Scrutiny Committees reviewed those budgets on 11th January and the Housing Review Board considered the Housing Revenue Account budget on 25th January.

Recommendations from the Overview and Scrutiny meetings are detailed in this report and the minutes are contained on the agenda. The Housing Review Board proposed no amendments to the draft Housing Revenue Account budget and minutes of the meeting are also included on the agenda.

Following the draft budget report being considered by these meetings the Department for Levelling Up, Housing and Communities announced additional funding could be expected by Councils in the final settlement compared with the earlier provisional settlement.

Individual authority numbers will be in the final settlement expected in the next few weeks, we have estimated this will increase our income by £164k, although we will need the final announcement to know exactly.

It is too late in our budget process to consider any detailed budget amendment proposals; it is suggested once the final sum is determined that this is held in an unallocated budget to be allocated in year by Council based on priorities and pressures.

It is now for Cabinet to consider comments and recommendations and to make their recommendations to Council.

As part of the Prudential Code for Capital Finance in Local Authorities the Council is required to set prudential indicators as part of its budget setting process, these indicators are detailed in the Treasury Management Strategy 2024/25 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy and are included on the Cabinet agenda. They reflect the proposals and details in this report.

Alongside the Treasury Management Strategy sits the Capital Strategy which is also contained on this agenda for adoption.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

It is recommended to Council

1. To propose the Net Expenditure Revenue General Fund Budget for 2024/25 of £23.582m (as detailed in the report) and to transfer £0.5m into the General Fund Balance for the specific risks identified in the budget report to Cabinet on 3rd January (LED service payment and Recycling and Waste Contract).
2. A Council Tax increase is approved of £5 a year giving a Band D council tax of £166.78 a year for 2024/25.
3. That the Housing Revenue Account Estimates with a net budget of nil (total expenditure met by income) is approved with a 7.7% increase on Council dwellings rents.
4. That the Net Capital Budget totalling £15.556m for 2024/25 is approved

Reason for recommendation:

There is a requirement for the Council to set a balanced budget for both the General Fund and Housing Revenue Account and to levy a Council Tax for 2024/25.

Officer: Simon Davey – Director of Finance S151 & Interim Chief Executive (shared role)
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Portfolio(s) (check which apply):

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

Equalities impact Low Impact

An analysis of budget changes has not highlighted areas that give rise to any equality issues that need highlighting. There are no changes proposed from the current service provisions as a result of the draft budget that will affect individuals.

Climate change High Impact

The budget approval gives the Council the resources necessary to undertake its business which will significantly contribute to the carbon footprint of the Council. The Council is committed to reducing its carbon net emissions to zero by 2040 and resources have been factored into the budget to meet this priority

Risk: Medium Risk; Risks have been considered in preparing the budgets and the financial implications have been assessed at the point of preparation. Various budget assumptions have been made including the treatment of inflation and interest rates; estimates on the level and timing of capital receipts; the treatment of demand led pressures; the treatment of planned efficiency savings/productivity gains; levels of income; financial risks inherent in any new arrangements; capital developments; the availability of funds to deal with major contingencies and the need for any provisions. In each of these areas the Council's financial standing, management and track record have been considered in order to prepare robust budget proposals. Other specific areas of risk were highlighted within 2024/25 budget report to Cabinet on 3rd January 2024

Links to background information [Note on mobility beach mat tracking](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

1. Introduction.

1.1 The Cabinet adopted draft revenue and capital budgets on the 3rd January 2024.

1.2 The budgets, associated service implications and Service Plans were then considered by:

- A joint meeting of the Overview and Scrutiny Committees on 11th January.
- The Housing Review Board considered the Housing Revenue Account (HRA) budgets on 25th January.
- Comment was also invited from the business community to the Council's draft budget proposals. No specific feedback was received in relation to the budget for members to consider at time of report writing.

1.3 This report follows on from the draft Revenue and Capital Budgets 2024/25 report presented to Cabinet on the 3rd January; this gave significant narrative on the budget proposals including the details presented in the budget book. For reference:

- The budget report can be found here, [Revenue and Capital Budget report 2024/25](#)
- the draft budget book here, [2024/25 Budget Book](#) , and
- the Service Plans here in the Scrutiny and Overview Agenda for 11th January 2024, [Service Plans 20024/25](#)

2. Update and Summary of recommendations to Cabinet.

- 2.1 The minutes of the joint meeting of the Overview and Scrutiny Committees on 11th January and the Housing Review Board meeting of 25th January are contained on this agenda.
- 2.2 The draft budget for the General Fund, Housing Revenue Account and Capital Programme were recommended by these Committees as those adopted by Cabinet on 3rd January with two proposed amendments:
- Both Overview and Scrutiny Committees requested that Cabinet considered including in the 2024/25 General Fund budget a sum to provide mobility beach track matting to additional beaches in the district and for details of costing and implications to be provided. A note has been provided linked to this paper, the amount required is £5k after relevant town councils' contributions, a lower sum than first considered. This is minor sum, and it is assumed Cabinet will support this request and can be matched by additional income from Business Rates which was reduced to balance off the provisional local finance settlement as reference in the budget report to Overview and Scrutiny.
 - Both Committees also asked Cabinet to consider a General Fund budget for Planning Appeals to allow the Council to be less risk adverse when wanting to defend appropriate planning decisions. Discussions with the Assistant Director Planning Strategy and Development Management and from analysis of the draft budget it is considered that initially £30k would be a sensible sum based on likely costs of defending an appeal and this can be created from existing proposed budgets in the service (legal and consultancy budgets). This will therefore have no overall impact on the overall draft budget and can be further refined for the following year.
- 2.3 The General Fund Net Expenditure in the proposed draft 2024/25 Budget was £23.413m, taking the above adjustments in 2.2 this increases the figure to £23.418m. This increase will be met by an increase in the Business Rates Uplift budget line resulting no overall effect to the draft budget position; giving a balanced budget with £500k being transferred to the General Fund Balance to mitigate the additional risks identified in the budget report to Cabinet on 3rd January (LED service payment and Recycling and Waste Contract).
- 2.4 The Housing Review Board proposed no amendments to the draft budget.
- 2.5 Following the draft budget report being considered by these meetings the Department for Levelling Up, Housing and Communities announced additional funding could be expected by Councils in the final settlement compared with the earlier provisional settlement. This is unusual to include additional funding in the final settlement, it normally remains within the same funding envelope. There has been significant lobbying, press reports and concerns raised on several fronts regarding the need for extra funding for local councils, this has been responded to in part.
- 2.6 We await the actual individual authority numbers which will be in the final settlement expected in the next few weeks, but we know the areas that are to be increased that affect us; an extra 1% uplift in the minimum funding grant and an increase of £15m to the Rural

Services Delivery Grant. It is estimated this will increase our income by £164k, although we will need the final announcement to know exactly, the estimate is based on national figures proportioned down to us and its never that simple.

- 2.7 It is too late in our budget process to consider any detailed amended budget proposals; it is suggested once the final sum is determined that this is held in an unallocated budget to be allocated in year by Council based on priorities and pressures. This will increase The General Fund Net Expenditure for 2024/25 Budget by a further £164k to £23.582m to be balanced by additional government funding.

3. Council's Balances and Reserves

- 3.1 Details are contained in the draft Revenue and Capital Budgets 2024/25 report presented to Cabinet on the 3rd January.

4. The Prudential Code for Capital Finance in Local Authorities

- 4.1 The Prudential Code for Capital Finance in Local Authorities gives the requirement to report on a series of prudential indicators, which are designed to support and record local decision making. These indicators are required to be part of the Council's budget setting process and show the overall effect on various financing and borrowing strategies that the Council plans to adopt over the next three financial years. These indicators will be monitored and reported and when necessary updated to reflect any changes in policy.
- 4.2 This Council's prudential indicators are contained in the Treasury Management Strategy 2024/25 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy included on the agenda and reflect the proposals and details in this report.
- 4.3 Alongside the Treasury Management Strategy sits a requirement under the Prudential Code for the Council to adopt a Capital Strategy, this is also contained on this agenda for Members consideration.

Financial implications:

Details are contained in the report and in the Budget report presented to cabinet on 3rd January 2024.

Legal implications:

The requirements for budget setting and council tax are set out in statute and regulations which the finance team take account of in the preparation of the report. The duties of the Council's Section 151 Officer include the requirement to make recommendations to ensure that the Council maintains an adequate level of reserves, when considered alongside the risks the Council faces and the general economic outlook

EAST DEVON DISTRICT COUNCIL**Minutes of the meeting of Audit and Governance Committee held at Council Chamber, Blackdown House on 14 December 2023****Attendance list at end of document**

The meeting started at 2.40 pm and ended at 4.14 pm

24 Minutes of the previous meeting

The minutes of the Audit and Governance Committee held on 21 September 2023 were confirmed as a true record

25 Declarations on interest

There were none.

26 Public speaking

There were no members of the public present.

27 Matters of urgency

None

28 Confidential/exempt item(s)

None

29 Internal Audit Plan Progress report 2023/24 - SWAP

Jenny Frowde from SWAP, presented the Internal Audit Plan Progress report 2023/24. The Director Finance gave an organisational progress update. During discussion a comment was made to how useful having a list provided of what actions to be taken were going to be.

RESOLVED:

That the progress made in delivery of the 2023/24 internal audit plan as at the start of November and the findings reported be noted.

30 Interim Auditor's Annual Report 2021/22 - Grant Thornton

Jackson Murray from Grant Thornton presented the Interim Auditor's Annual Report 2021/22. Discussions concerning Governance included the acknowledgement that during the period 2021 -2022 there was an issue of poor relationships between certain senior officers and Members. The Committee agreed that action had been taken and the situation had improved. Newly elected members spoke of positive and fair relationships with officers. This report covered a snapshot in time with current position reflecting positive actions taken.

It was agreed that an additional action would be included to future audits on the 'About time?' report presented at the last committee. This was focused on exploring the reasons for delayed publication of audited local authority accounts.

The Chair asked that the Committee be presented with the auditor's recommendations and status, tracked from one year to the next.

RESOLVED:

1. That the Interim Auditor's Annual Report 2021/22 be noted.
2. That concerns that the recommendations from the last report were not actioned and of adverse findings from the Housing Ombudsman in this report, be noted.

31 **Audit and Governance Forward Plan**

Items to be considered at the 18 January 2024 committee included:

- Internal Audit Activity – Quarter 3 2022/23
- Audit Committee update
- Strata Annual Internal Audit report
- Statement of Accounts

Attendance List

Councillors present:

C Brown
C Burhop (Vice-Chair)
C Fitzgerald
M Goodman
S Hawkins (Chair)
Y Levine
C Nicholas
T Olive

Councillors also present (for some or all the meeting)

J Bailey
I Barlow
J Brown
P Hayward
S Jackson
J Loudoun
H Parr

Officers in attendance:

Amanda Coombes, Democratic Services Officer
Simon Davey, Director of Finance
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)
Jenny Frowde, SWAP
Jackson Murray, Grant Thornton

Councillor apologies:

K Bloxham
S Gazzard

Chair

Date:

EAST DEVON DISTRICT COUNCIL

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RESOLVED:

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Cllr Ian Barlow expressed concern to why had it taken so long to receive the report, which now felt out of date and less relevant. He was worried that if there was a hold up within the reporting process, then any expected reports would not be available on time which could lead to a serious risk to the council. In response Jackson Murray explained that the risk was reported to the March 2023 Audit and Governance committee. The work was undertaken at the beginning of the year, followed by a consultation period. Grant Thornton had to go then through their own risk management process and then consult with the council's management team then it was referred to the committee.

Cllr Mike Goodman said the report highlighted serious issues to the council which may have not been addressed since 2022. He pointed out that seven recommendations from the previous annual report centred around governance had not been addressed. He stated that what was happening then should have been reported at the time not now, having to wait 7 months for a report was not acceptable. He highlighted that a recommendation from last year's annual report asked for a peer review. He asked that if the council had started a Peer Review in 2022 would many of the issues identified in the report been actioned or started and had this decision put EDDC at risk?

The Vice-Chair agreed there was a lot of alarming insight however Grant Thornton were satisfied that management and members were satisfactorily addressing these issues. He could see action had been taken and as long as this was followed through this should improve the arrangements. It was the committee's responsibility for governance and to be satisfied that any issues were being followed up.

It was agreed that an additional action would be included to future audits on the 'About time?' report presented at the last committee. This was focused on exploring the reasons for delayed publication of audited local authority accounts.

The Chair asked that the Committee be presented with the auditor's recommendations and status, tracked from one year to the next.

RESOLVED:

1. That the Interim Auditor's Annual Report 2021/22 be noted and support was given to the actions contained in the management responses.
2. That concerns that the recommendations from the last report were not actioned and of adverse findings from the Housing Ombudsman in this report, be noted.

31 **Audit and Governance Forward Plan**

Items to be considered at the 18 January 2024 committee included:

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C Fitzgerald
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S Hawkins (Chair)

Y Levine
C Nicholas
T Olive

Councillors also present (for some or all the meeting)

J Bailey
I Barlow
J Brown
P Hayward
S Jackson
J Loudoun
H Parr

Officers in attendance:

Amanda Coombes, Democratic Services Officer
Simon Davey, Director of Finance
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)
Jenny Frowde
Jackson Murray, Grant Thornton

Councillor apologies:

K Bloxham
S Gazzard

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 3 January 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 8.05 pm

101 **Minutes of the previous meeting**

The minutes of the previous meeting of Cabinet held on 29 November 2023 were agreed.

102 **Declarations of interest**

Min 114. Project Boards set up for Feniton (flood) and Exmouth (beach).
Councillor Peter Faithfull, Affects Non-registerable Interest, is a Ottery St Mary Town Councillor.

Min 115. Entering Contract above £100k - Feniton Flood Alleviation Scheme.
Councillor Peter Faithfull, Affects Non-registerable Interest, is a Ottery St Mary Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Brian Bailey, Affects Non-registerable Interest, is a Exmouth Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Dan Ledger, Affects Non-registerable Interest, is a Seaton Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Jenny Brown, Affects Non-registerable Interest, is a Honiton Town Councillor.

Min 117. Public Toilets Review Project.
Councillor John Loudoun, Affects Non-registerable Interest, is a Sidmouth Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Matt Hall, Affects Non-registerable Interest, is a Exmouth Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Mike Goodman, Affects Non-registerable Interest, is a Sidmouth Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Nick Hookway, Affects Non-registerable Interest, is a Exmouth Town Councillor.

Min 117. Public Toilets Review Project.
Councillor Olly Davey, Affects Non-registerable Interest, is a Exmouth Town Councillor.

103 **Public speaking**

Kay Hilton a Sidmouth resident and employee of a Sidmouth based holiday lettings business, spoke on the agenda item Mill Street Reserved Permits. She stated she was a non-permit holder and understood the difficulties of owning a car without a parking

space. She stated there should be a minimal increase to pay and display prices to both Option 1 and 2 as set out in the report recommendations. Option 3 would cause issues for local businesses who require parking to operate and reduce revenue to the council. It also had the potential to reduce visitor numbers and footfall to outside Sidmouth visitors. There would also be little ability to fund subsidised permit spaces for Sidmouth residents who did not have a parking space. She concluded that Option 4 which was taking the car park back to permit holders only, was the most logical for many reasons. She stated that the revenue would be greater for the council, it would fulfil the ability for the provision of discounted spaces for residents centrally, with lower enforcement needed and administration costs. This would reduce or eliminate the threat to breach of contract for permit holders and would help to maintain visitor numbers.

Cllr Ben Ingham stated that although the Exmouth residential parking scheme was working for residents within the town, the introduction of the £2 per day parking charge in EDDC car parks had raised an unexpected issue for shoppers and those wishing to use the sports facility at Exmouth LED. With the introduction of residents parking within the town, commuters now used the parking available behind the train station, leaving residents wishing to use the station to get to Exeter unable to park their cars. The £2 fee at the short-term car park by the leisure centre has meant that this was full most of the day, but not by shoppers or gym users and annual permit holders could not use the car park which invalidates the reason for having one. The repercussions were that shoppers unable to park would shop elsewhere. Meanwhile the coach and lorry park remained mostly empty which could be turned into a permit holders car park. Could the short-stay car park remain a short-stay with a reduce fee so shoppers could get a space.

The Chair confirmed a further report on Car Parks would be brought to the next meeting of Cabinet on 31 January 2024.

104 **Matters of urgency**

There was one item dealt with in this way recorded at Minute 121.

105 **Confidential/exempt item(s)**

There was one item dealt with in the way recorded at Minute 123.

106 **Minutes of Poverty Working Panel held on 13 November 2023**

Members agreed to note the Minutes of Poverty Working Panel held on 13 November 2023.

107 **Minutes of Asset Management Forum held on 4 December 2023**

Members agreed to note the Minutes of Asset Management Forum held on 4 December 2023.

108 **Minutes of Budget Setting and Capital Allocations Panel held on 7 December 2023**

Members agreed to note the Minutes and recommendations of the Budget Setting and Capital Allocations Panel held on 7 December 2023.

1. that the following bids be included in the Capital Programme:

- a) Car Park relining across the District for £20,000 in 2024/25
- b) Land of Canaan Car Park resurfacing for £60,000 in 2024/25
- c) Beer Cliff Top Car Park drainage works for £40,000 in 2024/25
- d) Phear Park anti-traveller measures for £30,000 in 2024/25
- e) Wall repairs across the District for £50,000 in 2024/25
- f) Public Open Space maintenance across the District for £150,000 in 2024/25
- g) Footpath Resurfacing works at Gunfield, Manor, Phear and Brixington for £170,000 in 2024/25
- h) Phear Park Parking extension for £70,000 for 2024/25
- i) Cemeteries maintenance across the District for £150,000 in 2024/25
- j) Carter Avenue Play Area for £150,000 in 2024/25
- k) Byron Way Play Area for £130,000 in 2024/25
- l) Allhallows Play Area for £150,000 in 2024/25
- m) Slewtown Crescent Play Area for £100,000 in 2024/25
- n) Cheriswood Avenue Play Area for £75,000 in 2024/25
- o) Vandalism Play Equipment for £50,000 in 2024/25
- p) Feniton FAS Risk Budget for £250,000 in 2024/25
- q) Budleigh Salterton Beach Management Plan for £20,000 in 2024/25
- r) Recycling and Waste Vehicle Refurbishment Programme for £705,000 in 2024/25
- s) Recycling and Waste Drive Train Failure contingency fund for £50,000 in 2024/25
- t) Recycling and Waste MRF and Baler refurbishment site compliance for £145,000 in 2024/25
- u) Manor Pavilion Internal decorations and refurbishment for £5,000 in 2024/25 and £261,000 in 2025/26
- v) Thelma Hulbert internal decoration and refurbishment for £2,600 in 2024/25 and £65,400 in 2025/26
- w) Exmouth LC – Cold Water Storage Tank works for £36,500
- x) Various EDDC Swim Pools water quality monitoring for £26,000 in 2024/25
- y) Withycombe changing rooms decarbonisation works for £10,000 in 2024/25 and £99,200 in 2025/26 and £4,300 in 2026/27
- z) Seaton Seafields and Festival Garden depot site improvements for £56,500 for 2024/25.

2. That the following bids be supported in principle, and be referred to the LED Monitoring Forum for further consideration before recommending for inclusion in the Capital Programme:

- a) Exmouth Pavilion Flytower and Auditorium works for £335,100 in 2024/25 and £444,900 in 2025/26
- b) Exmouth Pavilion Roof Works for £5,000 in 2024/25 and £504,000 in 2025/26
- c) East Devon Tennis Centre Roof works for £791,095 in 2024/25 and £21,405 in 2025/26

3. That the following bids put forward for inclusion are not supported at this time:

- a) Cheriswood Avenue Play Area for £75,000 in 2024/25 for reason of a play area at Brixington Park being close by;
- b) Norman Lockyer Observatory repairs and conservation works for £147,400 in 2024/25 and £5,500 in 2025/26 for reason of further exploration as set out in recommendation 4.

4. That the bid for Norman Lockyer Observatory repairs and conservation work be referred to the Asset Management Plan working group tasked with work on the new Asset Management Plan; and delegated authority be given to the Assistant Director for Place, Assets & Commercialisation to enter into discussion with the tenants, working with the Finance Director (CFO/s151) & Interim Chief Executive and the Portfolio Holder for Finance.

109 **Minutes of Strategic Planning Committee held on 5 December 2023**

Members agreed to note the Minutes and recommendations of the Strategic Planning Committee held on 5 December 2023.

Minute 49: Employment of agency staff in the Planning Policy Team

That funding of £55,000 be committed to appointing an agency planning officer on an interim basis to work in the Planning Policy Team to support the Local Plan production and cover the vacant Planning Officer post in the team.

110 **Carbon Action Programme**

The Economic Development team sought approval to procure a £207,000 package of decarbonisation support for businesses and community organisations from the business support and Green Team budgets. The package would include the provision of workshops, carbon surveys and carbon action plans for those who take up the offer.

RESOLVED:

1. That Cabinet endorse the development and delivery of the Carbon Action Programme for East Devon businesses and community organisations.
2. That Cabinet agree to the procurement of the £207,000 support package required to deliver the support element of the Carbon Action Programme, and delegate authority to the Assistant Director (Growth, Development and Prosperity) to award the support package contract.

REASON:

Cabinet approval was required to procure a service of this value.

111 **Blackdown Hills AONB and East Devon AONB Management Plan reviews**

Approval was sought from EDDC on the reported timetables and public consultation processes for the Blackdown Hills National Landscape and East Devon National Landscape draft statutory National Landscape Management Plans, that lie within the district. In future years, formal approval for the final draft of both National Landscape Management Plans would be required following the completion of a public consultation. This would then be sent to Defra/Natural England confirming that the Management Plans have met the legislative requirements of the Countryside and Rights of Way Act 2000.

Tim Youngs Blackdown Hills National Landscape Manager said they were in the process of undertaking a survey asking people what the priorities should be for the National Landscape. They had reviewed past strategies to see what needing changing. Both National Landscape plans would have to finally approved by March 2025.

Chris Woodruff East Devon National Landscape Manager said this delegated work had been in progress since 2004 and the rebranding was part of this continuing process, with the focus now on responsibility to conserve and enhance natural beauty.

The Portfolio Holder Coast, Country and Environment and Chair wished to thank Chris Woodruff for all this hard work as the East Devon National Landscape Manager, as he was now leaving the role.

RESOLVED:

That the proposed timetables and public consultation processes for the review of the Blackdown Hills National Landscape and East Devon National Landscape Management Plans, as required under Section IV of the Countryside and Rights of Way (CRoW) Act 2000 be agreed.

REASON:

This would provide the Council's approval for the two National Landscape Partnerships to begin the process of reviewing their Management Plans on behalf of East Devon District Council.

112 **Council Tax Base 2024/2025**

The report set out the tax base for 2024/2025 and included the breakdown for each parish, expressed in terms of Band D equivalent properties on which the council tax would be based. This was an important component in the Council's budget setting process for 2024/2025.

RESOLVED:

1. That the approval of the tax base for 2024/2025 at 62447 Band D equivalent properties be agreed.
2. That the amount for each parish as detailed under section 3 of the report be agreed.

REASON:

The calculation of the tax base was prescribed in regulations and was a legal requirement. The council tax base was defined as the number of Band D equivalent properties in a local authority's area. The tax base was necessary to calculate council tax for a given area.

113 **Council Tax Reduction Scheme 2024/25**

Members were asked to consider and approve the Council Tax Reduction (CTR) scheme for 2024/25 which was being recommended to remain unchanged from the current scheme. These were:

- Increased Band 1 support from 85% to 100%
- Introduced a 16 hour a week minimum income floor for the self-employed.
- Introduced a maximum of 12 months backdating for new claims.
- Increased the income band widths to allow for couples as well as allowing for increases due to inflation.
- Ability to disregard any income received via government initiatives such as local welfare provision following a national crisis.

Cllr Steve Gazzard wished to thank Libby Jarrett and her team for the support and help they offered to local residents.

RECOMMENDED to Council:

That the Council Tax Reduction Scheme for working age residents for 2024/25 be agreed.

REASON:

The Council was required by law to decide whether to revise or replace its CTR scheme each year. As significant number of changes to the scheme for 2023/24 there were no changes to the scheme for 24/25. There were also emergency measures that were put in place to help householders due to the cost-of-living crisis, such as the Council Tax

Support Fund and the Energy Relief scheme. This resulted in householders receiving extra financial support to help pay their Council Tax and as such this would mask any householder who would normally still have to pay a contribution, as due to the support received directly onto Council Tax accounts the amount of remaining charge was either reduced or removed.

The maximum support was raised from 85% to 100% meaning that a significant amount of householders were taken out of paying council tax altogether. The scheme therefore continued to support those households on the lowest incomes who would otherwise likely still struggle to pay due to the current costs of living as extra government support comes to an end.

114 **Project Boards set up for Feniton (flood) and Exmouth (beach)**

Feniton Flood alleviation Scheme (FAS) offering improved flood resilience to over 60 properties was due to start on site in 2024. To aid delivery of the project, the report outlined and proposes for the setting up of a project board.

Exmouth BMP was a project to study the physical beach and provide recommendations to best manage the beach into the future, to maintain sand levels and good amenity value. To aid delivery of the project, the report outlined and proposes for the setting up of a project board.

RESOLVED:

1. That the setting up of a Feniton FAS project board as outlined in the report to be able to make swift decisions to aid project completion, be agreed.
2. That the setting up of a Exmouth BMP project board as outlined in the report to be able to make swift decisions to aid project completion, be agreed.

REASON:

Currently as per the project management policy at EDDC, unless otherwise appointed, SLT act as the project board, responsible for making quick decisions to keep the respective project. SLT meet fortnightly and are not familiar with the project's details, so a bespoke group able to meet on demand who were familiar with the project's details would be beneficial for project progress and making swift decisions.

115 **Entering Contract above £100k - Feniton Flood Alleviation Scheme**

The report purpose was to gain agreement to enter a contract with Kier Integrated services of up to a value of £3million. It outlined the procurement process, framework agreement and compliance with contract standing orders.

RESOLVED:

That an agreement to enter contract with Kier Integrated services to enter a contract of a value of up to £3m to deliver the construction of Feniton Flood Alleviation Scheme, be agreed.

REASON:

That Kier Integrated Services had been procured correctly and to aid speedy contract award to get Feniton on site in Spring 2024.

116 **South West Flood and Coastal shared service**

To propose that EDDC join a shared Flood and Coastal Erosion Risk Management (FCERM) service with BCP (Bournemouth Christchurch Poole) Council. EDDC have been using BCP Council's FCERM service on an ad-hoc basis for service provision over the last 18 months. The vision for this service, through dialogue with the Environment Agency who undertake the 'Strategic Overview' of the national FCERM programme, was to broaden across the South-West region to improve the ability of Local Authorities to deliver against national targets and make communities more resilient to climate change.

The shared service would be for the funding of the service staffing and equipment, meaning each participating authority has access to the broad skills at their net cost. EDDC would remain in full control of what is delivered as well as all other related budgets such as maintenance and capital schemes. The shared service operates so that participating authorities could decide on their proportion, depending on needs. It was proposed that EDDC initially enters into the agreement with a £35k share per annum and monitor performance/progress.

The Chair thanked the Portfolio Holder Coast, Country and Environment for his contribution to this matter.

RESOLVED:

To enter into a shared service agreement with BCP (Bournemouth Christchurch Poole) Council for the provision of FCERM services. That delegated authority be provided to the Assistant Director StreetScene to sign off appropriate agreement and financial limit not exceeding EDDC service needs and budget; which will be reviewed annually, be agreed.

REASON:

EDDC had a current backlog and likely large future programme of flood and coastal works. It currently relied on stretched internal staffing to deliver projects, or ad-hoc consultant appointments, and looking to streamline project delivery. This shared service agreement would allow for increased work to be delivered and offer better value to the taxpayer and time efficiencies to projects, as opposed to procuring consultant services. Due to the depth of experience of the team available through the shared service agreement, there was opportunity to explore external funding potentially reducing EDDC's funding commitments to deliver future flood and coastal risk projects.

117 **Public Toilets Review Project**

A report was presented to Overview Committee on 9 November 2023 providing an update on the Public Toilets Review project. The report addressed both progress with Category A sites, being those sites where the Council was retaining and investing, but also the challenges encountered with Category B and C transfers and the limited interest particularly by Parish and Town Councils, but also more widely by others.

Overview Committee put two recommendations to Cabinet:

1. To extend the closing date and any necessary revenue budgets for Category B and C sites until 31 March 2025 to allow a further 12 months to enable an urgent revisiting of negotiations with town and parish councils to look at freehold disposals and other changes to the offer according to a specified timetable and including a renewed effort through Ward Members to engage town and parish councils, with the reality of reduced or removed public toilet provision at the sites should agreement not be reached.

2. For this Council to write to the Secretary of State to push for public toilets to become a statutory service, and to invite other Councils in Devon and Cornwall to also do so.

The recommendations were supported by Cabinet at its meeting of 29 November 2023.

The report presented focused on how to now move the project forward in respect of recommendation 1 above in terms of timetable and process, but also in respect of resourcing what would be a resource intensive piece of work.

The Portfolio Holder Finance and Assets stressed the importance to all Members to get involved with this project with their Town and Parish Councils as the absolute deadline was 31 March 2025.

RESOLVED:

1. Delegate to the Assistant Director – Place, Assets & Commercialisation, in consultation with Director Finance, Director Governance & Licensing and Finance & Assets Portfolio Holder, to review and as appropriate amend heads of terms templates for both transfers to Town and Parish Councils, but also to others.
2. Resolve to adopt the rigid timetable / gateway approach set out within this report.

RECOMMENDED to Council:

3. That £71,000 be made available from the Transformation Reserve to fund an Interim Estates Surveyor post through to 31 March 2025.

REASON:

To agree a way forward for transfer or disposal of Category B and C sites ensuring sites could close, with or without ongoing public toilet provision, as of 31 March 2025.

118 **Draft Revenue and Capital Budgets 2024/25**

The report presented the draft revenue and capital budgets for 2024/25 for adoption by the Cabinet before consideration by a joint meeting of the Overview and Scrutiny Committees and the Housing Review Board. Recommendations from these meetings would be presented back to Cabinet on 31 January 2024 when members would finalise budget proposals to recommend to Council.

The Portfolio Holder Finance and Assets thanked Simon Davey and his team for their commendable efforts in producing a balanced budget.

RESOLVED:

That the draft revenue and capital estimates are adopted before forwarding to a joint meeting of the Overview and Scrutiny Committees and Housing Review Board for consideration.

REASON:

There was a requirement to set a balanced budget and to levy a Council Tax for 2024/25.

119 **Mill Street Reserved Permits**

The report reviewed the reserved parking arrangements at Mill Street car park, Sidmouth.

RESOLVED:

1. That the redesign of Mill Street car park, including the creation of a dedicated “Reserved” Parking area, where permit holders are able to use any available bay, as opposed to having their own dedicated space, be agreed.
2. That the set a fee of £2000 for a space within the reserved section of the car park, be agreed.
3. That a concessionary discount of 25% of the permit price for main residence Council Tax paying residents, be agreed. This then broadly equates to the yearly amount achieved from a pay & display space within nearby Roxburgh Car Park.
4. That agreement to offer first refusal for a reserved space to all existing lease holders, be agreed.
5. That Cabinet commit to offering priority to main residence Council Tax paying residents for future permit sales.

REASON:

Mill Street – This car park served an important dual purpose, to help meet short-term parking need, and through the provision of reserved bays which were used by residents/holiday homeowners for a guaranteed long-term parking space. The planned separation of the two parking areas should negate the need for the installation and maintenance of costly bollards, as well as providing much more accessible short-term parking for visitors to the town.

A limited resident’s concessionary offer had the opportunity to make reserved parking more affordable for those who did not generate an income from their home, and the financial implications of such an offer were included within the report. The use of this car park had changed several times over recent years and had evolved from being a wholly reserved car park to the shared space that it was now.

Recognising and acknowledging the historical arrangements, local importance and the unique nature of the car park were important when planning how the car park was used in the future.

120 **Serious Violence Duty**

The Serious Violence Duty (the Duty) was introduced in the Police, Crime, Sentencing and Courts Act 2022. The Duty required specified authorities to work together and to prepare and implement a strategy for preventing and reducing serious violence in the area. The report detailed further background and proposes that the draft strategy was adopted by EDDC, in order to meet its legal obligations within the specified timescale.

RESOLVED:

1. To give delegated authority to the Interim Chief Executive & Director of Housing, Health and Environment to sign the final version of the Devon Safety Partnership’s Serious Violence Strategy on behalf of EDDC.
2. That this and other wider tasks and duties being given to EDDC from central government be referred to the Scrutiny Committee for further discussion and debate. As well as get the support of Team Devon on these matters.

REASON:

The draft Strategy must be approved by 30 January 2024 to meet timescales imposed by the Devon Safety Partnership/legal requirements.

121 **Gypsy and Traveller Site Provision at Cranbrook**

Members had previously resolved that they favoured securing gypsy and traveller pitches at Cranbrook through a free transfer of serviced land and a financial contribution from the

developers, to enable the Council to deliver the pitches itself and then operate them. Following further negotiations with developers' agreement cannot be reached on this approach as it failed to adequately give regard to the approach set out in the Council instructed viability appraisal that accompanied the Cranbrook Plan and therefore Members views on an alternative option were sought.

This approach would see developers undertake the on-site works to deliver pitches including day rooms etc. with the cost of this partially compensated through adjustments to financial contributions sought elsewhere in the associated Section 106 agreement. Although this funding would not affect contributions towards schools, open spaces and habitat regulations.

RESOLVED:

That the proposed approach to the delivery of gypsy and traveller pitches at Cranbrook and delegated authority be given to the Assistant Director, Planning Strategy and Development Management to agree the detailed wording of the S106 agreement in relation to this issue, in line with the heads of terms set out in this report be agreed.

REASON:

To ensure the timely delivery of gypsy and traveller pitches and the future operation of them by the Council for the benefit of the gypsy and traveller community.

122 **Local Government (Access to Information) Act 1985 - Exclusion of Press and Public**

RESOLVED:

That under Section 100(A) (4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public (including the press) be excluded from the meeting as exempt and private information (as set out against each Part B agenda item), is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B).

123 **Heritage Lottery Fund Species Survival Fund Bid**

The Countryside Team was submitting an application to the Heritage Lottery Fund's (HLF) Species Survival Fund. The application process started with an expression of interest outlining the project scope and funding requirements. This had met with an initial approval by the HLF and they had requested that a full application was now submitted that will be considered and determined by February 2024.

RESOLVED:

That the funding application to the Heritage Lottery Fund's Species Survival Fund, be agreed.

REASON:

This would ensure that Cabinet understood the details of the funding application being proposed, the use of secured Council capital funds to act as match funding and the risks that are identified within the report.

Attendance List

Present:

Portfolio Holders

M Rixson	Portfolio Holder Climate Action & Emergency Response
G Jung	Portfolio Holder Coast, Country and Environment
D Ledger	Portfolio Holder Sustainable Homes & Communities
M Hall	Portfolio Holder Economy
O Davey	Portfolio Holder Strategic Planning
J Loudoun	Portfolio Holder Council and Corporate Co-ordination
N Hookway	Portfolio Holder Culture, Leisure, Sport and Tourism
P Arnott	Leader of the Council
P Hayward	Deputy Leader and Portfolio Holder Finance (Assets)

Cabinet apologies:

S Jackson	Portfolio Holder Communications and Democracy
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Also present (for some or all the meeting)

Councillor Brian Bailey
Councillor Kevin Blakey
Councillor Kim Bloxham
Councillor Colin Brown
Councillor Jenny Brown
Councillor Roy Collins
Councillor Peter Faithfull
Councillor Paula Fernley
Councillor Steve Gazzard
Councillor Mike Goodman
Councillor John Heath
Councillor Ben Ingham
Councillor Richard Jefferies
Councillor Todd Olive

Also present:

Officers:

Matthew Blythe, Assistant Director Environmental Health
Tim Child, Assistant Director Place, Assets & Commercialisation
James Chubb, Countryside Team Leader
Amanda Coombes, Democratic Services Officer
Simon Davey, Director of Finance
Richard Easthope, Parking Services Manager
Ed Freeman, Assistant Director Planning Strategy and Development Management
Tracy Hendren, Director of Housing, Health and Environment
Andrew Hopkins, Communications, Digital Services and Engagement Manager
Libby Jarrett, Assistant Director Revenues, Benefits, Corporate Customer Access, Fraud & Compliance
Robert Murray, Economic Development Manager
Charles Plowden, Assistant Director Countryside and Leisure
John Symes, Finance Manager
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)
Chris Woodruff, East Devon National Landscape Manager
Tim Youngs, Blackdown Hills National Landscape Manager
Andrew Wood, Assistant Director Growth Development and Prosperity

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 31 January 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 8.15 pm

124 Minutes of the previous meeting

The minutes of the previous meeting of Cabinet held on 3 January 2024 were agreed.

125 Declarations of interest

Min 132. Council Tax Charges for Second homes and Empty properties.
Councillor Ian Barlow, Affects Non-registerable Interest, Owns rental properties within the District.

Min 132. Council Tax Charges for Second homes and Empty properties.
Councillor Mike Howe, Affects Non-registerable Interest, Owns two rental properties within the District.

Min 136. Gypsy and Traveller Site Provision at Cranbrook.
Councillor Paula Fernley, Affects Non-registerable Interest, Site is within her Ward.

Min 138. Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area.
Councillor Brian Bailey, Affects Non-registerable Interest, Ward Member and Exmouth Town Councillor.

Min 138. Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area.
Councillor Matt Hall, Affects Non-registerable Interest, Exmouth Town Councillor.

Min 138. Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area.
Councillor Nick Hookway, Affects Non-registerable Interest, Exmouth Town Councillor.

Min 138. Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area.
Councillor Olly Davey, Affects Non-registerable Interest, Exmouth Town Councillor.

Min 138. Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area.
Councillor Paula Fernley, Affects Non-registerable Interest, Member of the Caravan and Camping Club.

Min 138. Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area.
Councillor Tim Dumper, Affects Non-registerable Interest, EDDC representative for HATOC and Chair of Exmouth Transport Partnership.

126 **Public speaking**

Robert Kathro, an Exmouth resident spoke on the item Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area. He stated his observations on transparency and democracy and regretted that the Exmouth Town Council Campervan TaFF had been difficult to engage with. He said the scope had been redefined and made publicly recently, some years after it had convened. The TaFF appeared to be, from the meetings he had attended, in favour of camping but was not accessibly to the public. He felt Exmouth Town Council and EDDC would do what they wanted regardless, although this may not be their intention. He stated the problem was unique to Exmouth. He said he had spoken to 47 residents who were not aware of the proposal brought forward on the agenda and none were in support of it, he felt this was a lack of communication.

He said there needed to be a decision on whether the proposals were for camping or the use of UK Aires network, these were two different forms of camping, but both meant a change of use in the car park. He was concerned that without access control to the foul and waste point, this could be used by vehicles that had not paid and potentially leading to more people coming to Exmouth to empty their toilets. This would be the only foul and waste point in England.

127 **Matters of urgency**

There are two late items recorded at Minutes 129 and 131.

128 **Confidential/exempt item(s)**

There were none.

129 **Minutes of the joint budget meeting of the Overview and Scrutiny Committees held on 11 January 2024**

Members agreed to note the Minutes and recommendations of the joint budget meeting of the Overview and Scrutiny Committees held on 11 January 2024, once the item had been discussed in more detail at the agenda item 'Revenue and Capital Budgets 2024/25' recorded at Minute 133.

Minute 59 Draft Revenue and Capital Budgets 2024-2025

1. The joint Overview and Scrutiny Committees recommend the draft Revenue and Capital budgets 2024 – 25 to Cabinet for adoption, with the following amendments to be considered:
 - a) The creation of a budget-line for planning appeals within the Planning budget
 - b) The inclusion in 2024 – 25 of a budget for beach matting at Beer, Budleigh and Sidmouth.
2. That the Service Plans considered during the meeting of the joint committees on 11th January 2024 are recommended to Cabinet, having regard to the comments made by members as follows:
 - a) The inclusion of the Cranbrook Town Centre Masterplan in the Planning Strategy.

130 **Minutes of LED Monitoring Forum held on 16 January 2024**

Members agreed to note the Minutes and recommendations of the LED Monitoring Forum held on 16 January 2024.

Minute 37 LED Monitoring Forum Terms of Reference update

The following changes to the Terms of Reference for the Forum:

1. The removal of the Portfolio Holder for Coast, Country and Environment and the inclusion of the Portfolio Holder for Culture, Leisure, Sport and Tourism as one of the identified Portfolio Holders within the membership of the Forum.
2. To change the name of the Forum to the Leisure Strategy Delivery Forum.
3. To update the Terms of Reference to reflect the changes in Officers job titles.
4. To formally note within the revised Terms of Reference that the Chair will be appointed at Annual Council.
5. To formally note within the revised Terms of Reference the quorum for the Forum of 4 Members.
6. To formally note within the revised Terms of Reference that the Forum will meet on a quarterly basis, with extra meetings where reasonably required to deal with urgent matters.
7. To note within the revised Terms of Reference that the Forum will have oversight of the Council's wider leisure strategy work as well as providing guidance and scrutiny of the Council's relationship and contract with LED.

Minute 38 LED service management fee and SLA 2024

That the Council's draft budget remains unaltered at £1,463,924 until a detailed breakdown of the LED service fee payment request is received by the Forum, accompanied by officers' recommendations having undertaken appropriate due diligence. This may require an additional budget being agreed at a later stage in the year.

Minute 39 BSCAP 7th Dec 2023 referrals to LED Monitoring Forum - supported in principle but referred to the LED Monitoring Forum for further consideration before recommending for inclusion in the Capital Programme

That the following bids be included in the Capital Programme:

- a. Exmouth Pavilion Flytower and Auditorium works for £335,100 in 2024/25 and £444,900 in 2025/26
- b. Exmouth Pavilion Roof works for £5,000 in 2024/25 and £504,000 in 2025/26
- c. East Devon Tennis Centre Roof works for £791,095 in 2024/25 and £21,405 in 2025/26.

131 Minutes of Housing Review Board held on 25 January 2024

Members agreed to note the Minutes and recommendations of the Housing Review Board held on 25 January 2024.

Minute 43 Gas and fire safety policies

that Cabinet recommend to Council the approval of the amendments to the gas safety policy and the fire safety policy for housing service properties.

Minute 44 Resident involvement strategy

1. that Cabinet note the report and agree that the Resident Involvement Strategy can now go to open public consultation.
2. that Cabinet approve the Resident Involvement Strategy for the next three years in the event that no significant changes are made as a result of the public consultation. (Housing commit to bring the strategy back to the Housing Review Board should significant changes be made as a result of said consultation).

Minute 45 Housing Review Board annual budget report

that Cabinet approve and recommend to Council the draft Housing Revenue Account revenue and capital estimates, including the proposed rent increases for 2024/25.

Minute 47 Asset management strategy

1. that Cabinet approve the appointment of a consultant, if required, to develop the Asset Management Strategy.
2. that Cabinet recommends to Council the approval of an additional budget in the sum of £50,000 to fund this appointment.
3. that delegated authority be given to the Assistant Director of Housing (Housing Tenancy Services) to agree a fee with this consultant, not exceeding £50,000.

Minute 48 Housing Service Plan

that Cabinet approve the Housing Service Plan.

Minute 50 Housing Task Force update

- 1) that Cabinet note the revised Housing Strategy, Enabling and Projects team structure.
- 2) that Cabinet note the progress to date and future direction of the new Housing Strategy, Enabling and Projects team.
- 3) that Cabinet note the development of a new Housing Strategy and Housing Investment and Delivery Plan.
- 4) that Cabinet approve the creation of the Senior Surveyor post within the Housing Task Force on a permanent basis as set out in the report.
- 5) that Cabinet recommends to Council, the approval of additional budget in the sum of £74,000 to fund the Senior Surveyor post within the Housing Task Force.

132 **Council Tax Charges for Second homes and Empty properties**

The report set out changes in the premiums for Empty and Second Homes following the implementation of the new Levelling Up and Regeneration Act 2023 and what this meant for East Devon District Council.

Council had previously considered this matter and did agree to implement changes on the basis that the Levelling Up and Regeneration Act would have become law prior to 31 March 2023. This would have allowed for changes in the premiums to be implemented from April 2023 for empty homes and April 2024 for second homes. As the bill did not receive Royal Assent until 26 October 2023, this matter was now brought back to Members for consideration and approval which would take effect a year later than previously reported; Empty Homes from April 2024 Second Homes from April 2025.

The report sought agreement to ring fence the additional funding to support the challenges over Housing in the District.

RECOMMENDED to Council:

1. The application of the current premium of 100% for all dwellings which are unoccupied and substantially unfurnished (empty dwellings) from a period of one year with effect from 1 April 2024 unless subject to an exception introduced by government.
2. The application of a premium of 100% for all dwellings which are unoccupied but substantially furnished (second homes) from 1 April 2025 unless subject to an exception introduced by government; and

3. The Assistant Director responsible for Council Tax is given delegated powers to implement the changes in line with the Council's requirements and any guidance given by the Secretary of State or by regulation.
4. To agree to the principle that the additional funds generated by the changes to second homes Council Tax premiums is ring fenced across the Devon wide system of preceptors to address the housing challenges.
5. Subject to recommendation 4 the Council agrees to ringfence the additional income attributable to East Devon District Council's proportion of the Council Tax charge (as referenced in section 9) to address the housing challenges.
6. Subject to recommendation 5 being approved the Council will review the decision to ringfence the funding in 2029 (4 years from when the premium starts).

REASON:

The change in policy was primarily designed to encourage taxpayers to use premises as their main residence or allow others to use it as a main residence. It was hoped that this change would allow more empty dwellings and unoccupied dwellings to be brought back into use for the local community. Should the primary purpose not achieve these aims then the additional premiums being levied would result in additional funding to the collection fund which was collected on behalf of preceptors. The recommendation was for Members to agree to the principle that this additional funding should be ringfenced across the Devon wide system of preceptors to addressing housing challenges as set out in part 2 of the report.

133 **Revenue and Capital Budgets 2024/25**

The Director of Finance and Finance Manager report reminded members that Cabinet adopted the draft Revenue and Capital Budgets for 2024/25 at its meeting on 3rd January 2024. Since then, a joint meeting of the Overview and Scrutiny Committees had reviewed those budgets and the Housing Review Board considered the Housing Revenue Account budget.

As part of the Prudential Code for Capital Finance in Local Authorities the Council was required to set prudential indicators as part of its budget setting process, these indicators were detailed in the Treasury Management Strategy 2024/25 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy which was included on the agenda. They reflect the proposals and details in the report. Alongside the Treasury Management Strategy sits the Capital Strategy which was also contained on this agenda for adoption.

Discussions included the following:

- The budget-line for planning appeals would help the Planning Committee should there be any concerns over costs
- Any budget for planning appeals should not influence the decision for appeal, this was done on merit of application only
- This was just a budget-line with costs being covered by existing budgets

The Chair thanked the joint Overview and Scrutiny Committees for their useful input in this matter. The Chair of Scrutiny thanked officers for their positivity into the joint budget meeting which he stated was very worthwhile. The Portfolio Holder Coast, Country and Environment thanked the Overview and Scrutiny joint budget Committees for the inclusion of beach matting in Sidmouth and hoped this was start for further mobility beach access across the district.

RECOMMENDED to Council:

1. To propose the Net Expenditure Revenue General Fund Budget for 2024/25 of £23.418m (as detailed in the report) and to transfer £0.5m into the General Fund Balance for the specific risks identified in the budget report to Cabinet on 3rd January (LED service payment and Recycling and Waste Contract).
2. A Council Tax increase is approved of £5 a year giving a Band D council tax of £166.78 a year for 2024/25.
3. That the Housing Revenue Account Estimates with a net budget of nil (total expenditure met by income) is approved with a 7.7% increase on Council dwellings rents.
4. a. The creation of a budget-line for planning appeals within the Planning budget, and
b. The inclusion in 2024 – 25 of a budget for beach matting at Beer, Budleigh and Sidmouth.
5. The inclusion of the Cranbrook Town Centre Masterplan in the Planning Strategy.
6. That the Net Capital Budget totalling £15.556m for 2024/25 is approved.

REASON

There was a requirement for the Council to set a balanced budget for both the General Fund and Housing Revenue Account and to levy a Council Tax for 2024/25.

134 **Capital Strategy 2024/25 - 2027/28**

The Capital Strategy formed part of the annual budget setting approval process. The document drew together various adopted strategies and agreed process of the Council that govern how the Council manages capital expenditure and investment decisions.

Decisions made this year on capital and treasury management would have financial consequences for the Council for many years to come. They were therefore subject to both a national regulatory framework and a local policy framework, summarised in the strategy with further details available in the relevant supporting documents.

The Capital Strategy was a key document, it provided a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provided an overview of how associated risk was managed and the implications for future financial sustainability. It included an overview of the governance processes for approval and monitoring of capital expenditure.

RECOMMENDED to Council:

That Council agree the adoption of the Capital Strategy 2024/25 – 2027/28.

REASON

In order to comply with good practice there was a requirement for the Council to have in place an adopted Capital Strategy.

135 **Treasury Management, including the Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2024/25**

The Chartered Institute of Public Finance and Accountancy (CIPFA) produced a Code of Practice for treasury management for Public Services. One of the main recommendations of the code was the requirement for an annual Treasury Management

Strategy to be adopted formally by the Council. There was also a requirement to set prudential indicators relating to all treasury activities that the authority would be undertaking in the forthcoming financial year.

RECOMMENDED to Council:

1. Council adopts the Treasury Management Strategy including the Prudential Indicators for 2024/25.
2. Council approves the Minimum Revenue Provision Policy Statement.
3. Council approves the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties.

REASON

The Council was required to adopt formally a Treasury Management Strategy and set prudential indicators before the beginning of the new financial year.

136 **Gypsy and Traveller Site Provision at Cranbrook**

At the start of the month and in response to the Cabinet report that was considered as an urgent item on 3 January 2024, Members resolved to endorse the proposed approach whereby the Council would take the transfer of the 10 Gypsy and Traveller pitches at Cobdens, as fully laid out and serviced pitches but with a delayed trigger for offsite financial contributions from excess housing.

The remaining five pitches within the total Cranbrook allocation of 15 and which were not addressed in the earlier report, fall within the Treasbeare expansion area. The applicants for this site had now indicated their agreement to the same principles being applied and therefore Members endorsement for the approach to be taken across these remaining five pitches was now sought.

RESOLVED:

That Members endorse the proposed approach to the delivery of the remaining five gypsy and traveller pitches at Cranbrook, and give delegated authority to the Assistant Director – Planning Strategy and Development Management to agree the detailed wording of the S106 agreement in relation to this issue in line with the heads of terms set out in the report.

REASON

To ensure the timely delivery of gypsy and traveller pitches and the future operation of them by the Council for the benefit of the gypsy and traveller community.

137 **Safeguarding Policy Review**

As part of EDDC's commitment to raising safeguarding standards, it has reviewed its Safeguarding Policy. The council has taken the Devon Districts' Safeguarding Policy pro-forma as an overarching framework and included some additional requirements to the original policy specific to EDDC. The wider policy covers children and vulnerable adults in one high level statement and incorporates modern slavery and counter terrorism. The EDDC Safeguarding policy now covers all staff, councillors, other workers, and volunteers of EDDC.

RESOLVED:

1. To adopt and implement the updated East Devon District Council Safeguarding Policy, with any external or internal referrals going directly to the Director of Housing, Health & Environment as the Safeguarding Lead Officer. Referrals concerning councillors would

then be referred to the Monitoring Officer and referrals concerning staff to the Corporate HR Manager.

RECOMMENDED to Council:

2. For approval of additional funding of £3,000 for requesting Disclosure Barring Service checks for Councillors.

REASON

To ensure that we have a 'fit for purpose' safeguarding policy in place for the organisation.

138 **Exmouth Motorhome Parking & Extension of Estuary Long Stay Car Parking area**

The report presented a summary of considerations of the Exmouth Motorhome Task and Finish Forum containing a recommended phased approach to improving the overnight stopover offer in the area.

Discussions included the following:

- Concern over the loss of coach and lorry parking spaces
- The need to keep coach parking spaces within the town especially during the summer months, visitors arriving by coach provided a good income to the town
- Maer Road Car Park was not appropriate for campervans, in particular the use of Littleham Brook and possible chemical waste being dumped in it
- Concern from residents to the changes to the car park
- The £11 overnight parking charge for campervans should be increased to £15
- The need for proper analysis and who would be monitoring any overnight stays
- The concerns for the parking as a whole in Exmouth needed urgently addressing
- The public being made aware of what committee, forum or group they were able to contribute to

Cabinet agreed to defer the approval of all but one of the phase one recommendations of the Exmouth Motorhome Task & Finish group, until the meeting of Cabinet to be held on 27 March 2024. In which time the Parking Strategy group as well as the Placemaking in Exmouth Town and Seafront Group would have met to discuss the matter further.

RESOLVED:

To convert the coach parking area within Estuary Long Stay Car Park to parking for cars, creating 86 additional spaces to help meet the increased demand for long stay parking in this part of Exmouth town.

REASON

Since the dedicated motorhome parking area on the site of Estuary Coach and Lorry Park was envisaged in 2019, demand for car parking in Exmouth has increased significantly and the two car parks along the south-eastern coastline which currently allow overnight stopovers for motorhomes have become popular and well established. The dedicated Task & Finish group considered the potential for creating a new overnight parking area within Foxholes car park but concluded that enhancing the current overnight offer in the existing car parks and freeing up Estuary Coach Park for alternative parking was the preferred way forward. The proposed recommendations had been split into two phases, separating those that were achievable within the short term, and those that would require further consideration, including planning advice and wider public consultation.

139 **Elections support**

The Monitoring Officer's report asked Cabinet to agree a supplementary budget of up to £15K to be met from the Transformation Reserve, to be utilised to procure some additional Elections support if required for the Police and Crime Commissioner election and General Election.

RESOLVED:

1. delegated authority be given to the Returning Officer to procure some additional support to assist the Elections team (as required) in the run up to the Police and Crime Commissioner Election and the General Election.

RECOMMENDED to Council:

2. that a supplementary budget is agreed of up to £15K to meet from the Transformation reserve to cover the cost of such support.

REASON

To provide additional support to the Elections team for the 2024/25 election(s).

140 **Calendar of meetings 2024/2025**

To consider the calendar of meetings for the Council's 2024/2025 civic year.

RECOMMENDED to Council:

that the calendar of meetings timetable for 2024/2025 civic year be referred for approval to the annual meeting of the Council.

RESOLVED

that the 2024 Annual Council meeting be held on Wednesday 8 May.

REASON

Adopting an annual calendar of meetings was to meet the legal requirement to hold an Annual Meeting, and such other meetings as were necessary for the conduct of the Council's business in accordance with its Constitution.

Attendance List**Present:****Portfolio Holders**

G Jung	Portfolio Holder Coast, Country and Environment
D Ledger	Portfolio Holder Sustainable Homes & Communities
M Hall	Portfolio Holder Economy
O Davey	Portfolio Holder Strategic Planning
S Jackson	Portfolio Holder Communications and Democracy
J Loudoun	Portfolio Holder Council and Corporate Co-ordination
N Hookway	Portfolio Holder Culture, Leisure, Sport and Tourism
P Arnott	Leader of the Council
P Hayward	Deputy Leader and Portfolio Holder Finance (Assets)

Cabinet apologies:

M Rixson	Portfolio Holder Climate Action & Emergency Response
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Also present (for some or all the meeting)

Councillor Brian Bailey
Councillor Ian Barlow
Councillor Kevin Blakey
Councillor Kim Bloxham
Councillor Colin Brown
Councillor Jenny Brown
Councillor Roy Collins
Councillor Tim Dumper
Councillor Peter Faithfull
Councillor Paula Fernley
Councillor Steve Gazzard
Councillor Mike Goodman
Councillor Sam Hawkins
Councillor Mike Howe
Councillor Richard Jefferies
Councillor Todd Olive

Also present:

Officers:

Matthew Blythe, Assistant Director Environmental Health
Amanda Coombes, Democratic Services Officer
Simon Davey, Director of Finance
Tracy Hendren, Director of Housing, Health and Environment
Andrew Hopkins, Corporate Lead - Communications, Digital Services and Engagement
John Symes, Finance Manager
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)
David Whelan, Anti-Social Behaviour & Community Safety Co-Ordinator

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Planning Committee held at Council Chamber, Blackdown House, Honiton on 19 December 2023

Attendance list at end of document

The meeting started at 10.25 am and ended at 3.37 pm. The Chair adjourned the meeting for lunch at 1.20 pm and reconvened at 2.02 pm. Brief adjournments also took place at 12.35 pm, reconvening at 12.50 pm and 3.15 pm reconvening at 3.20 pm.

In the absence of the Vice Chair, Councillor Sarah Chamberlain, the Committee agreed to Councillor Simon Smith being Vice Chair for this meeting.

96 Minutes of the previous meeting

The minutes of the Planning Committee held on 21 November 2023 were confirmed as a true record.

97 Declarations of interest

Minute 102. 22/1893/FUL (Minor) WOODBURY & LYMPSTONE.

In accordance with the Code of Good Practice for Councillors and Officers dealing with planning matters as set out in the constitution Committee Members advised lobbying in respect of this application.

Minute 105. 23/1278/FUL (Minor) YARTY.

Councillor Simon Smith, Affects and prejudicial Non-registerable Interest, Close friend of the Project Manager for this application.

98 Matters of urgency

There were none.

99 Confidential/exempt item(s)

There were none.

100 Planning appeal statistics

The Committee noted the planning appeals statistics report setting out the appeal decisions.

The Development Manager drew Members attention to an appeal dismissed for planning application 22/1622/FUL - Kings Arms Farm, Nags Head Road, Gittisham. The Development Manager referred to the Inspectorates decision to dismiss the appeal on amenity and flood risk grounds which was in keeping with the Committees reasons for refusal.

The other appeal the Development Manager drew Members attention to was for planning application 23/1352/FUL which the Inspector allowed for the installation of a wooden fence along the boundaries of 13 Mount Pleasant Avenue, Exmouth. The Inspector

determined that the fence was not out of place and would not have an adverse impact on the surrounding area.

101 **23/1153/FUL (Minor) OTTERY ST MARY**

Applicant:

Mr Tim Johnson (Ottery St Mary Dental Practice)

Location:

Sunny Corner, Hind Street, Ottery St Mary, EX11 1BW.

Proposal:

Extension to existing dental practice on the east elevation incorporating alteration amendment.

RESOLVED:

Approved as per officer recommendation.

102 **22/1893/FUL (Minor) WOODBURY & LYMPSTONE**

Applicant:

Mr Paul James (FWS Carter & Sons Ltd.)

Location:

NHS Vaccination Centre, Greendale Business Park, Woodbury Salterton, EX5 1EW.

Proposal:

Temporary permission (Use Class E) to permanent permission NHS walk in centre (Use Class E) (Ci, ii, iii, D, E, F, G), B2, B8 commercial, business and services including ancillary parking.

The Development Manager updated Members on a proposal that had been received from the applicant for a change to the proposal and to remove Class Ci, ii, iii, D, E, F, G), B2, B8 by way of a condition to permit the use of the building to be solely used by the NHS as a walk-in vaccination centre. The Development Manager advised that officers felt that this would be inappropriate as it would be classed as a significant change to the proposal and could be liable to challenge in the future. The applicant were advised that they should resubmit their planning application solely on the amended grounds that they had proposed. The applicant declined the offer and sought counsel advice which officers had received the day before committee which was looked at by the Planning Solicitor prior to the start of the meeting.

Members were advised that officers remained of the same view that it would be inappropriate to significantly change the nature of the application and Members noted the following section in the Planning Policy Guidance.

'If a detail in a proposed development of the lack of it is unacceptable in planning terms the best course of action will often be for the applicant to be invited to revise the application where this involves significant changes. This may result in the need for a fresh planning application. Depending on the case it may be possible for the Local Planning Authority to impose a condition making a minor modification to the development permitted. It would not be appropriate to modify the development in a way that makes it substantially different from that set out in the application.'

The applicant had also requested that the objection on lack of information regarding surface water management could be dealt with by a planning condition. The Development Manager advised that as this is a retrospective application to retain a building with significant areas of hardstanding this would not be appropriate and would be contrary to the advice of the Lead Local Flood Authority.

RESOLVED:

Refused as per officer recommendation.

103 **23/1659/FUL (Minor) EXMOUTH HALSDON**

Applicant:

Ms Glina Deviell.

Location:

2 Seymour Road, Exmouth, EX8 3JG.

Proposal:

Two storey, three bed, dwelling with associated parking, external works and alterations to roof of existing dwelling.

RESOLVED:

Approved as per officer recommendation subject to an additional condition requiring hard and soft landscaping scheme which should also include biodiversity enhancements such as hedgehog holes.

104 **23/1472/FUL (Minor) EXMOUTH WITHYCOMBE RALEIGH**

Applicant:

Mr Darren Pyne.

Location:

18 Colleton Way, Exmouth, EX8 3PX.

Proposal:

Separating existing dwelling into two dwellings including gardens and driveway and addition of front porch.

RESOLVED:

Refused contrary to officer recommendation for the following reasons:

1. The development will provide only one off-street parking space for the proposed new dwelling contrary to Policy TC9 of the East Devon Local Plan which requires the provision of two spaces. This will lead to pressure for on-street parking in an area where there is already parking congestion, leading to an adverse impact on the convenience and safety of users of the highway. As such the proposal is contrary to TC9 of the East Devon Local Plan and the provisions of the National Planning Policy Framework 2023 in particular paragraph 135.
2. Having regard to the limited internal floor area of this dwelling set over three levels and the poor outlook resulting from a reliance on only velux windows to light the upper bedroom, the proposed development would fail to provide an adequate level

of amenity for future occupiers contrary to the provisions of the National Planning Policy Framework 2023, in particular paragraph 135.

105 **23/1278/FUL (Minor) YARTY**

Applicant:

Mr Hamish Bengough.

Location:

Dennings Down, Smallridge, EX13 7JN.

Proposal:

Replace garage store with timber frame two-storey educational classroom space and farm office.

Councillor Simon Smith left the meeting.

RESOLVED:

Approved contrary to officer recommendation subject to planning conditions to be agreed in consultation with the Ward Members and Chair and which should include conditions to:

- Restrict the use of the building to that applied for.
- The use to be associated with the farm.
- Usual conditions regarding materials, method of construction within RPA, tree protection measures, drainage, landscaping etc.

Members considered that the proposal would not put pressure upon the four mature oak trees on the site to be removed, thinned, lopped or topped, and so it would not conflict with Strategy 46 (Landscape Conservation and Enhancement and AONBs), and Policies D1 (Design and Local Distinctiveness), D3 (Trees and Development Sites) of the East Devon Local Plan NE 1 (Conserving and Enhancing the Natural Beauty of our Parish) of the Membury Neighbourhood Plan and the provisions of the National Planning Policy Framework 2023.

106 **23/1997/FUL (Minor) YARTY**

Applicant:

Sharon and Nigel Harding.

Location:

Land and building south east of Courshay Springs, Hawkchurch.

Proposal:

Demolition of existing buildings and construction of a dwellinghouse (alternative to conversion of a redundant building to form a residential dwelling and associated works approval reference 21/3211/FUL).

RESOLVED:

1. The Habitat Regulations Appropriate Assessment be adopted.
2. Approved as per officer recommendation subject to an amendment to the ecology condition to require specific compliance with Section 6.3 of the report.

Attendance List

Councillors present:

B Bailey
I Barlow
C Brown
J Brown
A Bruce
S Gazzard
A Hall
J Heath
M Howe
Y Levine
E Rylance
S Smith
E Wragg (Chair)

Councillors also present (for some or all the meeting)

P Faithfull
B Ingham
G Jung

Officers in attendance:

Wendy Ormsby, Development Manager
Damian Hunter, Planning Solicitor
Wendy Harris, Democratic Services Officer
Paul Golding, Senior Planning Officer
Andrew Digby, Senior Planning Officer

Councillor apologies:

S Chamberlain
H Riddell
D Wilson

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Planning Committee held at Council Chamber, Blackdown House, Honiton on 30 January 2024

Attendance list at end of document

The meeting started at 10.08 am and ended at 4.36 pm. The meeting adjourned for lunch at 1.20 pm and reconvened at 1.50 pm and a brief adjourned took place at 3.15 pm and reconvened at 3.26 pm.

In the absence of the Chair, Councillor Eileen Wragg, the Committee agreed to Councillor Sarah Chamberlain being the Chair for this meeting and to Councillor Mike Howe being Vice Chair for the first half of the meeting and to Councillor Eleanor Rylance for the second half of the meeting.

107 Minutes of the previous meeting

The minutes of the Planning Committee held on 19 December 2023 were confirmed as true records.

108 Declarations of interest

Minute 112. 23/0571/MFUL (Major) SIDMOUTH TOWN.

In accordance with the Code of Good Practice for Councillors and Officers dealing with planning matters as set out in the constitution Members advised lobbying in respect of this application.

Minute 113. 22/2795/MRES (Major) COLY VALLEY.

In accordance with the Code of Good Practice for Councillors and Officers dealing with planning matters as set out in the constitution Councillor Anne Hall advised lobbying in respect of this application.

Minute 115. 23/2624/FUL (Minor) EXMOUTH LITTLEHAM.

Councillors Anne Hall, Brian Bailey, Ian Barlow, Colin Brown, Jenny Brown, Steve Gazzard, John Heath, Yehudi Levine, Eleanor Rylance, Affects Non-registerable Interest, Land is owned by East Devon District Council.

Minute 116. 23/2575/FUL (Minor) SEATON.

Councillor Anne Hall, Brian Bailey, Ian Barlow, Colin Brown, Jenny Brown, Steve Gazzard, John Heath, Yehudi Levine, Eleanor Rylance, Affects Non-registerable Interest, Known to the applicant.

Non Committee Members

Minute 113. 22/2795/MRES (Major) COLY VALLEY.

Councillor Paul Arnott, Affects Non-registerable Interest, Colyton Parish Councillor.

Minute 115. 23/2624/FUL (Minor) EXMOUTH LITTLEHAM.

Councillor Nick Hookway, Affects Non-registerable Interest, Exmouth Town Councillor.

109 Matters of urgency

There were none.

110 **Confidential/exempt item(s)**

There were none.

111 **Planning appeal statistics**

The Committee noted three planning applications from the planning appeals statistics.

The first related to an appeal that had been lodged for planning application 22/1973/MOUT – land east of Sidmouth Road, Ottery St Mary, for 63 dwellings.

The second related to application 22/2120/MFUL – Churchill Retirement Living for 54 retirement living apartments and 6 retirement living cottages in Exmouth. The Development Manager advised that the appeal had been allowed which was not unexpected following legal advice not to defend the reasons for refusal.

Finally, the Development Manager advised about an appeal in progress for application 23/0532/CPE – land adjacent to Main Yard Lodge Trading Estate, Broadclyst that was now being considered by written representations and not by public inquiry.

112 **23/0571/MFUL (Major) SIDMOUTH TOWN**

Applicant:

Mr Paull (McCarthy and Stone Retirement Lifestyles Ltd.)

Location:

Former Council Offices, Knowle, Sidmouth, EX10 8HL.

Proposal:

Redevelopment of site to provide:

- a. Care home building (Class 2) with associated parking, landscaping, staff and resident facilities and associated works.
- b. Extra car apartment building (53 units) with associated communal lounge, wellbeing suite, restaurant and car provision (Class C2).
- c. Retirement living apartment building (33 units) with associated communal lounge.
- d. Erection of 4 houses and 3 townhouses (Class 3) along with accesses; internal car parking, roads, paths, retaining walls, refuse and landscaping associated with development. Retention/refurbishment of building B, erection of habitat building and sub-stations. Demolition of buildings and other than building B.

RESOLVED:

Refused contrary to officer recommendation for the following reasons:

The scale, massing and design of the development, in particular the two blocks closest to the southern site boundary, fails to reflect local distinctiveness and is not compatible with the character of the site and does not relate well to its context and its surroundings and so will adversely affect the townscape and local landscape of Sidmouth. As such the development is contrary to Strategies 6 and 26 and Policy D1 of the East Devon Local Plan 2013-2031, Policy 7 of the Sid Valley Neighbourhood Plan, 2018-2032 and the National Planning Policy Framework, 2023 in particular paragraphs 131, 135 and 139.

The scale and orientation of large windows and balconies in the west elevation of the southwestern block of accommodation will result in an unacceptable level of overlooking

and overbearing impact on neighbouring properties on Knowle Drive. As such the development is contrary to Policy D1 of the East Devon Local Plan 2013-2031 and the National Planning Policy Framework in particular paragraph 135.

Councillors Mike Howe and Alasdair Bruce left the meeting.

113 **22/2795/MRES (Major) COLY VALLEY**

Councillor Simon Smith joined the meeting.

Applicant:

Miss Lucy Downs (Housing Developers).

Location:

Land north of Sidmouth Road, (Ceramtec), Colyton.

Proposal:

Reserved matters application (seeking approval of appearance, landscaping, layout and scale pursuant to outline permission 18/1850/MOUT) for the development of 72 new houses and 6 B1 use class light industrial units. The proposal includes the discharge of Conditions 6, 7, 8, 9, 10, 11, 12, 14, 17, 18, 22, 23, 24, and 25 of the outline planning application.

RESOLVED:

Approved with conditions as per officer recommendation.

114 **23/1978/FUL (Minor) TALE VALE**

Applicant:

Mr & Mrs Dan and Claire McCandish

Location:

Land adjacent to Park House, Plymtree

Proposal:

Proposed new dwelling and relocated site access with associated landscaping and parking.

RESOLVED:

Refused as per officer recommendation.

115 **23/2624/FUL (Minor) EXMOUTH LITTLEHAM**

Applicant:

Mr Jorge Pineda-Langford (EDDC)

Location:

Toilets, Foxholes Car Park, Queens Drive, Exmouth, EX8 2AY.

Proposal:

Demolish existing public toilets and replace with a new toilet building.

RESOLVED:

Approved with conditions as per officer recommendation.

116 **23/2575/FUL (Minor) SEATON**

Applicant:

Mr Daniel Ledger & Ms Abigail Down.

Location:

29 Poplar Tree Drive, Seaton, EX12 2TW.

Proposal:

Raising of roof and conversion of roof space to habitable space, including front and rear dormers and balcony.

RESOLVED:

Approved with conditions as per officer recommendation.

Attendance List

Councillors present (for some or all the meeting):

B Bailey
I Barlow
C Brown
J Brown
A Bruce
S Chamberlain (Vice-Chair)
S Gazzard
A Hall
J Heath
M Howe
Y Levine
E Rylance
S Smith

Councillors also present (for some or all the meeting)

P Arnott
N Hookway
J Loudoun
T Olive
S Richards

Officers in attendance:

Wendy Harris, Democratic Services Officer
Jeremy Ebdon, Principal Planning Officer (East)
Paul Golding, Senior Planning Officer
Damian Hunter, Planning Solicitor
Wendy Ormsby, Development Manager
Gareth Stephenson, Principal Planning Officer
Peter Lang, Planning Officer

Councillor apologies:

H Riddell

D Wilson
E Wragg

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Strategic Planning Committee held at Council Chamber, Blackdown House, Honiton on 9 January 2024

Attendance list at end of document

The meeting started at 10.00 am and ended at 12.57 pm. The meeting was briefly adjourned at 11.24 am and reconvened at 11.33 am.

50 Minutes of the previous meeting

The minutes of the Strategic Planning Committee held on 5 December 2023 were confirmed as a true record.

51 Declarations of interest

There were no declarations of interest.

52 Public speaking

Councillor Geoff Jung, Portfolio Holder for Coast, Country and Environment raised concerns about how Strategic Planning Committee were being forced by Government to increase the number of housing provision in East Devon while South West Water's performance, in relation to the provision of its water quality and sewage treatment works clearly has demonstrated systematic ongoing failures. This has been further demonstrated in the last couple of weeks by recent pollution events in Exmouth which have led to the local MP reporting South West Water to the Water Services Regulation Authority (Ofwat). Councillor Jung suggested that these failures were due to South West Water increasing the pump pressure to provide increased capacity resulting in major pipes bursting releasing untreated sewage. He said that as a Planning Authority we have to rely on South West Water and the Environment Agency to give advice in relation to potential planning developments and it is clear that the current sewage treatment system in East Devon is failing and that urgent action is needed to correct it.

Councillor Paul Arnott sought clarification from the Assistant Director – Planning Strategy and Development Management about the difference between the incident in Exmouth and Natural England putting an embargo on any development in the Axe Valley area due to ongoing pollution from farms and future development. In response it was advised the immediate difference was that Natural England had monitored the level of phosphates in the River Axe over a number of years to understand the water quality and although the discharge was acknowledged in Exmouth it was a focussed area. The Assistant Director – Planning Strategy and Development Management advised if members were in agreement, he would seek the Environment Agency's views on the situation.

In response to a question from the Chair about whether South West Water could be made a statutory consultee for new housing developments it was advised that to do this would require Government to change legislation.

Councillor Mike Howe referred to his ward in Clyst St Mary which regularly has raw sewage flowing into the village with or without a rainfall. He pointed out that it was fundamentally wrong that South West Water never object to a planning application and they need to be made aware that they can object. Until South West Water come up with

a solution this Planning Authority should not be approving any further development in the villages with these issues.

The Assistant Director – Planning Strategy and Development Management acknowledged the frustrations that Members felt about these issues and drew attention to the Water Cycle Study which was needed to help understand the current situation. He advised that this was currently delayed and would hopefully be brought to the next Committee meeting.

53 **Matters of urgency**

There was one item dealt with in this way recorded at Minute 55.

54 **Confidential/exempt item(s)**

There were no confidential or exempt items.

55 **Changes to the National Planning Policy Framework**

The Committee considered the Assistant Director – Planning Strategy and Development Management's urgent report that highlighted the latest key changes to the National Planning Policy Framework (NPPF) published by Government on 19 December 2023 and 20 December 2023 and how these changes would impact East Devon's housing numbers requirement.

The Assistant Director – Planning Strategy and Development Management advised that on the whole the proposed changes would not significantly affect the council apart from the need to consider housing need and constraints which this council had commented during the NPPF's consultation stage should be taken into account as East Devon has high levels of constraints including Areas of National Landscape and areas of flooding. He referred to paragraph 67 which states that authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period.

Reference was made to paragraph 77 and paragraph 266 which advised that as the draft local plan was at the Regulation 18 stage it was identified that the housing requirement would now require the council to deliver a four-year housing land supply instead of a minimum of five years. The details of how this would be calculated were not yet known but the Assistant Director – Planning Strategy and Development Management advised Members that there was still a need to bolster the housing supply as the Council would still need to demonstrate a five-year housing land supply position as part of the new Local Plan.

Discussions covered:

- Support expressed for Recommendation 1.
- A concern was raised on the wording for Recommendation 3 – 'a need to bolster the housing land supply position' as this appears the council has already decided this.
- The report had not picked up on a relevant concern about the change to neighbourhood plans in development management and reference was made to paragraph 14 of the NPPF states that neighbourhood plans will be considered up to date for up to five years of them being made which significantly boosts our

towns and villages when guiding development. In response the Assistant Director – Planning Strategy and Development Management advised Members that in the government’s response to the NPPF consultation they indicate that neighbourhood plans would need to have allocated a housing site to benefit from the protection.

- A concern was raised about Simon Jupp MP December newsletter that stated that Government had made local housing targets advisory which was deceptive and dishonest. In light of this comment it was suggested this Committee needs to make the wider public clear that the revised NPPF changes absolutely nothing for housing numbers in East Devon unless there are exceptional circumstances which this council does not have and therefore Government policy still requires this council to proceed with the standard method.
- It was suggested there were two options to calculating the four-year housing land supply.
- Option 2 was not supported as it would not reduce the figure in the five-year housing land supply test is just reduces the time period it is measured.
- Support was expressed for calculating the four-year housing land supply based on option 1 set out in the report.
- Reference was made to paragraph 79 of the NPPF referring to the Housing Delivery Test which remains mostly unchanged.

In light of the comments made above Councillor Todd Olive proposed the following revised recommendations which were seconded by Councillor Dan Ledger.

1. Note the changes to the NPPF as published on 20 December 2023 -strongly commend positive changes to the weight attributed to Neighbourhood Plans in development management decision-making.
2. Request that the changes to the weight of Neighbourhood Plans be drawn to the attention of Parish Councils and Neighbourhood Plan Steering Groups without a made Neighbourhood Plan by the Neighbourhood Planning Officer.
3. Note that changes to paragraphs 77 and 226 of the NPPF mean that the Council is only required to demonstrate a four-year housing land supply and Option 1 methodology be adopted for carrying out the revised test pending receipt of technical guidance from the Department of Levelling Up, Housing and Communities.
4. Request that the Portfolio Holder for Strategic Planning, in consultation with the Assistant Director – Planning Strategy and Development Management make a public statement regarding the changes to the NPPF to emphasise that these do not alter or reduce the number of homes that the emerging Local Plan is require to allocate according to Government policy.
5. Further request that the Portfolio Holder for Strategic Planning, in accordance with the Assistant Director – Planning Strategy and Development Management write to East Devon’s MPs to emphasise the issue set out in Recommendation 4.

Further comments received on the revised recommendations included:

- On behalf of Members the Chair thanked the Assistant Director – Planning Strategy and Development Management and Councillor Todd Olive for going through the NPPF to see what the changes were and acknowledged it must have been hard going.
- The Vice Chair requested to be included in drafting the public statement in recommendation 4 and letter to East Devon’s MPs in recommendation 5.

- As of 20 December all appeals will need to be made on the new NPPF – we will need to wait to see how the Planning Inspectorate are viewing the four-year housing land supply requirement.
- It was suggested to add the following words to the end of recommendation 3 ‘or a clear steer from the Planning Inspectorate to account for any string of appeals.

The Assistant Director - Planning Strategy and Development Management highlighted that the proposed recommendations do not address the ongoing need to bolster the housing land supply position to ensure that a five-year housing land supply position can be shown at adoption of the Local Plan. Following questions, he advised that under the EDDC Constitution it was for Strategic Planning Committee to advise Planning Committee on this issue.

RESOLVED:

1. The changes to the NPPF as published on 20 December 2023 be noted and positive changes to the weight attributed to Neighbourhood Plans in development management decision-making be strongly commended.
2. Request that the changes to the weight of Neighbourhood Plans be drawn to the attention of Parish Councils and Neighbourhood Plan Steering Groups without a made Neighbourhood Plan by the Neighbourhood Planning Officer.
3. To note that changes to paragraphs 77 and 226 of the NPPF mean that the Council is only required to demonstrate a four-year housing land supply and Option 1 methodology be adopted for carrying out the revised test pending receipt of a technical guidance from the Department of Levelling Up, Housing and Communities or a clear steer from the Planning Inspectorate taking into account any appeal decisions.
4. Request that the Portfolio Holder for Strategic Planning, in consultation with the Assistant Director – Planning Strategy and Development Management and Vice Chair of Strategic Planning Committee make a public statement regarding the changes to the NPPF to emphasise that these do not alter or reduce the number of homes that the emerging Local Plan is required to allocate according to Government policy.
5. Further request that the Portfolio Holder for Strategic Planning, in accordance with the Assistant Director – Planning Strategy and Development Management and Vice Chair of Strategic Planning Committee write to East Devon’s MPs to emphasise the issue set out in Recommendation 4.

56 **East Devon Local Plan - A revised new vision**

The Assistant Director – Planning Strategy and Development Management presented an updated report setting out a proposed new vision for the local plan that addressed Members concerns following the meeting on 31 October 2023.

Comments raised during discussion included:

- Areas of Outstanding Natural Beauty referred to in the vision should be changed to the renamed ‘National Landscapes’.
- In the second paragraph it was suggested to change the wording ‘fully decarbonised’ to ‘operating at net zero carbon’ to better understand what it means.
- A suggestion to remove the word ‘traditional’ in paragraph 7 where it refers to farming and traditional rural activities as this implies no changes will take place.
- Would like to see a reference regeneration of our towns.

- To replace the words ‘expanding rapidly in paragraph 4 line 2 to ‘developed’ as its uncertain how quick the population will grow.
- In the last paragraph to replace the sentence ‘these will support both biodiversity and the health and well-being of our communities with ‘these will support both nature recovery and health and well-being of our communities’.
- There are a few grammatical errors that need changing.
- There is a typo in paragraph 8.
- It was suggested to change the wording ‘it is a warming climate’ to ‘it is a changing climate’ and in the second paragraph to remove the second ‘they will’.
- In the third paragraph replace ‘sustain strong relationships’ with ‘maintain strong relationships’.
- Would like to add to the end of the first sentence in paragraph 5 ‘supported by appropriate services and infrastructure’ as this was one of our concerns.
- It was suggested that the fourth paragraph should be amended to reflect that the delivery of the new town would be council and corporate led and not developer led.
- Paragraph 5 needs to be removed as it promotes wrong behaviours.

RESOLVED:

The proposed vision as set out in the report be endorsed and its inclusion in the East Devon Local Plan be agreed subject to the removal of paragraph 5 and other minor amendments delegated to the Assistant Director – Planning Strategy and Development Management in consultation with the Chair and Vice Chair.

57 **East Devon Local Plan - Timetable update report**

The Committee considered the Assistant Director – Planning Strategy and Development Management’s report updating Members on the overall progress on local plan production which was progressing according to the timetable.

RESOLVED:

That the ongoing work on local plan production as summarised in the report be noted.

58 **Issues related to Housing Windfall Sites**

The Committee considered the Assistant Director – Planning Strategy and Development Management’s covering report summarising the main issues relating to unplanned windfall sites which make up a significant proportion of housing completions in East Devon. Members also considered the appendix which contained more technical details relating to some of those issues.

Windfall sites are those that have not been identified in the development plan which make up a significant proportion of our housing completion. In total 2,267 windfall sites in the last five years and 39% of the total housing completions in East Devon.

The summary of the main issues included:

- Issue 1 highlights the role of windfall sites which is supported by the NPPF (paragraph 71).
- Issue 2 highlights the compelling evidence that windfalls provide a reliable supply source.
- Issue 3 highlights the extent to which development is to be plan-led arising from the balance between windfalls and allocations for housing.

- Issue 4 highlights the options for a windfall allowance in forecasting housing supply.

The Assistant Director – Planning Strategy and Development Management summarised the following options in relation to this issue as outlined in the appendix:

Option 1 – HMU 2023 windfall allowance of 138 dwellings per year

This is based on the evidence in Appendix A and whether the windfall allowance used in the five-year housing land supply assessment in the East Devon Housing Monitoring update ending 31 March 2023 which Committee endorsed as evidence on 3 October 2023. The windfall allowance would be 10% of the housing requirement based on local housing need of 910 homes per year plus a 10% supply headroom.

Option 2 – Non-strategic increase – adding in garden land windfalls

A – Increasing the windfall allowance

There is compelling evidence to demonstrate that garden land windfall sites of 1 to 9 dwellings would provide a reliable source of windfalls in the future which would increase the allowance rate by 39 dwellings per year. This is not included in option 1 due to the lack of evidence on the impact of local areas.

B – Decreasing the windfall allowance

For more certainty by changing the balance between windfalls and allocations by decreasing the windfall allowance and increasing the amount of allocations for housing development.

Issue 5 – The ability for local plan policies to support windfall delivery

This will result in more areas within settlement boundaries to have more potential for windfalls.

Issue 6 – Producing windfall evidence in a timely manner

This is a very technical but necessary piece of work that will have considerable demands on resources for evidence and plan preparation.

Discussions included:

- It was noted that windfall sites from 1 April 2020 to 31 March 2040 will count towards the housing supply in the emerging local plan completions between 1 April 2020 to 31 March 2040.
- In estimating the five-year housing land supply figures it was suggested the figures were being suppressed and an extra column should be included titled 'brought forwards' so that these figures are not lumped together as windfalls.
- Clarification was sought on the concept of paragraph 2.27 as planning decisions were taken in accordance with policies in the NPPF and local plan and neighbourhood plans. The Assistant Director – Planning Strategy and Development Management acknowledged the issue which could be used against the council in terms of promoting specific applications but in reality the Planning Committee would be considering individual application on their own merits.
- Clarification was sought on paragraph 2.29 and whether the objections received were predominantly from developers. It was advised the objections were mainly from developers.

RESOLVED:

1. The use of the evidence in Appendix A be endorsed for development Management and plan-making purposes.

2. To defer the endorsement of Option 1 to a future meeting so that Members can better understand the preferred approach to justify the housing windfall allowance used to calculate the 2023 East Devon five-year housing land supply position for development management purposes.
3. Option 2 be endorsed as the approach to inform the council's plan-making, its housing supply forecasts and 'rolling' five-year housing land supply assessments which the council will rely on to justify emerging local plan policies.
4. To note the current five-year land supply position and the related windfall allowance for development management and for plan-making will be updated in 2024 and in subsequent years when new evidence at relevant monitoring points becomes available.
5. That should Government policy and/or guidance change regarding a windfall allowance then matters should be reviewed to determine whether an alternative approach is applicable, appropriate and desirable in the East Devon Local Plan.

59 **Exeter City Council Local Plan - Draft Local Plan (Regulation 18)
Consultation and Water Lane SPD Consultation**

The Committee considered the proposed responses to Exeter City Council's draft local plan consultation (Regulation 18) and Exeter Water Lane Supplementary Planning Document following the concerns that had been raised in the last consultation in 2022 about the loss of employment sites within the city.

The Assistant Director – Planning Strategy and Development Management referred to the proposed response in paragraph 3.2 which highlighting some positive points which included:

- Positive agenda for the future development of the city.
- Coordinated working and actions between the City Council and East Devon District Council.
- Welcome the commitment to move to net zero carbon which is in line with this council's aspirations.
- A broad range of accommodation needs.
- Welcome the allocation of 17 hectares of employment land – although it was noted this was a substantial shortfall to what they need to provide and the local plan should be more explicit in respect of quantifying overall levels of employment land needed.
- Welcome the removal of the allocation for redevelopment of the existing Moor Lane motorway service station. Although it was highlighted to Members there were concerns that the only other alternative suitable site would be 3km north of junction 29 around the Poltimore and Broadclyst area which has not been included in our local plan as it would be very harmful for the landscape.
- Welcome the positive approach to green infrastructure but would be keen to see greater reference to green infrastructure beyond the city which would include the Clyst Valley Regional Park and Pebblebed Heaths.

The Assistant Director – Planning Strategy and Development Management also referred to the proposed comments to the Water Lane Supplementary Planning Document which raised concerns that it failed to quantify and justify the loss of employment spaces within this long-established employment area which was much needed to support the economy.

Comments included:

- The links to the Valley Parks were welcomed.

- There is a need to comment about Exeter City's lack of comment about how they will achieve a net zero carbon for 2030. The Assistant Director – Planning Strategy and Development Management advised that if Members were in agreement an extra sentence could be added to the end of the third paragraph to read 'It is not however clear how they will achieve your corporate ambition of net zero by 2030.'
- Do not support the council's opposition to the removal of the motorway services (Policy STC8) as this area is a nightmare even without the planned increase in houses. It was suggested that either the existing services needs to go or a second services needs to be built on the other side of the motorway to lessen the already congested roundabout and would benefit A376 and A3052. In response the Assistant Director – Planning Strategy and Development Management advised that a caveat could be included in the response to advise that East Devon District Council acknowledge that further transport assessment work is ongoing to assess the cumulative impacts of planning growth on Junction 30 and the wider road network and accept that this issue may need to be revisited if relocation of the services is required as a mitigation measure.

RESOLVED:

1. The proposed response to the Exeter Local Plan Consultation be endorsed and its submission to the City Council be approved subject to the amendments discussed in the meeting delegated to the Assistant Director – Planning Strategic and Development Management in consultation with the Chair and Vice Chair.
2. The proposed response to the Exeter Water Lane SPD Consultation be endorsed and its submission to the City Council be approved subject to the amendments discussed in the meeting delegated to the Assistant Director – Planning Strategic and Development Management in consultation with the Chair and Vice Chair.

Attendance List

Councillors present (for some or all the meeting)

B Bailey
J Bailey
K Blakey
O Davey (Chair)
P Fernley
M Howe (Vice-Chair)
B Ingham
D Ledger
Y Levine
T Olive

Councillors also present (for some or all the meeting)

H Parr
P Arnott
K Bloxham
C Brown
J Brown
R Collins
P Faithfull
G Jung
M Rixson

Officers in attendance:

Ed Freeman, Assistant Director Planning Strategy and Development Management
Damian Hunter, Planning Solicitor
Wendy Harris, Democratic Services Officer

Councillor apologies:

B Collins
C Fitzgerald
M Hartnell

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the joint budget meeting of the Overview Committee and Scrutiny Committee held at Council Chamber, Blackdown House, Honiton on 11 January 2024

Attendance list at end of document

The meeting started at 9.00 am and ended at 3.19 pm

40 Minutes of the previous meeting

The minutes of the previous joint meeting held on 11 January 2023 and 12 January 2023 were agreed and signed as a correct record.

41 Declarations of interest

Minute 47. Countryside and Leisure.

Councillor Tim Dumper, Affects Non-registerable Interest, Councillor is a member of Exmouth Town Council which is mentioned in relation to the pilot scheme for a festival initiative.

Minute 47. Countryside and Leisure.

Councillor Vicky Johns, Affects Non-registerable Interest, Councillor works for an art charity and is a member of the Arts and Culture East Devon network.

Cllr Vicky Johns also wished it to be recorded for minute 50 that she is a member of Ottery Town Council.

42 Public speaking

There were no members of the public registered to speak.

43 Matters of urgency

There were no matters of urgency.

44 Confidential/exempt item(s)

There were no confidential/exempt items.

45 Draft Revenue and Capital Budgets 2024-2025 and Draft Council Plan

The Finance Director introduced this item and provided a verbal summary of the following:

- A budget overview
- An outline of key points concerning the detailed budgets as presented in the budget books
- How the budget fits in with service planning
- The emerging Council Plan and how this links to the budget.

The joint committees were informed that the budget would be revisited following discussion of individual service plans, to draw together final recommendations for Cabinet and to consider the implication of these recommendations on the budget.

The draft budget had been adopted by Cabinet and the recommendations from the Overview and Scrutiny Committees and the Housing Review Board would go back to Cabinet on 31 January 2024.

Questions, clarification and responses included the following points:

- Members expressed concern about the financial risk associated with the service payment to LED Community Leisure, and it was noted that concerns were also raised at last year's joint budget meeting.
- It is unacceptable that the LED management fee report to the LED Monitoring Forum was issued late, putting a strain on the Overview and Scrutiny Committees and Cabinet to agree a budget when agreement of the management fee is outstanding. The Chair asked that Officers take this matter up with LED.
- The LED Monitoring Forum is scrutinising closely the costs involved in LED. The Forum is looking at putting together a service level agreement to ensure that the Council is presented with financial information in a format which enables an understanding early in the budget process of what is required. This work is ongoing.
- Emergency work to repair recent storm damage to the roof and building at Ocean is covered jointly by this Council's insurance and that of LED. Any claim for loss of income will be through LED's own insurance.
- Should members feel that beach matting is a priority, there is scope for this within the revenue budget. The costs set out in the papers are for procurement of the matting only, whereas costs for storage over winter are covered within normal salary budgets.
- Following a recommendation from last year's joint budget meeting, a piece of work was carried out by Strategic Leisure which sought to identify areas of potential duplication between LED and the private sector to ensure that LED was not being paid to carry out work which is being done elsewhere. The Assistant Director – Countryside and Leisure was asked to share the report arising from this work with all members.

The Chair thanked the Finance Manager and his Officers for the report and their good work.

46 **Key Service Plan Objectives 2024-2025**

The Committees considered the service plan objectives for the following services:

- Countryside and Leisure
- Environmental Health
- Housing
- Streetscene
- HR and Payroll Service
- Finance
- Revenues & Benefits, CSC, Fraud and Compliance
- Growth, Development and Prosperity
- Planning
- Governance and Licensing
- Place, Assets and Commercialisation
- Communications, Digital Services and Engagement Team

47 **Countryside and Leisure**

The Assistant Director – Countryside and Leisure introduced this item and outlined the key service plan objectives for the Countryside and Leisure service.

The Portfolio Holder Coast, Country and Environment thanked the Assistant Director – Countryside and Leisure and his team for another successful year, and their good work on countryside biodiversity and nature recovery.

Questions, clarification and responses included the following points:

- It would be appropriate for this council to work closely with towns and parishes on environmental initiatives, to avoid duplication of effort and expenditure.
- The Forestry Commission have their own jurisdiction and are able to issue felling licences without consulting EDDC, so it is difficult for this council to influence the Forestry Commission's decisions.
- There is a need to understand the consequence on the tree safety budget of planting more trees, and it is anticipated that the emerging Tree Policy will pick up on this. The Streetscene and Countryside and Leisure services will also be looking together at future resource to deal with ash dieback.
- Responsibility for highways trees sits with Devon County Council, whereas EDDC is responsible for Tree Preservation Orders and trees in conservation areas. Tree officers within the Devon districts work collaboratively, sharing thoughts and ideas particularly when developing policy and strategy.
- A Member suggested that consideration is given to redesigning the Beer Jubilee gardens so that it has a mixture of biodiversity.
- The Area of Outstanding Natural Beauty review is a 5-year review which constitutes business as usual for the Countryside and Leisure service.
- The Ecology team includes a Trainee Ecologist post, the job description for which is currently being developed.
- Section 2.1.1 of the service plan sets out that a 10% Biodiversity Net Gain policy for East Devon will be included in the biodiversity chapter and supporting evidence of the new local plan; this percentage aligns with government guidance but an aspiration of 20% is set out in the local plan, subject to the local plan review process.

48 **Environmental Health**

The Assistant Director – Environmental Health presented the service plan objectives and key projects for 2024 – 25 for the Environmental Health service, and invited questions.

The Portfolio Holder Coast, Country and Environment thanked the Assistant Director for the good work carried out by the Environmental Health team, much of which is under the radar and addressing antisocial behaviour.

The Portfolio Holder Climate Action and Emergency Response thanked the Assistant Director and the Climate Change Officer for the work they have done regarding climate action.

Questions, clarification and responses included the following points:

- Concern was raised about sewage overflows and the illegal pumping of raw sewage into the sea. South West Water (SWW) is attending a meeting of the Scrutiny Committee on 1 February 2024 and the Environmental Health service is looking for opportunities to work with SWW and the Environment Agency (EA) in the most efficient way possible with a view to ensuring SWW meet their responsibilities. Most enforcement powers in relation to sewage overflows sit with the EA.
- The Climate Change strategy will be in a form which can be shared with towns and parishes.
- The Environmental Health service has powers to force people to bring empty private sector properties back into use. However, the service first aims to support people to address issues and understand what options are available, and a strategy will set out the service's approach.

- An Enforcement Policy covers environmental protection, including fly tipping.
- The final version of the Climate Change action plan is unlikely to be published in the current financial year [2023-24], but the work on this is ongoing.
- The service is working to fine tune the Emergency Planning and Business Continuity arrangements.
- The Environmental Health service is adequately resourced and carrying few vacancies. The focus will be on succession planning, going forward.

49 **Housing**

The Assistant Director – Housing Strategy and Operations presented the service plan objectives and projects for 2024-2025 for the Housing service. She outlined recent changes to how the Housing service is delivered, and invited questions.

The Leader highlighted the significant change of leadership within the Housing service and welcomed both the Assistant Director and the Director of Housing, Health and Environment who are both new to the organisation.

Questions, clarification and responses included the following points:

- The service will be exploring how the Home Safeguard provision is delivered following the PSTN switch off at the end of 2025.
- It is intended that a Housing Performance Officer and a Housing Performance Lead will look at complaints about repairs, ensuring a plan is in place to rectify issues and identifying where there are points of failure. An objective will be added into the service plan regarding complaints and how they are dealt with.
- It was suggested the Assistant Directors revisit the objectives set out at sections 2.1.7 to 2.1.14 of the service plan to consider how they link to the climate change agenda.
- An objective will be added into the service plan concerning the replacement of white goods and carpets at the end of a tenancy with a view to fixtures and fittings being retained, where possible.
- It would be appropriate to include an objective in the service plan concerning empty homes and how departments and services work together to rectify the issues.
- Further scrutiny of the Housing service plan will take place at the meeting of Housing Review Board on 25th January 2024, with onward recommendations to Cabinet.

50 **Streetscene**

The Assistant Director – Streetscene presented the service plan objectives and projects for 2024-2025 for the Streetscene service, and invited questions.

The Portfolio Holder Coast, Country and Environment thanked the Streetscene and Suez teams for their work and exemplary service.

Thanks were expressed to the Assistant Director, the Portfolio Holder Coast, Country and Environment and the Engineering Projects Manager for their work in securing funding for the Sidmouth Beach Management Plan.

Questions, clarification and responses included the following points:

- In-house resources are very squeezed but the team work within their means to deliver projects. Project management costs are being built into the capital programme to allow for project management, and consideration will need to be given to how project management resource is added to various projects, whether through a contractor, another council or recruiting directly into the team..

- Streetscene operate more in towns than in rural locations as EDDC has more responsibility and land ownings in town areas. Where necessary, a React team can be sent to do a clean up in villages..
- A lot of work is going into decarbonising the Suez fleet but there are limitations to what can be done at the present time, for a number of reasons. Decarbonised fleet is likely to be part of the post-2026 contract renewal and a strategy will need to be created for how this is done, which will include looking at available funding streams.
- There is a service plan objective to assess the Green Flag or Parks Award potential for Beer Jubilee, and a list will be produced of the necessary works to get this area to the required standards. In the meantime, improvements are being carried out within the means available and as set out in a management plan.
- There have been complaints about grass maintenance in children's play areas, and parks officers can discuss with towns and parishes the council's approach to managing these sites.
- The Environment Agency manages flood grant funding on behalf of Defra; the criteria for funding is complex and due to the increase in construction costs, the funding from government is often insufficient to cover costs.
- The council has a corporate virtual funding team to looking at available grant funding for projects, but there is no specific officer within the Streetscene service to carry out this work.
- 240m of the sea wall at Exmouth has been identified as likely not having a foundation, and the current repair to the sea wall will address a wider section than is currently cracked with a view to future-proofing the structure. Consideration will be given to wider implications for the whole frontage, under the Exmouth Beach Management Plan project.
- Several Members highlighted the benefits of beach matting for disabled people to be able to enjoy the beach with their families, and expressed a desire for the beach matting item to be included in the budget.

The Chair thanked the Assistant Director for the service plan and the quality of the work carried out by the Streetscene team.

Recommendation

The inclusion in 2024 – 25 of a budget for beach matting at Beer, Budleigh and Sidmouth.

51 HR and Payroll Service

The Corporate Lead HR and Payroll introduced this item and ran through the key service plan objectives for the HR and Payroll Service.

The Portfolio Holder Council and Corporate Co-ordination thanked the Corporate Lead and her officers for their successful work over the past year, and remarked on the significance of the service which underpins everything that goes on within the Council.

The Leader thanked the Portfolio Holder Council and Corporate Co-ordination for his work on the Personnel Committee, and welcomed the contribution of both the Corporate Lead, Communications, Digital Services and Engagement Team and the Corporate Lead HR and Payroll to the Executive Leadership Team.

Questions, clarification and responses included:

- It was appropriate to advertise the CEO vacancy externally, in order to test the market.
- Thanks were expressed to the Corporate Lead for her work with updating the Armed Forces Covenant.
- Green travel for councillors and officers forms part of the wider Green Travel Plan.

- The Democratic Services Manager is looking into a broad member awareness session covering the role and responsibilities of the Personnel Committee.
- It is appropriate for this Council to support the health and wellbeing of Members. The Corporate Lead has been exploring with the Democratic Services Manager whether the Employee Assistance Programme can be extended to Members, and proposals will come forward.
- The Grant Thornton report is feeding into the upcoming Peer Review, which will in turn inform the People Strategy.
- Staff were invited to complete an Investors in People survey last year and this superseded the staff survey that would otherwise have taken place during 2022.

52 **Finance**

The Finance Director outlined the key service plan objectives for the Finance service and invited questions.

Questions, clarification and responses included:

- Implementation of a new Finance system is Strata's biggest project and the system is due to go live for this Council in April 2024.
- A draft Car Parking Strategy will be brought to Overview Committee this year, and will cover arrangements for coaches, campervans and motorhomes.
- The EDDC Procurement Strategy aligns with the National Procurement Framework, in terms of best practice. To get best value out of procurement, the Council also signs up to national frameworks, supported by Devon County Council, which enables the Council to access the controls and tendering process that are in place.

53 **Revenue & Benefits, CSC, Fraud and Compliance**

The Assistant Director – Revenues and Benefits, CSC, Fraud and Compliance introduced this item and ran through the key service plan objectives for the Revenues and Benefits, CSC, Fraud and Compliance service.

Questions, clarification and responses included:

- Whilst not specifically mentioned in the service plan, the service is working with the VCSE (Devon Communities Together) to explore the specific needs of disabled people in poverty by looking at the data and case studies to identify if there is a theme, with a view to understanding how this group can be better supported.
- Write offs of Housing Benefit overpayments occur for a range of reasons. All write offs are carried out in accordance with the procedure set out in this Council's Constitution, and are included in the Council's annual audit.

54 **Growth, Development and Prosperity**

The Assistant Director – Growth, Development and Prosperity introduced this item and ran through the key service plan objectives for the Growth, Development and Prosperity service, including the key drivers of change that have impacted upon the service plan for 2024-2025, and specific priority projects.

The Portfolio Holder Culture, Leisure, Sport and Tourism thanked the Assistant Director and his officers for the delivery of the UK Shared Prosperity Fund and the Rural Engagement Prosperity Fund, and for the Tourism Strategy. He commented on the

success of the Tourism Network which has provided useful feedback on what is a critical industry for the district.

The Portfolio Holder Coast, Country and Environment also expressed thanks to the Growth, Development and Prosperity team for their assistance to his portfolio. He welcomed the delivery of measures in relation to both the habitat mitigation and green infrastructure strategies, and the work taking place to provide a source of low carbon heat for Cranbrook.

Questions, clarification and responses included:

- A formal programme will be brought to the Cranbrook Strategic Delivery Board for delivery of the masterplan for Cranbrook town centre.
- The Assistant Director – Growth, Development and Prosperity expressed confidence that the service has access to the resource and specific expertise it needs to move key projects forward, including revenue funding to draw on a wider set of external consultants.
- There is a group which draws on relevant surveying and planning expertise within the organisation to support the objective of working to increase the supply of available commercial sites and premises in the district. The expertise within the group facilitates an understanding of where progress is being made and any issues that that are causing projects to stall.

55 **Planning**

The Assistant Director Planning Strategy and Development Management presented the service objectives and key projects for 2024 – 25. The Assistant Director particularly highlighted the following:

- The Reg 19 draft of the new Local Plan.
- Recruitment of the new Planning Obligations team and development of the work programme.
- Adoption of a new Playing Pitch Strategy.
- Completion of the water cycle study.
- Work to progress development of a second new community in the district.

It was noted that the production of the Cranbrook Town Centre Masterplan had not been included in the service plan.

Questions from Members and responses included the following points:

- Regarding recovery of costs in the Building Control service, costs could only be recovered on the non-statutory elements and not on statutory elements such as enforcement. Various changes are expected to the relevant regulations, and Building Control charges and costs will be reviewed when the changes are known.
- Adverts are currently being prepared for the recruitment of the 4 posts in the Planning Obligations team. An interim S.106 Officer is in place with a further interim appointment expected shortly.
- The water cycle study would assist with understanding capacity in the South West Water infrastructure across the District and would inform the new Local Plan. If infrastructure is found to be insufficient, EDDC would engage with South West Water to understand how required infrastructure would be brought forward and new development phased to reduce impact on water courses and flooding.
- Regarding training for town and parish councils, it was anticipated that an initial programme would be in place by April with the first events being held in June.

- With regard to the previous year's budget of £100k for nutrient neutrality, this had part funded the District Ecologist post, the credit scheme for projects and in-house work on housing stock.
- It was noted that Planning Officers would have regard to the need for a new sewage treatment plant at the second new community as this had not been provided at Cranbrook.
- Work on the Playing Pitch Strategy was nearing completion.

There was discussion on whether a specific budget line for planning appeals could be included in the budget in order to support planning decisions. It was noted that a budget line had not been included as a year could pass without the need to draw on budgeted funds. The Director of Finance advised that this could be considered.

The Assistant Director Planning Strategy and Development Management was thanked for the service plan and for the work of his team.

Recommendations

1. That a budget for planning appeals within the Planning budget be created;
2. That the Cranbrook Town Centre Masterplan be included in the Planning Strategy.

56 Governance and Licensing

The Director of Governance and Licensing presented the service objectives and key projects for 2024 – 25 and highlighted the following:

- Review of the Constitution.
- Strengthening working relationships with the Police in relation to the handling of code of conduct complaints relating to Disclosable Pecuniary Interests.
- Review of Licensing fees.
- Recruitment of a new Cemeteries Registrar and upskilling of the Licensing team in this area.
- Conducting a Member satisfaction survey and Member skills audit.
- Holding of potentially 2 elections during the year.
- Set up of an Information Governance Board.

It was noted that the report from the Centre for Governance and Scrutiny was due imminently. It was also noted that additional training sessions would be provided for those Members who had not previously undertaken the mandatory training.

The Portfolio Holder for Council and Corporate Co-ordination thanked the Democratic Services team for their work and the Portfolio Holder for Coast, Country and Environment thanked Cllr Whibley for his work in chairing the Licensing Committee.

The Director of Governance and Licensing was thanked for the service plan and on-going work.

57 Place, Assets and Commercialisation

The Assistant Director, Place, Assets and Commercialisation presented the service objectives and key projects for 2024 – 25. The service objectives included both internal and external focussed projects including the following:

- Adoption of new General Fund Asset Management Plan for 2024 – 29.
- Office accommodation strategy.

- Delivery of outcomes of public toilets review.
- Review of depots.
- Swimming pools decarbonisation project.
- Exmouth placemaking and wider placemaking across the District.
- Delivery of employment sites owned by EDDC at Honiton, Seaton and Axminster.

The Portfolio Holder for Culture, Leisure, Sport and Tourism thanked the Assistant Director and his team for their work and in particular, for the work on category A public toilets review, Exmouth Placemaking plan and the decarbonisation of leisure centres.

The Leader highlighted the progress with Seaton Jurassic as a real achievement.

Discussion, questions and responses included the following points:

- A huge amount of work has been undertaken with regard to Exmouth placemaking and the plan needs to be agreed before physical progress becomes visible. Progress on the ground should be visible over the coming months.
- With regard to the Exmouth Pavilion Theatre, it was noted that the building comes under the remit of this service, whilst operational matters fall under the Countryside service.

The Assistant Director was thanked for his service plan and on-going work.

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

The Corporate Lead, Communications, Digital Services and Engagement presented the service objectives and key projects for 2024 – 25 and introduced the 4 teams within the service.

The Portfolio Holder for Council and Corporate Co-ordination thanked the Management Information Officer for her work on the emerging Council Plan and the management of performance information.

The Leader welcomed the Corporate Lead to the senior leadership team which highlights that EDDC is an outward facing Council. The newly introduced Councillors' update was welcomed.

It was noted that key aspirations for the year include greater integration of Microsoft Teams and an improved system for online complaints.

The Corporate Lead was thanked for his service plan and the work of the team.

59 **Draft Revenue and Capital Budgets 2024-2025**

The Director of Finance summarised the meeting and the Overview and Scrutiny Committees voted by Committee and agreed the following recommendations to Cabinet.

RECOMMENDATIONS TO CABINET

1. The joint Overview and Scrutiny Committees recommend the draft Revenue and Capital budgets 2024 – 25 to Cabinet for adoption, with the following amendments to be considered:
 - a) The creation of a budget for planning appeals within the Planning budget

- b) The inclusion in 2024 – 25 of a budget for beach matting at Beer, Budleigh and Sidmouth.
2. That the Service Plans considered during the meeting of the joint committees on 11th January 2024 are recommended to Cabinet, having regard to the comments made by members as follows:
- a) The inclusion of the Cranbrook Town Centre Masterplan in the Planning Strategy.

Attendance List

Councillors present:

J Brown
M Chapman
B Collins
R Collins
M Goodman (Chair)
A Hall (Co-Chair)
J Heath
V Johns
B Bailey
T Dumper
P Fernley
Y Levine
T Olive

Councillors also present (for some or all the meeting)

R Jefferies
G Jung
J Loudoun
C Brown
P Arnott
K Bloxham

Officers in attendance:

Matthew Blythe, Assistant Director Environmental Health
Simon Davey, Director of Finance
Joanna Fellows, Corporate Lead - HR and Payroll
Andrew Hancock, Assistant Director StreetScene
Andrew Hopkins, Corporate Lead - Communications, Digital Services and Engagement
Sarah James, Democratic Services Officer
Sarah Jenkins, Democratic Services Officer
Charles Plowden, Assistant Director Countryside and Leisure
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Tracy Hendren, Director of Housing, Health and Environment
Libby Jarrett, Assistant Director Revenues, Benefits, Corporate Customer Access, Fraud & Compliance
Andrew Wood, Assistant Director Growth Development and Prosperity
Tim Child, Assistant Director Place, Assets & Commercialisation
Ed Freeman, Assistant Director Planning Strategy and Development Management
Emma Congerton, Assistant Director Housing Strategy & Operations
John Symes, Finance Manager

Jo Avery, Management Information Officer

Councillor apologies:

- I Barlow
- D Mackinder
- S Smith
- A Toye
- J Whibley
- C Nicholas
- M Martin
- H Riddell

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Exmouth Beach Management Plan Steering Group held online via zoom on 16 January 2024

Attendance list at end of document

The meeting started at 11.30 am and ended at 1.00 pm

23 Welcome

The Chair welcomed steering group members and other stakeholders to the meeting.

24 Update on Project

The Group were reminded of the scope of the project. The aims were also reiterated to :

- Treat the project as urgent
- Aim to look at reducing sand loss on the beach, and increasing sand levels if possible
- Maintain beach to protect the sea well
- Maintain/improve the amenity of the beach
- Carry out all aims in an integrated and sustainable way, with regard to the climate and ecological emergency.

BDP (Bournemouth Christchurch Pool) Council were now appointed to project manage the BMP project for Exmouth. Through their work, three bids were received for carrying out the BMP study. The successful bidder was Aecom, representatives of which were introduced to the group.

25 BMP presentation

Alan Frampton from BCP gave the Group a presentation on the project.

The extent of the site, which had been extended to include up to the marina, was illustrated in map form to explain it.

Paul Norton from Aecom set out the BMP update approach as follows:

- Stage 1 – Data collation and review, including
 - Site visit with client project team (actioned in October 2023)
 - Data gathering and review
- Stage 2 – Establishing the baseline scenario, including
 - Producing coastal processes understanding, coastal defences and economic baseline assessments, including updated “do nothing” scenario
 - Review and update of the 2015 BMP information relating to relevant policies and environmental designations to inform Stage 3
 - Engagement Round 1
- Stage 3 – Future Management Regime Appraisal, including
 - Critical review and update of the 2015 BMP options appraisal considering the latest technical, environmental and economic evidence
 - Statutory environment assessments

- Engagement Round 2, including a 12 week public consultation period to gain views and local knowledge from the public
- Stage 4 – Reporting, including
 - Review and comment on draft reporting by the BMP steering group
 - Approval of updated BMP by EDDC's Cabinet.

The more recent storm damage to the site and the emergency works had also been witnessed and would be taken into account.

The planned timescale for these stages of the project covered the start in October 2023 to Stage 4 taking place in November/December 2024.

The work on stakeholder engagement was also set out, due to commence in February 2024 to inform and raise awareness of the project with the local community and wider public, and gather any additional local knowledge. The second round of engagement would seek views in the leading options for the scheme, expected to take place over a three month period in late spring/early summer 2024.

The outcomes of this work would provide an updated Exmouth BMP that sets out the management regime required to implement the preferred management approach, backed up with supporting evidence.

Discussion on this presentation included:

- Options typically presented at the second stage of engagement would be one viable option (relating to the expected funding level) and one aspirational option which could be achieved if additional funding was found;
- Exeter Harbour Authority were confirmed as one of the stakeholders and some data had been obtained from them;
- Early stages of the project with work still to do on the benefits of the plan in terms of property and asset protection; in comparison to other local plans, the prediction was that this would not attract a sizeable fund from the Environment Agency and therefore managing expectations of a plan was key.
-

The Chair thanked Alan Frampton for his presentation.

26 **Forward dates - public consultation**

The public consultation dates were still to be confirmed. The consultation would be publicised widely and the group kept informed.

27 **Update on sea wall repairs**

The sea wall condition was not a part of the Beach Management Plan, but due to recent issues with the wall, the Group had requested an update.

The Group were shown some images of the wall following storm damage, with an engineering solution for repair emergency repair work explained, which could provide a temporary repair in the timeframe available before the next predicted storm.

Those emergency works had stood up to the subsequent storm well with a top-up solution, there was work underway for a more permanent solution that could also be managed for completion within the limitations of the summer season and the business

operating in that area. The sheet pile option was explained to the Group and the timescale for completion by end of April set out.

Discussion with the group included o the aspects of financing the repairs and linking in with Devon County Council in relation to their highway and footpath. Concern was raised over the aesthetics of the wall both viewed from inland and from sea, and cladding options were debated.

Attendance List

Councillors:

- Todd Olive
- Olly Davey
- Tim Dumper
- Anne Hall
- Matt Hall
- Nick Hookway
- Geoff Jung (Chair)
- Marianne Rixson

Also attending:

- Alan Frampton, BCP
- Paul Norton, Aecom
- Jonathan Short, Aecom
- Paul Russell, Exmouth Water Users (Kite users)
- Jake Stuart, Stuart Line Cruises
- Cllr Pauline Stott, Exmouth Town Council
- Chetna Jones, Deputy Clerk Exmouth Town Council
- Harriet Googe, Environment Agency
- Kenneth Gitau, Environment Agency

Officers in attendance:

- Tom Buxton-Smith, Engineering Projects Manager
- Andrew Hancock, Assistant Director StreetScene
- Debbie Meakin, Democratic Services Officer

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of LED Monitoring Forum held at Online via the Zoom app on 16 January 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.38 pm

29 Minutes of the previous meeting held on 19 September 2023

The minutes of the previous meeting held on 19 September 2023 were noted as a true and accurate record.

30 Declarations of interest

There were none.

31 Public Speaking

One member of the public had registered to speak at the meeting.

Mr Stephen Beer spoke on behalf of Exmouth Stroke Survivors Club. He highlighted that funding for the Club was limited, and spoke of a need for more equipment to support a growing membership and increasing referrals. He thanked LED for their continued support.

32 Matters of urgency

There were no matters of urgency.

33 Confidential/exempt item(s)

There were two items to be considered in private session (minutes 38 and 39 refer).

34 LED Facilities and Activities report January 2024

The LED Facilities and Activities report for January 2024 was received and noted.

35 Exmouth Pavilion report January 2024

The LED CEO introduced this report which provided an update on operational delivery and buildings maintenance at the Exmouth Pavilion.

The Forum noted the report.

36 LED KPI Dashboard Annual 2023

The Forum received and noted key details of the performance of LED Community Leisure for 2023.

37 LED Monitoring Forum Terms of Reference update

The Assistant Director – Countryside and Leisure introduced this item which set out proposed changes to the name and terms of reference for the Forum, to reflect the wider Leisure Strategy focus whilst incorporating LED.

Discussion included the following points:

- It is appropriate to keep the same number of Cabinet members on the Forum's membership in order to maintain a sense that this is a Forum of the Council rather than of the Cabinet.
- The Forum's name needs to reflect its role in having an overarching view of the elements which sit within the Leisure Strategy and portfolio.
- There are currently no members from the Conservative group on the membership of the Forum, and the Forum's membership is agreed at Annual Council. Through the Constitutional Working Party, it would be appropriate to consider proportionality on the Forum's membership.

RECOMMENDED to Cabinet:

The following changes to the Terms of Reference for the Forum:

1. The removal of the Portfolio Holder for Coast, Country and Environment and the inclusion of the Portfolio Holder for Culture, Leisure, Sport and Tourism as one of the identified Portfolio Holders within the membership of the Forum.
2. To change the name of the Forum to the Leisure Strategy Delivery Forum.
3. To update the Terms of Reference to reflect the changes in Officers job titles.
4. To formally note within the revised Terms of Reference that the Chair will be appointed at Annual Council.
5. To formally note within the revised Terms of Reference the quorum for the Forum of 4 Members.
6. To formally note within the revised Terms of Reference that the Forum will meet on a quarterly basis, with extra meetings where reasonably required to deal with urgent matters.
7. To note within the revised Terms of Reference that the Forum will have oversight of the Council's wider leisure strategy work as well as providing guidance and scrutiny of the Council's relationship and contract with LED.

The meeting then went into private session.

38 LED service management fee and SLA 2024

The Assistant Director – Countryside and Leisure introduced this report which included the latest draft for a rolling two-year Service Level Agreement (SLA) with LED, and also a request being made by LED for its management service fee settlement for 2024/25.

Following discussion at length, the Forum:

1. Noted the request from LED to provide a budget allocation of £1,819,554 for its 2024/25 Service fee acknowledging that £1,463,924 is currently included in the Draft Revenue and Capital Budget 2024/25.
2. Considered the draft SLA framework document and management service fee settlement request as presented, with final versions to be brought to an extraordinary Forum meeting at the next opportunity for recommendation to Cabinet.

This ensured that the Forum was able to consider in detail the management fee proposal by LED for the 2024/25 financial year with a view to ensuring that LED can remain a viable leisure provider for this council.

RECOMMENDED to Cabinet:

1. That the Council's draft budget remains unaltered at £1,463,924 until a detailed breakdown of the LED service fee payment request is received by the Forum, accompanied by officers recommendations having undertaken appropriate due diligence. This may require an additional budget being agreed at a later stage in the year.

39 **BSCAP 7th Dec 2023 referrals to LED Monitoring Forum - supported in principle but referred to the LED Monitoring Forum for further consideration before recommending for inclusion in the Capital Programme:**

The Assistant Director – Place, Assets and Commercialisation introduced this item, inviting Members to consider referrals from the Budget Setting and Capital Allocations Panel (BSCAP), before recommendation or not for inclusion in the Capital Programme.

BSCAP had referred these proposals to the Forum so that they could be considered in relation to the Leisure Strategy and the wider position with LED.

Members had received the Initial Project Proposal Documents as presented to BSCAP for the following proposals:

1. Exmouth Pavilion Flytower and Auditorium works for £335,100 in 2024/25 and £444,900 in 2025/26
2. Exmouth Pavilion Roof works for £5,000 in 2024/25 and £504,000 in 2025/26
3. East Devon Tennis Centre Roof works for £791,095 in 2024/25 and £21,405 in 2025/26.

The Assistant Director and the Principal Building Surveyor presented the business cases, outlining why the works were necessary and the implications for the sites in the eventuality that the works are not progressed.

Questions, clarification and discussion included the following points:

- The works to the Exmouth Pavilion Flytower and Auditorium are mainly related to health and safety.
- The Exmouth Pavilion Roof works are to reroof the whole of the Pavilion building.
- The Tennis Centre roof is 25 years old and in need of replacement.
- These are community facilities that are very well used with a large catchment area, and the Leisure Strategy identifies the Tennis Centre as the only indoor tennis facility in East Devon.
- The facilities are part of the Leisure Strategy and the Exmouth Pavilion is part of the Cultural Strategy. Both facilities tie into the Tourism Strategy and bring people into the town, supporting the local economy.
- Whilst the facilities are popular, more needs to be done by LED to maximise patronage in order to get best value from the assets and ensure they are used at all times, and this was identified during the Cultural Strategy consultation work.
- The focus is on the capital cost for material significant works, to keep the facilities going and protect the longevity of the sites.
- There will be a revenue implication for the council due to the cost of borrowing from the Public Works Loans Board, and this cost has been allowed for.
- Whilst the sites are in exposed locations, flat roofs and metal roofs should last for 25 years, with pitch and slate roofs expected to last considerably longer. Loans for the repairs will be repaid over a 40 year term. The Finance Director indicated that total borrowings across the authority are worked out as an average.
- Whilst these assets are on the council's portfolio and until a decision is taken to dispose any of them, the council needs to ensure that they are well maintained and fit for purpose. Maintaining them in good condition in some instances will also mean that they will fetch a better price should the council ever need to dispose of them.

- An Asset Management Plan will enable the council to forward plan, with assets scored according to financial and non-financial performance. This will help to inform decisions regarding the assets, going forward.
- Funding is constrained and the council must research every grant that is available.

RECOMMENDED to Cabinet:

1. That the following bids be included in the Capital Programme:
 - a. Exmouth Pavilion Flytower and Auditorium works for £335,100 in 2024/25 and £444,900 in 2025/26
 - b. Exmouth Pavilion Roof works for £5,000 in 2024/25 and £504,000 in 2025/26
 - c. East Devon Tennis Centre Roof works for £791,095 in 2024/25 and £21,405 in 2025/26.

Attendance List

Councillors present:

P Arnott
S Hawkins (Chair)
P Hayward
N Hookway (Vice-Chair)
J Loudoun
S Smith
A Toye
J Whibley

Councillors also present (for some or all the meeting)

C Brown
P Faithfull
M Rixson

Representatives of LED Community Leisure in attendance:

Karen Best, LED Finance Director
Andrew Dare, LED Fitness and Wellbeing Manager
Lottie Edwards, LED Community Engagement Manager
Peter Gilpin, LED CEO
Richard Purchase, Chairman of LED Board

Officers in attendance:

Tim Child, Assistant Director Place, Assets & Commercialisation
Simon Davey, Director of Finance
Sarah James, Democratic Services Officer
Debbie Meakin, Democratic Services Officer
Jorge Pineda-Langford, Principal Building Surveyor, Property & FM
Charles Plowden, Assistant Director Countryside and Leisure
Tracy Hendren, Director of Housing, Health and Environment

Councillor apologies:

M Hall
G Jung

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Overview Committee held at Council Chamber, Blackdown House, Honiton on 18 January 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 6.48 pm

26 Minutes of the previous meeting held on 9 November 2023

The minutes of the previous meeting held on 9 November 2023 were signed as a true and accurate record.

27 Declarations of interest

Minute 31. Beach Amenity Development Plan.

Councillor Brian Bailey, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 31. Beach Amenity Development Plan.

Councillor Daniel Wilson, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 31. Beach Amenity Development Plan.

Councillor John Heath, Affects Non-registerable Interest, Member of Beer Parish Council.

Minute 31. Beach Amenity Development Plan.

Councillor Tim Dumper, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 32. Work Programme 2023-2024.

Councillor Brian Bailey, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 32. Work Programme 2023-2024.

Councillor Daniel Wilson, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 32. Work Programme 2023-2024.

Councillor Jenny Brown, Affects Non-registerable Interest, Member of Honiton Town Council.

Minute 32. Work Programme 2023-2024.

Councillor Tim Dumper, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 32. Work Programme 2023-2024.

Councillor Vicky Johns, Affects Non-registerable Interest, Member of Ottery St Mary Town Council.

28 Public Speaking

No members of the public had registered to speak at the meeting.

29 **Matters of urgency**

There were no matters of urgency.

30 **Confidential/exempt item(s)**

There were no confidential/exempt items.

31 **Beach Amenity Development Plan**

The Beach Safety Officer introduced this item and asked members to consider the Beach Amenity Development Plan (BADP) and make recommendations, before it is presented to Cabinet for approval.

The BADP is a missing piece in the Council's adopted Greenspace Strategy. East Devon's beaches are a core part of the district's tourism offer and central to delivery of key parts of the Council Plan and the Climate Change Strategy. The BADP lays out an ambitious yet achievable vision of how this key resource will be managed in the next five years.

Discussion and clarification included the following points:

- The Beach Amenity Development Plan addressed the amenity and beach users' experience and was a separate document from the Beach Management Plan.
- Concessions and activities on beaches are managed by the Estates team and not Streetscene. It was noted that more could be done to raise awareness and assist with the process of applying for a concession or activity on an EDDC managed beach.
- With regard to pollution, it was noted that water quality was referred to in Principles 8 and 9 of the BADP. Although EDDC does not have primary control over pollution, there was a need for improved electronic signage to alert bathers all year round. The Beach Safety Officer advised that he would be investigating funding and trialling improved signage before taking this matter to Cabinet for approval. Any amendments to the BADP to strengthen EDDC's stance on pollution would have to be referred back to the Executive and Senior Leadership Teams.
- It was noted that acknowledging that EDDC worked collaboratively with partners with regard to beach amenity could be included in the Vision Statement.
- The appointment of additional staff for the Beach Team was welcomed and it was noted that to have a sole Beach Safety Officer was a single point of failure. Funding for additional posts would be by way of council tax and business rates due to development and increased local business resilience.
- With regard to beach matting, the Beach Safety Officer would be looking at grant funding for matting for Budleigh and Sidmouth. Other forms of funding for Exmouth would be considered in 2025.

RECOMMENDATIONS TO CABINET

1. That the Beach Amenity Development Plan be approved.
2. That consideration be given to improving the process for applying for concessions and activities on EDDC managed beaches.

32 **Work Programme 2023-2024**

1. The Committee considered the resolution from Council on 6 December 2023 concerning Coach Tourism in East Devon and the accompanying report from the Democratic Services Manager.

Discussion included the following points:

- There was a need for coach facilities and EDDC should work together with town and parish councils to promote the whole of the District.
- There was also a need to work with existing tourism facilities and to work in co-operation with DCC Highways and all appropriate partners.
- It was noted that some locations were more accessible than others and that smaller numbers of coaches would be appropriate for some locations such as Beer.

RESOLVED

That the Committee wished to carry out further investigation and agreed to set up a Task and Finish Forum to undertake the work.

A detailed scoping document would be brought back to the Committee setting out the next steps including a timetable for the investigations to be conducted and a date for presenting the outcomes of the TaFF back to the Overview Committee.

2. The Committee considered the Cabinet Forward Plan and noted the Work Programme 2024.

Attendance List

Councillors present:

B Bailey
J Brown
T Dumper
A Hall (Chair)
J Heath
V Johns
Y Levine
M Martin
H Riddell
D Wilson (Vice-Chair)

Councillors also present (for some or all the meeting)

C Brown
M Hartnell
R Collins

Officers in attendance:

Peter Blyth, Beach Safety Officer
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Sarah Jenkins, Democratic Services Officer
Simon Davey, Director of Finance

Councillor apologies:

P Fernley
C Nicholas
T Olive

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Placemaking in Exmouth Town and Seafront Group held at Online via the Zoom app on 23 January 2024

Attendance list at end of document

The meeting started at 10.00 am and ended at 11.32 am

18 Minutes of the previous meeting held on 7 November 2023

The minutes of the previous meeting held on 7 November 2023 were noted as a true and accurate record.

19 Declarations of interest

Cllr M Hall - Minutes 21 – 23; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr N Hookway – Minutes 21 – 23; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr D Wilson - Minutes 21 – 23; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr Davey wished it to be recorded that he is on the membership of the Placemaking in Exmouth Town and Seafront Group in his capacity as Portfolio Holder Strategic Planning, Exmouth Ward Member and as Chair of Exmouth Town Council.

20 Public speaking

One member of the public had registered to speak at the meeting.

Mrs Ann Membery commented on the contents of the draft Placemaking strategy and outlined her views concerning the plans for Exmouth town and seafront. Mrs Membery also asked direct questions concerning the Placemaking consultants' report and the Queen's Drive Space.

The Project Manager Place and Prosperity (Exmouth) responded to each of the points raised, and the Chair thanked Mrs Membery for her contribution.

21 Progress update on Exmouth Town and Seafront

The Project Manager Place and Prosperity (Exmouth) introduced this report which summarised the progress with Placemaking in Exmouth since the last update on 7 November 2023. This included an update on the Exmouth Active Travel Improvements / Levelling Up project which is led by Devon County Council (DCC).

In discussion, it was noted that informal conversations have taken place between EDDC and DCC regarding the use of EDDC land to facilitate the widening of the shared path

that runs near the Leisure Centre, as part of the Exmouth Active Travel Improvements project.

22 **Formation of a Subgroup and amending the Terms of Reference for the Placemaking in Exmouth Town and Seafront Group**

The Project Manager Place and Prosperity (Exmouth) presented this report which set out draft Terms of Reference (ToR) for the formation of a Placemaking Subgroup and also set out some recommendations for the review of the ToR for the Placemaking in Exmouth Town and Seafront (PETS) Group.

It was intended that the recommended ToR would enable better communication between the three stakeholder councils in the delivery of Placemaking in Exmouth, and broaden the remit of the PETS Group to include stakeholder input through the delivery phase of the Placemaking Plan.

Questions, responses and clarification included the following points:

- It was proposed to include the Exmouth Town Clerk on the Placemaking Subgroup as a non-voting member, since she is a useful conduit of information for Exmouth Town Council.
- The Subgroup has a non-executive advisory function and is not a decision-making body.
- The Subgroup shall elect its own Chair. One member commented that in the interests of continuity, it may be appropriate for the Chair to be from EDDC.

RECOMMENDED to Cabinet:

1. To adopt the draft Terms of Reference for the formation of the Placemaking in Exmouth Town and Seafront Subgroup with the addition of the Exmouth Town Clerk on the membership as a non-voting member.
2. That the Council write on behalf of the Leader to invite nominees from both Devon County Council and Exmouth Town Council to sit on the subgroup.
3. To adopt the revised Terms of Reference for the Placemaking in Exmouth Town and Seafront Group under the review clause set out in the paper of the 3rd of May 2022.

23 **WSP Presentation**

Ms Gayatri Suryawanshi and Ms Ashira Perera, WSP's Placemaking Consultants, delivered a presentation which outlined at length the Exmouth Placemaking Plan (EPP) framework, the approach to delivery, the business case and investment strategy, and next steps.

Questions, responses and clarification included the following points:

- The funds that have been identified for delivery of the EPP are not confirmed but are aspirational at this point in time, and any grants that are secured going forward will be subject to terms and conditions set out in a letter of offer. Analysis of various other strategies produced within the Council is taking place with a view to accessing internal funds to facilitate delivery of the EPP.
- There is a need to work closely with DCC Highways, the Environment Agency and South West Water to ensure that they are able to deliver their projects and improvements to infrastructure, whilst communicating to them what this Council wants to achieve.
- Members were keen that information boards in the town should acknowledge Exmouth's historical and cultural heritage.
- It is important to listen to local people and to clearly explain the EPP, ensuring residents understand the significant economic benefits for the town, what the Plan includes and does not include, and are on board with what is being delivered.

- The EPP is a ten-year strategic plan which fits with the Council's Local Plan and which emphasises the importance of the environment, aims to strengthen the economy and will give confidence to business and investors.

The Chair thanked the Placemaking Consultants for their comprehensive presentation.

Attendance List

Councillors present:

P Arnott (Vice-Chair)
A Hall
M Hall
N Hookway (Chair)
D Wilson
G Deasy (Exmouth Town Council)
O Davey (Exmouth Town Council)

Councillors also present (for some or all the meeting)

C Brown
G Jung
M Martin
C Nicholas
T Olive
M Rixson
E Rylance
R Jefferies

Officers in attendance:

Sarah James, Democratic Services Officer
Sarah Jenkins, Democratic Services Officer
Gerry Mills, Project Manager Place & Prosperity (Exmouth)
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Matthew Blythe, Assistant Director Environmental Health
Tim Child, Assistant Director Place, Assets & Commercialisation
Katie Webb, Property Lawyer

Chair:

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Sidmouth and East Beach BMP Project Advisory Group held online via zoom on 23 January 2024

Attendance list at end of document

The meeting started at 2.00 pm and ended at 3.49 pm

51 Welcome

The Chair welcomed all to the meeting.

52 Note of previous meeting held on 8 March 2023

The notes of the previous meeting were agreed subject to amendments of typographical errors and explaining the acronym of MMO as Marine Management Organisation. In response to a question, the Outline Business Case submission to the Environment agency would be published online for the benefit of the group as soon as possible.

53 Project update

The Engineering Projects Manager gave an update on the project. He highlighted the recent developments of:

- Beach Management Plan fully approved/assured by the Environment Agency
- Detailed stage of the design can now get underway
- The Plan now becomes a scheme, referred to as a Beach Management Scheme (BMS)
- Funding can start to be drawn down to progress the project.

The outline business case that supported the plan would soon be published online for information.

Thanks were expressed for the involvement of many parties in getting the project to this stage, particularly when the programme was under threat of removal.

The Project Board had met with Atkins and Kier to request the preparation of a suitable proposal with a view to appoint them as consultants/contractors to deliver the project. Early engagement with Natural England and the Jurassic Coast Trust had also been sought with Atkins. There was also consideration of an external project manager to aid delivery.

54 Introduction to Kier/Atkins

Introductions were made to the Group of associates from the Atkins/Kier arrangement. Present at the meeting were:

- Adrian Parker, Kier, DCloS Delivery Manager
- Richard Greet, Estimating Manager
- Andrew Yetton, AtkinsRealis Associate Director
- Heather Coutts, AtkinsRealis Associate (EIA)

The Group were told about the Collaborative Delivery Framework, and were shown the range of services that AtkinsRealis and Kier provided to this. Both had over 25 years

experience in working in the South West for Atkins; and in relations with the Environment Agency delivering FCERM projects for Kier.

A number of examples of previous successful projects were shown to the Group from around the South West area and elsewhere in the country, such as:

- Lydd Ranges coastal defence scheme;
- Bunn Leisure coastal defence scheme;
- Sandy Lane coastal works;
- Starcorss and Cockwood Harbour;
- Teignmouth Point Sea Wall; and many others

The design process stages were also explained.

Specifically on the Sidmouth and East Beach BMP, based on the funded option 6, a slide was shown to the group displaying the desired outcomes along with visual representation of the design elements along the beach that would be further refined as the project progressed.

Comments from the Group included:

- A plea to ensure the new timetable was met, because of the protracted nature of developing the scheme and securing funding that had taken many years; in response, it was explained that the project would have contractual milestones, subject to securing permissions (such as planning permission). Once the project scope was finalised, this would give a clearer timeframe to be shared with the local community;
- If priority to the east beach element of the scheme could be made, because of the properties at immediate risk at that end;
- Close liaison requested with the consultants in regards to the ramp project so that this could be incorporated both into the scope (subject to the client's approval) and into the public consultation exercises.

55 **Short term programme**

The Engineering Projects Manager advised that the design proposal, based on the scope drafted by the subgroup of the Advisory Group, was expected from Atkins/Kier in March 2024. There may be further consultation with the subgroup at this stage.

The Project Board would form a view on the proposal brought forward by Atkins/Kier, to ensure that the scope is updated to provide a deliverable scheme.

The final scope would be circulated to the Group before consultation with the wider community on the design details. The proposal will also feature a programme setting out the works to completion.

56 **Presentation from Ebb Tide on Sidmouth seaweed biosphere/marine nature reserve/farm**

The Chair welcomed John Hammond and Tony Coulson, Directors of Ebb Tide to the meeting.

Mr Hammond set out how Ebb Tides undertake the harvesting of seaweed and develop a number of products from it. He also showed the phases for putting a seaweed biosphere in place.

He showed the group a location map of a potential site for a seaweed biosphere. An artificial reef would be created with natural materials. Evidence gathered from similar installations in other countries showed a wave activity reduction on coastal areas of up to 40%. There were also a number of other benefits, including carbon offsetting, increasing marine stocks and diversity, and cleaner waters. The Group were told of some existing projects, and the links with experts in various related fields that the company had.

Whilst the proposal was not part of the current BMP, they requested that it was considered for future inclusion if possible. They were seeking funding for their “soft engineering” solution.

In response, the Chair and attending officers were in agreement that the proposal, whilst unproven at this stage, should be referred to the contracted consultants to see if such a proposal could add benefit to the scheme – however not to the detriment of the progression of the scheme being implemented. Further discussion would be welcomed between parties, as there were clear benefits but also a clash with current policy in regard to that in place by the Jurassic Coast team.

There was general agreement within the Group that seaweed biospheres offered a number of wide ranging benefits and should be explored where possible.

57 **Proposed next meeting period**

The next meeting of the Advisory Group was likely to be held in the summer of 2024. In the meantime, any updates on progress would be circulated to the group by email.

The Project Board would plan out the public consultation periods. A request was made to give adequate notice of the engagement exercises, ideally at least two months.

Attendance List

Councillors present:

Todd Olive
Geoff Jung (Chair)
John Loudoun
Marianne Rixson

Also present (for some or all the meeting)

M Davies
T Burch
S Scriven
P Shepperd
Aldridge
Elliott
P Griew
Rafferty
Walden-Till
Goodman
Coulson
Coutts

Greet
Hammond
Parker
Skinner
Yetton

Officers in attendance:

Tom Buxton-Smith, Engineering Projects Manager
Andrew Hancock, Assistant Director StreetScene

Councillor apologies:

I Barlow
S Hughes

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the consultative meeting of Scrutiny Committee held Online via the Zoom app on 1 February 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 8.55 pm

71 Declarations of interest

Minute 76. Report from South West Water on current issues affecting the District. Councillor Andrew Toye, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 76. Report from South West Water on current issues affecting the District. Councillor Ian Barlow, Affects Non-registerable Interest, Member of Sidmouth Town Council.

Minute 76. Report from South West Water on current issues affecting the District. Councillor Joe Whibley, Affects Non-registerable Interest, Member of Exmouth Town Council.

Minute 76. Report from South West Water on current issues affecting the District. Councillor John Heath, Affects Non-registerable Interest, Member of Beer Parish Council.

Minute 76. Report from South West Water on current issues affecting the District. Councillor Mike Howe, Affects Non-registerable Interest, Member holds shares in South West Water.

72 Matters of urgency

There were no matters of urgency.

73 Confidential/exempt item(s)

There were no confidential / exempt items.

74 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.

75 Public speaking (30 minutes)

No members of the public had registered to speak.

76 Report from South West Water on current issues affecting the District

The Chair welcomed representatives of South West Water to the meeting; Alan Burrows, Director of External Liaison, Mark Worsfold, Director of Asset Management, Hazel Tranchant, Senior Asset Manager and Sarah Sharpe, Community Engagement Officer.

Twelve questions had been sent in advance to South West Water (SWW). Responses to those questions had been published with the agenda. The Chair invited Mr Burrows to speak to the responses and to update the Committee on the current situation with regard to improvements.

Questions were taken in order with the following points highlighted and discussed:

Question 1

- Pollution Incident Reports are issued by the Environment Agency (EA), in response to notification by SWW. Information regarding Pollution Incident Reports is held on the EA website.
- SWW is legally required under some of its permits to report shellfish reportable incidents. It was noted that on two occasions reportable incidents had not been reported. SWW proposed to meet with EDDC officers to discuss this matter.
- The offer of a meeting was welcomed by the Assistant Director, Environmental Health, to ensure that EDDC Environmental Health (EH) received the correct notification in a timely way and appropriate format. EDDC has a number of responsibilities, and it would greatly assist to have earlier notification of pollution incidents directly from SWW, rather than wait for the legal notification from the EA.
- It was suggested that the meeting between SWW and EDDC EH should also include a representative from the EA to ensure clarity on the duties and roles of the various agencies involved.
- Councillors would welcome earlier notification over and above the legal requirements.
- SWW advised that alerts are issued via the WaterFit Live system on the SWW website and that these are above the minimum legal requirement for notification of pollution incidents. EDDC officers also receive WaterFit Live alerts direct from SWW.

Question 2

- With regard to the pollution spill at Exmouth on 5 and 6 January 2024, a WaterFit Live alert had been in place since 30 December 2023 and covered the period to 8 January. SWW is confident that it had done as much as possible to work with the community and Town Council in Exmouth to provide information regarding the spill. Further meetings are planned shortly in Exmouth regarding this issue.
- Councillors suggested that a further alert would be helpful where an incident is on-going or a new incident has occurred during a period already covered by an existing alert. This is also a matter of how such a situation is managed within EDDC.

It was agreed that there is a need to learn from mistakes and to find ways to improve working together going forward.

Question 3

- Reports of incidents to SWW often do not contain sufficient information from customers such as a photograph which would assist SWW to respond.

Question 4

- Pumps at Exmouth had been uprated in September 2022 as part of SWW's strategy to improve spill performance in the Exmouth area. The risk of a burst had not increased by the uprating and the burst had occurred due to a defect in the pipe which was not pressure related.

Question 5

- SWW plans to double capacity at the Maer Lane treatment works to deal with storm events. Work is on-going through schemes to remove the non-foul flows from the combined sewer.
- Concern was expressed regarding capacity and spills occurring during good weather, rather than storm events, in the Clyst St Mary area.
- Concern was also expressed regarding the length of time taken to report some incidents.
- SWW advised that they are held to account by the EA regarding reporting times.

Questions 6 - 10

- SWW is committed to its WaterFit programme. The strategy involves removing surface water from the sewer system which will enable SWW to better manage the system.
- Event Duration Monitors (EDM) have to be maintained and the EA requires SWW to have the EDMs operable for 90% of the time, although SWW aims at 98% operability. OfWat is looking to introduce penalties where EDMs are inoperable.
- Under SWW's permits, storm overflows are required to have screens to remove solid matter.
- It was noted that there may be times when it is unsafe for the EA to collect water samples, particularly during winter months.
- E.Coli and Enterococci bacteria may have come from sources other than human waste.
- Regarding separation of surface water from the combined sewer system, various options are considered for different areas in order to install surface water separation schemes.

Question 11

- SWW has identified a future capacity issue at the Countess Wear treatment plant as part of its Drainage and Waste Management Plans which are now becoming a legal requirement. A new treatment plant, east of the Exe, will be required to deal with future development, with the exact location yet to be determined and completion likely to be 5 to 10 years away.
- Concern was raised with regard to waiting times for issues to be resolved such as the recent spill in the Cranbrook Country Park and what measures are being taken to prevent a similar occurrence. SWW would provide a response to this issue.
- SWW wants to work with EDDC regarding future housing development needs and to take these into account.
- There needs to be clarity with regard to the use of the term 'capacity' as SWW is not exceeding its dry weather flow on any development sites.
- Regarding the 2010 water study, all options were considered for east of East Devon prior to the development of Cranbrook. Flow and load surveys determined that there was headroom at the Countess Wear plant at that time. It is noted that further capacity to the east of Exeter will be required in the future.
- The community at Clyst St Mary is seeing increased sewage spills and it is of real concern that planning applications are being approved for development under the new Local Plan. This situation results in Councillors questioning SWW's information regarding capacity.
- SWW advised that there is an issue with surface water between Clyst Honiton and Clyst St Mary and further work is needed to address this issue which contributes to the problem at Clyst St Mary.
- SWW has offered to meet with EDDC regarding future housing development. EDDC has acknowledged the offer of a meeting and is currently awaiting the water cycle report which is due imminently and will help to inform the discussion on future development capacity issues.
- Regarding a question on capacity at the Fluxton treatment plant, SWW would respond to EDDC in due course as the relevant information was not available at the meeting.
- Regarding a question on capacity to the east of Exeter and how this will be impacted by the proposed new town, SWW advised that it would be more appropriate to discuss this at the planning meeting with EDDC when data specific to this issue would be available.
- Councillors would welcome having a specific contact at SWW when issues arise in their wards. SWW would advise the most appropriate contact following the meeting.

- In response to a question regarding the fact that a potential sewage treatment plant at Cranbrook had not been built, SWW advised that issues in other parts of East Devon, such as those at Clyst St Mary and Exmouth, were not linked to the process of treating sewage from Cranbrook at the Countess Wear treatment plan.
- Responses to questions raised during the meeting would be circulated to all Councillors.
- Concern was expressed regarding pressure on drinking water due to climate change and further housing development.
- SWW is currently updating its Water Resources Management Plan and looking at options such as moving water more easily around the southwest area.
- In response to a question regarding flushing, SWW advised that the water supply would not normally be interrupted during flushing as the purpose is to remove deposit build up in pipes. Residents would normally be advised if their water supply is to be interrupted.

The Chair thanked Alan Burrows, Mark Worsfold, Hazel Tranchant and Sarah Sharpe for attending the meeting and for their contributions.

The meeting was adjourned for a 10 minute break to enable Members to formulate recommendations.

On the resumption of the meeting, the following recommendations were agreed for ratification at the next Scrutiny Committee meeting.

RECOMMENDATIONS TO BE RATIFIED BY THE SCRUTINY COMMITTEE

1. That a meeting be arranged between South West Water and EDDC Environmental Health Officers.
2. That a meeting be arranged between South West Water and EDDC Planning Officers, to possibly include the Chair of the Planning Committee, the Chair of the Strategic Planning Committee, the Leader of the Council and Cllr Mike Howe, to discuss planning matters.
3. That a Task and Finish Forum be scoped to consider sewerage issues.
4. That the Corporate Lead for Communications works with South West Water to put in place a communications process to enable EDDC Members to be fully informed and obtain information relating to their wards.
5. That South West Water be invited back to a Scrutiny Committee meeting in six months' time.
6. That the Leader of the Council lobbies central Government with regard to sewerage issues.

Attendance List

Councillors present:

I Barlow
J Brown
M Chapman
B Collins
R Collins
M Goodman (Chair)
A Hall
J Heath
V Johns
J Kemp (Vice-Chair)
D Mackinder

S Smith
A Toye
J Whibley

Councillors also present (for some or all the meeting)

G Jung
D Ledger
E Rylance
T Olive
P Arnott
O Davey
P Fernley
N Hookway
M Howe
R Jefferies
K Blakey
K Bloxham
P Faithfull
S Hawkins
J Bailey

Officers in attendance:

Andrew Hopkins, Corporate Lead - Communications, Digital Services and Engagement
Sarah James, Democratic Services Officer
Sarah Jenkins, Democratic Services Officer
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Matthew Blythe, Assistant Director Environmental Health
Ed Freeman, Assistant Director Planning Strategy and Development Management
Tracy Hendren, Director of Housing, Health and Environment
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)

Councillor apologies:

F Caygill

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Scrutiny Committee held at Council Chamber, Blackdown House, Honiton on 24 January 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.47 pm

60 Minutes of the previous meeting

The minutes of the previous meeting held on 16 November 2023 were agreed and signed as a true record.

61 Declarations of interest

Minute 66. Report on UK Shared Prosperity Fund Evaluation Plans.

Councillor Vicky Johns, Affects Non-registerable Interest, Member is employed by an arts charity.

Councillor Vicky Johns, Affects Non-registerable Interest, Member of Ottery St Mary Town Council which owns the Ottery St Mary station hub.

62 Public speaking

There were no members of the public registered to speak.

63 Matters of urgency

There were no matters of urgency.

64 Confidential/exempt item(s)

There were no items which officers recommended were dealt with in this way.

65 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.

66 Report on UK Shared Prosperity Fund Evaluation Plans

The UK Shared Prosperity Fund (UKSPF) is a significant source of devolved funding for the investing in local communities and supporting local businesses, with EDDC using its £2.6m allocation to fund 13 projects. The report provided an overview of the UKSPF funded activity for 2022-23 and the key findings of the evaluation work undertaken to date. It was intended that the report would be provided on an annual basis to update the Committee on how UKSPF funded activity was performing relative to the EDDC UKSPF Evaluation Strategy.

In presenting the report, the Economic Development Officer advised that the Government should be measuring the quality of the impact of the funding and not just the quantity.

Questions and discussion included the following points:

- Under the funding regulations, 4% of the budget was permitted for administration costs and this had enabled EDDC to focus on projects evaluation and hire the Economy Projects Assistant to undertake this work.
- The setting up and work of the Arts and Culture East Devon network (ACED) was proving to be very valuable, particularly the in-person meetings and more workshops would be welcome.
- As the Department of Levelling Up, Housing and Communities (DLUHC) released more data relating to the UKSPF, a greater understanding will be gained which will assist with understanding qualitative outputs.
- It was noted that originally there had been 14 projects, 2 of which had been amalgamated, and it was suggested that the website be updated to reflect this position.

The Committee thanked the Economic Development Officer and the Economy Projects Assistant for the report and for their work which benefits and promotes East Devon.

RESOLVED

1. That the Scrutiny Committee note the UKSPF evaluation undertaken, along with the challenges identified and proposed recommendations.
2. That the Scrutiny Committee agreed to officers providing written feedback to DLUHC on the need for qualitative metrics to be made available to measure the success of projects where quantitative metrics alone are not appropriate.

67 **Report on consultancy and agency spend 2022**

The Committee considered the report which detailed capital and revenue spend on consultants and specialist advice and agency staff for 2022 – 23.

The Finance Manager advised that the Council used the services of consultants and specialist advice and agency staff when there was no in-house expertise or capacity or to cover staff shortages.

Questions, comments and discussion included the following points:

- Attention was drawn to the expenditure on Price Waterhouse Coopers LLP for the service reward review [report page 36, line 12]. It was noted that the staff reward review had been well received and was now resulting in positive outcomes regarding recruitment and retention of staff. This should also reduce the need for future use of consultancy and agency staff and result in savings.
- With regard to expenditure on Terraquest [report page 36, line 7], this work had now been brought back in house.
- It was noted that expenditure on Anthesis (UK) Ltd [report page 36, line 1] relates to the Interconnector project and not the day to day operation of the district heating networks.
- It was also noted that there was considerable expenditure due to the Local Plan work.
- It was worth highlighting those areas where it was difficult to recruit or retain staff in future reports.

The Committee thanked the Finance Manager for his report.

RESOLVED

That the Committee note the details of expenditure on consultants and agency staff in 2022 – 23.

68 **Portfolio Holder report on Economy**

The Portfolio Holder for Economy, Cllr Matt Hall, presented his report which provided a summary of some of the main areas of progress made over the last six months. Following on from the previous report, the Portfolio Holder highlighted that the Economic Development were producing a new Economic Development Strategy (EDS) for East Devon without consultancy or agency support. The work highlights collaboration with other portfolios.

Discussion and responses to questions included the following points:

- It is difficult to provide commercial sites in East Devon and attract a variety of businesses who would employ a range of employees, including young people.
- The first draft of the Economic Development Strategy is with the Portfolio Holder for initial review, with a final draft to Cabinet currently planned for May.
- A district wide survey for the Economic Development Strategy is under development and will go live on 19th February.
- Business leaders had been invited to assist with developing the Economic Development Strategy and this had been well received. It is hoped to continue these meetings.
- There is a need to create more sustainable sites and communities to provide employment for everyone, and Members need to be mindful of this when considering the new Local Plan.
- There is also a balance to be struck between providing employment and protecting the landscape.
- The Climate Strategy is heavily referenced in the emerging Economic Development Strategy.
- It was noted that the Council owns employment land, and a lot of work is being undertaken by other teams to assess viability before sites are put forward for the Local Plan.
- The Housing and Economic Land Availability Assessment (HELAA) is the process by which viability of sites is considered.
- East Devon is well placed for provision of logistics, with good progress being made in the Enterprise Zone.

Correction: Members queried on pg.4 of the report a bullet point which reads “Three quarters of those aged 16+ in East Devon are economically inactive due to retirement”. This should have read “Three quarters of those aged 16+ in East Devon and economically inactive are economically inactive due to retirement”.

The Portfolio Holder was thanked for his report and the Economic Development Team were thanked for their work.

The Committee agreed to note the report.

69 **Quarterly performance report Q2 2023 - 24**

The Monitoring Officer presented the report and noted that the area showing cause for concern was corporate complaints and that this was currently being addressed.

It was noted that the performance framework is under review as is the performance management system and presentation of information. The new Council Plan will set out the measures to be taken although this will take time to filter through.

It was agreed that the definition of the indicators should be included in the quarterly performance reports going forward.

RESOLVED

That the performance against delivery of key performance indicators for the 2nd quarter of 2023 – 24 was noted and that the progress of the performance framework review being developed was also noted.

70 **Forward Plan**

The Forward Plan was discussed and the following points noted and agreed:

- The interim update on progress with S.106 and CIL resources and processes would be added to the meeting of 7 March.
- Portfolio Holder report on Sustainable Homes and Communities would be received later in the year, with the scope to be agreed and to include matters not covered by the Housing Review Board and the Poverty Working Panel.
- Report on car parks review to be received later in the year, pending information on progress with the review.
- The scope of Portfolio Holder reports to be agreed with the Chair and Portfolio Holders in sufficient time prior to the relevant meeting.

With the above amendments, the Forward Plan was agreed.

Attendance List

Councillors present:

B Collins
R Collins
M Goodman (Chair)
A Hall
V Johns
D Mackinder
J Whibley

Councillors also present (for some or all the meeting)

P Faithfull
M Hall
R Jefferies
G Jung
D Ledger
J Loudoun

Officers in attendance:

Sarah Jenkins, Democratic Services Officer
Robert Murray, Economic Development Manager
John Symes, Finance Manager
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Tom Winters, Economic Development Officer
Andrew Wood, Assistant Director Growth Development and Prosperity
Zoe Smith, Economy Projects Assistant

Councillor apologies:

I Barlow
J Heath
S Smith

A Toye

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Housing Review Board held at Council Chamber, Blackdown House, Honiton on 25 January 2024

Attendance list at end of document

The meeting started at 10.00 am and ended at 12.30 pm

37 Minutes of the previous meeting

The minutes of the previous meeting held on 9 November 2023 were agreed.

In response to a query relating to minute 29, review of housing compliance policies, the Assistant Director – Housing (Tenancy Services) confirmed that she would find out whether tenants had been contacted regarding on-going asbestos care and report back to the Housing Review Board.

38 Declarations of interest

There were no declarations of interest under the Code of Conduct. Councillor Sarah Chamberlain declared that she was employed by Exeter City Council in the housing department. Sue Dawson declared that she was a council housing tenant. In relation to agenda item 8 Councillor Chris Burhop declared that he was a director and co-owner of Alarmtec Ltd, and a shareholder in Firemark Ltd and Extinguish Ltd but none of these companies were tendering for works under the fire safety policy. Non committee member Councillor Steve Gazzard declared that he was a council housing tenant.

39 Public speaking

There were no members of the public registered to speak.

40 Matters of urgency

There were none.

41 Confidential/exempt item(s)

There was one confidential/exempt item.

42 Housing Review Board forward plan

The Assistant Director of Housing (Tenancy Services) presented the forward plan and explained the revised format of the plan and the reasoning behind these changes in that it aligned with the Scrutiny Committee's forward plan format. Members were advised that the forward plan acted as a reminder of agenda items to come forward to future meetings. Dates for the future items would be populated once dates for 2024/25 Housing Review Board meetings had been agreed. Members were reminded that they could add further reports and topics for discussion to the next forward plan by either informing herself or the Democratic Services Officer.

43 Gas and fire safety policies

The Housing Review Board were asked to consider and agree the amended reviews of the gas safety policy and the fire safety policy for housing, to ensure compliance with current legislation and regulations relating to those statutory areas of compliance.

The gas safety policy set out East Devon District Council's approach to managing gas safety within properties owned and/or managed by East Devon District Council, including community centres, communal areas and district offices. The policy detailed how East Devon District Council met the requirements for gas safety under the Gas Safety (Installation and Use) Regulations 1998, including all amendments. In addition to this, the policy provided assurance that measures were in place to ensure compliance with these regulations and to identify, manage and/or mitigate risks associated with gas installations and gas appliances owned by the Council.

The fire safety policy set out East Devon District Council's approach to managing fire safety within properties owned and/or managed by East Devon District Council, including community centres, communal areas, district offices and houses of multiple occupation (HMOs). The fire safety policy detailed how East Devon District Council met the responsibilities under the Housing Act 2004, The Regulatory Reform (Fire Safety) Order 2005, the Fire Safety Act 2021 and the Fire Safety (England) Regulations 2022. The overall aim of the policy was to manage and reduce, as far as reasonably practicable, the risk of fire to occupiers of Council properties, visitors, staff, contractors and the general public.

It was noted that the policy and procedures for accessing properties were in line with best practice and should be followed. With regards to gas inspections every attempt was made before certification expired, with the process commencing in month ten, before the twelve months was up. It was important to ensure the procedures under the policies worked for the Council and allowed it to raise awareness at every opportunity for tenants.

Both the gas policy and the fire policy, along with the procedures, would be consulted with through the Resident Involvement Monitoring Group.

RECOMMENDED: that Cabinet recommend to Council approval of the amendments to the gas safety policy and the fire safety policy for housing service properties.

44 **Resident Involvement Strategy**

The Tenancy Services Manager's introduced himself to the Housing Review Board and gave a brief description of his background. His report outlined EDDC's consultation and redesign of its Resident Involvement Strategy 2024-2027, which replaced the previous 2019 strategy. The report detailed the background of the Resident Involvement Strategy, the consultation undertaken over the past year and a summary of the key points of the new strategy and the legislation governing it.

A tenant focussed approach was needed to all aspects of work within the housing service. It was vital that tenants were included from the start of policy formation, that tenants were given the training they needed to be fully involved and that tenants were kept up to date with clear, concise and relevant information about service performance.

An in depth, and detailed approach to reviewing and updating the Residents Involvement Strategy (RIS) was adopted. Extensive consultation was undertaken and adherence to best practice and legislative requirements was ensured. Self-assessments of current performance against the Consumer Regulatory Standards, and the current RIS were

completed, and measured performance against the strategies of other social housing providers.

The five main objectives of the new Resident Involvement Strategy were:

- To understand more about the people who live in council homes.
- To improve the value of tenant engagement.
- To increase diversity within involved tenants.
- To improve communication and consultation with tenants.
- To value the involved tenants, volunteers and communities.

The Resident Involvement Strategy would be taken to full public consultation.

RECOMMENDED:

1. that Cabinet note the report and agree that the Resident Involvement Strategy can now go to open public consultation.
2. that Cabinet approve the Resident Involvement Strategy for the next three years in the event that no significant changes are made as a result of the public consultation. (Housing commit to bring the strategy back to the Housing Review Board should significant changes be made as a result of said consultation).

45 **Housing Review Board annual budget report**

The Director - Finance presented the draft revenue and capital budgets for 2024/25 for consideration by the Board.

At the same time as preparing the draft budget, draft service plans had been prepared for members consideration. Service plans and budgets were aligned and linked back to the Council Plan.

The Housing Revenue Account (HRA) was underpinned and influenced by a business plan. This plan needed to be updated with revised financial modelling once the housing condition survey work was complete.

The draft 2024/25 budget approach had been similar to the current year with variations as noted in the report. The budget was balanced in that income raised by rents covered current expenditure. The budget was seen as an interim solution whilst restructured teams bedded in, which could also result in the re-organisation of budgets but within the same financial envelope. All planned expenditure was met from available income.

The Director – Finance highlighted to the Board that the budget did not reflect the stock condition survey results. It could be necessary to undertake a reallocation of budgets or the use of additional reserves to meet priorities in the financial year to reflect the findings of the housing stock condition survey but at this stage it was considered there were sufficient resources available. The Housing Review Board would be updated on any reallocations. Other pressures on the HRA budget were decarbonisation of the housing stock as well as expanding the housing stock.

The increase in any individual tenants rent was normally limited to inflation + 1% for the forthcoming financial year. Inflation was taken as the Consumer Price Index (CPI) rate at the prevailing rate for September 2023, which was officially registered at 6.7%. The draft budget assumed an increase in Council house rents to this level with a factor included for a reduction in stock numbers and voids giving £21.48m, an increase of £1.47m. An

increase of 3.5% had been assumed on garage rents giving an additional £8k in income, but members might consider this not to be appropriate.

The proposed Housing Revenue Account draft budget presented was a balanced budget, with any surplus to be included within an increased contribution to capital of £1.2m to invest in stock and fund capital projects. The HRA Balance was currently predicted to meet the £3.1m level at the end of 2023/24 once contributions to and from reserves were taken into account. There was an additional £1.6m being held in the HRA debt Volatility Fund, which remained unchanged.

A summary of the capital funding position was also provided for the Board. The HRA proposed expenditure in 2024/25 was £4.906m, funded from the HRA. This represented the same level of investment as currently provided and seen by the service as suitable to meet the requirements at present, until a full stock condition survey was completed and maintenance and improvement plans were fully developed. It was likely that further funding would be needed and a report would be brought back to the Board detailing any significant capital investments required.

Explanations were provided for the staffing and contractor spends and pay awards in the budget and a request was made for an update on the cyclo boiler project.

RECOMMENDED: that Cabinet approve and recommend to Council the draft Housing Revenue Account revenue and capital estimates, including the proposed rent increases for 2024/25.

46 **Repairs and voids performance**

The Responsive Repairs and Voids Service Manager introduced herself and gave a brief description of her background. She went on to give the Housing Review Board a presentation which outlined the Council's approach to improving performance across its housing repairs contracts and in the management of empty Council homes. The report outlined the progress made to date and the actions being taken to further improve performance in these areas.

Since the last HRB meeting, the number of empty homes continued to reduce month on month and void turnaround times were also decreasing. In December 2023 127 empty homes were recorded, which was down from 168 in July 2023. A number of steps were being taken to ensure void performance and these were noted in the report and explained during the presentation.

The target for routine repairs to be completed within target by the two main contractors, Ian Williams and Liberty Gas, was 90% (100% for emergency repairs). Officers acknowledged there was further work to be done, but progress was now being made with 83% of repairs being completed within time in December 2023, against 75% of repairs in July 2023. A number of steps were being taken to improve performance across the repairs contracts and these were noted in the report and explained during the presentation.

To ensure the service was in a position to meet upcoming challenges and invest wisely in the housing stock portfolio some additional measures were being taken to future proof the service. A review of the service had been undertaken to ensure the right people were in the right places. Resources would continue to be reviewed in line with the demands on the service and the contractors would be supported to do the same. There was an upcoming skills review to inform a training plan for the teams for all staff to

develop and be further equipped to deal with the challenges of the large contracts. Data from the stock condition survey would inform the Asset Management Strategy and the Investment Plan for the next five years, which would improve the overall decency of the Council's homes and therefore impact the Council's position on responsive repairs.

The Responsive Repairs and Voids Service Manager was thanked for her presentation and a number of issues were raised and discussed, including:

- The efficiency and effectiveness of contractors' staffing.
- Challenging resource issues.
- Improvements and commitments made by Ian Williams
- Voids broken down into areas to identify trends and inform ward members.
- Importance of paper customer feedback forms.
- Carpets in good condition would be cleaned and left for incoming tenants.
- Use of tenant inspectors and the desire to introduce this in the future.
- Tenant involvement and the resident repairs forum.
- Breakdown of void costs.
- Reasons why properties were becoming void.

RESOLVED: that the Housing Review Board notes the report and the actions taken.

47 **Asset Management Strategy**

The Housing Review Board considered the report of the Interim Compliance and Planned Works Manager which recommended the development of an asset management strategy (AMS) for EDDC's housing stock. The report covered how the AMS would ensure the service met legislation, regulation and be able to forecast budgetary requirements in maintaining Council homes. The AMS would assist in guiding future strategic property decisions to ensure EDDC managed the housing portfolio efficiently. The AMS would include fully costed five, ten, fifteen and thirty year plan of works based on the outcome of the stock condition survey programme. The report also recommended that a project board be formed to deliver the AMS.

At present EDDC did not have sufficient detailed information to enable it to accurately forecast and budget for the financial implications of managing its repair and maintenance obligations. It was important to take a knowledge-based approach. The outcome from the AMS would include detailed information on each property in the housing portfolio, including components, age, condition, life expectancy, energy efficiency, together with fully costed plans of works.

The purpose of an AMS was to set out and demonstrate:

- An understanding of the property assets owned and managed by EDDC, including their attributes and characteristics.
- An understanding of EDDC's liabilities, in particular the investment needs of the stock in the short- medium and longer term as identified through stock condition surveys and EDDC's database.
- Adopt an approach to the strategic management and maintenance of the assets to maintain them in good and tenable repair.
- An understanding of when disposal, purchase, and development would be recommended.

The Housing Review Board noted the profile of its housing portfolio. It was a mixed portfolio spanning several different property types. They were held on a mixture of tenures; general needs tenancy, freehold, licence and leasehold. The portfolio also included 15 community centres, which were part of the AMS.

It was noted that as part of the stock condition programme there were still about 100 properties remaining to be surveyed. About 80% of the portfolio had been inspected, with this reaching 90% by the end of January when the project would be completed. The surveyors, Currie and Brown, would provide a detailed report once the programme was completed. The report would set out the key findings of the programme and include comprehensive five, ten, fifteen and thirty year works programmes, which would form an element of any future AMS.

The Interim Compliance and Planned Works Manager described:

- the development of the specification/scope and approach to the AMS,
- how it linked to other EDDC strategies and plans,
- climate change and EDDC's commitment to be a Carbon Neutral Council by 2030,
- consultation/resident engagement, and
- mobilisation/timescales.

Those present agreed the need for the housing service to be ambitious and well informed by data and policy.

RECOMMENDED:

1. that Cabinet approve the appointment of a consultant, if required, to develop the Asset Management Strategy.
2. that Cabinet recommends to Council the approval of an additional budget in the sum of £50,000 to fund this appointment.
3. that delegated authority be given to the Assistant Director of Housing (Housing Tenancy Services) to agree a fee with this consultant, not exceeding £50,000.

48 **Housing Service Plan**

The Assistant Housing Directors' report presented the draft service plan for the Housing Service covering the period 2024/25. Each service area across EDDC produced a service plan that outlined key projects for the year ahead with information that related to the detail and timescales of how they would be achieved. The plans gave a summary and overview of the service delivered and the service plan also summarised key performance indicators that would be monitored.

The housing service plan presented to the Board captured a plan for the whole housing service, including the strategic homelessness function and other roles that would not be monitored by the HRB. The housing service plan had also been reviewed by the Council's joint Overview and Scrutiny Committee on 11 January 2024 and comments from this meeting and the HRB would be incorporated into the final service plan.

Section one of the service plan gave a brief description of the day-to-day services and provided a staffing structure. A request was made for this useful staffing structure to be published in the Housing Matters magazine. Section two covered project management and additional workstreams for 2024-25. Section three of the service plan related to performance targets.

The Assistant Director of Housing (Tenancy Services) explained that the service plan linked closely with the housing strategy and was designed to complement a number of other housing plans and policies as part of how the Council managed its own housing stock the services it delivered. The service plan was intended as a working document and service managers would cascade the contents at their team meetings and reflect priorities in officer objectives. The plan would also be presented to the appropriate

resident involvement panel in order to ensure awareness and understanding of the content of the plan.

RECOMMENDED: that Cabinet approve the Housing Service Plan 2024/25.

49 **Exclusion of the press and public**

RESOLVED: that under Section 100(A) (4) of the Local Government Act 1972 the public (including the press) be excluded from the meeting as exempt information, of the description set out in the agenda is likely to be disclosed and on balance the public interest is in discussing these items in private session (Part B).

50 **Housing Task Force update**

The Interim Housing Strategy, Enabling and Project Manager introduced himself and gave a brief explanation of his background. His report updated members on the progress of the Housing Task Force. It outlined the new team structure and provided an overview of the objectives and direction of the new team, included an update on current sites, delivery options and the proposed development of a five-year investment and delivery plan.

RECOMMENDED:

1. that Cabinet note the revised Housing Strategy, Enabling and Projects team structure.
2. that Cabinet note the progress to date and future direction of the new Housing Strategy, Enabling and Projects team.
3. that Cabinet note the development of a new Housing Strategy and Housing Investment and Delivery Plan.
4. that Cabinet approve the creation of the Senior Surveyor post within the Housing Task Force on a permanent basis as set out in the report.
5. that Cabinet recommends to Council, the approval of additional budget in the sum of £74,000 to fund the Senior Surveyor post within the Housing Task Force.

Attendance List

Board members present:

Sue Dawson, Tenants
Sara Clarke, Independent Community Representative
Rob Robinson, Independent Community Representative
Councillor Sarah Chamberlain (Chair)
Councillor Peter Faithfull
Councillor Tony McCollum
Councillor Helen Parr (Vice-Chair)
Councillor Christopher Burhop

Councillors also present (for some or all the meeting)

B Bailey
S Gazzard
R Jefferies
D Ledger
J Loudoun
S Smith

Officers in attendance:

- Simon Davey, Director of Finance
- Amy Gilbert-Jeans, Assistant Director Housing (Tenancy Services)
- Rebecca Heal, Solicitor
- Tracy Hendren, Director of Housing, Health and Environment
- Andrew King, Interim Tenancy Services Manager
- Yusef Masih, Interim Housing Services Manager
- Andrew Mitchell, Housing Solutions Manager
- Liam Reading, Housing Strategy Enabling and Project Manager
- Alethea Thompson, Democratic Services Officer
- Susie Williams, Interim Responsive Repairs and Voids Manager

Councillor apologies:

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Personnel Committee held at Council Chamber, Blackdown House, Honiton on 29 January 2024

Attendance list at end of document

The meeting started at 2.00 pm and ended at 2.38 pm

20 Minutes of the previous meeting held on 17 October 2023

The minutes of the previous meeting held on the 17th October 2023 were confirmed as a correct record.

21 Declarations of interest

None.

22 Public speaking

None.

23 Matters of urgency

None.

24 Confidential/exempt item(s)

None.

25 Pay Policy Statement

The report set out the requirement of the committee to undertake a review of the Council's Pay Policy Statement, as required under the Council's Constitution which aligns with the requirements under the Localism Act.

The reviewed Statement was presented to the committee, which set out the policy relating to the remuneration of the Chief Officers and other employees, and the relationship between the pay of Chief Officers and the lowest paid employee.

This relationship, referred to as the pay multiple, stood at 4.4:1, which remains within the Council's agreed 10:1 maximum ration, and is below the previous year's figure of 5.9:1. This compared favourably to the other Devon councils.

Recommended to Council that the Pay Policy Statement for 2024/25 be adopted.

26 Review of Grievance Policy

The reviewed Grievance Policy was before the committee, to consider and approve as per their remit. The review had been undertaken in light of recent grievance cases that had highlighted some aspects that could be improved in terms of the provision of information to the employee following an investigation.

The changes covered:

- Clarification on some elements of the policy, for example the role of the manager considering the grievance, and the role of the employee's companion;
- A new section covering who can attend the grievance proceedings with the employee, amalgamating information from other section to provide increased clarity;
- Further clarification regarding situations where investigation is required;
- Further clarification on the written records retained, and what information from those records will be shared with the employee.

UNISON had been consulted on the amendments to the Policy and been asked for their feedback, which was provided to the committee verbally:

- That the policy and impact assessment doesn't acknowledge that some people may require the meetings and/or records to be held/presented in a different format due to their protected characteristics – it is acknowledged that this isn't explicit in the policy or impact assessment, but it is very much part of our practice and will continue to be so. It was therefore suggested that HR add this to both documents before they are published;
- That the policy does not recognise that groups of employees, as well as individuals, may have a grievance which could be dealt with through this policy – again, this is not explicit but has been the practice and it was suggested that this is clarified in the policy document before publication;
- That the policy does not recognise that there are also other avenues available that the employees can take to resolve their grievance, including an appeal with timescales set out; ACAS; their Union; or the Tribunal service and guidance may need to be given to support employees – the appeal stage of the process was included in the policy at paragraph 15. With regard to other avenues, such as ACAS, the trade union or employment tribunals, these are outside the scope of the organisation's grievance policy and form part of general employment law, so it was proposed that these are not incorporated into the policy. Employees also have access to a wide range of information on the government's website and through avenues such as their trade union or citizens advice, should they wish to access further information on ACAS or tribunal routes.

The committee discussed the response from UNISON and agreed with the course of action proposed, in that the policy should be updated to cover the first two points. An amendment to paragraph 15.5 was proposed and supported to include the word "internal" so that this paragraph would read as "This is the end of the procedure and there is no further internal appeal."

Specific grievance cases that had prompted this review could not be discussed, however in response to a question, summarised information would be provided to the committee as part of an annual report that would show the scale of work but not the detail or confidential information relating to these cases.

RESOLVED that the change to the Council's Grievance Policy be approved.

27 **People Data**

The committee considered their regular update on key people data. The update aims to inform policy decision and to provide an overview of workforce matters.

Highlighted in the report were:

- Headcount increase by 9 from 541 in August, to 553 in December, and remains in budget;
- Vacancies have dropped to 29, compared to 46 in August 2023, being the lowest level reported since reporting began in January 2022;

- Average time taken to fill vacancies has reduced to 72.83 days since May 2023, which the average time was 108.92 days. This new average is significantly below the general benchmarking data which indicates that circa 100 days is the average time taken by organisations to fill posts;
- Sickness absence levels, currently forecasted at 9.33 days per FTE are still above the end of year absence target of 8.5 dates per FTE. Cold/Flu and Covid infections are the most common reasons for absence. Sickness absence continues to be actively managed, and employees are supported in accordance with the Absence Management Policy.

The committee discussed the impact of sickness absence, noting that the longer term absence can influence the average adversely; and that the winter season traditionally brought more colds/flu. Increases in Covid cases were very apparent in local communities and were also affecting staffing levels. A suggestion was put forward for writing to central Government on their current Covid policy, and how it impacted on the ability to deliver services. Whilst this had some support, there was concern that evidence on the actual impact on service delivery due to the infection would be required.

The committee resolved that in the first instance they would request that the Corporate Lead – Human Resources discussed with South West Employers the concerns of Councillors on Covid measures (including reduced vaccinations) and the impact it is having on key workers. They also requested for her to look in further detail at the sickness absence classified as due to Covid.

The committee also showed interest in having more data, if available, on the impact on sickness absence relating to home working or attending the offices.

RESOLVED that the committee endorsed the report.

28 **Personnel Forward Plan**

The committee received their forward plan of work, setting out the policies due for review at their next meeting in April. Items also yet to be scheduled to meetings in the next civic term were listed.

In addition, the committee requested:

- A report on employee benefits and support available at their next scheduled meeting;
- A report on the measures in place for dealing with the hard to recruit posts which have been vacant for over six months.

The current absence policy and related information on initiatives under the “Happy, Healthy, Here” scheme would be circulated to the committee in the meantime.

RESOLVED that the committee endorsed their Forward Plan with the additions discussed.

Attendance List

Councillors present:

E Rylance (Chair)

J Loudoun (Vice-Chair)

P Arnott

K Blakey

V Bonetta
T Dumper
P Faithfull
M Hartnell
N Hookway

Councillors also present (for some or all the meeting)

C Brown
J Brown
R Collins

Officers in attendance:

Debbie Meakin, Democratic Services Officer
Melanie Wellman, Director of Governance & Licensing (Monitoring Officer)

Councillor apologies:

M Chapman
D Haggerty
M Martin
S Richards
E Wragg

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Licensing and Enforcement Sub Committee held at Clyst Room, Blackdown House, Honiton on 6 February 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 6.42 pm

29 Minutes of the previous meeting held on 25 October 2023

The minutes of the previous meeting held on 25 October 2023 were agreed and signed as a true record.

30 Declarations of interest

There were no declarations of interest.

31 Matters of urgency

There were no matters of urgency.

32 Confidential/exempt items

There was one item which officers recommended should be dealt with in this way at minute 34.

33 Exclusion of Press and Public

RESOLVED:

That under Section 100(A) (4) of the Local Government Act 1972 the public, including the press, be excluded from the meeting as exempt information, of the description set out in the agenda, is likely to be disclosed and on balance the public interest is in discussing this item in private session (Part B).

34 Hackney carriage driver suitability

The purpose of the meeting was to determine whether the driver named in the Officer's report is a fit and proper person to continue to be licensed as a hackney carriage driver and to determine whether any further action against their licence should be taken.

The driver was present at the meeting. An acquaintance of the driver also attended in support of the driver.

The Licensing Officer presented the report and advised the options available to the Sub Committee.

The Licensing Officer responded to a question from the Chair regarding statutory training for drivers.

The driver had no questions for the Licensing Officer.

The driver addressed the Sub Committee and explained the circumstances of the matters set out in the Officer's report.

The driver answered questions from each member of the Sub Committee.

The Chair advised the driver that the Sub Committee would retire to make its decision which would be notified in writing to the driver within five working days.

The Chair thanked everyone present for attending the meeting.

Attendance List

Councillors present:

K Bloxham (Vice-Chair)
T Dumper
J Whibley (Chair)

Councillors also present (for some or all the meeting)

R Jefferies (Reserve Member)
B Bailey
R Collins

Officers in attendance:

Sarah Jenkins, Democratic Services Officer
Phillippa Norsworthy, Licensing Manager
Giles Salter, Solicitor
Emily Westlake, Licensing Officer
Rebecca Heal, Solicitor

Councillor apologies:

None

Chair

Date:

Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Strata Business Plan 2024/2025 – Recommendation from Strata Joint Executive Committee on 30 January 2024

Report summary:

This report sets out the Strata Joint Executive Committee's recommendation to Council arising from their consideration of the report at the Strata Joint Executive Committee on 30 January 2024.

Note: The references in this report to Paper A relate to the relevant business plan considered by the Strata Joint Executive Committee containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Council approve the Strata Business Plan for 2024/2025.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

we are
your
transformation
partner

This is the
Strata
business plan
for 2024/25

Version 1.8

Date issued: 20 December 2023

This document is commercial in confidence and should not be shared or copied without the express permission of the Strata IT director and the Strata board

Correct at time of production



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Executive summary

Executive summary

The business plan serves as a crucial framework primarily intended for budgetary purposes. It delineates the financial parameters and strategic considerations essential for the successful execution of the proposed plan for 2024/25. However, it is imperative to highlight that the intricacies of requirements, design specifications, and delivery mechanisms are subjects that necessitate scrutiny and consensus. As such, the individual proposals are to be thoroughly examined and agreed upon at the architecture board level, contingent upon the overarching approval of the outlined business plan.

This Business plan is in direct response to the councils desire to transform and invest in ICT, and has been developed in conjunction with each of the councils digital strategies.

The architecture board serves as the discerning authority to evaluate and sanction the alignment of project intricacies with the overarching strategic objectives, ensuring a seamless integration between financial allocations and the technical intricacies required for project success. This dual-layered approval process ensures a comprehensive and cohesive approach to project development.

This document is intentionally crafted to cater to a diverse range of audiences, acknowledging the multifaceted nature of its subject matter. Given the intricate details inherent in describing an Information and Communication Technology (ICT) business plan, there are sections that delve into technical aspects, which may render certain portions of the document more specialized in nature.

This technical depth is a necessary component to ensure an accurate and comprehensive depiction of the ICT business plan, allowing for precise articulation of the technological requirements, frameworks, and innovations that underpin the proposed strategies.

While some sections may appear more technical, the document endeavours to strike a balance, providing clarity and insight for both technical and non-technical stakeholders. This approach aims to foster a shared understanding among a diverse audience, promoting informed decision-making across the spectrum of stakeholders involved in the realization of the ICT business plan.

This document is intentionally crafted to cater to a diverse range of audiences, providing clarity and insight for both technical and non-technical stakeholders

Executive summary

This business plan is strategy led, taking all three councils' vision for the future, and distilling into three core areas: transformational (the enablers that provide a platform for change), organisational (changes within strata to optimise efficiency) and operational (areas that require focus).

Executive summary

These areas will be discussed at length within this document and are as follows:

Organisational enablers

- Restructure
- ITIL process review
- ICT Service Desk realignment
- Growth strategy
- Print and post consolidation
- Rebranding
- Creation of Digital Collaboration Forum

Operational enablers

- Licensing model
- Finance model
- Reduce carbon footprint
- Councillors' ICT
- Prepare for cloud migration and server reduction
- Cyber security
- Rationalise and transition copper telephone lines

Transformational enablers

- End user computing
- Contact centre and telephony
- CRM and forms
- Enterprise middleware architecture
- SharePoint
- Bookings
- Notifications
- Power Platform
- Data and data warehouse
- Web content and chat bots

The above will provide partners with a solid footing to deliver MTFP savings but the sheer amount of change in the above should not be underestimated for each respective organisation. To support this and avoid change fatigue strata will work with the councils to ensure a change programme is properly managed through the new governance, model set out in the mandate.

The below diagram sets out the indicative timeline when elements from the MVP will be available each enabler in this diagram is described later in the document.

Time frame:

Q1 and Q2 2024/25

Q3 to Q4 2024/25

Q4 2024/25 onwards

Organisational enablers

- Restructure
- ITIL process review
- ICT Service Desk realignment
- Rebranding
- Growth strategy
- Print and post consolidation
- Creation of Digital Collaboration Forum

Operational enablers

- Reduce carbon footprint
- Licensing model
- Cyber security
- Councillors' ICT
- Creation of Digital Collaboration Forum
- Print and post consolidation
- Finance model
- Prepare for cloud migration and server reduction
- Rationalise and transition copper telephone lines

Transformational enablers

- CRM and forms
- Power Platform
- Contact centre and telephony
- SharePoint
- Data and data warehouse
- Bookings
- Notifications
- Web content and chat bots

Executive summary

The 2024/25 budget Contract Payment is £8.3m, which reflects increases on the prior year largely due to high Inflation of third party and staffing costs, further compounded by less favourable bank rates and high revenue costs of Microsoft and new phone system renewal. Restructure costs have somewhat been offset by budget efficiencies made within the last six months.

A full description can be found in appendix A.

Contract Payment	Budget 2024/25	Share by council 2024/25	2025/26	2026/27
EDDC	£3,213,432	38.7%	£3,325,532	£3,433,762
ECC	£2,788,034	33.6%	£2,883,512	£2,977,356
TDC	£2,297,857	27.7%	£2,364,499	£2,441,452
Total	£8,299,323		£8,573,543	£8,852,569

Executive summary

The transformation agenda, requires a capital investment in both specialist resource and hardware the cost per authority is shown below:

	2024/25				2025/26	2026/27
	Total	Funded by EDDC	Funded by ECC	Funded by TDC		
Percentage split as per the original business plan		38.8%	33.6%	27.6%		
Project						
Contact centre telephony	£50,000	£18,346	£17,968	£13,686		
Core telephony	£50,000	£18,346	£17,968	£13,686		
EUC model staff	£40,000	£14,677	£14,374	£10,949		
EUC model equipment (replacement laptops)	£297,660	£30,750	£242,310	£24,600	£250,000	£250,000
Booking	£50,000	£18,346	£17,968	£13,686		
SharePoint resource	£60,000	£22,015	£21,562	£16,423		
Chatbot	£50,000	£18,346	£17,968	£13,686		
PSTN	£30,000	£11,008	£10,781	£8,212		
Print and post review	£20,000	£7,338	£7,187	£5,474		
Website	-	-	-	-	£30,000	
Total capital Funding	£647,660	£159,172	£368,086	£120,402	£280,000	£250,000

1 Context from ICT director

In the ever-evolving landscape of Information and Communication Technology (ICT), Strata stands at a pivotal point of significant change. As we approach the fiscal year 2024/25, we find ourselves at the cusp of a transformative journey that promises to reshape not only our organisation but also our Partners entire ecosystem. Our forthcoming business plan is poised to guide us through these exciting times of innovation and adaptation.

This plan, rooted in the councils strategies and vision, focuses on a strategic shift towards the transformation of our partners. As we navigate the ever-changing currents of the digital world, we are committed to equipping our partners with the tools, knowledge, and capabilities they need to deliver services to the public of Devon.

During the past six months we have laid the bedrock for an ambitious business plan for 2024/25. Some of the items completed are as follows.

✓ **Achievements in governance and mandate**

In the previous year, our organization made significant strides in enhancing its governance and mandate, which laid the foundation for several key accomplishments. These achievements reflect our commitment to improving operations and serving our stakeholders more effectively.

✓ **Kanban process**

We successfully implemented a Kanban process to streamline our project management and workflow. This agile methodology allowed us to increase productivity, reduce lead times, and enhance transparency in our operations.

✓ **Performance reporting dashboard**

The introduction of a performance reporting dashboard was pivotal in enabling transparency to our partners. It provided real-time visibility into key performance indicators, empowering decision-makers with data-driven insights to make informed choices.

✓ **Asset management portal**

Our asset management portal improved the tracking and maintenance of our organisational assets, leading to greater efficiency and cost savings.

✓ **Accessibility**

With the introduction of Office365 we have greatly enhanced our offering of accessibility tools for staff, including dictation and screen readers.

✓ **Improved change management process**

We revamped our change management process, ensuring smoother transitions and minimizing disruptions during changes and upgrades.

- ✓ **BYOD (bring your own device)**
The implementation of BYOD policies allowed employees to use personal devices for work, boosting flexibility and productivity while maintaining security protocols.
- ✓ **Office 365**
The adoption of Office 365 enhanced collaboration and communication within the organization. It facilitated seamless document sharing and improved overall productivity.
- ✓ **Service improvement plan catalogue, SLAs (service level agreements)**
We developed a comprehensive service improvement plan catalogue and implemented SLAs to set clear expectations and ensure high-quality service delivery.
- ✓ **Multiple upgrades in hardware and software**
Our commitment to staying up-to-date was evident in the multiple hardware and software upgrades carried out.
- ✓ **New housing system in East Devon**
We successfully implemented a new housing system in East Devon, streamlining processes and improving service delivery in the region.
- ✓ **Finance system**
The new finance system convergence across all partners, starting in Teignbridge, and will improve financial transparency, accuracy, and reporting, aligning our partners with best practices in financial management.
- ✓ **Intelligent clienting**
Working with partners to reinvigorate the focus to manage and prioritise workload, supporting Strata to deliver maximum business value.
- ✓ **Cloud-based GIS mapping**
The transition to cloud-based Geographic Information System (GIS) mapping increased accessibility and data accuracy, benefiting various departments and projects.
- ✓ **Policy compliance software issued**
We introduced policy compliance software to ensure that our operations adhere to regulations and guidelines, reducing compliance-related risks.
- ✓ **Budgeting baseline and redefined process**
The refinement of our budgeting processes led to a more accurate baseline and a better understanding of our financial position.

- ✓ **ITIL (Information Technology Infrastructure Library) process review**
We started a thorough review of our ITIL processes, ensuring that our IT services align with industry best practices.
- ✓ **Decarb Forde House**
Our commitment to environmental sustainability was evident through our support of the successful Teignbridge led decarbonization of Forde House.
- ✓ **Management restructure**
A management restructuring initiative was implemented to improve decision-making, streamline operations, and foster greater accountability.
- ✓ **Data strategy**
The development of a comprehensive data strategy allowed partners to harness the power of data for more informed decision-making and improved services.
- ✓ **Reduced backlog of requests by 20%**
Worked with partners to significantly reduce the backlog of service requests, ensuring that our stakeholders receive faster and more efficient service.
- ✓ **Increase Service Desk open hours**
Expanding service desk operating hours increased accessibility and support for our clients, ensuring they receive assistance when needed.
- ✓ **Performance management**
Robust performance management processes were established to ensure employees and teams are motivated and aligned with organizational goals.
- ✓ **Webcams – engagement policy**
The introduction of webcams and an engagement policy improved remote working conditions and fostered a culture of inclusion and connection.
- ✓ **MS license**
Efficient management of Microsoft licenses and optimized software costs, to ensure compliance and futureproof digital transformation agenda.
- ✓ **Reduced energy consumption**
We actively worked to reduce our energy consumption, contributing to our sustainability goals and cost savings of approximately £10,000.

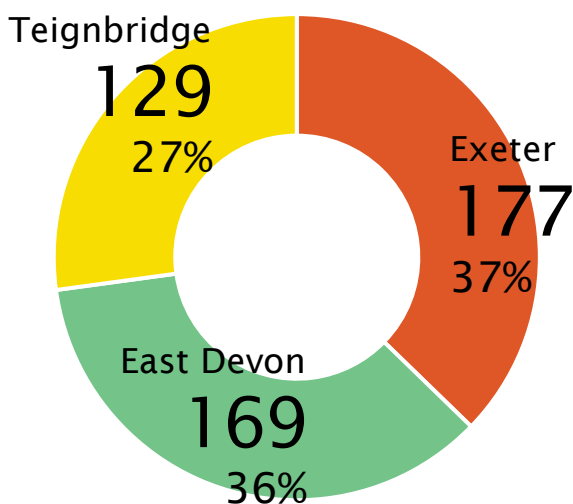
These achievements in governance, mandate, and various operational areas provide a platform for strata to progress and innovate in the incoming business plan.

1.2 2023 Strata staff survey results

To support the formation of the Business Plan, Strata undertook a comprehensive survey of all officers within the three authorities. Strata received a very good response rate with nearly 500 users taking the time to complete the survey and provide a good level of constructive feedback. Strata will undertake a similar survey on an annual basis to track satisfaction and will also benchmark these results with other authorities. A summary of the survey results can be seen below:

- 475 responses is 26% of the userbase, so is a good representation of the authorities' view of Strata. This number excludes councillors and Strata staff. A follow up Survey will be undertaken specifically with councillors in mind.
- The graph below shows the split of responses across the three authorities. As can be seen there is a good participation rate within all councils. The percentage split of responses closely aligns with the partnership split, therefore it can be considered a good representation of the councils' views of Strata.

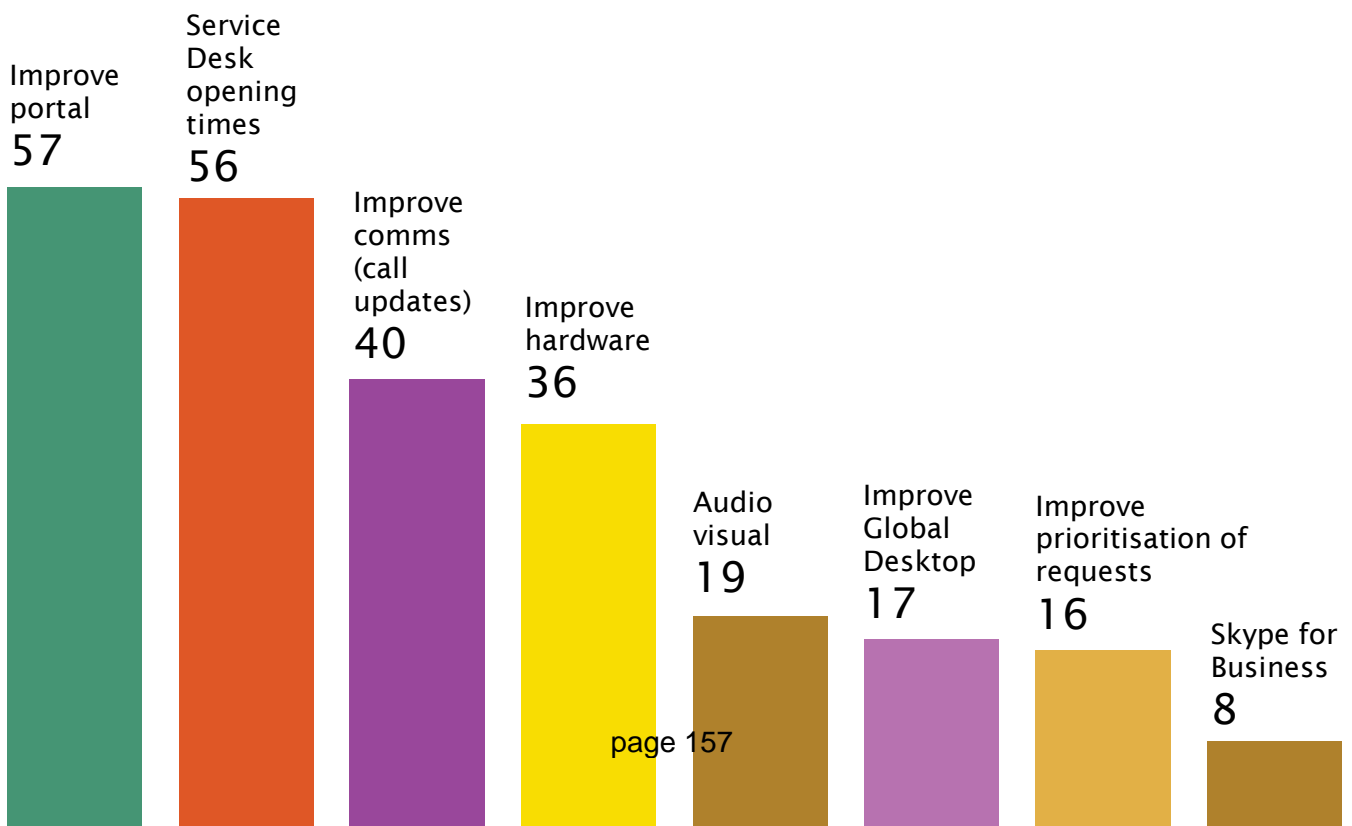
475
responses
from
26%
of userbase



- 69% represents a good overall level of satisfaction with the level of service provision, however it does leave room for improvement, and this will be a focus of Strata over the next business plan period. Of the 475 responses received, the most common score out of ten was eight with only 13% of respondents awarding a satisfaction score of less than five.
- Feedback of various aspects of the Strata Service Desk provision was very positive, with only 5% of the respondents dissatisfied with the service provided. A frequent comment, however, was that the opening times didn't align with the councils' opening times. This is being addressed – See below.
- General satisfaction with the users' devices was also high with only 13% of users dissatisfied with their device.
- Strata also encouraged users to tell us how Strata can improve. A summary of the key responses can be seen in the table below along with how this Business Plan will address the suggestions made.

69%
overall
satisfaction

95%
Positive or neutral
overall satisfaction
with Service Desk
provision



1 Context from ICT director

You said	We've listened	Business plan reference
Improve portal	Satisfaction with the portal is high, but there is more we need to do to make the categories easier to find. We're rewriting our Service Catalogue and introducing an A to Z of Services.	Section 3.3: IT service centre realignment.
Service desk opening times	From Jan '24 we're changing the opening times of the Service Desk to align more with service needs. Opening time will be 08:00 to 17:00 Monday to Friday. There will also be a single number to call.	Section 3.3: IT service centre realignment.
Improve comms - provide better updates to call progress	We're restructuring the Service Desk to ensure a dedicated member of Staff is responsible for managing incidents and service requests.	Section 3.3: IT service centre realignment.
Improve hardware and replace aging devices	We've included a hardware replacement strategy in the Business Plan that will replace the computers on a rolling basis, so that no laptop will be older than four years.	Enabler one: Introduce new end user computing model
Audio visual equipment in meeting rooms needs improving	We have several requests already logged with Strata to help the councils replace the aging Audio-Visual equipment in meeting rooms and will aim to complete this work in the new year.	Already underway - being worked on as a service request
Improve Global Desktop	A new end user computer model will be introduced which will enable users to access applications such as Office, Teams and cloud-based apps without having to log into the Global Desktop. Over time, more applications will be available directly on the device as we reduce reliance on the Global Desktop	Enabler one: introduce new end user computing model
Improve prioritisation of requests	We'll continue to work with the Client leads to provide any information needed to help the councils prioritise Strata's workload so that we continue to focus on areas most important to the councils. We'll also work with Client Leads to introduce 'Product Owners' for key council systems who can work with Strata to help prioritise.	The authorities are responsible for Prioritisation of Strata work; however, Strata have worked with the authorities to improve the governance.
Skype for Business is old	We will be replacing Skype for Business with Microsoft Teams during the 24/25 financial year and replacing the contact centre telephony platform (currently Anywhere 365) with a new system.	Enabler two: contact centre and telephony

Having the right IT infrastructure and leadership in place is crucially important in helping any organisation plan for the future.

I was impressed when I recently heard Strata's vision and plans to meet the future needs of the council. The approach will enable us to continue a digital transformation that meets the expectations of our residents to access services in ways they want to access them.

— Phil Bialyk
Leader for Exeter City Council


The introduction of new, agile ways of working and tools have improved how we manage and prioritise our ICT workload, collaborate with our Strata colleagues and work jointly across the three councils. With a renewed focus on data, Microsoft 365 and ICT infrastructure, the foundations are in place for more effective delivery of both business as usual and projects that will transform the customer experience and the work of our members and staff.

— Bruce Luxton
Client Lead, Exeter City Council

On coming onto the board it was clear that Strata had a great track record at delivering the financial savings the council's originally required and that staff had worked relentlessly to keep all three council's operating during the challenges of the Covid-19 pandemic. It is now very exciting to see how the new leadership is looking to the future and is transforming the focus of the business to align with the council's digital transformation plans.

The ECC Digital Customer Strategy (2023–25) sets out how the council intends to deliver on an ambitious vision to provide excellent customer experience. We are under no illusion about the challenges we face but are increasingly confident that our partnership with Strata will enable us to utilise new and existing digital resources to deliver the essential business transformation.

— Jo Yelland
Director, Exeter City Council (Lead for Customer and Digital Transformation)

 This new business plan is a really welcome step forward giving us a clear direction of travel on projects and a very comprehensive work programme for the year ahead which complements our own service priorities and financial sustainability plan.

We look forward to working with the staff at Strata and our partners in Exeter and Teignbridge to bring real transformative change to our council.”

- Simon Davey (Director) and Andrew Hopkins (Client Lead)
East Devon District Council.

1.3 A statement on artificial intelligence (AI)

The rise of artificial intelligence over the past few years has been dramatic, and in 2023 we saw the technology being openly discussed at an international level between world and technology leaders, with concerns over its social and moral implications alongside the potential that it brings to everyday life.

On 1 November 2023, Microsoft officially launched Copilot for Microsoft 365, and it has immediately changed what we think of the Modern Workplace.

Copilot takes the technology that has driven the already infamous ChatGPT (and Bing Chat) but imbeds it into all your Office products – Word, Excel, PowerPoint, Outlook. This allows, for example, to write PowerPoint presentations for you from content in a Word document, to summarise all the important unread emails, to schedule your work for the week based on your outstanding tasks. Within meetings it could automatically take notes, actions and summarise the entire meeting without any input from staff.

Microsoft are keen to point out this is not autopilot, it is not an automation technology to replace humans, but an assistant to help make us more efficient and productive in the workplace.

But Copilot is more than Microsoft Office, it is embedded into every major Microsoft application. It brings additional intelligence and insight to our performance, and it helps enhance our security and data governance. With Copilot Studios for example, Strata could potentially embed AI to legacy back-office systems via our enterprise middleware architecture (described later in this document). Indeed, Microsoft in November stated that they are now the Copilot company, they are extremely confident that this is future.

It is difficult to ignore this recent development, however there is a cost.

The cost per user, per month is £25.50, but there is a minimum headcount of 300. This means a minimum of £91,800 per year. Thankfully, as each of our partners and Strata are in the same Microsoft tenant, the cost can more easily be

shared. These costs have been included in the Business Plan as a pilot, as we believe this to be a solid platform for further cost reduction.

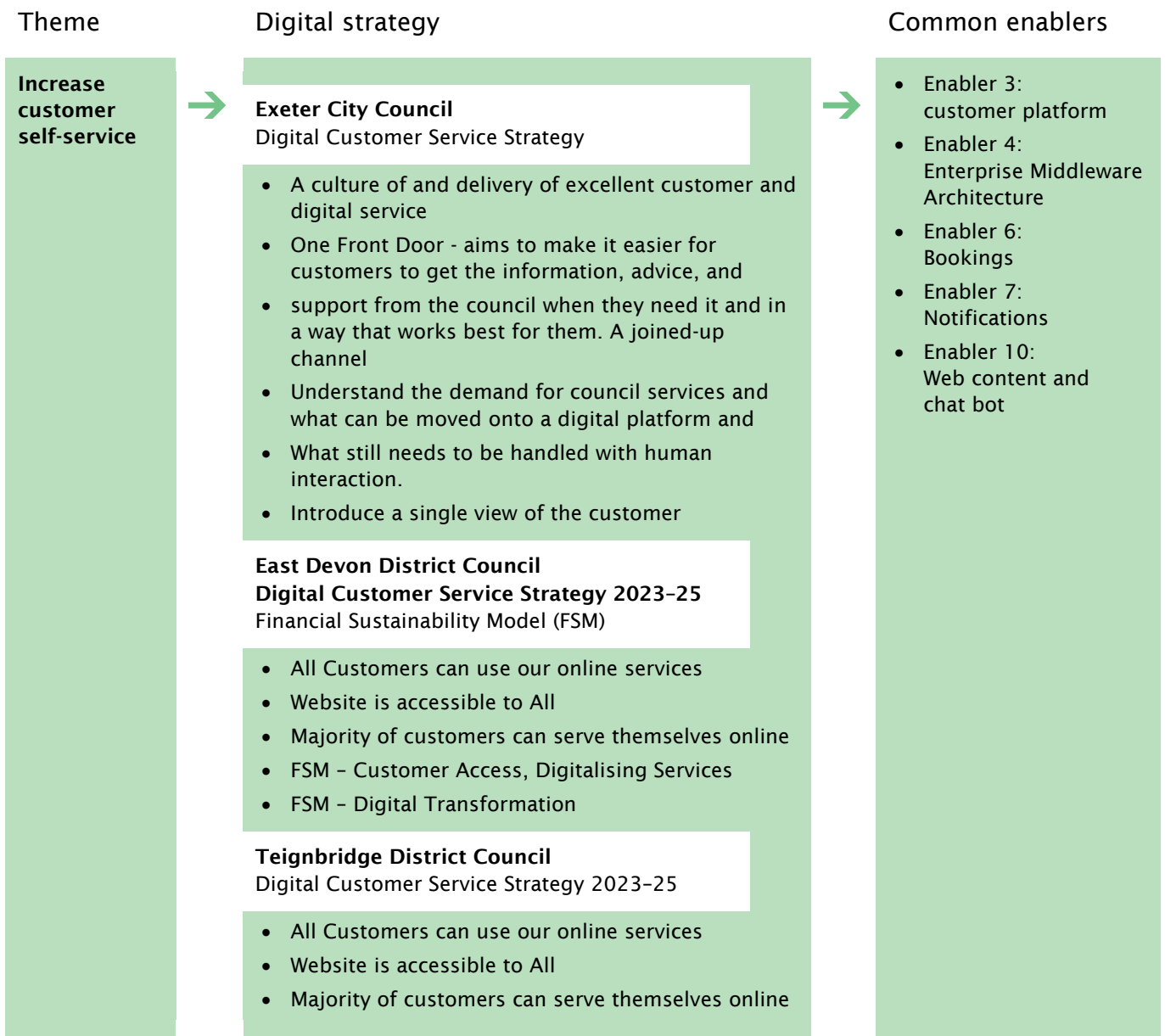
Strata believes that Copilot has the potential to bring near-immediate efficiencies to our partners and Strata itself, however with the technology still emerging, the business case is remains anecdotal and that potential remains just that ... potential.

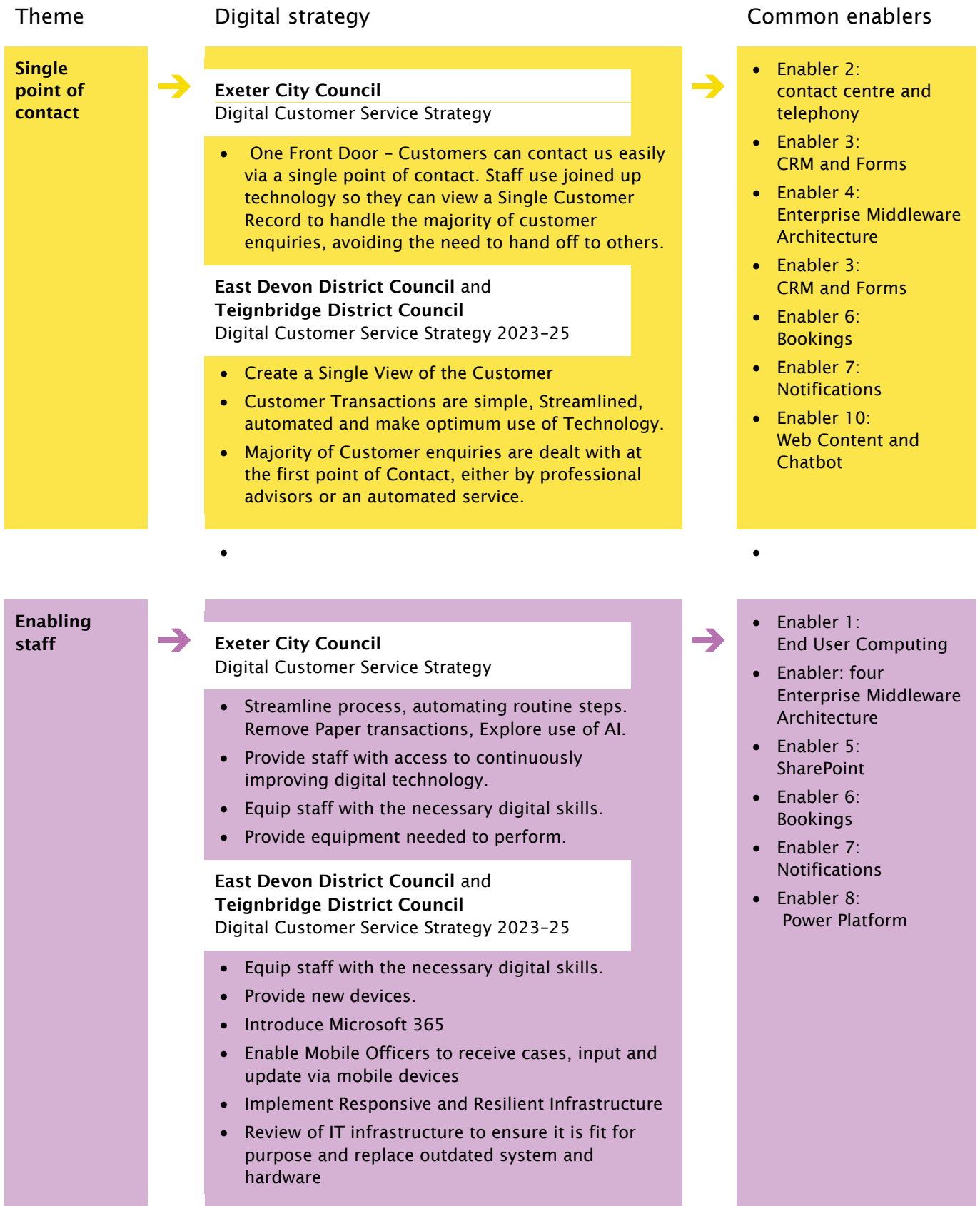
Although there are social and moral implications to this technology that are discussed in the wider world, and we can expect this discussion to continue for many years, we cannot ignore that artificial intelligence is here and it is here to stay.

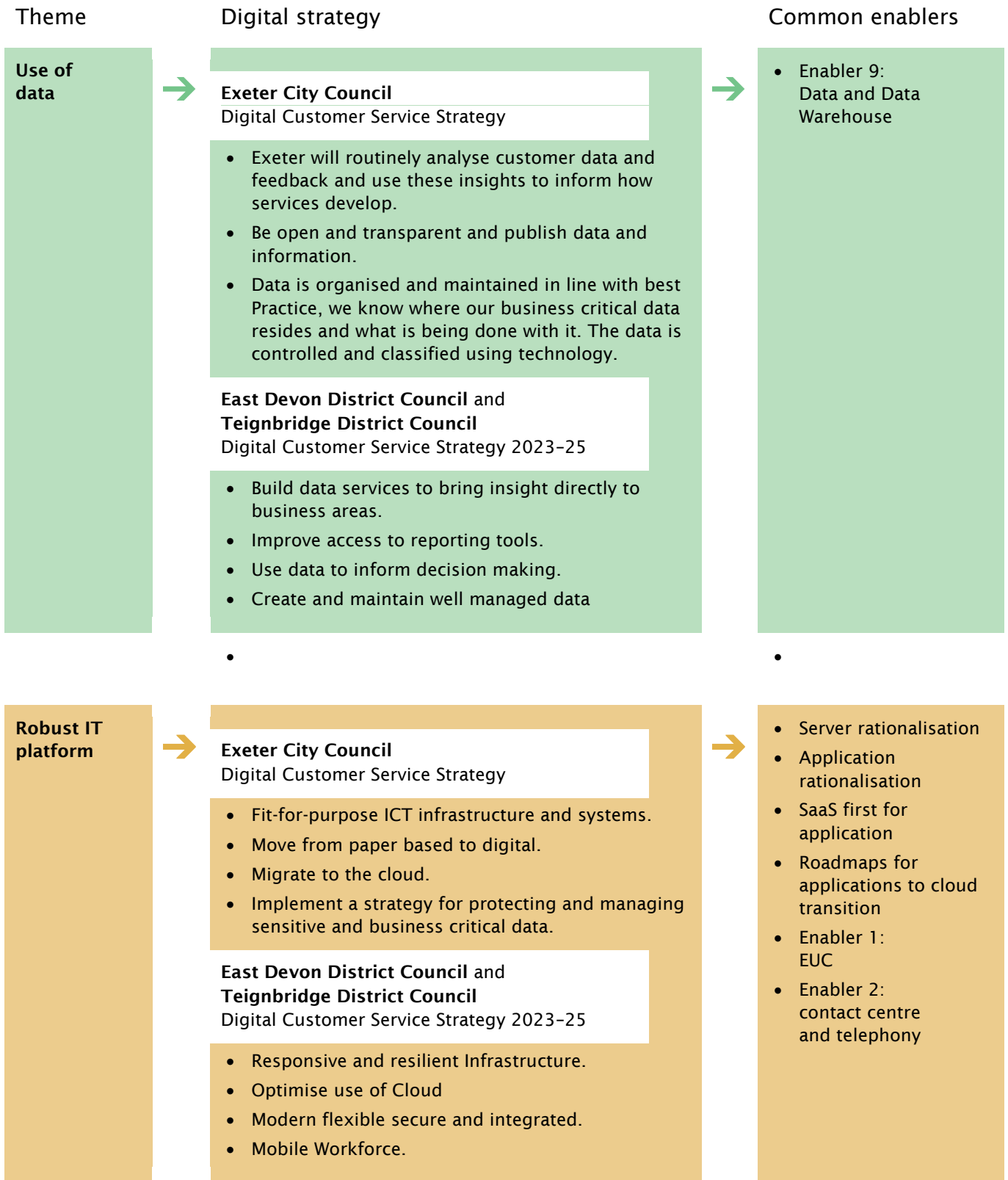
Therefore, we must assume that artificial intelligence, perhaps with the Copilot technology, has a through line to every piece of work in this document.

2 How the business plan links to council strategies

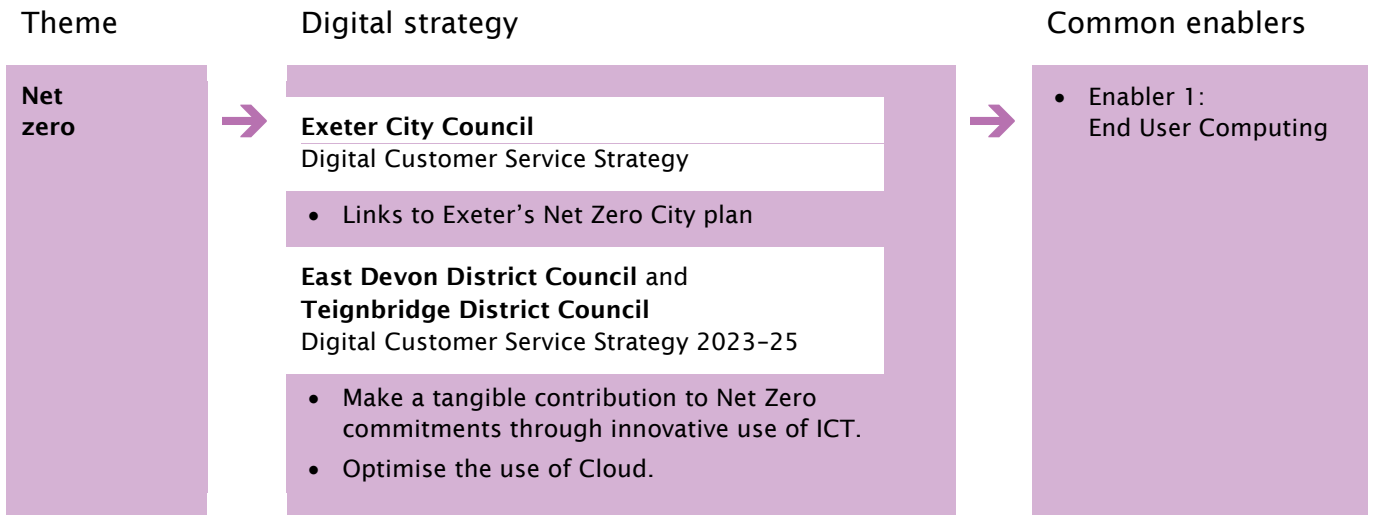
The Strata business plan 2024/25 has been formed to deliver the key strategic goals of the three partner authorities set out in their digital strategies. The table below maps common themes to enablers to allow partners to deliver on their goals.







2 How the business plan links to council strategies



Strata has identified ten key enablers that are required to deliver the councils' digital aspiration. These enablers are key foundation components that can be used by Strata and the authorities to build the technical solutions needed.

The key enablers are:

- 2.1 Enabler one: introduce new end user computing model
- 2.2 Enabler two: contact centre and telephony
- 2.3 Enabler three: CRM and forms
- 2.4 Enabler four: Enterprise Middleware Architecture (EMA)
- 2.5 Enabler five: SharePoint
- 2.6 Enabler six: bookings
- 2.7 Enabler seven: notifications
- 2.8 Enabler eight: Power Platform
- 2.9 Enabler nine: data platform
- 2.10 Enabler ten: website content and chatbots

2.1 Enabler one: introduce new end user computing model

2.1.1 Description

A new end user computing model will be introduced which will enable users to work natively on their window laptop and will, in time, remove the need for VMware Horizon virtual desktops.

Users will have access to the Office 365 applications, including Outlook, Teams, and Skype for Business (until it is replaced), and their files in OneDrive and SharePoint without the need to logon to Global Desktop. Cloud-based systems and on-premises web-based solutions will also be available natively, but Global Desktop access will still be required to access on-premises business systems, at least within the next 24 months.

The new build will utilise Microsoft alternatives to third party products such as ESET for anti-virus, and SafeNet for multi-factor authentication. This will leverage more value for our Microsoft subscription and create savings from not renewing other software licenses.

This new end user computing model has been designed with hybrid working in mind and will give the same user experience whether working in the office or remotely. It will be more robust and improve resiliency as Office 365 is cloud-based and does not require access to on-premises systems in the council offices to operate. It will also be more agile, with the latest updates to Microsoft apps such as Teams installed automatically shortly after they become available giving access to new features more much more quickly.

To provide council staff with the best user experience, older end user devices will be replaced with new hardware as staff are migrated to the new model. We anticipate this to be 35% of the total laptop estate. Those with newer devices which have been replaced recently, will have those devices re-provisioned with the new laptop build.

It is assumed that the Copilot for Microsoft 365 technology will be included as part of this deployment, for those that are licensed for it.

2.1.2 Objectives

- ✓ To design a new laptop build to be deployed using Microsoft Intune providing native access to the Microsoft 365 suite of applications, without the need for Global Desktop.
- ✓ To utilise Microsoft AlwaysOn VPN to provide access to on-premises web-based systems, file shares and printers.
- ✓ To utilise Microsoft Multi-factor Authentication (MFA), in place of SafeNet, for secure access.
- ✓ Anti-virus and endpoint protection to be provided using Microsoft Defender in place of ESET Endpoint Security.
- ✓ Updates to the Windows operating system and Microsoft applications to be managed using Microsoft Autopatch with Intune.
- ✓ A review will be undertaken of the Microsoft stack to streamline the operation and leveraging the investment in Microsoft.
- ✓ To carry out a hardware refresh as part of the deployment, replacing older end user devices with new laptops that are pre-provisioned by the reseller using Microsoft Autopilot with Intune. This means that devices will be delivered pre-configured and ready for deployment enabling faster rollout to staff.

2.1.3 Assumptions

- Global Desktop access will be available within the new desktop build during the next 24-month transition phase and will still be required for access to many on-premises line of business systems. The requirement for this will reduce over time as systems migrate to the cloud (SaaS).
- To future-proof the estate, the replacement laptops will need to be of a higher specification than was previously required for the VDI build. This is because of the additional processing and memory requirement for running multiple applications natively on the laptop. It is assumed that around 35% of the laptop estate will need to be replaced initially, and then a rolling program of replacement established to ensure that end user devices remain fit for purpose.

2 How the business plan links to council strategies

- AlwaysOn VPN is a prerequisite and is due to be implemented in December 2023. At time of writing, it is assumed this will have been successfully implemented.
- Copilot for Microsoft 365 can only be included in this deployment if the licensing costs are agreed and will only be available initially on the native laptop, (not accessible within Global Desktop).

2.1.4 Dependencies

- User accounts need to have been migrated to Microsoft 365 before individual users can be moved onto the new model. (TDC complete, EDDC due to be completed in 2023, ECC due to be completed in early 2024)

2.2 Enabler two: contact centre and telephony

2.2.1 Description

Replace Skype for Business and Anywhere 365 telephony systems across all four organisations. This will help, alongside work in the Web and CRM Enablers, to modernise and streamline the customer-facing elements of our businesses.

These systems are going end of life October 2025 so must be replaced in favour of cloud-based solutions.

Also impacted by the removal of Skype for Business is many physical handsets, a small number of audio-visual units and a DECT system that will all need to be removed/replaced due to the way they link into the existing telephony platform.

East Devon also has a webchat solution that can be replaced by an omni-channel contact centre.

2.2.2 Objectives

Telephony for council staff

- ✓ Replace Skype for Business with a new telephony solution.
- ✓ Decisions are still to be made on the technology used for telephony by the authorities, however it is assumed here that the core platform will be Microsoft Teams. This would be the natural successor to Skype for Business and has the best integration into the Microsoft 365 eco-system. This change will require an uplift on Microsoft licensing costs, which are presented elsewhere in this document.
- ✓ Currently every member of staff with access to a computer is also licensed for Skype for Business. However, it is possible that the authorities will want to reduce the number of staff with this functionality.

- ✓ We will also need to revisit every handset (used in meeting rooms, public spaces, and reception areas) as many are not compatible with Microsoft Teams. In some instances, we will need to refresh audio-visual equipment, however these are slowly being phased out anyway.

Contact centre

- ✓ Our current contact centre is directly tied into the core telephony of Skype for Business, so must be replaced as part of the same project as it also will go end of life in October 2025. Our version of Anywhere 365, the existing contact centre, has a unique licensing model within the industry – our license covers every employee. Due to this, the functionality of Anywhere 365 has been provided across many services within the authorities, where it was deemed necessary at the time of implementation. Any new product – including the replacement version of Anywhere365 – would be based on a per-agent basis and will drastically increase the costs over what is currently paid.
- ✓ The authorities will need to be much more selective over who gets the functionality for contact centre. Council strategy might dictate that the contact centres will be much larger than they are now to reduce back-office demand, and with the new solutions being on a per-agent basis there needs to be more control over where this functionality is deployed. This aligns with our partner views of creating single contact centres.

However, the new contact centre will also be omni-channel, meaning it will be able to provide additional services such as web chat and social media along with greater insight for demand and performance.

2.2.3 Assumptions

- That Microsoft Teams will be the core telephony provider. Other services are available from numerous providers, but Teams is the natural successor to Skype for Business and has the best integration into Microsoft 365. Costs for Microsoft licensing are explained and presented elsewhere in this document.
- For now, contact centre pricing is based on 200 agents, 25 supervisors and five administrators. Where possible, as many features as possible have been included in the licensing costs to present a ‘worst case’. Prior to the formal tender for a new contact centre, we have undertaken a soft-market test to allow us to submit budgetary figures at a mid-point from the suppliers that responded.

- The number of physical handsets could be reduced following a review, but for now are based on the numbers remaining the same. Note that each handset requires a separate license cost, which is included in the Microsoft Licensing section. If the core telephony is changed from Microsoft Teams, then all the handsets might need to be replaced.

2.2.4 Dependencies

- All staff must be migrated to Microsoft 365.
- Integration into CRM/customer platform relies on there being an agreed customer platform.
- Processes for omni-channel functionality such as web chat and social media need to be mapped or updated prior to implementation.
- Authorities agree which roles require telephony and identify who requires contact centre.
- Agreement for Teams telephony as the core platform across all organisations.
- All organisations agree to the same contact centre solution.
- Authorities have a rough idea of number of agents required, and if this exceeds the assumption stated then the costs will be higher than are presented here.
- The authorities must have adequate resourcing in place to manage the project from a business side.

2.3 Enabler three: CRM and forms

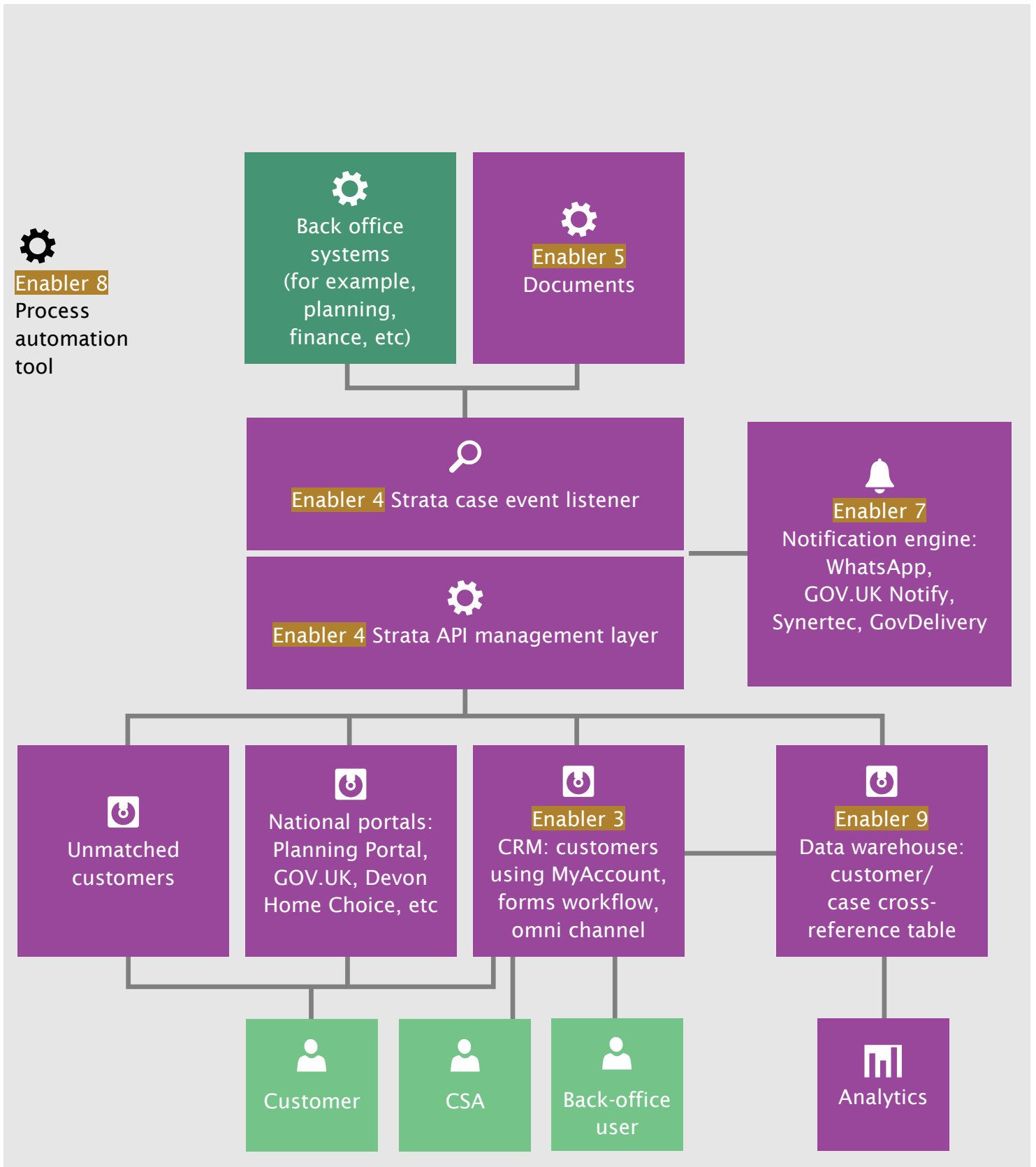
2.3.1 Description

A customer relationship management (CRM) system is a powerful tool for centralising all interactions between our residents and the council. It helps streamline communication by channelling all contact, whether by phone, online, chat, email, or social media, through a single system. This in turn, enhances the customer experience by enabling customer services staff to answer more queries at the first point of contact, which reduces the administrative overhead on back-office specialists, allowing them to focus on the work that requires a greater level of expertise or attention.

By channelling data in this way, it's possible to create a 'Single View' of the customer, which enables the councils to understand all contact a customer makes and will build a picture of what services all our customers require.

The diagram that follows shows the wider concept of the entire customer platform required to deliver the councils' objectives and how the CRM fits into this. As can be seen it is envisaged that all customer contact, whether via self-service, or via a customer service agent or back-office expert will go via the CRM. This enables the contact to be logged and associated with the customer. Any required integration with a back-office system will be handled via the enterprise middleware architecture (EMA). All Notifications to customers will be facilitated via the notification engine, and reporting on customer behaviour will be facilitated by the data warehouse.

It is assumed that the incumbent CRM will fulfil the requirements defined by the council and therefore will not be needed to be replaced. The costs for which have been excluded from this business plan. (Included in Appendix A)



2.3.2 Objectives

Increasing customer self-service and creating a single point of contact (also referred to as 'one front door') for customers are key goals of all three councils' digital strategies. The CRM will achieve this by:

- ✓ Implement single custom-centric process across-council contact centre to capture customer details and optimise performance.
- ✓ Using Online forms and processes to gather the correct information from a customer, needed to successfully complete their engagement.
- ✓ Creating forms that can be used by both council staff and customers to capture information in one place.
- ✓ Use workflow to automate work wherever possible.
- ✓ Integrate with back-office systems to reduce or eliminate rekeying of information.
- ✓ Link customer transactions with a customer record, so that customer requirements can be better understood and enable the authority to make better use of data to improve service delivery.
- ✓ Create a customer self-service account to enable the customer to view most interactions with the council in one place, to be able to see the progress of requests without contacting an officer and to be able to check balances with services such as Council Tax.
- ✓ Link to third party supplier portals using a single customer username and password, so that customers only need to
- ✓ Creating a centralised change of details process, so that customers need only tell us once about changes to their name, address, or other contact details.
- ✓ Enabling the council to proactively notify the customer of information relevant to them, thereby reducing the need for the customer to contact the council.
- ✓ Future-proof council architecture for any future changes.

2.3.3 Assumptions

- The current CRM in place across the three authorities is fit for purpose and will deliver the technology required to deliver the authority outcomes.
- That the three authorities will work in similar ways, so that the Customer Platform only need be created once and not bespoke for each authority.
- The authorities have the resource required to adequately support the process of form creation and will adopt similar practices for recording the customer journey.
- The data captured within the CRM will be of a high quality and will be maintained as such.

2.3.4 Dependencies

- **Enabler two: deliver new unified communications**
This will enable incoming telephone calls to automatically launch the customer record in the CRM.
- **Enabler four: enterprise middleware architecture**
This sits between the CRM and the back-office systems. It creates a single interface to update back-office systems and listen for status changes in cases held in back-office systems.
- **Enabler six: bookings**
This will enable customers and council staff to book assets such as rooms, sports pitches, timeslots, and equipment.
- **Enabler seven: notifications**
This will manage all notifications, with customers, such as text message, email, newsletter, and post.
- **Enabler nine: data platform**
Good quality data, linked via a unique customer reference is key to understanding customer behaviour.
- **Enabler ten: web – chatbot and content**
To reduce staff effort to support customers, the introduction of chatbots will be considered. To support this, good quality content on the website is essential.

2.4 Enabler four: Enterprise Middleware Architecture (EMA)

2.4.1 Description

A key dependency of the customer platform is the enterprise middleware architecture (hereafter referred to as 'middleware'). Middleware is a technology that manages the communication between the CRM and back-office systems. It reduces the technical debt needed to integrate these systems, allows Strata to check for errors and add additional security. It also benefits the authority staff by enabling specialists within the council to integrate systems, without the reliance on Strata staff. It will also listen for changes to cases held in back-office systems and update the CRM and customer with the progress of the case.

2.4.2 Objectives

- ✓ Reduce the complexity of managing integrations between different systems.
- ✓ Standardise the method of integrating systems.
- ✓ Give council staff the ability to use pre-built integrations especially when using Power Apps, Power Automate, and Developing GovService forms, without Strata involvement.
- ✓ Reduce the time it takes to integrate systems.
- ✓ It will create a managed environment, meaning individual systems that use the Middleware for Integration can be swapped out and replaced without having to re-develop the forms and processes that feed into the new system.

2.4.3 Assumptions

- A mixture of technologies will be used to create the components of the Middleware. Some will be paid for, some will be open source, some will be developed by Strata.
- Where commercially available components are used, a budget assumption has been made and included in the cost section.

2.4.4 Dependencies

- Many of the APIs included in the API layer (see below) are supplied by third parties. Strata is dependent on the capabilities of these APIs and can only update or retrieve data from third party systems where the API allows.

2.4.5 Deliverables

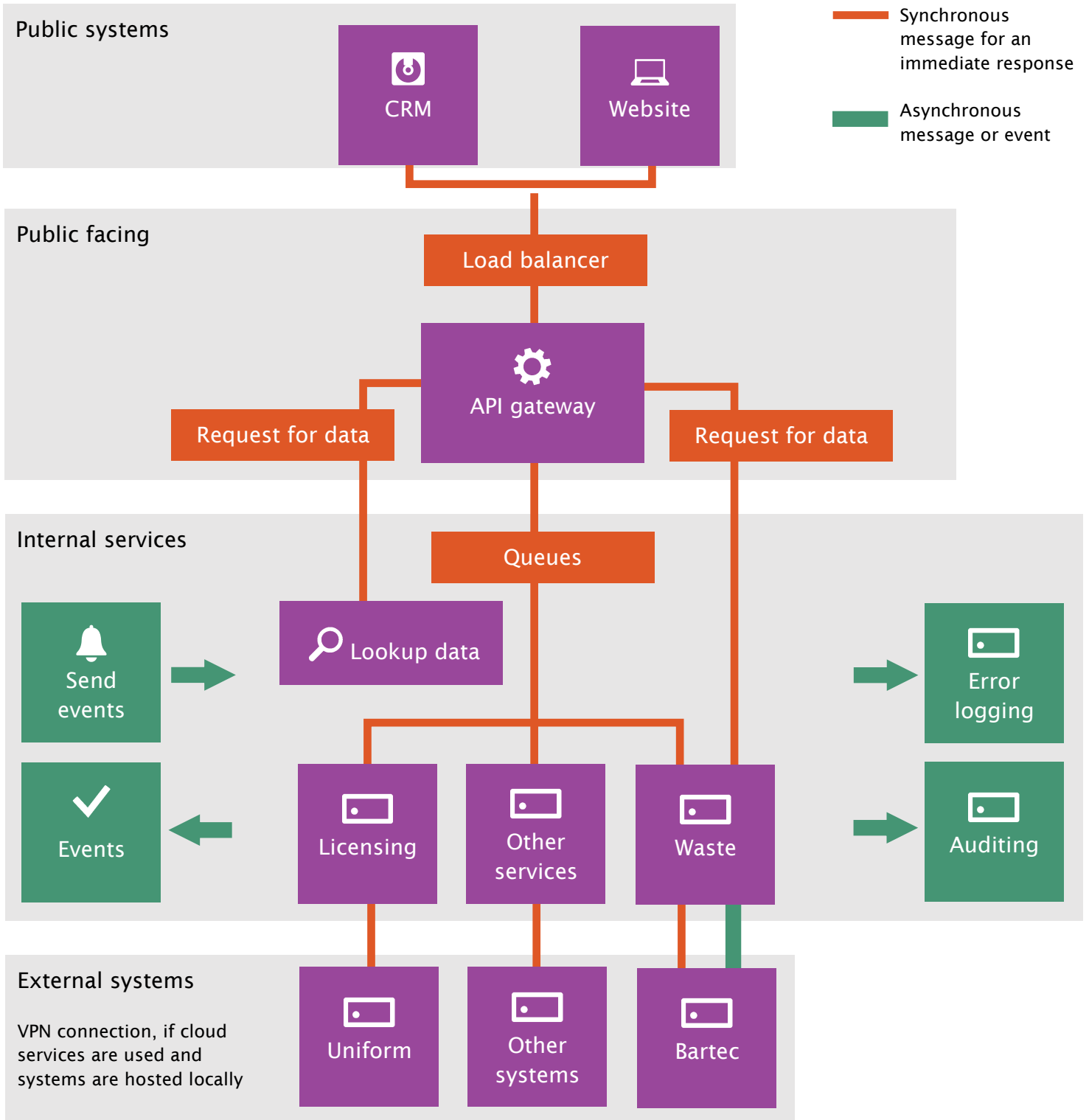
The middleware will consist of the following components. Whilst this is a level of technical detail, it is important to set out within the business plan our aspirations, to be ratified by the technical design architect (TDA). How these fit together can be seen in .

- ✓ Load balancer: this will ensure the traffic through the middleware doesn't get caught in a bottle neck. It is likely Strata will use a Microsoft Azure service to load balance the middleware.
- ✓ API gateway: this is the entry point to the Middleware. It ensures only secure traffic can use it.
- ✓ Message queuing: at busy times, or if a back-office system is unreachable for any reason, the traffic through the middleware will be queued, and can be processed later once the back-office system becomes available. This ensures data isn't lost.
- ✓ API layer: this is a managed collection of APIs, either developed by Strata or provided by a third party and is the mechanism by which the traffic is placed or retrieved from back-office systems.
- ✓ Error logging: when errors do occur, these will be logged so that faults can be corrected.

- ✓ Auditing: full audit log of the traffic through the Middleware.
- ✓ Security: secure by design.

This diagram shows the logical dataflow of our intended vision for the Enterprise

Middleware Architecture platform:



2.5 Enabler five: SharePoint

2.5.1 Description

Document storage, retrieval and collaboration are key requirements to deliver the councils' digital goals. SharePoint is the chosen platform for this. To leverage the benefits, it must be designed properly to ensure documents are easily searchable, secure access, and the full document lifecycle from creation to disposal can be properly maintained.



The three authorities are currently at slightly different starting points, the intention is for all partners to migrate structured and unstructured documents into single searchable repository that encompasses document retention, business classification and security.

Strata will also work with the councils to incorporate into the SharePoint and Teams design a standardised offering for councillors document storage, access, and collaboration, in line with council policy and government guidelines.

2.5.2 Objectives

- ✓ A well-structured and maintained document storage facility.
- ✓ Documents that can be quickly found and retrieved.
- ✓ Documents that are secure and can only be accessed by staff with appropriate permissions.
- ✓ Documents that have a managed lifecycle, from creation through to disposal.
- ✓ Over time, SharePoint becomes the de facto document storage repository for all documents.

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- ✓ That the authorities adopt a common SharePoint design architecture, whilst allowing for local differences where needed.
- ✓ Reduction of on-premises data storage in-line with our cloud strategy.

2.5.3 Assumptions

- A single tenant is adopted.
- Appropriate Microsoft licensing that includes the compliance features.
- Estimated costs for a project manager included in costs.

2.5.4 Dependencies

- Successful completion of the current design document with all requested input from the authorities.
- Microsoft compliance features are required to use many of the tools necessary to successfully manage the SharePoint environment. This is explained in the Microsoft licensing section.
- Adequate resource from the authorities to undertake this piece of work, in recognition of all the change that is taking place.

2.5.5 Deliverables

- ✓ Design document detailing:
 - Common SharePoint architecture used across the three authorities with the ability to have local changes as needed.
 - A business classification system for documents stored in SharePoint.
 - A data retention schedule
 - Permissions plan to ensure only correct staff can access the documents.
- ✓ A costed implementation plan to build the new SharePoint structure.

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- ✓ Implementation of the SharePoint structure
- ✓ Migration of data from existing repositories into the new SharePoint structure.

2.6 Enabler six: bookings

2.6.1 Description

Many of the processes and transactions that occur in the authority involve the booking of an asset, whether that is a room, equipment, time slot or playing pitch. To improve these transactions, a booking solution is required.

This chosen solution should be able to integrate with existing systems, so that it can be embedded within forms, processes, and the website. The system should also be usable by council staff, avoiding a reliance on Strata to embed within council systems.

Preliminary investigation has identified several potential solutions; however, the cost and functionality vary widely. A well-known solution, for example, Booking Lab, would cost in excess of £100,000 per year per authority, whilst other solutions are free at the point of use (MS Bookings).

The project to introduce a booking solution will first begin with understanding use cases from the councils, with several already known. After which an investigation into potential solutions with a final phase of implementation and adoption. It is possible that a variety of solutions will be required to meet the large number of potential use-cases.

2.6.2 Objectives

- ✓ Understand and document council requirements of a booking system.
- ✓ The system should be flexible enough to be suitable for a range of booking requirements.
- ✓ The system should integrate with a range of council systems.
- ✓ The solution should be usable by council staff and Strata alike.
- ✓ The cost of the solution should be commensurate with the use cases.

2.6.3 Assumptions

- More than one booking system may be required to fulfil the various use-cases across the authorities.

2.6.4 Dependencies

- Must be compatible with the new Strata enterprise middleware architecture and customer platform.

2.6.5 Deliverables

- ✓ Booking system able to be embedded within council systems and usable by both council staff and Strata staff.

2.7 Enabler seven: notifications

2.7.1 Description

Most transactions that occur require some sort of notification, whether to notify staff within the authority or customers. These notifications can be email, text message, letter, or even WhatsApp. A notification engine will simplify the creation and management of these notifications, enabling the authority staff to embed these into processes themselves, while at the same time making it easier for Strata to manage.

2.7.2 Objectives

- ✓ Notification 'engine' that can accept a common set of instructions, regardless of the method of notification used. For example, regardless of whether the notification will be a text message or email, the user can use a common interface to input the message, chose the method and the message will then be sent.
- ✓ Future-proof so our partners can quickly implement emerging communication channels.

2.7.3 Assumptions

- The notification 'engine' is not a replacement of existing social media management tools, such as Orlo.

2.7.4 Dependencies

- Good quality, maintained and current, contact data within the CRM.
- Enabler 4: enterprise middleware architecture

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→ Enabler 2: telephony and contact centre

2.7.5 Deliverables

- ✓ A centralised notification 'engine'.
- ✓ A common interface for all notifications.
- ✓ Solution can embed within existing processes and systems.

2.8 Enabler eight: Power Platform

2.8.1 Description

The Power Platform is a suite of low-code tools from Microsoft that enables users to create applications, automate workflows (or ‘flows’), analyse data, and build chatbots. The Power Platform consists of four main components: Power Apps, Power Automate, Power BI, and Power Virtual Agents. These components can be used individually or together and can integrate with other Microsoft products such as Office 365.



There are two ways of licensing Power Apps and Power Automate:

Standard license

Free

- Apps and flows are stored in OneDrive or the default environment.
- No controls in place
- Can only be used by the person who created them.
- Once the person leaves the organisation the app/flow will be removed when their profile is deleted.
- Restrictions on functionality – no ‘premium features’ such as database integrations
- Basic amount of storage.

Premium license

Power Automate: £132 pp/year

Power Apps: £175 pp/year

- Apps and flows can be saved in different environments – for example. development, test, production, which mirrors more professional development principles.
- Enterprise controls, such as security controls and usage statistics can be put in place via Centre of Excellence.
- Greater functionality available – for example, integrations with SQL server and other databases.
- Apps and flows can be used by other staff, as long as they also have a premium license.
- Apps and flows remain with the organisation and persist even if the person who created them has left.
- 5,000 AI builder credits included.

Both license types described above allow an automation to be run in 'attended mode', which means that a user has to be actively logged in for the process to start. If the requirement is for the automation to run when the user is not active (in 'unattended mode'), for example overnight, an additional license is required per automation. This is currently £123.30 per automation per month.

Some functionality such the use of artificial intelligence capabilities, also requires an additional license, on top of the premium license. The AI capability is licensed on a per use basis, meaning the more calculations the AI performs the greater the cost. As such it's not possible to provide a cost here.

Strata has included a budget for three Power Automate premium and three Power Apps premium licenses per authority within the business plan. This will enable a core set of users to begin to understand the capabilities of the Power Platform and build the initial set of apps and flows. It is suggested that the authorities then create a business case for further expansion of the user of Power Automate and Power Apps.

2.8.2 Objectives

- ✓ To empower users to create solutions that meet their business needs without relying on Strata or external developers.
- ✓ To leverage the capabilities of the Power Platform to enhance existing systems and processes, and to enable new digital services.
- ✓ To establish a governance framework for the Power Platform to ensure security, compliance, and quality standards are met.
- ✓ To provide training and support for users to develop their skills and confidence in using the Power Platform.

2.8.3 Assumptions

- That Microsoft's Power Platform is the low-code development platform of choice adopted by the councils.
- That the councils have the appropriate Microsoft licensing to access the Power Platform features and integrations.
- That the councils have the resources and willingness to adopt the Power Platform and to support the users in creating solutions.

2.8.4 Dependencies

- **Enabler four: enterprise middleware architecture**
This will enable the Power Platform to connect with various back-office systems and data sources.
- **Enabler nine: data platform**
This will provide a unified and governed data layer for the Power Platform to access and analyse data.
- **Enabler ten: web content and chatbots**
This will enable the Power Platform to create web-based solutions and chatbots that can be embedded in the council websites.

It should be noted that all dependencies do not have to be in place before the Power Platform and tools can be utilised by the councils. The power platform can be used independently of the above, but certain outcomes the authorities may want to achieve, such as automated routing for authorisations, and linking to back-office systems, will be better facilitated if the enablers to achieve those are in place.

2.8.5 Deliverables

- ✓ A Power Platform Centre of Excellence that will provide guidance, best practices, templates, and support for the Power Platform users and solutions.
- ✓ A Power Platform environment that will host the Power Platform solutions and integrations, and that will be monitored and managed by Strata.
- ✓ A portfolio of Power Platform solutions that will be created by the councils and Strata to address various business challenges and opportunities.

2.9 Enabler nine: data platform

2.9.1 Description

Data is key to achieving the outcomes identified by the councils. As such a robust data platform is needed to support the use of data and ensure its managed correctly.

The data strategy identified five pillars to successful data use. They are:

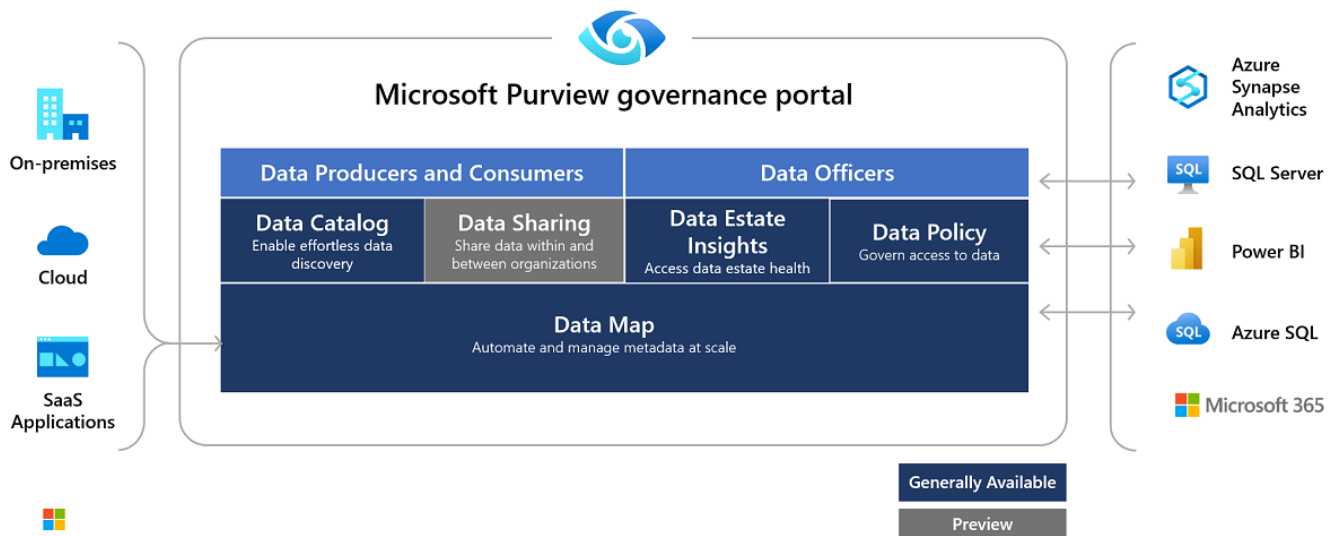
- Good data governance
- Accurate, good quality data
- Staff capability and training
- Technology
- Data sharing and collaboration policies.

One of the first steps in achieving good data governance is to understand what data the authority has and who is responsible for it. With the many thousands of datasets held by each authority, manually keeping track of these would be a mammoth, resource intensive endeavour. To reduce the effort needed to achieve this, Microsoft has a suite of tools available, to discover, track, and help manage data. One of the key products is Purview.

Purview is an umbrella term for the data management tools available from Microsoft. Many of the tools are included in the compliance centre, which has been costed separately in Section. The data governance aspects of Purview described in this section relate to the discovery and cataloguing of our data estate, which is fundamental to successful data governance and has been detailed extensively in the data Strategy.

Microsoft Purview governance portal is charged on a pay-as-you-go model and is dependent on the frequency of scans and volume of data scanned.

This diagram shows Microsoft’s high-level view of Purview’s governance portal:



2.9.2 Objectives

The key objectives of the data section are:

- ✓ Implementation of sound data governance.
- ✓ Good data quality, including data standards and master datasets.
- ✓ Appropriate technology to support the authorities’ data requirements.
- ✓ That staff are trained and have a good level of data awareness.
- ✓ A plan is in place to share and collaborate with third parties where appropriate.

2.9.3 Assumptions

- The councils have the appropriate Microsoft licensing to access the Purview system for Data Governance, including the Microsoft 365 E5 licensing, which includes the data compliance suite.
- The councils have the resources and willingness to adopt and manage data governance across each service.

2.9.4 Dependencies

- **Microsoft Licensing:** This will enable the councils to access the appropriate technology to help catalogue and manage data.
- **Shared Data Strategy:** A commonly agreed data strategy across each partner.
- **Enabler five: SharePoint:** Technology that will support the data strategy implementation.

Note that work for the Data Platform can commence prior to SharePoint being implemented, but SharePoint is required to gain many of the benefits.

2.9.5 Deliverables

- ✓ A data catalogue for each platform, identifying where data is, what it is and who the data owners are.
- ✓ A common shared data strategy for each partner ensuring that all staff are trained and have a good understanding of data maturity.

2.10 Enabler ten: website content and chatbots

2.10.1 Description:

The website content and chatbots enabler aims to improve the quality, accessibility, and relevance of the partner authorities' websites and digital services. The enabler consists of two main components: website content and chatbots.

Chatbots

A relatively modern advancement in web technology is the chatbot. A chatbot can be thought of as a virtual customer services assistant. It can respond to queries from a customer and answer basic questions and complete basic tasks. This removes the need for an experienced human customer service advisor dealing with these basic tasks and frees them up to handle more complex cases.

There are two main types of chatbots:

- **Rule-based chatbots**
These bots follow pre-defined rules and decision trees. They can provide responses based on specific keywords or patterns in user input. Rule-based chatbots are limited to the rules programmed into them and may struggle with understanding more complex or varied language.
- **AI-powered chatbots**
These bots use AI and machine learning to improve their ability to understand and respond to user inputs. They can learn from interactions and adapt over time, making them more flexible and capable of handling a wider range of conversations.

Chatbots are commonly used on websites, messaging platforms, and mobile apps to engage with users, answer queries, and perform tasks. They play a significant role in enhancing customer experiences and streamlining communication processes.

To benefit most from AI-powered chatbots, the councils will require well-structured data on their websites. This will bring multiple benefits, both with the introduction of chatbots, and for the more traditional website interactions.

Website content

Good website content is accurate, engaging, and relevant to the target audience, and each of the partner websites need to be streamlined to help direct customers to the right information as quickly as possible,

The websites should be easy to read and understand, free of jargon, and well-organized. It should also be optimized for search engines and comply with accessibility standards. It can also help to improve search engine optimisation (SEO) and analytics, making it easier for people to find and engage with the authority website.

Whilst Strata is not responsible for the website content, it is critical to the success of the digital transformations the authorities require.

2.10.2 Objectives

- ✓ To enhance the user experience and satisfaction of the partner authorities' websites by providing clear, concise, and up-to-date information and services.
- ✓ To increase the accessibility and inclusivity of the partner authorities' websites by complying with the Web Content Accessibility Guidelines (WCAG) 2.1 AA standards.
- ✓ To improve the SEO and analytics of the partner authorities' websites by using best practices and tools such as Google Analytics, Google Search Console, and Bing Webmaster Tools.
- ✓ To provide chatbots that can assist users in finding information, completing transactions, and resolving issues in a timely and efficient manner.
- ✓ To ensure that the website content and chatbots align with the partner authorities' digital strategies and priorities, and that they are regularly reviewed and updated based on user feedback and analytics.

2.10.3 Assumptions

- That the partner authorities have the appropriate content management systems (CMS) and hosting platforms to support the website content and chatbots.
- That the partner authorities have the resources and willingness to create and maintain the website content and chatbots.
- That the partner authorities have the necessary data and insights to measure and report on the performance and impact of the website content and chatbots.

2.10.4 Dependencies

- **Enabler one: end user computing**
This will ensure that the partner authorities' staff have the necessary devices, software, and training to create and manage the website content and chatbots.
- **Enabler four: enterprise middleware architecture**
This will enable the website content and chatbots to connect with various back-office systems and data sources.
- **Enabler nine: data platform**
This will provide a unified and governed data layer for the website content and chatbots to access and analyse data.
- Staff resource from the authorities to help review and manage the chatbot, review responses to ensure it is delivering the correct replies.

2.10.5 Deliverables

- ✓ A website content strategy that will define the target audience, goals, themes, tone, style, and governance of the partner authorities' websites.
- ✓ A website content plan that will outline the content types, topics, formats, and owners of the partner authorities' websites.
- ✓ A website content audit that will assess the quality, accuracy, completeness, and compliance of the partner authorities' websites.

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- ✓ A website content improvement plan that will prioritise the areas of improvement and the actions required to achieve them.
- ✓ A chatbot strategy that will define the scope, goals, use cases, design, and governance of the partner authorities' chatbots.
- ✓ A chatbot plan that will outline the chatbot types, topics, flows, and owners of the partner authorities' chatbots.
- ✓ A chatbot audit that will assess the quality, accuracy, completeness, and compliance of the partner authorities' chatbots.
- ✓ A chatbot improvement plan that will prioritize the areas of improvement and the actions required to achieve them.

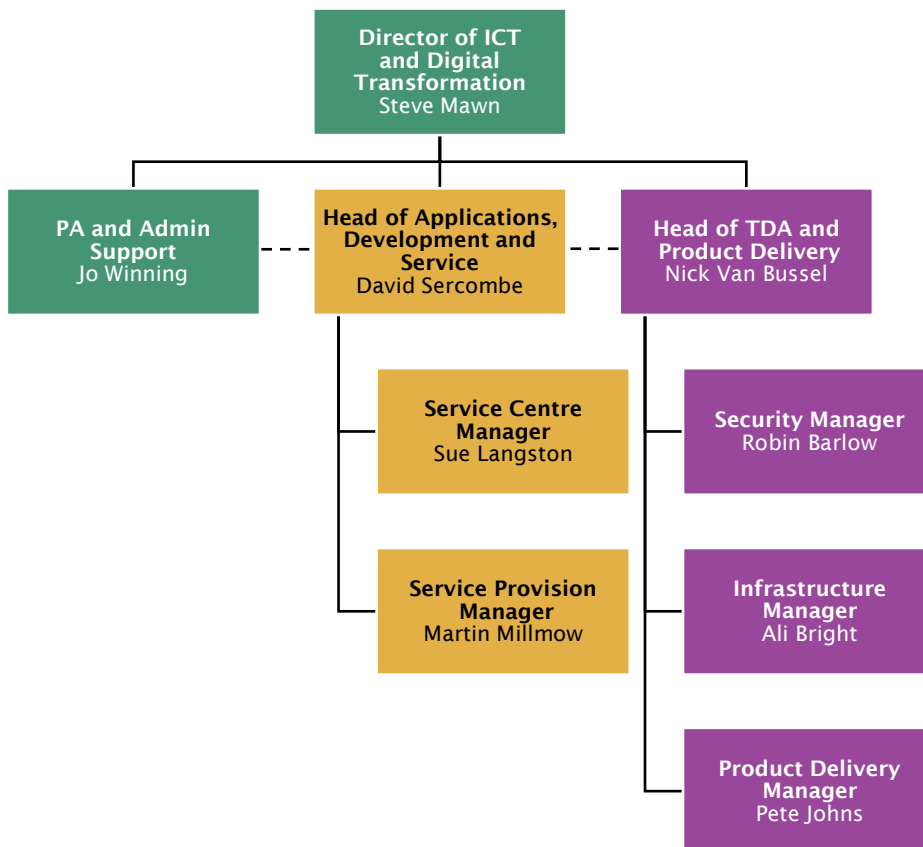
3 Organisational enablers

3.1 Restructure and organisational change

In response to the ever-evolving demands and challenges of the Information and Communication Technology industry, Strata has embarked on a strategic staff restructure to enhance our capabilities and streamline our services. The cornerstone of this transformation is the establishment of two distinct and specialised teams: the ‘technical design tower’ and the ‘service tower’.

This restructure is designed to empower us to better serve our partners, optimize our operations, and drive innovation in design and process within our organisation and partners.

This is a diagram of the new management team structure:



3.1.1 Objectives

The TDA tower (technology, design and architecture)

- ✓ To ensure all solutions are designed within the overall enterprise architecture.
- ✓ To provide a dedicated focus on infrastructure development and management.
- ✓ To ensure the highest standards of security across our systems and networks.
- ✓ To enhance the delivery of projects with a sharper emphasis on efficiency and quality.
- ✓ Deliver against Sla's

The service tower

- ✓ To establish an efficient and responsive service centre, specifically catering to our clients' needs.
- ✓ To monitor and act on service performance in line with SLAs, etc.
- ✓ To elevate our application development and management capabilities.
- ✓ To maintain a seamless and effective service delivery process.
- ✓ Develop and ensure continual improvement against ITIL.

3.1.2 Deliverables

The expected outcomes of this staff restructure include:

- ✓ Clearly defined roles and responsibilities for team members within the TDA tower and the service tower.

3 Organisational enablers

- ✓ Improved infrastructure management, security, and project delivery within the TDA tower.
- ✓ Enhanced service centre efficiency, application development, and streamlined service delivery within the service tower.

3.1.3 Costs and resources

While the financial implications of this restructure are included in the 'costs and resources' section, it is important to note that this transformation requires investments in new posts, additional support services and training which has been partly offset by post reductions in other areas.

3.2 ITIL process review

3.2.1 Description

ITIL, which stands for 'Information Technology Infrastructure Library', is a set of best practices for IT service management (ITSM). ITIL provides a worldwide recognised framework for organizations to deliver IT services that meet the needs of their customers.



ITIL is a valuable resource for organisations that want to improve their IT service delivery. It can help organizations to:

- Reduce costs: ITIL can help to identify and eliminate waste and inefficiencies in existing IT processes.
- Improve efficiency: ITIL can help to automate IT processes and to make better use of their existing resources.
- Improve quality: ITIL can help to deliver IT services that meet the needs and demands of their customers base.
- Improve customer satisfaction: ITIL can help to improve the quality of IT services, which can lead to increased customer satisfaction.

Whilst a number of processes are already being followed from this methodology and framework a further review is needed to both ensure they are fit for purpose but also to improve and to re-align to service and business demands. Alongside this implementing specific new key processes that are not currently in place and will ultimately improve the IT service offering from Strata.

3.2.2 Objectives

To review, improve existing and create new ITIL processes including:

- ✓ Incident management
- ✓ Service request fulfilment
- ✓ Service level agreements (SLAs) and reporting
- ✓ Problem management
- ✓ Change management
- ✓ Service asset and configuration management (SACM)
- ✓ Service catalogue
- ✓ Service Desk

3.2.3 Assumptions

- To continue to use the existing Alemba - ASM core product (IT Service Desk toolset) for IT service management and related IT self-service portal.
- All existing Strata support teams will adopt and adhere to any new approved process and/or service changes.

3.2.4 Deliverables

- ✓ **New SLAs**
New standardised incident and service request SLAs created with specific priorities and measurements set. These will be reported on internally as measures against service provision and aligned to other organisations to ensure comparisons are available.
- ✓ **Internal communication**
Procedural updates for SLA changes implemented within Strata and communicated to customer. Report suite created for publishing and monitoring results.

- ✓ **Service catalogue**
Service catalogue and service descriptions created for all support elements. This will define what is and isn't provided under the contract. A to Z of IT Services published on IT Self Service signposting users to details and availability and any relevant support options.
- ✓ **Problem management**
New problem management policy, process and procedure created and implemented ensuring problems and impending issues are managed and detected avoiding service issues and disruption.
- ✓ **Business critical services**
As a dependency of the service catalogue business critical services identified and agreed with customer enabling strategy alignment on service continuity, disaster recovery planning and Out of Hours Support.
- ✓ **IT self-service portal updated**
Updating the IT self-service portal to align to service catalogue, better signposting to services and new SLAs/priorities.
- ✓ **Asset management**
Continue work to have a complete asset register and greater update automation for device changes within the organisations and estate.

3.3 IT Service Centre (Service Desk) realignment

3.3.1 Description

The IT Service Centre or IT Service Desk is the central and focal point for staff to seek support and help for all IT issues and requests. Strata is committed to service improvement and offering best value.

The current provision although performing well has evolved to changing requirements and demands which has in turn created inefficiencies and made it increasingly difficult to manage and deal with work volumes.

A review and re-alignment of the IT service desk, its staff and function will improve turnaround and resolution times.

3.3.2 Objectives

- ✓ To improve the customer experience for the IT service desk opening times and availability to suit the business needs and improve customer experience.
- ✓ Standardise and document the service, support, and the communication channels. To centralise process where possible and remove single points of failure.
- ✓ Linking to ITIL review work a published service catalogue and A to Z of IT services.
- ✓ Maximise new structure arrangements to ensure standardised improved service.

3.3.3 Assumptions

- There will be no changes in operating levels of staff but will adjust and align resources to fit new working patterns and process changes.
- There will be no direct impact or inconvenience to customers whilst changes are made and will be fully communicated.

3.3.4 Deliverables

- ✓ Change the service desk physical opening times to 8am to 5pm, Monday to Friday (excluding public and bank holidays). This will be when actual phone agents and support staff are available. (Self-service will remain available to log requests 24/7, 365.)
- ✓ change existing local number to single non-geographical telephone number (for example, 02). Communicate and update all areas where number is published. A redirect will be put in place as well.
- ✓ Increase service options available via self-service portal.
- ✓ Update the pre-recorded details when you call the service desk (IVR messaging) to signpost new changes.
- ✓ Review the existing 'reasonable endeavours' out of hours support arrangement and formalise an agreed service to align to critical business systems with a new dedicated phone number.
- ✓ Internal support teams and service desk toolset re-configured to align to new first-, second- and third-line structure for call triage.
- ✓ Create pre-8am scheduled checklists for support staff to ensure key business and critical systems are running as required before service desk opens.

3.4 Growth strategy

3.4.1 Description

The initial objective of Strata's business case was to strengthen its partners' ICT Departments by increasing resilience and expediting transformation. In recent months, significant efforts have been made to enhance these aspects, and the partners collectively acknowledge the successful achievement of these goals. Strata continues to prove its success and capability in delivering the priorities of its partners.

As part of the 2024/25 business plan, it is advisable to thoroughly assess additional opportunities on a case-by-case basis to identify potential areas of symbiotic benefit with existing or external partners.

To facilitate the partnership in evaluating potential opportunities, we plan to establish principles that shareholders will use to assess propositions throughout the 2024/25 period. These principles will serve as a foundation for evaluating any future partners, customers, or functions to be considered for inclusion in the future.

3.5 Print and post/Document Centre

3.5.1 Description

The discovery phase of a possible future project will take place to assess Document Centre services, this will involve collecting and reviewing information about current services, the current challenges faced and assess these factors against the future needs of the councils. For example, paper in circulation continues to decrease both internally and externally, printing needs have become more about having access when required and less about capacity to produce volume, this phase will examine these figures and trends and look to future needs.

3.5.2 Objectives

- ✓ Produce business case to support re-evaluated service design in line with discovery phase.

3.6 Branding

3.6.1 Description

In a strategic move aimed at aligning with the dynamic landscape of the digital age and bolstering its growth strategy, Strata is intending to rebrand.

This initiative involves a significant departure from the conventional black logo, symbolizing a transition towards a more contemporary and forward-thinking visual identity. The design will encapsulate the essence of innovation and progress, embodying the company's commitment to staying at the forefront of technological advancements. The choice of vibrant and modern elements in the revamped logo reflects the company's vision for the future, highlighting its dedication to adaptability and responsiveness in the ever-evolving realm of information and communication technology.

This rebranding effort not only serves as a visual renaissance but also signifies a strategic shift from the old to the new.

3.7 Digital Collaboration Forum

3.7.1 Description

As we introduce new technologies, new ways of working and new concepts, it is imperative that Strata has good communication and feedback within directly across multiple services and each partner.

A Digital Collaboration Forum is a group of nominated staff from each authority (preferably one person from each business area, per authority) to work together and with Strata as we introduce changes to technology. This is also a great way to help with communication to the wider audience, and the members of the Digital Collaboration Forum would cascade information out to their own departments. Also, this forum would facilitate closer working between the partners as we begin to share learning, opportunities, and issues.

The Digital Collaboration Forum would:

- ✓ Explore technologies such as Power Apps and Copilot for Microsoft 365 and share successes to the group.
- ✓ Explore opportunities within Microsoft 365 and share successes to the group.
- ✓ Be part of the Strata 'test' desktop releases, meaning these staff would receive the latest updates prior to the rest of the business.
- ✓ Give Strata a forum to share new developments and change coming to systems, especially 'evergreen' cloud-based systems.
- ✓ Cascade information to the wider businesses.

A similar forum has already been setup in Teignbridge and has been running for a nearly two years, which was branded Digital Tribe. The Digital Collaboration Forum will be an enhanced version of this extended to each partner, as a single entity.

3 Organisational enablers

In addition to this local Digital Collaboration Forum, we would also be working with the partners to engage further into the Microsoft Collaboration Forum. This is a national initiative across government bodies, working with and exploring Microsoft technologies to share ideas, problems, and solutions in common areas. For example, our partners may not need to develop a Power App for a certain task if another council has already done it for us.

4 Operational enablers

4.1 Microsoft licensing

4.1.1 Description

The authorities and Strata all share a single Microsoft agreement, and the current agreement comes to an end 31 March 2024. This section details the summarises the renewal for the next three years.

Decisions and budget for Microsoft licensing will need to be made prior to this Strata business plan being agreed, and a dedicated business case has been supplied to the architecture board for approval.

The recommendation will be that the partners upgrade their Microsoft licensing tier from E3 to E5, which will provide several features that will help achieve the Enablers referenced in this document.

4.1.2 Objectives

- ✓ Correctly license Strata and the authorities to meet the needs of the businesses, and where appropriate the requirements of the enablers defined in this document.

4.1.3 Assumptions

- That the numbers presented for user licensing are not going to dramatically increase.
- That the business case recommendation to move from Microsoft 365 E3 licensing go E5 licensing is approved

4.1.4 Deliverables

This section is about delivering the licensing rather than delivering the functionality behind the licensing.

4.1.5 Timeframe

The licensing will be live from 1 April 2024.

4.1.6 Costs and resources

Strata are managing the resourcing for the licensing renewal and will present options to the authorities.

The pricing has been obtained from an official government procurement, which was won by the software supplier Phoenix. This was an aggregated procurement with other government bodies across the country and run by Crown Commercial Services (CCS). The incumbent supplier, Softcat, also was included in this aggregated procurement.

What we currently pay for Microsoft licensing (per year)

- Users: £399,941
- Servers: £91,678
- Total: £491,619

(Based on 1,900 users)

Moving to E5 licensing

Strata has made a recommendation to move to the Microsoft 365 E5 license. The E5 license is the top tier of Microsoft user licensing, and includes all the features from E3 – our current license – and in addition:

- telephony (via Teams Voice. Excludes contact centre)
- security suite
- compliance suite

There is a discount to the E5 licenses over the three years if we commit to this at the start of the agreement. The discount decreases each year, however if we elect

to move to E5 part way through the agreement, we will have no discount applied. The cost in year three is the current full price of the E5 license.

Although E5 is the top tier of licensing from Microsoft, it does not include several other features such as Azure, Copilot, or the advanced features of InTune or Microsoft Teams.

100% E5	Year one	Year two	Year three	Total
365 Baseline	£493,686	£547,680	£610,428	£1,651,794
Additional software	£89,187.64	£92,640.30	£92,640.30	£274,468.24
On-prem servers	£106,003	£106,003	£106,003	£318,009.01
Total	£688,876.64	£746,323.30	£809,071.30	£2,244,271.25
Increase over current	£197,257.64	£254,704.30	£317,452.30	£769,414.25

Options for authority

An alternative is available to the authorities if they do not wish to have all the features available in E5, however Strata believes each are justified. If each feature is required, then it would be cheaper to go with the E5 option.

What is included in each of these suites, and how it benefits the authorities, has been explained in a separate document reviewed by the architecture board.

Additional software

This row in the costs represents:

- applications such as Project, Visio, and Visual Studios
- much cheaper ‘F3’ user licenses, specifically designed for ‘frontline’ and mobile only officers
- telephony handsets and room devices
- Power Apps and Power Automate
- Power BI Premium
- Teams Premium (a single license to reserve pricing)
- InTune Plan 2 (a single license to reserve pricing)
- InTune Suite (a single license to reserve pricing)

On-premises servers

The servers that reside within the Strata datacentres need to have appropriate licensing from Microsoft. These figures could be reduced upon each anniversary in the three-year agreement. Assuming enough services have moved to the cloud, we can switch-off servers and therefore remove licensing, in-line with our cloud strategy.

Not included in licensing

- Azure Purview (see enabler nine)
- Power Apps/Automate running costs (see enabler eight)
- Microsoft Azure running costs (see move to the cloud)
- Copilot (see additional projects)

4.2 Financing model

4.2.1 Description

In 2023/24 Strata redeveloped the budget monitoring process to give a far greater granularity and control over spend. This enables the budget we have set out to be with a high degree of certainty. It is proposed once we have completed a full cycle of cost for year 2023/24 we will be in a position to start to, monitor and build a strong picture of each council's spend. Note currently it is not planned to modify percentage contribution from partners.

4.2.2 Microsoft and key platform volume variation licencing

It is proposed to itemise all key licencing spend for each council to enable variations to be costed for against the service catalogue described in the ITIL process review section, as the council grows or decreases volumes.

4.2.3 Move to shadow budget for transformation

As we gain a greater understanding of the operational costs, we will track time spent on transformation work to enable greater capitalisation of project work and a more detailed cost analysis of operational running cost of ICT.

4.3 Reduce carbon footprint

4.3.1 Description

Strata is committed to reducing the carbon footprint associated with our operations. Significant progress has been made in recent years, primarily through reductions associated with the two datacentres, and reductions in travel largely because of reduced commute mileage following the Covid-19 pandemic. Recent hardware refreshes in the datacentres have reduced electrical consumption because the newer equipment uses far less power, and a reduced cooling requirement meaning less power is also needed for the air handling units.

The current methodology for recording carbon impact is currently flawed in that it is based on pounds spent and doesn't take into consideration actual direct GHG emissions or the environmental credentials of individual suppliers. Each authority and Strata have historically been following the same methodology, as part of this business plan Strata intends to review this alongside the authorities to determine an accurate method to demonstrate actual progress against carbon reduction.

Strata's carbon reduction policy forms part of the commitment set out by its partners, which have committed to net zero as per their published targets.

4.3.2 Objectives

- ✓ Introduce a Sustainable procurement policy.
- ✓ Ensure when purchasing new hardware that consideration is given to environmental factors such as power consumption, service life, and recycle or reusability when the equipment becomes redundant.
- ✓ Green Travel Plan. A green travel plan can be used to identify and promote ways to encourage a range of sustainable, or less environmentally damaging transport modes, usually with the emphasis being on reducing single user private car travel. A plan addresses all transport issues within an organisation including staff travel into their place of work, staff travel on business, and clients visiting the organisation's premises.

4 Operational enablers

- ✓ Strata have committed to evaluate staff membership of an electrical leasing salary sacrifice scheme, with a view to implementing if viable.
- ✓ Actively monitor the resource utilisation in the datacentres. As systems and servers move towards the cloud, and Global Desktop numbers reduce, the energy usage within the Strata datacentres will reduce. This will enable Strata to leverage the multi-billion-dollar investment companies such as Microsoft and Amazon have made in carbon reduction.
- ✓ Strata is aware of several schemes available to them to reuse, harvest components, or recycle redundant equipment.
- ✓ Explore options for offsetting carbon emissions. This could be achieved using a charitable partner to plant trees locally, and potentially be funded through disposal of redundant hardware or donations.

4.4 Prepare for move to cloud and server reduction

4.4.1 Description

Most the council's IT systems are currently running from two datacentres in Exeter. The primary datacentre at the Civic Centre in Paris Street, and a secondary datacentre at Oakwood House on Marsh Barton. There are 287 virtual servers running in the primary datacentre and 200 in the other.

As new systems are introduced, they are often on a Software as a Service (SaaS) model and hosted in the cloud, rather than on servers hosted locally. This is generally a more resilient approach as it is not dependant on local hardware and any maintenance or updates are managed by the system supplier.

The hardware in the primary datacentre, specifically the physical host servers and the data storage system (SAN) have been replaced in the past 18 months, and typically have at least a five-year lifespan and whilst there is no urgency to migrate to the cloud from a financial perspective, Strata will need to align to Exeter's asset consolidation strategy.

It would be very expensive to migrate the current server estate and would leave costly assets in the datacentre that have not depreciated, unless considered as part of the wider asset strategy. Therefore, Strata intend to create a business plan for migration to the cloud over the course of the next 12 months for implementation as appropriate in line with Exeter's asset strategy.

The plan will focus on rationalising the virtual servers that we have currently. This will be partly through consolidation, but also gradually decommissioning servers as services migrate to the cloud naturally.

4.4.2 Objectives

- ✓ Carry out an audit of the existing virtual server estate to validate the existing records. This can then be used to inform future decisions and may identify some 'quick wins', in particular any systems that are not currently in use.
- ✓ To adopt a 'cloud first' approach when considering new systems. This does not necessary mean always implementing cloud solutions, but rather than cloud solutions should always be considered in the first instance where these exist.
- ✓ To look to consolidate servers where possible. This may mean co-locating similar services, rather than each having its own server. There may also be cases where the same solution is in use at each council, but with each running from a separate server. Providing appropriate technical controls can be in place to separate the data this could present opportunities to reduce server numbers.
- ✓ To prioritise the completion of migration to Microsoft 365. Once all mailboxes have been migrated to Exchange Online, all file shares to OneDrive or SharePoint, and Skype for Business has been replaced there will be a significant number of emails, file and telephony servers that can be decommissioned. Once the user migrations are complete, there will still be potentially many shared mailboxes and legacy file shares that will also need to be migrated before the servers can be decommissioned.
- ✓ By moving to the cloud, it will enable Strata to utilise toolkits available to provide further efficiency in delivering the ICT estate to its partners.

4.4.3 Deliverables

- ✓ Strata will provide a roadmap to its partners during 2024/25.

4.5 Cyber security

4.5.1 Description

Cybersecurity is the practice of protecting systems, networks, and data from cyberattacks which use electronic methods to undertake the activity. Cyberattacks are malicious attempts to gain unauthorised access to, damage, or destroy systems, networks, or data. They can also be attempts to disrupt or disable systems or networks.

With the ongoing adoption of cloud technologies and specifically the Microsoft 365 suite, several activities will be required in the next period:

4.5.2 Objectives

- ✓ Email filtering transition from Mimecast to Exchange Online Protection with the integration of MS Defender for Office and MS Defender for cloud.
- ✓ Identify suitable web filtering for mobile workstations not accessing the Internet through the Global Desktop.
- ✓ Rebuild and base test of IT recovery (DR) plans, based on the councils business continuity plans.
- ✓ Definition of cyber Incident management processes including metrics.
- ✓ Configuration and operational process implementation for the cyber related elements of Microsoft 365, with an assumption this will include E5 security enhancements.
- ✓ Co-ordinate and undertake software patching, both those that are regularly delivered (Microsoft updates), those that are identified through the Security Teams vulnerability scanning and those published/notified from threat feeds and supplier notifications.

- ✓ Configuration of M365 Sentinel Security Information and Event Management (SIEM) solution to proactively detect and respond to cyber threat and incidents in M365 alongside maintaining and developing the on premises LogPoint SIEM, which will also need renewing in December 2024.
- ✓ Review the augmentation of the M365 security solution. This is currently being undertaken via the Trend Cloud Security solution; however, it is difficult to tell how effective it is with Mimecast providing much of the current first line security filtering.
- ✓ Ensure Strata is aligned via Disaster recovery plans and the council owned business continuity plans.
- ✓ Provide the Strata community of practice for security, providing:
 - direct architectural and policy advice and support for all project activities
 - authorisation for all change that has security implications
 - advice and guidance for the councils in security related matters and assisting in the response to external guidance, notices, security incidents and request for responses
 - overall security governance for Strata and direct involvement with the council's governance and assurance, supporting schemes like the LGA's Cyber360 initiative
 - Support of cyber related policies.
- ✓ Support of cyber related auditing and compliance activities including:
 - DAP audits
 - PSN code of compliance
 - cyber assessment framework

4.5.3 Assumptions

- The scope of the team will be focussed on the following:
 - Cyber threat protection, detection and response
 - IT security governance and compliance

- Mimecast will not be renewed (at least in its current form) June 2024, requiring a transition of the email routing, spam management, security rules and operational tasks. The intention is to allow the email recipients greater ability to manage more general email scams and SPAM, allowing the Security team to focus more time on the greater Business Email Compromise (BEC) threat, predominantly Phishing and the detection and remediation of likely compromises.

This will require the councils to agree to a reduction in security email management for spam and scams (gift cards, invoice fraud, sextortion).

There will also need to be a risk decision on the filtering of file sharing links, which are increasingly being used as a replacement for email attachments. However, file sharing links have a higher complexity in checking, which generally adds delays in emails and is time consuming for the security team.

These file sharing links are now a prime route to get malicious content into the organisation. However, classification accuracy is currently low.

- The security team will be responsible for software security patching and the identification of specific patching needs from vulnerability scanning and supplier information.
- The security team will review augmentations to the M365 security email filtering solution (Exchange online protection), currently undertaken by Trend Cloud Security.

4.5.4 Dependencies

- With the removal of Mimecast, as a minimum the Security Plan 2, included in Microsoft 365 E5 will be procured.
- Renewal costs of LogPoint are affordable.
- Suitable third-party support to assist in the configuration and migration from Mimecast to M365 Exchange Online. This process is complex and has both heightened operational and security risks.

4.5.5 Deliverables

- ✓ Migration off Mimecast:
 - All email directed routed directed to and from Exchange Online
 - Similar and enhanced:
 - security rules
 - spam handling
 - secure email
 - organisation branding
 - external authenticity configuration SPF/DMARC/TLS
 - User awareness of changes
- ✓ Web Filtering solution for laptops:
 - Agreement on requirements. Defender for Endpoint may provide enough filtering.
 - Procured/configured product to meet the requirements.
- ✓ IT Recovery Plans:
 - Updated IT recovery plans with full business impact assessment information from the councils, current and planned IT infrastructure and line of business applications.
 - Tested IT recovery plans, culminating in an agreed failover test from Civic to Oakwood. This failover test is likely to be a limited scope due to the risk of this type of test.
- ✓ Cyber Incident management plan:
 - To be developed alongside the Service Desk Incident management process to cover preparation activities, detection and identification, Containment, Eradication, Recovery and communication.
 - Tested plans as part of both internal Strata and cross council incident response tests.

- ✓ Configured and audited M365 (Defender/Entra) system:
 - Microsoft Secure score greater than 75%. This is currently 55% however this will improve when Exchange Online is fully configured and on the assumption that Security Plan 2 (M365 E5) is procured.
 - External audit of configuration with no critical or high recommendations.
 - The Strata security team can maintain the operational the operational security activities.

- ✓ Software patching and detection:
 - All critical and high patches to be implemented within a month. This will however always have caveats both to delay and expedite.
 - Agreed dashboard and metrics to demonstrate performance

- ✓ Security Information Event Management (SIEM):
 - M365 Sentinel enabled with base policies in place, tailored for Strata.
 - Renewed LogPoint solution.

- ✓ M365 security augmentation:
 - Review whether to continue with Trend Cloud Security which is up for renewal in February 2024.
 - Understand councils' risk appetite to using Microsoft Security without a second alternative vendor product.

- ✓ Compliance and certification activities:
 - Delivery of the 2024 PSN code of compliance.
 - Undertake a full gap analysis of the NCSC Cyber Assessment Framework (CAF) following the full formal launch of the CAF which is c.Q1 2024.

4.6 Rationalisation and transition of copper telephone lines

4.6.1 Description

In August 2021 BT Openreach announced their 'copper switch-off'. As part of the UK government's goal of providing gigabit connectivity across the UK, the public switched telephone network (PTSN) and its copper system will be switched off by the end of 2025.

The councils use many traditional copper telephone lines for several different purposes, including:

- Telephone lines to smaller sites
- Intruder and fire alarms
- Lifts
- Telecare alarm services (Home safeguard and HomeCall)
- Broadband connectivity to many remote sites (ADSL / FTTC)

All these services, if they are still required, will need to be migrated to a digital alternative before the copper circuits are ceased to avoid any loss of connectivity.

Work has already been carried out to identify a complete asset list of all the telephone lines and broadband services current in use. Across the three councils there are just over 120 broadband connections to different sites that will be affected, as well as nearly 300 traditional copper telephone lines. For the sites currently using copper broadband services switching to a digital alternative should provide significantly faster and potentially more reliable connectivity as a direct result of this work.

4.6.2 Objectives

- ✓ To look for opportunities to rationalise the number of copper services in use and cease any that are not required, in line with the council's asset rationalisation programmes. Whilst compiling the asset list several lines were identified that were no longer in use and were able to be ceased. As part of this piece of work Strata will work with the councils to identify any other services that are not required, which can be ceased, reducing the number of connections that need to be migrated and generating savings which will offset increases in connection costs.
- ✓ This will give Strata the opportunity to review network topology and design, and act appropriately to reduce cost and complexity.
- ✓ To work with the property teams at each council to migrate intruder and fire alarms, lifts and any other systems that currently require a fixed copper telephone line to a digital alternative. In most cases, this is likely to involve installation of Digicom or Dualcom devices which use mobile 4G connectivity to replace the telephone line.
- ✓ To replace the small number of analogue telephone systems (PABXs) with digital alternatives, if these are still required. There are currently analogue telephone systems still in use at Belle Isle in Exeter, Manor Pavilion Theatre in Sidmouth, and East Devon Business Centre in Honiton.
- ✓ To replace each copper broadband service with a digital alternative. Where available, these should be full fibre (FTTP) connections but there are still many sites where this technology is not available and may well not be available by December 2025. In these cases, Openreach recommend a technology called 'single order generic ethernet access' or SoGEA. SoGEA provides fast broadband connectivity over the existing copper cable, but without any telephone service.

4.6.3 Assumptions

- It is assumed that the cut-off date of December 2025 will not change, but there is the possibility that Openreach will have to delay this if their infrastructure isn't ready.
- There is also the possibility that some exchanges will be switched off earlier than December 2025, and we will need to be able to respond and reprioritise if this happens. Openreach have not said this will be the case with any exchanges in this area, but there are others in the country that have already been switched off, and we had to act quickly last year when

Virgin Media brought forward the end dates for some of their circuits within Exeter.

- That digital services will be available at all the locations prior to the switch off date.

4.6.4 Dependencies

- Support from the councils' property teams and their suppliers of alarm systems and lifts etc to ensure smooth transition with no loss of service.
- Support from the authorities to inform at the earliest opportunity of intentions of rationalization of property.

4.6.5 Deliverables

- ✓ Improved broadband connectivity at sites which are currently poorly served.
- ✓ Potential for cost savings depending on the degree of rationalisation.

4.7 Data operations and compliance

4.7.1 Description

With the considerable quantity of business-critical data that is supported by Strata and the need to ensure that the management of this data through the systems and processes that maintain it is adequately controlled. To ensure this there are a range of more operational elements, primarily those not directly seen by the client councils but are needed to manage the operation.

4.7.2 Objectives

- ✓ Ensure data backups are undertaken and verified to agreed schedules. This includes the procurement of backup solutions to support both the on-premise servers in the data centres and increasingly providing recovery options for the Microsoft 365 data and the operations data, for example the configuration of the tenant.
- ✓ Support the Data protection responsibilities of Strata itself and provide data protection advice for the technical aspects to the councils, including the IT elements of data protection impact assessments.
- ✓ Support of the data governance and compliance for the Council and Strata SharePoint and other data repositories including the configuration of data loss prevention (DLP) once data labelling and DLP rules are put in place. There is an expectation that the detection and response to DLP incidents will be undertaken by specialist technical Strata staff.
- ✓ FOI co-ordination, usually of IT related requests coming into the councils but also the few direct FOI requests into Strata. Working with the councils there should be a drive to standardise, openly publish data to reduce requests and also to automate the gathering of FOI information. The FOI processes as currently the approaches are quite different.
- ✓ Extend the successful Strata IT change management process (CAB) to include key council representatives who will become the change owners.

4 Operational enablers

- ✓ Determine the councils requirements for Policy Management and whether the current solution (Metacompliance) is fit for purpose. This has limited use in Strata and Exeter are increasingly adopting this. This now embeds fully within Teams.
- ✓ Develop non-cyber technical policies for the adoption by Strata and the councils

4.7.3 Assumptions

- That resource to support the above processes will be met from within Strata however there is currently a potentially larger activity to support the Data governance activities for the councils and Strata, both in the implementation and the ongoing support.

4.7.4 Dependencies

- The outcomes of the data governance approach from the councils and the determination of the effort and skills required to deliver this.

4.7.5 Deliverables

- ✓ Data backups:
 - Renewal of on-premise backup solution.
 - Continual review of cloud backup solutions as this area is still quite immature from vendors.
- ✓ Data compliance:
 - Support the data governance activities and identify and resource the resource to support these activities.
 - Completion of non-cyber related polices and the adoption of these.
- ✓ Information requests:
 - In conjunction with the councils deliver a more effective and efficient FOI process

✓ Change management:

- Extend the process to include Council representatives in the CAB process.

4.8 Performance Management

The overall performance of Strata will continue to be monitored at the Strata board and JEC with reports on performance against SLA's and KPI's submitted. Monitoring of the transformation programme will be undertaken at the Joint Transformation Board as set out in the Company Mandate and governance structure.

4.9 Risk Management

Risk will be assessed on a project by project basis via RAID reports to the Transformation Board and architecture board at project inception. This will include evaluating assumptions and verifying prior to committing to spend.

5 Additional projects not included in timeline or costs

5 Additional projects not included in timeline or costs

These projects have not been included in the overall costs or resourcing plans. It is anticipated that they will require to be fully reviewed to define if viable within cost envelope and resource constraints.

The projects have been requested by the authorities (shown by the reference number) or from within Strata.

Project title	Description	Benefits	Estimated effort	Estimated cost
CRM replacement	Research, procure and replace incumbent CRM system. Replicate all current forms, process and integrations. After which implement new processes.	Slightly more modern technology, potential better low code capabilities leading to reduced time to production	3 × 18 months	£1.5million
Digital signatures (ref: 78379)	<p>The use of DocuSign (or similar) across authorities the standard e-signature solution</p> <p>Limited details of how or where this would be introduced</p> <p>Effort for work depends on the scope of work – if it is just the introduction of digital signatures it is less work for us, however if it is a top to bottom process redesign then it is a huge piece of work</p>	Reduces printing costs, and delays when waiting for a paper signature	TBC pending decision	TBC pending decision

5 Additional projects not included in timeline or costs

Project title	Description	Benefits	Estimated effort	Estimated cost
Joiners, Movers and Leavers processes (JML)	A full review of council JML process as they are currently very dated and frustrating. HR and IT processes are not joined up	<p>Improve onboarding processes for new starters, reduces effort from managers, a good opportunity to automate many repetitive tasks</p> <p>Also helps have more accurate employee records by joining up HR and IT systems and helps to ensure the only staff who are active are real, improving licensing accuracy</p> <p>Movers within the authority create additional security issues where old permissions are not removed</p>	<p>Size: very large</p> <p>Cost -</p> <p>Internal resource (Strata + authority) and automation tools for account creation</p>	TBC pending decision
Homelessness system in TDC (ref: 57858)	<p>Replace the homelessness system with a more modern one, also used by ECC</p> <p>Project underway but expected to run into new financial year. Estimated to complete July 2024</p>	Current system is outdated.	<p>In progress already</p> <p>Size: very large</p>	
Replacement carpark system TDC and EDDC (ref: 66704)	Replace Taranto with another solution	Current system is very unpopular, and supplier is struggling to meet the requirements of either TDC or EDDC	<p>Strata ~120 days for one council or 163 Days both</p> <p>Authority ~150 days (each)</p>	<p>£132,000 per council</p> <p>Assumes all Strata days are paid at consultancy day rates, so external costs are factored in if required</p>

5 Additional projects not included in timeline or costs

Project title	Description	Benefits	Estimated effort	Estimated cost
EDDC Tunstall (home call) replacement (ref: 73008)	<p>Replace the unpopular Tunstall system within EDDC, which has only been live for a couple of years. The supplier has been failing, so the service wishes to move elsewhere.</p> <p>This has been discussed with EDDC already, and October 2023 EDDC Cabinet approved to changes that the service has been requesting</p> <p>There is an additional component to the request from EDDC looking at the businesses processes of the department, which is also huge in scale, but would require business analysis from within the authority to understand what needs resolving, and how</p> <p>ECC have now expressed an interest in updating from their very old on-premise 'PNC6' Tunstall solution into the same cloud-based system EDDC have.</p>	<p>A more reliable service to the council customers</p> <p>There's also an argument about how much Strata should be involved at all with this piece of work as we're often just acting as the contract holder and not adding any value.</p>	<p>Easily £100K+ with software and resource requirements</p> <p>Very large in size, even though this would move from one hosted platform to another due to data extracts</p> <p>The request for a review and update of business processes is also very large in size.</p> <p>ECC Project is minor in comparison as they have a much smaller implementation of Tunstall than EDDC did.</p>	TBC pending decision
EDDC Licensing Lalpac to Idox migration (ref: 57850)	EDDC have not yet moved their licensing service away from Lalpac and onto our new standard of Idox. The service is against moving.	<p>For Strata, it removes another system and makes it easier to deliver change to all three partners</p> <p>Three-year ROI</p>	<p>Effort 140 days Strata</p> <p>And 168 days for EDDC</p>	<p>~ £130,000</p> <p>Assumes all Strata days are paid at consultancy day rates, so external costs are factored in if required.</p>

5 Additional projects not included in timeline or costs

Project title	Description	Benefits	Estimated effort	Estimated cost
EDDC Public Realm improvements (ref: 57845)	A very broad request to replace all the Public Realm systems and processes, including grounds maintenance, play parks, street cleansing, inspections, allotments, beach huts, pitches and open spaces, trees, coastal assets, and land assets	Current systems and processes are very outdated, so service has put this forward as part of their improvement plan	Very large dependent on full review of requirements	Could be £100K + in software alone and same again for resource. Potentially can use M365 for elements, however no business analysis has been done
Tree system convergence (TDC - ref: 77651) (ECC - ref: 68054)	EDDC have the cloud hosted EzyTreev, and as far as we are aware are satisfied with it TDC have on-prem EzyTreev and have logged a request to move to the cloud-hosted version ECC have Confirm and have requested to move to another product as the current one isn't fit for purpose, and would be willing to look at cloud EzyTreev	Single platform for Tree management	TBC pending decision	TBC pending decision
Oakwood host replacement - Strata	Oakwood DR hosts are no longer supported on the latest releases of VMware, meaning we cannot upgrade further (server side rather than VDI side) It may be possible to reduce the cost by moving existing server hardware from the Primary datacentre as systems migrate to the cloud, resulting reduced computing requirements there	Discussions needed on whether there is any appetite for this as more services are moving to the cloud	TBC pending decision	TBC pending decision

5 Additional projects not included in timeline or costs

Project title	Description	Benefits	Estimated effort	Estimated cost
Revenues and Benefits system replacement TDC (ref: 79651)	<p>TDC Revs and Bens contract with Civica expires June 2026 – procurement and implementation needs to be completed by then</p> <p>Opportunity for EDDC and ECC to align systems and processes. Likely system would be provided by Capita (as per EDDC and ECC) so there is an opportunity to align contracts as well. Noted that Capita don't have a released cloud product yet.</p> <p>Alternatively, TDC have been pursuing a joint-solution made without the big suppliers involved (but lead by Sedgemoor) nicknamed 'Alpha Project', however Strata has not been involved up to this point</p>	<p>Aligning systems would be a great opportunity to align processes across the three Revenues and Benefits services</p> <p>The solution explored by multiple authorities to develop an in-house Revenues and Benefits solution has been outside of Strata's control</p>	18-month project	£400,000 (based on SMT January 2023)

Appendices

1 Financial report plan 2024/25

Please note numbers are subject to minor
changes (awaiting information)

Current financial status of the company

One of the three key objectives set for Strata by the owners was to deliver cost savings as set out in the original business case and subsequently amended each year since 2017/18. As the following table shows, Strata has to date delivered savings in excess of those projected. However, as outlined in the business plan the focus now needs to move towards investment in Strata to help the councils meet their digital strategy ambitions, rather than on maximising savings.

The table below sets out the projected savings against the 2023/24 business plan.

	Actual revenue savings	Projected revenue savings	Actual variance to projected
2015/16	£232,000	£262,098	(£30,098)
2016/17	£100,000	£20,000	£80,000
2017/18	£565,000	£252,836	£312,164
2018/19	£620,000	£381,961	£238,039
2019/20	£1,074,000	£853,888	£220,112
2020/21	£1,051,000	£696,167	£354,833
2021/22	£1,260,000	£747,804	£512,196
2022/23	£1,079,832	£702,415	£377,417
2023/24	£799,828*	£754,254	£45,574
Total	£6,781,660	£4,671,423	£2,110,237

*Predicted savings for 2023/24

The company's accounts


Strata have employed PKF Francis Clark to deliver an independent external audit of the company's accounts. The external audit provides confidence to the councils that the financial performance reported, gives a true and fair view of the financial position of the company. Acting as a company under the terms and conditions of a local authority does however bring challenges.

The company's balance sheet is weak, because of the Local Government Pension Scheme, and there is no simple solution, whilst the pension scheme remains open to new entrants. The weakness is a risk insofar as it affects the credit rating of the company.

However, the guarantee provided by the three owners of the council enables the directors to assess the company as being able to continue trading. The balance sheet value as at 31 March 2023 is £366K (net assets) however this has been influenced by a significant reduction in the liabilities of the pension scheme in the financial year to 31 March 2023 due to high interest rates however the scheme liabilities will increase as and when interest rates reduce in the future. The balance sheet value in the prior financial year had an overall net liability of £9.1M as at 31 March 2022.

Internal audit

In addition, Strata uses Devon Audit Partnership (DAP) to provide an internal audit service. The latest assurance report for 2021/22 confirmed an audit opinion of ‘Reasonable Assurance’ and stated:

 There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Each of the specific areas reviewed were assessed to have a Reasonable Assurance level of Assurance. In 2024/25 four topics from the below table will be selected for audit.

Entity	Sub areas	Audit assignment 2024/25
Cyber security (risk register)	<p>Cyber security defences; cyber culture; backup and emergency response plans</p> <p>NB: all work will be informed by the Cyber Assessment Framework. The Cyber Essentials scheme will form baseline where technical assessments made.</p>	<p>Areas will be reviewed on a risk basis and include (but are not limited to) the following areas:</p> <ul style="list-style-type: none"> • Firewall and access gateways • Secure configuration • Access management (internal/external) • Malware • Patch management (process and patch implementation) • Backup (process/technology/resilience/testing) <p>All risks, including those relating to governance, will be considered in the light of the current cyber risk environment</p>

Entity	Sub areas	Audit assignment 2024/25
<p>Service transition Controlling service introduction, change and de-commissioning.</p>	<p>Change management; service asset and configuration; release and deployment; knowledge management; transition planning and support</p>	<p>Revisit the area to assess on basis of a point in time picture. Business Change elements including communication are critical for any M365 project streams.</p> <p>Review progress in relation to the delivery of the new improved Configuration Management Database. This CMDB should assist in understanding system interdependencies.</p> <p>Identify how systems get moved from the project phase to operational phase (transition) and how the CMDB is updated</p> <p>Suggest change management process</p>
<p>Service operation (processes) – executing the plan</p>	<p>Event; incident; request fulfilment; problem; access</p>	<p>Review service incident, major incident and service request processes including end user communications</p>
<p>Service design Detailing how to deliver the service.</p>	<p>Service level management; supplier; service catalogue; availability; capacity; ITSCM; service continuity; information security</p>	<p>Risks: capacity management</p> <p>Partners drive/need for more Digital capabilities – how does Strata support this strategy when resources are already max’d out support business as usual services?</p> <p>Resource management needs to be built into this and the ability to be ‘agile’ in our approach to meet rapidly changing needs of the authorities</p> <p>How does Strata fairly allocate resource to the three partner authorities?</p>

Entity	Sub areas	Audit assignment 2024/25
Service operation (function)	Service Desk; Operations Control Management; Facilities Management; Technical Management; Applications Management Lifecycle	<p>Risk: the Alemba vFire solution is not optimised due to current resourcing pressures resulting in poor value for money and missed opportunities</p> <p>Review the improvements being made with the vFire platform and identify how it will improve end user experience</p>
Programme and project	Programme management; Project management	Review the suggested improvements to the Project Framework and how they will improve the project delivery process and how it can flex to address client need
Governance and mandate	Framework of authority and accountability; delivery of strategic and operational outcomes	<p>Risks and weaknesses identified as part of previous work</p> <p>Risk: the board does not exert sufficient leverage on the partners</p> <p>Suggest assess new governance arrangements for board, partners and IRB</p>

Summary of revenue budget

The basis of the business plan budget is a build-up of the expected income and costs of the business with an income from the three councils to cover the net cost. In previous years there has been a target savings for distribution back to the councils built into the budget, however the approach has been changed this year with the contract payment income matched with the costs of the business net of any sundry income. The supplies and services cost forecast has been worked up in detail to aid more accurate budget monitoring in 2024/25. There is no contingency built into the cost base and therefore should any unexpected additional funding be required it will be requested on an exceptional basis.

It is assumed that any savings achieved at the end of the financial year will be reinvested into the business and will not be distributed to the Councils as they have in previous years.

The table below shows the cost and income calculations for the next three years.

		Budget 2024-25	2025-26	2026-27
Income	Contract payment	£8,299,323	£8,573,543	£8,852,569
	Document Centre recharges	£33,000	£34,650	£36,383
	Mobile telephony recharges	£144,000	£151,200	£158,760
	Interest income	£12,150	£12,758	£13,395
	Total	£8,488,473	£8,772,150	£9,061,107
Staff costs		£(4,074,578)	£(4,137,561)	£(4,194,789)
Transport		£(7,455)	£(7,828)	£(8,219)
Supplies and services	Core	£103,798	£108,988	£114,437
	Infrastructure	£1,328,630	£1,395,062	£1,464,815
	Document Centre	£371,769	£390,358	£409,876
	Compliance and security	£195,439	£205,211	£215,472
	Business systems	£2,055,661	£2,158,444	£2,266,366
	WAN	£179,024	£187,975	£197,374
	Telephony	£149,802	£157,292	£165,157
	Product delivery	£3,000	£3,150	£3,308
	Service desk	£19,316	£20,282	£21,296
	Total	£(4,406,439)	£(4,626,761)	£(4,858,099)
Net income		£0	£0	£0

In the financial year 2023/24 £376K of profit distributed to the councils at the end of 2022/23 was handed back to Strata to fund the programme of organisational change which will continue into the financial year 2024/25 as outlined in this business plan.

It is expected that a proportion of the reorganisation spend planned for 2023/24 will not be delivered until 2024/25 (outside of the budgeted costs as set out in this business plan) and therefore it is proposed that any unspent funds distributed to the council at the end of the 2023/24 financial year will be handed back to Strata to fund these costs in 2024/25.

Income

Strata's income comprises of contract payment from the councils and sundry income from interest income, mobile phone and Document Centre recharges.

The total contract payment to be paid to Strata by the Councils in 2024/25 is £8,299,323. The contract payment has been calculated to cover the projected costs of the business net of any sundry income/recharges and is shared between the councils according to the % share in 2023/24, plus new contract additions by council incurred since the 2023/24 Business Plan.

A comparison of the forecast contract payment by council in each financial year can be seen in the table below:

Contract Payment	Budget 2024/25	Share by council 2024/25	2025/26	2026/27
EDDC	£3,213,432	38.7%	£3,325,532	£3,433,762
ECC	£2,788,034	33.6%	£2,883,512	£2,977,356
TDC	£2,297,857	27.7%	£2,364,499	£2,441,452
Total	£8,299,323		£8,573,543	£8,852,569

The 2024/25 contract payment reflects inflationary increases in the existing contract estate and other operating expenditure, significant new additions to the

contract estate as detailed below and new contracts acquired by the councils since the last Business Plan to date.

The contract payments have historically been split evenly over the four quarters of the financial year however this does not reflect the actual cash flow requirement of the business and Strata will work with the respective Councils and s151 officers to align revenue payments with third party expenditure in 2024/25.

In addition, the following other income is forecast to be received:

Other income	Budget 2024/25 £	2025/26 £	2026/27 £
Document Centre Recharge	33,000	34,650	36,383
Mobile Tariff Access Recharge	144,000	151,200	158,760
Interest income	12,150	12,758	13,395

Mobile phone recharges are forecast to be c9.7% lower than in the 2023/24 Budget due to cost savings achieved by renegotiation of mobile contracts during 2023/24. Document Centre recharges are projected based on expected costs in 2024/25. Both recharges reflect inflation at 5% in each of the outer years 2025/26 and 2026/27

The forecast for interest on bank deposits is estimated to be significantly lower than the outturn forecast for 2023/24 despite the base rate remaining at its highest level for many years. This is due to Strata having benefited from an artificially high interest rate on its bank account that has come to an end around the time of this business plan submission. Therefore, a more conservative estimate for interest income of £12K has been factored into the 2024/25 budget, net of Corporation Tax at 19%.

Staff costs

Staff costs are projected to increase by c.£300K in 2024/25 (before inflation uplift) due to new positions created by the organisational change, compared with the costs under the current structure. This is to ensure Strata has the required skills to deliver the transformation planned and it is proposed that this additional cost will be reduced over the following two years thereafter.

The 2023/24 staff salaries are inflated by 4.0% (3.5% inflation + 0.5% for increment increases) for 2024/25 and on-costs (for example, NI employers and pension contributions) are applied at 29% as in previous years. Also, as in previous years the staff costs figures do not include the Business Systems team resource which is paid for and dedicated to an authority capital project. These resources are recharged to the relevant authority.

An inflation assumption of 4% and 3.8% has been applied to staff costs in the outer years 2025/26 and 2026/27 respectively, with further staff costs reductions delivered in these years due to efficiencies made by transformation in the business.

A shortfall in funding the 2023/24 pay award of c.£60K has not been factored into the 2024/25 budget and will be reflected in a lower savings distribution at the end of the 2023/24 financial year.

Transport

An inflation assumption of 6.5% has been applied to the forecast 2023/24 costs to calculate the budgeted 2024/25 cost, and 5% inflation has been applied in each of the outer years 2025/26 and 2026/27.

Supplies and services

Contract costs have been estimated for 2024/25 using an RPIX contract renewal inflation assumption of 6.5% that has been applied on renewal for existing contracts in 2024/25, except where a higher than inflation increase is expected, for example where an existing multi-year contract is to be renewed, or the price is currently fixed by an existing multi-year contract. Other non-contract based operating expenditure has 6.5% inflation applied to the expected annual cost.

In the case of Microsoft licencing a significant increase of c.£200K is anticipated on 2023/24 costs due to increased host servers and a licensing upgrade for Microsoft 365 under Option E5 as described in section 4. Some significant additions have also been budgeted to be added to the contract estate as set out in section 2 with the most significant being £266K for contact centre telephony and £100K for Copilot for Microsoft 365

An inflation assumption of 5% inflation has been applied to the forecast 2024/25 cost in each of the outer years 2025/26 and 2026/27.

See also:

- > 1 Context from ICT director
- > 4 Operational enablers

Summary of capital budget

The capital requirements of the business in 2024/25, as outlined in section six can be summarised on the next page:

The capital requirements are in addition to the annual £150K capital Tri-Payment for infrastructure requirements. At the end of 2023/24 there is forecast to be a £214k Tri-Payment reserve that will be carried forward into 2024/25. All Tri-Payment capital spend will be appropriated by the Architecture Board for infrastructure replacement and rectification needs.

As in previous years, any remaining 2023/24 approved capital budget not spent in the approved year is proposed to be carried forward into 2024/25.

Financial report plan 2024/25

	2024/25				2025/26*	2026/27*
	Total	Funded by EDDC	Funded by ECC	Funded by TDC		
Percentage split as per the original business plan		38.8%	33.6%	27.6%		
Project						
Contact centre telephony	£50,000	£18,346	£17,968	£13,686		
Core telephony	£50,000	£18,346	£17,968	£13,686		
EUC model staff	£40,000	£14,677	£14,374	£10,949		
EUC model equipment (replacement laptops)	£297,660	£30,750	£242,310	£24,600	£250,000	£250,000
Booking	£50,000	£18,346	£17,968	£13,686		
SharePoint resource	£60,000	£22,015	£21,562	£16,423		
Chatbot	£50,000	£18,346	£17,968	£13,686		
PSTN	£30,000	£11,008	£10,781	£8,212		
Print and post review	£20,000	£7,338	£7,187	£5,474		
Website	-	-	-	-	£30,000	
Total capital Funding	£647,660	£159,172	£368,086	£120,402	£280,000	£250,000

* Split by Council share as per the original Business Plan

2 Glossary of terms

4G, 5G: mobile connectivity.

ADSL: internet connectivity via copper connection to the property.

Agile: a project management methodology that came from Software Development and focuses on getting the best value as quickly as possible.

AI: artificial intelligence, a huge topic in the modern world, and is increasingly being used to automate and streamline processes.

API/API gateway: application programming interface, how we get one system to talk to another.

BYOD: bring your own device – allows the use of personal devices to connect to corporate data.

CAB: Change Advisory Board – in place within Strata to ensure technical changes are approved before being executed.

CCS: Crown Commercial Service.

Centre of Excellence: a term used for the Power Platform for governance. This is driven partly by technology and partly by policy.

Chatbot: intelligent chat-bots that do not require a human to provide responses in real-time to a customer. Usually based on pre-defined responses.

Cloud: compute power across multiple locations.

CMS: content management system, predominantly for web-based content.

Contact centre administrator: a technical role for the contact centre to help with the infrastructure setup, including interfaces to other solutions.

Contact centre agent: the people handling calls within the contact centre.

Contact centre supervisor: gives staff enhanced features, which varies from system to system. This could be giving them the ability to change messaging that callers hear when contacting the partners.

CRM: customer relationship management, technology for managing customer interactions with a goal of improving the business relationship with its customers.

Customer platform: a collection of systems to deliver services to residents. Comprises of the CRM, , online forms, web, communication tools and booking tools.

DAP: Devon Audit Partnership.

Data retention: written or technical policies that causes data to be destroyed after the agreed length of time.

Data warehouse: a repository of structured data from multiple sources to allow creation of dashboards for greater business insights.

Digicom/Dualcom: digital communication system used for alarm signalling (fire/intruder/lifts).

DMARC: domain-based message authentication, reporting, and conformance. A technical standard that helps protect email senders and recipients from advanced threats that can be the source of an email data breach.

Document lifecycle: where documents are stored and how long they are kept for, also see 'data retention'.

DR: disaster recovery.

ECC: Exeter City Council.

EDDC: East Devon District Council.

EMA: enterprise middleware architecture.

EUC: end user computing.

Evergreen: a term used to describe software that is constantly evolving and changing the way it looks and feels, usually cloud-based.

FOI: freedom of information.

Forms: online forms that customers can fill in from the partner websites, such as recording a missed bin.

FTTC: fibre to the cabinet, a form of Internet provision that provides greater connection speeds than traditional copper (phone lines).

GHG: greenhouse gas (emissions).

GIS: geographic information system, mapping solutions across the partners.

Global Desktop: a Strata branded desktop used by all partners and Strata themselves to connect to systems and data. Uses multiple technologies.

ITSM: IT service management, activities performed to design, build, deliver, operate and control information technology.

ITIL: information technology infrastructure library, a set of practices and a framework for IT delivery within an organisation.

IVR: interactive voice response. Regularly within contact centres to help direct callers to the correct location. 'press one for ...', 'press two for ...'

JML: joiners, movers and leavers process. This is the joined-up process between the business, HR and IT for staff joining, leaving, or moving within the organisation.

Kanban: a very visual form of agile working to help manage priorities and workload.

Laptop build: the configuration of the laptop or computer, including what applications and security is setup.

LGA: Local Government Association.

Load balancer: a way of protecting a system resource by spreading the load out across multiple servers.

MFA: multi-factor authentication, when logging into a service the user is asked to provide a secondary login, such as a code from an authenticator application, or from a text message.

MFTP: medium term financial plan.

ML: machine learning, part of AI (artificial intelligence).

MS: Microsoft.

NCSC (LG) CAF: National Cyber Security Centre Cyber Assessment Framework. Provides systematic and comprehensive approach to assessing the extent to which cyber risks to the essential functions are being managed by the organisation responsible. There is a LG (local government) version of this that better reflects the needs of this sector.

Notification engine: most transactions that occur require some sort of notification, whether to staff within the authority or out to customers. These notifications can be email, text message, letter, or even WhatsApp . A notification engine will simplify the creation and management of these notifications, enabling the authority staff to embed these into processes themselves, while at the same time making it easier for Strata to manage.

Omni-channel: a contact centre term to describe multiple channels, for example telephony, chat, social media and data insights all within the same system.

On-premise: where servers or systems are running from within the Strata datacentres. The alternative is from within the cloud, which is a distributed datacentre owned by somebody else.

PSN: public service network, a secure connection between different government bodies within the UK. Connection to the PSN requires sign-off following security audits by third parties.

PSTN: public switched telephone network – this is the aging copper telephony network across the UK that is due to be switched off in 2025.

SaaS: software as a service. Cloud-based applications that are typically subscription based, pay per person per month.

Secure score: a score given by Microsoft 365's security suite of applications.

SEO: search engine optimisation, improvements in SEO will help direct customers to the correct location on the partner websites

Service Desk first, second and third line: In support terms, first line is the first point of contact, and then the numbers represent escalation. Third line would handle more technical requests or potentially escalate to the next stage.

SLA: service level agreement.

SoGEA: SOGEA stands for 'single order generic ethernet access'. It is a digital broadband connection that can deliver speeds of up to 80Mbps over existing copper cables.

SPF: sender policy framework, email authentication method that helps identify the mail servers that are allowed to send email for a given domain, and is key to spam management and impersonation threats.

Sustainable procurement: this is defined as a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.

TDA: Technical Design Authority.

TDC: Teignbridge District Council.

Technical debt: technical debt is a term used to describe the elements that slow down the delivery of new functionality and solutions. For example, a lack of training, or where multiple system upgrades are needed prior to delivering the features a business wants. The more technical debt you have, the slower you will be in delivering successful change.

TLS: transport layer security, designed to provide communication security over a computer network.

Unified communications: bringing together internal chat (Instant Messaging), telephony and presence (see if somebody is available before calling) all within your computer.

VPN: virtual private network, a secure connection into your corporate data.

Web chat: a human-to-human chat over a website, which is different to a chatbot, which is a human chatting to a set of pre-defined responses.

Website content: the site layout, pages, and words on each of the partner websites.

3 Glossary of technical products

Alemba ASM: the IT service management solution used by Strata. includes incident management, problem management, asset management and change management along with self-service.

Alpha Project: an open-source revenues and benefits solution, jointly being developed across multiple authorities.

Anywhere365: the existing contact centre used by the three partners and Strata, due to be retired or replaced as part of the telephony and contact centre.

Booking Lab: an example solution for managing bookings of assets.

ChatGPT: an AI-driven chat bot that can mimic human language. ChatGPT is the basis of Copilot for Microsoft 365.

Confirm: asset management tool in use in Exeter.

DECT: digital enhanced cordless telecommunications currently in use, mainly in Exeter. Due to be decommissioned as part of the telephony enabler.

DocuSign: a popular solution for digital signatures, referenced in the additional projects section.

ESET Endpoint Security: The partners and Strata's current anti-virus solution.

EzTreev: a solution currently in place at East Devon for managing trees, referenced in the 'additional projects' section.

Global Desktop: the virtual desktop used by all partner officers and Strata to access data, applications, and telephony. The term Global Desktop was created by Strata and is based on technology provided by VMWare. Referenced in enabler one, new end user computing model.

GovService/Firmstep also known as Firmstep. Used to manage customer data and to provide online forms on the partner websites.

IDOX: a solution that manages Planning, Environmental Health, and Licensing across the partners.

iTrent: the HR and Payroll system in use by the three partners. Referenced in 'additional projects'.

Lalpac: a licensing solution still in use by East Devon District Council. Referenced in 'additional project's.

LogPoint: a repository for multiple systems audit and event logging.

MetaCompliance: a solution in place for Exeter and Strata that allows management and deployment of policies.

Microsoft 365: a large suite of tools and features provided by Microsoft, that include many of the other applications referenced. Referenced in multiple parts of the document.

Microsoft Always-On: a Microsoft version of a VPN (see 'VPN').

Microsoft Azure: Microsoft's cloud-based datacentre for hosting software, servers or for leveraging the power of cloud computing.

Microsoft Bookings: a product within Microsoft 365 to enable the booking of assets. Referenced in enabler section 'bookings'.

Microsoft Compliance Suite: a suite of features that enable richer control of data. Referenced in enabler section 'data platform'.

Microsoft Copilot: an artificial Intelligence toolset designed to make individuals more efficient with repetitive tasks.

Microsoft Defender/Defender for EndPoint: Microsoft's enterprise security platform.

Microsoft Entra: a central database of accounts for IT, previously known as Active Directory or Azure Active Directory.

Microsoft Exchange Online: the partners email solution, which is in the cloud and part of Microsoft 365

Microsoft InTune: a suite of features to help manage the features and security of laptops, computers, mobile phones, and tablet devices.

Microsoft 365/M365: Microsoft 365 includes all of Office 365 plus additional features such as mobile device management, and security and compliance tools.

Microsoft M365 E3: our existing licensing tier for Microsoft 365. Enables partners to access standard features such as Windows, Microsoft Office, and Microsoft Teams.

Microsoft M365 E5: an enhanced version of E3, with additional features such as telephony.

Microsoft M365 F3: a reduced version of E3 specifically designed for mobile or front-line officers.

Microsoft Office 365: the cloud version of Microsoft Office that is used by the partners and Strata. Office includes common business tools such as Outlook (email), Word (documents) and Excel (spreadsheets).

Microsoft OneDrive: a location to store documents in the cloud.

Microsoft Outlook: our current email solution used across all partners.

Microsoft Power Apps: enables the ability for low-code application creation.

Microsoft Power Automate: provides additional capabilities to automate simple repetitive tasks.

Microsoft Power BI: provides dashboards for performance and trends across multiple subjects.

Microsoft Power Platform: encompasses Power Apps, Automate and BI.

Microsoft Purview: unified data governance solution.

Microsoft Security Suite: enables additional security features within the Microsoft licensing. Included as part of Microsoft 365 E5.

Microsoft Sentinel: cloud-based security information and event management platform, using built-AI to help analyse large volumes of data.

Microsoft SharePoint: a key data repository, currently in use by Teignbridge but one of the key enablers for all three partners and Strata.

Microsoft Skype for Business: our existing telephony product used by all partners, due to be retired as part of the telephony and contact centre work.

Microsoft Teams: a collaborative workspace for staff and external bodies.

Microsoft Teams Premium: an enhanced version of Microsoft Teams that comes with additional features.

Mimecast: provides email security.

Orlo: a product in use by partners to help manage the multiple social media channels.

SafeNet: a product in use by Strata for multi-factor authentication.

Taranto: the existing car park solution in use at East Devon and Teignbridge councils.

Trend Cloud Security: assists in identifying security threats.

3 Glossary of technical products

Tunstall: the existing telecare solution in use at East Devon and Exeter councils.

Umbraco: the content management system (CMS) in use at each partner for their main websites.

vFire: now called Alemba ASM. Strata's IT service management solution.

WhatsApp: popular messaging product over the internet.

Report to: Council



Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Report of the Cabinet – Item for Decision: Public Toilets Review Project

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 3 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

To approve a budget of £71,000 be made available from the Transformation Reserve to fund an Interim Estates Surveyor post through to 31 March 2025.

Reason for recommendation:

The Council is recommended to approve a budget of £71,000 to fund an Interim Estates Surveyor post through to 31 March 2025.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

If choosing High or Medium level outline the equality considerations here, which should include any particular adverse impact on people with protected characteristics and actions to mitigate these. Link to an equalities impact assessment form using the [equalities form template](#).

Climate change Low Impact

Risk: Low Risk; Click here to enter text on risk considerations relating to your report.

Links to background information Click here to enter links to background information; appendices online; and previous reports. These must link to an electronic document. Do not include any confidential or exempt information.

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

The report requests the approval of a budget of £71,000 is made available from the Transformation Reserve to fund an Interim Estates Surveyor post through to 31 March 2025/

Full details of the scheme are set out in the Cabinet report of 3 January 2024.

Financial implications:

The financial details are included in the Cabinet report of 3 January 2024.

Legal implications:

The Cabinet report of 3 January 2024 details the relevant legislation.

Report to: Cabinet

Date of Meeting 3 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Public Toilets Review Project

Report summary:

A report was presented to Overview Committee on 9th November 2023 providing an update on the Public Toilets Review project.

The report addressed both progress with Category A sites, being those sites where the Council is retaining and investing, but also the challenges encountered with Category B and C transfers and the limited interest particularly by Parish and Town Councils, but also more widely by others.

Overview Committee put two recommendations to Cabinet, namely:

1. To extend the closing date and any necessary revenue budgets for Category B and C sites until 31st March 2025 to allow a further 12 months to enable an urgent revisiting of negotiations with town and parish councils to look at freehold disposals and other changes to the offer according to a specified timetable and including a renewed effort through Ward Members to engage town and parish councils, with the reality of reduced or removed public toilet provision at the sites should agreement not be reached.
2. For this Council to write to the Secretary of State to push for public toilets to become a statutory service, and to invite other Councils in Devon and Cornwall to also do so.

Recommendations were supported by Cabinet in its meeting of 29th November 2023.

This report focusses on how we now move this project forward in respect of recommendation 1 above in terms of timetable and process, but also in respect of resourcing what will be a resource intensive piece of work.

Firstly, to deal with timetable and process.

To allow for success, and a different outcome than received in the past 12 months, an agreed process (gateway approach) and timetable needs to be supported by Cabinet, as set out below:

1. Responding to feedback received on the onerous nature of the heads of terms, the Assistant Director – Place, Assets & Commercialisation, in consultation with Director – Finance, Director – Governance & Licensing and Finance & Assets Portfolio Holder to review and as appropriate amend heads of terms templates for both transfers to Town and Parish Councils, but also to others. Transfers to Town and Parish Councils to be on a freehold basis – This work to be concluded by mid-January.
2. Progress and conclude negotiations for freehold transfer of CAT B & C sites with Parish / Town Councils – commitment by signed heads of terms and authorities in place from Parish / Town Councils - This step to be concluded by 31st March 2024.

Note: If they choose to proceed with a freehold transfer, the final date for unconditional contracts to be in place is 30th June 2024 to take sites on at an agreed date no later than 31st

March 2025. If by 31st March 2024 we have not secured a commitment then sites will be marketed as per step 3. If commitment is secured but unconditional contracts are not in place by 30th June 2024 then marketing will commence in accordance with step 4, missing out step 3.

3. Progress and conclude marketing for CAT B & C sites commercially marketed to include an accessible toilet provision in part – by 31st May 2024.
Note: Unless there are signed heads of terms by this date, will be marketed without accessible toilet provision as per step 4, either leasehold or freehold.
4. Progress and conclude marketing of sites without an accessible toilet provision – by 31st August 2024
5. Unconditional sale contracts, unconditional agreements for lease, or agreement by EDDC to retain / repurpose in place for all sites – by 30 November 2024
6. Transfer of all CAT B & C sites to complete – 31st March 2025 (at latest)

This new direction of travel, along with revenue implications in keeping sites open for a further year, also has staffing resource issues with this level of intensive work across all Category B and C sites requiring additional dedicated estates resource. Interim resource has been identified and is able to commence working on this for 3 days a week from early-January but will require additional budget beyond this current financial year. A request is therefore made for an additional £71,000 to be made available from the Council's Transformation Reserve to take the Council through to transfers being completed by 31st March 2025.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

- a) Delegate to the Assistant Director – Place, Assets & Commercialisation, in consultation with Director – Finance, Director – Governance & Licensing and Finance & Assets Portfolio Holder to review and as appropriate amend heads of terms templates for both transfers to Town and Parish Councils, but also to others.
- b) Resolve to adopt the rigid timetable / gateway approach set out within this report.
- c) Recommend to Council that £71,000 be made available from the Transformation Reserve to fund an Interim Estates Surveyor post through to 31st March 2025.

Reason for recommendation:

To agree a way forward for transfer or disposal of Category B and C sites ensuring sites can close, with or without ongoing public toilet provision, as at 31st March 2025.

Officer: Tim Child, Assistant Director – Place, Assets & Commercialisation,
tchild@eastdevon.gov.uk , 01395 571692

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Communications and Democracy

- Economy
- Finance and Assets
- Strategic Planning
- Sustainable Homes and Communities
- Culture, Leisure, Sport and Tourism

Equalities impact Low

Climate change Medium Impact

Risk: Medium Risk; The lack of appetite by Town & Parish Councils and of the commercial sector to take on these CAT B & C sites does risk that these locations will be left with fewer public toilet locations.

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Financial Implications

The financial details are contained in the report with a request for a £71k budget to be met from the Transformation Fund. It is important that this matter is concluded which this budget supports and that future savings related to this project, factored into the budget, do materialise.

Legal Implications

There is no direct comment to be made at this time, Legal Services will assist with transactions as necessary.



Report to: Council

Date of Meeting February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Report of the Cabinet – Item for Decision: Council Tax Reduction Scheme for 2024/2025

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 3 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

To approve the Council Tax Reduction Scheme for 2024/2025.

Reason for recommendation:

The Council is recommended to approve the Council Tax Reduction Scheme for 2024/2025.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

If choosing High or Medium level outline the equality considerations here, which should include any particular adverse impact on people with protected characteristics and actions to mitigate these. Link to an equalities impact assessment form using the [equalities form template](#).

Climate change Low Impact

Risk: Low Risk; Click here to enter text on risk considerations relating to your report.

Links to background information Click here to enter links to background information; appendices online; and previous reports. These must link to an electronic document. Do not include any confidential or exempt information.

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

The report requests the approval of the Council Tax Reduction Scheme for 2024/2025.

Council Tax Reduction was introduced from 1 April 2013 and it is a means tested reduction/discount for council tax payers who are on a low income.

Each year the Council is required to review and agree the working age scheme by 11 March of the preceding financial year and no changes are proposed to the scheme for 2024/2025.

Full details of the scheme are set out in the Cabinet report of 3 January 2024.

Financial implications:

The financial details are included in the Cabinet report of 3 January 2024.

Legal implications:

The Cabinet report of 3 January 2024 details the relevant legislation.

Report to: Cabinet

Date of Meeting 3 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Council Tax Reduction Scheme 2024/25

Report summary:

To consider and approve the Council Tax Reduction (CTR) scheme for 2024/25 which we are recommending remains unchanged from our current scheme due to the number of changes that were introduced from 2023/24. These were:

- Increased Band 1 support from 85% to 100%
- Introduced a 16 hour a week minimum income floor for the self-employed.
- Introduced a maximum of 12 months backdating for new claims.
- Increased the income band widths to allow for couples as well as allowing for increases due to inflation.
- Ability to disregard any income received via government initiatives such as local welfare provision following a national crisis.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. To recommend to Council that the Council Tax Reduction Scheme for working age residents is approved for 2024/25.

Reason for recommendation:

The Council is required by law to decide whether to revise or replace its CTR scheme each year. As we made a significant number of changes to our scheme for 2023/24 we are not making any changes to our scheme for 24/25. It is still not possible to be able to fully assess the outcomes of the changes made to the scheme in 23/24 until we have a complete year. There were also emergency measures that were put in place to help householders due to the cost-of-living crisis, such as the Council Tax Support Fund and the Energy Relief scheme. This resulted in householders receiving extra financial support to help pay their Council Tax and as such this will mask any householder who would normally still have to pay a contribution, as due to the support received directly onto Council Tax accounts the amount of remaining charge was either reduced or removed. Our maximum support was raised from 85% to 100% meaning that a significant amount of householders were taken out of paying council tax altogether. The scheme will therefore continue to support those households on the lowest incomes who would otherwise likely still struggle to pay due to the current costs of living as extra government support comes to an end.

Officer: Libby Jarrett, Assistant Director – Revenues, Benefits, Customer Services, Corporate Fraud & Compliance ljarrett@eastdevon.gov.uk 01395 517450

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information [East Devon S13A 202324 Scheme FINAL](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Report in full

1. Background

- 1.1 Council Tax Reduction (CTR) was introduced from 1 April 2013. It is a means tested reduction/discount for council tax payers who are on a low income. It replaced the previous national Council Tax Benefit scheme.
- 1.2 For working age applicants the scheme is determined by local policy and for pension age applicants it is a national scheme subject to prescribed legislation.
- 1.3 Each year the Council is required to review and agree the working age scheme by 11 March of the preceding financial year. Any changes to our scheme are subject to public consultation.
- 1.4 We are not proposing any changes to be made to our scheme for 2024/25 as it is still too early to determine what impact these changes are having due to the limited period these changes have been in place for. Also, with the current cost of living crisis it would be difficult to determine what further changes may be needed as these are not usual economic times.
- 1.5 Our current CTR caseload is still higher than pre Covid-19 pandemic levels however we are starting to see a slight fall in the amount of households receiving CTR.

2. Current Scheme (including caseload)

2.1 Our current scheme is based on four income bands – 100%, 80%, 55% and 25%. When modelling this scheme in 2022 it was estimated that 65% of our previous caseload would either benefit or be unaffected by the changes that were introduced from 01 April 2023 provided the circumstances of claimants would remain the same.

2.2 The following table provides a breakdown of the number of claimants split between working and pensionable age and how the caseload has changed since April 2022:

Caseload	As at April 2022	As at October 2022	As at April 2023	As at October 2023	Difference between Apr 22 & Oct 23 (% rise)
Working age	4,613	4,592	4,561	4,516	-97 (-2.10%)
Pension age	3,658	3611	3,546	3,513	-145 (-3.96%)
Total	8,271	8,203	8,107	8,029	-242 (-2.93%)

- Our working age caseload has only seen a decrease of 2.10% since April 2022. This confirms that although households are starting to return to work and/or receiving higher earnings, it is likely to take a significant time before East Devon residents are receiving earnings that lifts them out of CTR. In July 2019 our working age caseload was 3,263 and so although there has been a recent drop in the levels of working age households receiving support it does suggest that the cost of living is still having an impact on household incomes as caseload is still much higher than at pre pandemic levels.
- There has been a higher reduction in the amounts of pension age households receiving CTR between April 2022 and October 2023. This may be a combination of changes in state retirement age which means people are now remaining in the working age category for longer and lack of awareness of welfare support available to those of pensionable age. Low take-up of welfare benefits across pensionable age households has been highlighted as a national issue. A take up campaign to ensure pension age households are aware of the support available from Housing Benefit and Council Tax Reduction is currently being worked on in the Benefits team, which may see an increase in these households receiving CTR.

2.3 The following table provides the caseload broken down by the four discount bands:

Band	October 2021	October 2022	October 2023	2021 to 2022	% Change	2022 to 2023	% Change
Previously 85%, now 100%	2,032	2423	2004	+391	+19.24%	-419	-17.3%
80%	1,327	1264	916	-63	-4.75%	-348	-27.5%
55%	993	623	1194	-370	-37.2%	+571	+91.7%
25%	381	256	402	+125	+32.8%	+146	+57.0%
Total	4,733	4,566	4,516	-167	-3.5%	-50	-1.1%

- Since October 2022 to October 2023 it was estimated that 2,423 households (53%) of our caseload would be lifted out of paying Council Tax when modelling for the scheme changes in 2022. The actual number of households in the 100% income band was lower at 2,004 households and is due to changes in claimant's circumstances as highlighted below.
- There had been a marked reduction in households receiving CTR in the income bands for 100% and 80% between October 2022 to October 2023. These bands reduced by 17.3% and 27.5% respectively. The biggest movement of 91.7% was households moving into the 55% income band.

The types of changes in claimant's circumstances are as follows:

- A sample of 55 cases of those that moved to the 55% income band were manually checked to see the reason for the change in income bands. This showed that 28 (51%) of these households received reduced support due to increases in earnings.
- There were 21 (38%) households who moved to a lower income band due to receiving limited capability to work or limited capability to work related activity component within their Universal Credit. This income is not disregarded from the means test for CTR, however we do offer extra support by means of Exceptional Hardship for Council Tax for those households who are unable to afford the remaining charge.
- The remaining changes between bands was due to residents moving from Employment and Support Allowance to Universal Credit, or the minimum income floor for self employed earners taking effect.

2.4 The following table shows how the caseload has changed across three different characteristics:

Band	Households with Children			Disability Benefit			Employed		
	Oct-22	Oct-23	% Diff	Oct-22	Oct-23	% Diff	Oct-22	Oct-23	% Diff
Band 1 was 85%, now 100%	816	809	-0.86%	1252	989	-21.01%	77	141	83.12%
Band 2 80%	623	607	-2.57%	272	402	47.79%	559	486	-13.06%
Band 3 55%	611	521	-14.73%	271	531	96%	638	600	-5.96%
Band 4 25%	253	244	-3.56%	73	101	38.36%	343	381	11%
Total	2303	2181	-5.30%	1868	2023	8.30%	1617	1608	-0.56%

Note: households can fall into more than one of the above categories

- There has been an overall reduction of 122 households receiving CTR who have children resident in the home. This is likely to be due to residents returning to work and therefore their overall household income increasing.
- As noted in 2.3 CTR cases where a member of the household is receiving a disability benefit in income band 1 have reduced by 21.01%, with Income band 3 seeing the biggest rise of 96%. However, the total number of households receiving CTR for this group has increased by 8.30% and this is likely due to the increased changes in the income band widths from April 2023, thereby allowing more residents to become entitled

to CTR. We are exploring how we can closely monitor this group to identify if we need to make further changes to our scheme to provide greater protection to this cohort.

- Households where there is a member in work have seen an increase in entitlement to CTR of 0.56%. The biggest rise is in income band 1 and predominately is due to the changes in the income band widths to allow for couple rates.

2.5 Our working age scheme includes an exceptional hardship fund (EHF) for help with Council Tax that allows us to provide additional support of up to 100% on a case-by-case basis. This provides a safety net for those that need additional financial help or where we need to provide transitional support following adverse changes to a resident's circumstances. To date, we have awarded £19,494 under this fund which is included in the costs under table 3.1.

3.0 Current scheme costs

3.1 The expenditure split as at October 2023 is as follows:

Claim type	Expenditure costs
Working age	£5,080,966
Pension age	£4,770,924
Total	£9,851,890

3.2 The cost of CTR for 2022/23 was £9,272,467. The difference of £579,423 cost is linked to the changes made to our scheme as well as the annual rises in Council Tax. As we are now starting to see a downward trajectory then this in turn could see scheme costs reduce further.

3.3 Costs for 2024/25 will largely depend on the local economic recovery (increase in earnings, moving into work, etc), changes to pensioner caseload and of course the annual rise in council tax.

3.4 As the cost of CTR is funded through the Council Tax base, the costs are shared in proportion with the amount preceptors receive. For East Devon the cost of CTR expenditure equates to 7% of the total.

4.0 Arrears

4.1 Cases in arrears as at 1 April 2023 split between working age and pension age:

Outstanding Balance on CTax Account	Overall		Working Age		Pension Age	
	Cases	%	Cases	%	Cases	%
£0.00-£1,000	654	8.07%	606	13.29%	48	1.35%
£1,000-£2,000	92	1.13%	84	1.84%	8	0.23%
£2,000-£3,000	33	0.41%	31	0.68%	2	0.06%
£3,000-£4,000	10	0.12%	7	0.15%	3	0.08%
£4,000 +	13	0.16%	13	0.29%	0	0.0%
Total	802	9.89%	741	16.25%	61	1.72%

- The vast majority of CTR claimants who are in arrears are working age households.
- It should be noted that the above arrears figures are up to the financial year ending 2023.

4.2 There were 802 households receiving CTR that were in arrears with their Council Tax at the end of the financial year 2022/23, which equates to 9.9% of our total working age CTR caseload. This is a slight increase on figures for financial year ending 2021/22 where the level

of arrears was 782 (9.8%). It should be noted that during 2022/23 CTR for income band 1 was restricted to 85% and residents were feeling the effects of the cost-of-living crisis. Whilst some government support was being received, there were still several low-income households who struggled to afford the remaining charge on their Council Tax accounts across the income bands.

- 4.3 We will not be able to fully assess how the impact of the changes made to our scheme for 2023/24 will affect council tax arrears until after the end of the financial year. We recognise that with the ongoing cost of living crisis (which disproportionately impacts lower income households) this may mean that it takes much longer before it starts to have a positive impact on CTR arrears levels. As our working age scheme now offers up to 100% support (same as pensionable age) we anticipate that over time the percentage of working age CTR households will reduce to a similar level as those of pension age (see table 4.1). We will be monitoring the trajectory of this moving forward.

5.0 Summary

- 5.1 The cost-of-living crisis has continued to have an impact on households being affected by income losses that would not normally be felt by working age households. Data strongly suggests that those in employment have been significantly impacted by the crisis and although some improvements are being seen residents are still negatively financially affected.
- 5.2 Although the number of households in receipt of CTR who have arrears has not significantly reduced from previous years, new debt for those on the lowest incomes should reduce as there is no charge left to pay for those in income band 1 for 2023/24.
- 5.3 Further monitoring of our arrears cases will be carried out to see whether this position will improve but is very dependent on national economic factors. Alongside this we will continue to do more in-depth work to look at what proportion of these cases are in arrangement or can be supported (if not already) by the work of our Financial Resilience officers which will also consider any appropriate use of our discretionary funds. We are also in the process of introducing the vulnerable debt tool kit to Council Tax. This will ensure that residents will be provided with the support they need to help pay any outstanding charge on their council tax accounts, along with addressing any arrears balances still due, whilst continuing to protect the overall collection of council tax.
- 5.4 As we have not seen a full return to business as normal following the Covid-19 pandemic and the subsequent cost of living crisis we are unable to fully assess the changes made to the CTR scheme in 2023/24. Further monitoring of the impacts will therefore continue throughout 2024/25 and any future changes to the scheme will be considered in 2025/26 if required.

Financial implications:

The finance details are included in the report and there are no proposed changes to the current scheme.

Legal implications:

The Scheme details the relevant legislation.

Report to: Council



Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Information Governance – Recommendation from Audit and Governance Committee on 18 January 2024

Report summary:

This report sets out the Audit and Governance Committee's recommendation to Council arising from their consideration of the report at the Audit and Governance Committee on 18 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Audit and Governance Committee containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Director of Governance and Licensing be designated as the Council's Senior Information Risk Owner in place of the Director of Finance.

Reason for recommendation:

As information governance sits with the Director of Governance and Licensing and the Audit and Governance Committee considers it more appropriate for this role to transfer to the Director of Governance and Licensing.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Report to: Audit and Governance Committee



Date of Meeting 18 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Information Governance

Report summary:

To seek the approval of the Committee to the creation of an Information Governance Board to provide direction and guidance across the organisation for data protection and information governance activities, including the production by the Board of an annual report to the Committee. To also seek the approval of the creation of an Information Governance Working Group to discuss and coordinate data protection and information governance activities at an operational level. Finally, to recommend the appointment of the Monitoring Officer as the Senior Information Risk Owner for Information Governance.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. To approve the creation of an Information Governance Board and Information Governance Working Group and that the Committee nominate one member of the Committee to the Information Governance Board.
2. That the Committee approve the Terms of Reference for the Information Governance Board attached at Appendix A to this report.
3. That the Audit and Governance Committee Terms of Reference be amended as part of the Monitoring Officer's review of the Constitution, to include explicit reference to oversight of Information Governance. Such changes to be made in consultation with the Chair of the Committee and recommended to Annual Council.

To recommend to Council:-

4. That the Director of Governance and Licensing be designated as the Council's Senior Information Risk Owner in place of the Director of Finance

Reason for recommendation:

The proposals in this report will ensure that the Council has robust oversight of Information Governance matters.

Officer: Melanie Wellman, Director of Governance and Licensing and Monitoring Officer
melanie.wellman@eastdevon.gov.uk

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change Low Impact

Risk: Medium Risk;

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

- 1.1 The Information Commissioner (“ICO”) produces guidance on accountability and governance through an Accountability Framework (“the Guidance”). That Guidance makes a number of recommendations regarding leadership and oversight of information governance. The Guidance refers to having two groups, an oversight (strategic) group and an operational group.
- 1.2 The oversight group is to provide direction and guidance across the organisation for data protection and information governance activities. It is described as a group with a clear terms of reference, chaired by the Senior Information Risk Owner (“SIRO”) or Data Protection Officer (“DPO”). The group to consider a full range of data protection-related topics including KPI’s, issues and risks. Meetings to be minuted and there should be a work plan that is monitored regularly. The Guidance states that the board or highest management level should consider data protection and information governance issues reported by this strategic oversight group.
- 1.3 The operational group is to meet to discuss and co-ordinate data protection and information governance activities. It should be attended by staff regularly, have minutes and action plans and report issues and risks to the oversight group.
- 1.4 Whilst the Council has robust data protection procedures in place, at present there is no structured oversight of information governance. To ensure that we are compliant with the Guidance, it is proposed that the following is set up: -

➤ **An Information Governance Board** to act as the oversight group. This Board to be made up of:-

- the SIRO,
- the DPO,
- Portfolio Holder nominated by the Leader,
- Lead for Corporate HR,
- Representative of Strata,
- Lead for Corporate Communications and IT,
- Representative from the Audit and Governance Committee.

The Terms of Reference to include strategic oversight of data quality, information security, information compliance, records management, training and information sharing/data transparency. A draft Terms of Reference for member approval is attached at Appendix A to this report. The Board to meet on a quarterly basis, to be chaired by the SIRO and to provide an annual report on the work of the Board to the Audit and Governance Committee

➤ **An information governance working group** to act as the operational group to be made up of the DPO, Assistant Directors (and a manager from any areas reporting directly into a Director) to consider day to day operational issues in relation to information governance including data retention, data breaches, data compliance and data transparency. This group to meet on a bi-monthly basis and to report any issues of concern to the Information Governance Board via the DPO. Meetings to be chaired by the Data Protection Officer.

1.5 Many Councils already have an Information Governance Board including Somerset Council, South Lakeland Council, Wolverhampton, Dorset and Hounslow Councils. Some of these are “all” officer Boards and some include members. As Data Protection is such a key governance issue, it is recommended that having a Portfolio Holder and member of the Audit and Governance Committee on the Information Governance Board will ensure appropriate member oversight. This will also help to raise awareness of data protection issues across the wider membership.

1.6 Whilst information governance sits with this Committee, there is currently no reference of this in the Committee’s Terms of Reference. In the circumstances, it is also recommended that the Audit and Governance Committee Terms of Reference be amended as part of the Monitoring Officer’s review of the Constitution, to include explicit reference to oversight of Information Governance. Such changes to be recommended to Annual Council.

1.7 The Director of Finance is currently the SIRO with oversight in relation to information governance matters. As information governance sits with the Director of Governance and Licensing, the Executive Leadership Team considers it more appropriate for this role to transfer to the Director of Governance and Licensing. Members are therefore invited to recommend this change in appointment to Full Council for approval.

1.8 The proposals in this report, if endorsed, will ensure that the Council has robust arrangements in place to ensure appropriate oversight of information governance moving forward.

Financial implications:

There are no direct financial implications from the recommendations in this report.

Legal implications:

There are no substantive legal issues to be added to this report

**Information Governance Board
Terms of Reference**

Membership

- Senior Information Risk Owner,
- Data Protection Officer,
- Portfolio Holder for Data Protection,
- Lead for Corporate HR,
- Representative of Strata,
- Lead for Corporate Communications and IT,
- Representative from the Audit and Governance Committee.

Quorum: 3

Terms of Reference:

- Developing an Information Governance strategy and monitoring its effective delivery;
- Identifying and managing information risks;
- Maintaining an Information Asset Register and Record of Processing Activity and supporting associated data asset owners;
- Oversight of information sharing arrangements;
- Receiving reports of information data breaches and security incidents and identifying and implementing areas for improvement;
- Receiving and monitoring the Council's performance in responding to Freedom of Information, Environmental Information Regulation and subject access requests
- Monitoring the Council's Transparency Code compliance;
- Monitoring trends in relation to requests for information
- Producing an annual report to the Executive Leadership Team and the Audit and Governance Committee on the work of the Board

Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Pay Policy Statement 2024/25 – Recommendation from Personnel Committee on 29 January 2024

Report summary:

This report sets out the Personnel Committee’s recommendation to Council arising from their consideration of the report at the Personnel Committee on 29 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Personnel Committee containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Council adopt the Pay Policy Statement 2024/2025.

Reason for recommendation:

Part 3, Paragraph 2.10.5b of the Constitution requires the Personnel Committee to consider and make recommendations to Council in relation to the Pay Policy Statement in line with the Localism Act, which requires the Council to review its Pay Policy Statement on an annual basis.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Report to: Personnel Committee



Date of Meeting 29th January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Pay Policy Statement 2024/25

Report summary:

The annual review of the Council's Pay Policy Statement, as required under the Localism Act and Constitution.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Personnel Committee recommend to Council the adoption of the Pay Policy Statement 2024/25.

Reason for recommendation:

Part 3, Paragraph 2.10.5b of the Constitution requires the Personnel Committee to consider and make recommendations to Council in relation to the Pay Policy Statement in line with the Localism Act, which requires the Council to review its Pay Policy Statement on an annual basis.

Officer: Jo Fellows, Corporate Lead – Human Resources. Email: jfellows@eastdevon.gov.uk

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information The current Pay Policy Statement is available at: [Pay policy statement for senior officers - East Devon](#). The Council's Data Transparency Code information relating to pay is available at: [Pay and reward policies and senior staff pay - East Devon](#).

Link to Council Plan

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

1. The Localism Act 2011 requires councils to annually prepare and approve a Pay Policy Statement setting out its policy for each financial year relating to the remuneration of Chief Officers and other employees and the relationship between the pay of Chief Officers and the lowest paid employee. The Personnel Committee must consider and make recommendations to Council in relation to the Pay Policy Statement.
2. Appendix 1 sets out the proposed Pay Policy Statement for 2024/25, with the amendments from the previous year shown in red. There are minimal changes for this year, which aim to provide further clarification on the existing arrangements.
3. Paragraph 5 in the Pay Policy Statement includes reference to the pay multiple, which illustrates the relationship between the lowest and highest paid employees in the Council. The pay multiple figure is currently 4.4:1, which remains within the Council's agreed 10:1 maximum ratio and is below the previous year's figure of 5.9:1.
4. In line with Government guidance, the Pay Policy Statement is published on the Council's website once agreed.

Financial implications:

There are no direct financial implications to comment on.

Legal implications:

The legal position is detailed in the report and no further comment is required.

Appendix 1

Pay Policy Statement (April 2024 - March 2025)

1. Introduction

- 1.1. Section 38 of the Localism Act 2011 requires English and Welsh local authorities to produce a statutory pay policy statement for each financial year which sets out the council's policies relating to the remuneration of chief officers (a term which includes both statutory and non-statutory chief officers) and the relationship between the remuneration of the highest and lowest paid.
- 1.2. This document sets out East Devon District Council's pay policy statement which is reviewed annually and published on the Council's website.
- 1.3. In the context of managing scarce public resources, remuneration at all levels within the Council needs to be adequate to secure and retain high-quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive. We have already adopted a pay and reward policy which complements this pay policy statement and seeks to ensure that pay and reward systems facilitate the retention and recruitment of employees with the right skills and capabilities and takes account of regional and national variations and local market factors.
- 1.4. The Council has adopted the Code of Recommended Practice for Local Authorities on Data Transparency, in respect of its approach to publication of and access to information relating to the remuneration of senior officers. This includes Senior Salaries data which has the details of the remuneration of the authorities' senior staff, including key responsibilities and allowances. This is published on the Council's website and/or in the Annual Statement of Accounts.

2. Definitions

- 2.1. For the purposes of this statement chief officers are the:
 - 2.1.1. Chief Executive Officer
 - 2.1.2. Directors including section 151 officer and monitoring officer responsibilities.
- 2.2. For the purposes of this statement officers (including the lowest paid employees) are those on grade 1-10 of the locally determined grading structure. The lowest paid employees are defined as employees paid on Spinal Column Point 7 of the National Joint Council for Local Government Services (NJC) Pay Scale (the lowest point of grade 1).
- 2.3. Spot salaries - These are salaries which are a specific sum and are not related to a grade with increasing levels of pay. **Spot salaries only apply to the Chief Executive grade (grade 10).**
- 2.4. Pay multiple - This is calculated by comparing all taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of benefits in kind) for the Chief Executive compared to median earnings and the lowest paid in the organisation.

3. Officers (including Lowest Paid Employees)

- 3.1. Officers on grades 1 - 8 of the local determined grading structure are eligible for annual incremental increases up the NJC pay scale set out within their grade until they reach the top of their grade. Any annual pay awards are determined by national NJC agreement. A job evaluation scheme is used to determine the grade for each post.

4. Chief Officers

- 4.1. The Chief Executive and Chief Officers on grades 9 and 10 are subject to Joint Negotiating Committee (JNC) for Chief Executive/Chief Officer terms and conditions. All grades, except the Chief Executive who is on a spot salary, are salary progression to the top of the relevant grade. Salaries are based on job evaluation points which relate to the pay and grading structure for senior officers as designed by South West Regional Employers.
- 4.2. The Personnel Committee is responsible for considering and recommending the appointment, remuneration and terms in the event of the cessation of employment of senior officers, in line with its Terms of Reference, the Pay Policy Statement, the Council's employment policy and statutory regulations and guidance.
- 4.3. At present, there are no additional payments made to senior officers which specifically relate to performance such as performance related pay or bonuses.
- 4.4. Any termination payments to senior officers where the value is over £100K, on ceasing office will comply with our redundancy policy, **where applicable**, and only be made with the express approval by full council.
- 4.5. The Committee would not normally recommend the re-employment of individuals to senior officer positions who have recently left the Council (for any reason) in any capacity (either as an employee, consultant or contractor). If this does occur, it will be subject to the provisions of the Modification Order.
- 4.6. As outlined in the Pay and Reward Policy the use of market supplements may be applied in certain circumstances.
- 4.7. Additional payments are made by central government to officers carrying out additional duties at elections. These payments are not within the scope of this policy.

5. Relationship between Chief Officers and employees who are not Chief Officers

- 5.1. The Data Transparency Code requires authorities to publish the ratio of chief executive to median earnings, as a means of illustrating the relationship between the lowest and highest paid. Through this pay policy statement we will track this multiple annually and will publish the following information on the Council's website, as part of the Data Transparency Code information:
 - 5.1.1. details of the taxable remuneration to calculate the Median FTE pay for the workforce
 - 5.1.2. the remuneration of the lowest paid employee
 - 5.1.3. the annual Median FTE of the authority's workforce.
- 5.2. Through this policy the pay multiple of the chief executive will be monitored annually. Should the multiplier between the annual salary paid to a full time employee on the lowest spinal column point and the annual salary paid to the chief executive be greater than 10:1, this will be reported by the Personnel Committee to Full Council for consideration.

Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Gas and Fire Safety Policies – Recommendation from Cabinet on 31 January 2024 and Housing Review Board on 25 January 2024

Report summary:

This report sets out the Cabinet's recommendation to Council arising from their consideration of the recommendations from the Housing Review Board on 25 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet and Housing Review Board containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Council approves the Gas Safety Policy and Fire Safety Policy for Housing Service properties.

Reason for recommendation:

To ensure the Council are meeting its statutory obligations in relation to compliance.
To ensure the safety of our staff, residents and contractors.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Issue details	
Title:	Gas Safety Policy
Version number	Version 3.0
Officer responsible:	Compliance & Planned Works Service Manager
Authorisation by:	Housing Review Board
Authorisation date:	December 2023

History of most recent Policy Changes – Must be completed			
Date	Page	Change	Origin of Change e.g (Change in Legislation)
08 December 2023	3	Servicing	Change in Legislation
08 December 2023	3	'MOT' style Gas Check	Change in Legislation

1 Previous Policies/Strategies

Version 2.0

2 Why has the Council introduced this policy?

East Devon District Council have introduced this Gas Safety Policy to ensure compliance with all relevant Legislation. The failure to adequately maintain, test for Gas Safety repair gas pipework, gas appliances and associated flues, could result in death or injury, destruction or damage to property and the exposure of East Devon District Council (EDDC) to prosecution and fines and its employees to prosecution and imprisonment.

The Policy is relevant to residents, contractors and other persons who may work on, occupy, visit, or use its premises, or who may be affected by its activities or services. It should be used by all to ensure they understand the obligations placed upon East Devon District Council to maintain a safe environment for residents and employees within the home of each resident. East Devon District Council will follow a systematic approach to the management of gas work to ensure it meets the requirements set out in The Gas Safety (Installation and Use) Regulations 1998 including all amendments and other relevant Legislation relating to Gas Safety. This is to ensure the safety of residents, employees and members of the public.

3 What is the Council's policy?

3.1 Scope

This Gas Safety Policy covers the management of Gas Safety within East Devon District Council Housing Properties, including individual domestic properties, blocks of flats with communal gas boilers, community centres, district offices and HMO's where gas supplies and appliances are present. It specifically excludes all other properties to which East Devon District Council have responsibility (Property Services, Streetscene, Corporate Estates).

3.2 Introduction

East Devon District Council acknowledges and accepts its responsibilities with regard to Gas Safety under the Gas Safety (Installation and Use) Regulations 1998 which places duties on Landlords to ensure that gas installations in rented properties are:

- Safe when a tenancy begins
- Maintained in a safe condition throughout the tenancy

In order to be compliant under these Regulations, EDDC will will maintain and check all EDDC gas heating and hot water appliances, gas installation pipework, flues and chimneys on which these gas appliances are installed so that any risks to residents, employees, contractors or others are minimised. EDDC will check resident owned gas appliances to ensure they are safe. This is in accordance with the Gas Safety (Installation and Use) Regulations 1998 and subsequent revisions.

3.3 Policy Statement

East Devon District Council has a duty to ensure that gas heating and hot water appliances and gas installation pipework are maintained in a safe and operational condition. This also includes ensuring EDDC owned flues and chimneys serving gas appliances are maintained in a safe condition.

East Devon District Council will maintain a Gas Safety Policy and will work with residents, staff, contractors and the statutory enforcement bodies to agree and deliver legally compliant solutions to Gas Safety.

This Policy is formally accepted by the Chief Executive. The Chief Executive will do all that is reasonably practicable to comply with its requirements, and will make the necessary resources available.

To meet our statutory obligations in relation to Gas Safety Management under the Gas Safety (Installation and Use) Regulations 1998, we will:

- Ensure that works to gas installations are only carried out by qualified and competent persons in line with the above Regulations.
- Ensure that each gas appliance and flue is checked for safety at intervals of no more than 12 months. Wherever possible this is to be conducted within 2 months prior to the anniversary date of the previous safety check.
- Carry out a Gas Safety Check as part of Void property and Mutual Exchange processes.
- Provide a copy of the Landlords Gas Safety Record certificate to the resident of the property.
- Follow all available options for access to support the implementation of this policy.
- Apply protocols to deal with emergencies such as a gas escape.
- Ensure a working carbon monoxide alarm is fitted in any room used as living accommodation which contains a fixed combustion appliance.
- Ensure that manufacturers' recommendations are applied when developing maintenance programmes or carrying out maintenance and installation of gas appliances and carbon monoxide alarms.
- Ensure audits are carried out on works completed to gas fittings. A minimum of 10% gas safety checks and installation will be audited.
- Provide residents and Leaseholders with advice and information about Gas Safety in newsletters; leaflets; on our website; social media; the Resident Handbook and at tenancy visits.

3.4 Policy Development

This Policy has been developed to allow East Devon District Council to comply with the following Legislation in relation to Gas Safety:

- The Gas Safety (Installation and Use) Regulations 1998 (including 2018 amendment)
- Pressure Equipment (Safety) Regulations 2016
- Building Regulations Approved Document Part L 2010 (incorporating 2021 & 2023 amendments)
- Construction Design & Management Regulations 2015
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
- Health and Safety at Work Act 1974

3.5 Annual Servicing

EDDC is legally required under the Gas Safety (Installation and Use) Regulations 1998 to carry out a Landlords's Gas Safety Check to each property with a gas supply. The Gas Safety Check must be carried out within twelve months of the previous year's safety check, on all gas systems and appliances in EDDC properties, regardless of ownership.

EDDC has entered into a contract with a Gas Servicing Contractor, who is a Gas Safe registered Installer, to meet this obligation using an agreed appointment procedure.

As part of the service for gas central heating boilers, the Gas Servicing Contractor will carry out a system water test to check the quality of the system water and, if necessary, treat the water in accordance with BS7593:2019. This became a Legal requirement of Building Regulations Approved Document part L from 15 June 2022.

3.6 'MOT' style Gas Safety Check

Since 06 April 2018, Landlords have more flexibility in when they can arrange for Gas Safety Checks for their rental properties. A new regulation 36A was introduced into the Gas Safety (Installation and Use) Regulations 1998 by the Health & Safety Executive .

The changes set out in regulation 36A aim to offer more flexibility in the Gas Safety Checking regime, however it is not compulsory for Landlords to implement this regime.

Landlords will be able to have Gas Safety Checks carried out any time from 10 to 12 **calendar months** after the previous check but still retain the original deadline date as if the check had been carried out exactly 12 months after the previous check.

East Devon District Council are implementing this regime with our current Gas Servicing Partnering Contractor.

This arrangement will not affect EDDC's Legal obligations, however in order to benefit from the new flexibility, we need to prove we have complied with the law. This means that EDDC will have to retain a certificate until at least two other Gas Safety Checks have been carried out.

Under the regulation, if a Landlord is unable to show the necessary documents, then the expiry date of the current Gas Safety Check will be taken as 12 months from the date of the last certificate being issued.

3.7 Servicing Procedure

Our Gas Servicing Contractor will write to the resident advising them of when they will be attending to carry out the service, this will be within two months of the expiry of the last Landlords's Gas Safety Record (CP12).

If the resident is not home when the service is booked or the resident refuses access, our Gas Servicing Contractor will make a further two attempts to enter the resident's property to carry out the gas service.

Should the resident refuse access or the Gas Servicing Contractor is unable to carry out the service on the third attempt for whatever reason, the Gas Servicing Contractor will refer this back to the EDDC to start the process for a Legal appointment.

An appropriate EDDC Officer will attempt to make contact with the resident to arrange an appointment to carry out the gas service. If they are unable to do so, the EDDC Officer will serve the resident with a Legal letter which states that the resident must allow the Gas Servicing Contractor access to carry out the gas service on a specific date and time (Legal appointment).

On the day of the Legal appointment a relevant Officer will attend the property with the Gas Servicing Contractor to carry out the gas service. Should the resident not be home at the time of the Legal appointment, the Council may force entry to carry out the gas service in their absence. In some circumstances, the Council will cap the gas supply off at the meter to ensure compliance.

If the resident is home at the time of the Legal appointment and refuses access to the relevant Officer and the Gas Servicing Contractor for the gas service to take place, we will refer this to our Legal Department to apply for a Court Injunction to compel the resident to allow access to enable the Gas Servicing Contractor to carry out the service.

Any costs associated with the refusal to allow access will be re-charged to the resident in accordance with the relevant re-charge policy.

Following successful completion of the Landlords's Gas Safety Check the resident will receive a copy of the CP12 certificate for the property within 28 days of the annual safety check taking place.

3.8 Void Properties

At the start of the void period, the gas supply will be capped. A Gas Safety Check will be carried out to all properties when they are void to ensure the system is checked before re-letting. All gas equipment, including any appliances left by a previous resident, will be checked for safety or removed before letting. On completion of the main void works, the gas will be uncapped ready for letting. A copy of the new LGSR certificate will be provided to the incoming resident.

3.9 Mutual Exchanges

A Gas Safety Check will be carried out on all EDDC properties with a live gas supply and meter, where a mutual exchange is taking place. Our Gas Servicing Contractor will cap the gas on the day the resident(s) move out (which should be a Friday or a Monday) and re-connect the gas and carry out a Gas Safety Check on the day the new resident moves in.

3.10 Record Keeping

East Devon District Council holds and maintains a core asset register of all properties that require a Gas Safety Check and ensure that the Landlords Gas

Safety Record (LGSR) Certificates are held in a central database or online portal where they can be accessed easily for review and monitoring.

East Devon District Council maintains a register against each property asset of any gas equipment and appliances including:

- Boilers (individual and communal)
- Water heaters
- Meters
- Cookers (those fitted in Community Centres)

East Devon District Council will establish and maintain accurate records of all completed testing, servicing and maintenance of the above equipment, including ensuring all certification is held on a central database.

EDDC retains all records of the annual gas safety certificates for a minimum of two years from the date of the certificate to ensure hard copies can be produced when required.

The Gas Servicing Contractor saves all of our gas safety records including certificates electronically. EDDC can access these through the Contractor's online portal. The Gas Servicing Contractor keeps accurate records of all their efforts to obtain access to carry out the annual Gas Safety Check and all non-accesses and the dates and times that they were passed to EDDC. This includes records/copies of all letters, appointment cards, telephone calls etc.

3.11 Quality Audit

EDDC currently uses existing 'in house' compliance staff in the form of the Compliance Surveyor (Heating) to carry out audits on at least 10% of all gas services carried out. An external auditing company is currently being procured to deliver this; it is hoped this will be in place in early 2024.

3.12 Carbon Monoxide Detectors & Smoke Alarms

EDDC will ensure carbon monoxide (CO) detectors are installed in all rooms with a EDDC gas appliance and any room where a flue passes through.

EDDC will also ensure that an adequate number of smoke alarms are installed in all properties.

The carbon monoxide detectors and smoke alarms will be tested for those properties that have a gas appliance during the Landlords's Gas Safety Check and a record of this will appear on the CP12.

3.13 Gas Cookers

Where there is a gas cooker in the property, the connection to the gas cooker up to the gas controls on the cooker is included in the Gas Safety Check.

Where the gas cooker has a glass lid, a check is made that the automatic gas shut off mechanism works when the glass lid is closed. These checks do not include a service of the cooker, since this is the resident's responsibility. Should the cooker fail the relevant safety check, the Gas Servicing Contractor will condemn the cooker and isolate it. It will be the resident's responsibility to have the cooker either repaired by a qualified engineer or replaced.

3.14 Performance Management

The following key performance indicators (KPI's) are reported to East Devon District Council's Leadership team & Housing Review Board:

- % of Gas Servicing carried out within 12 months of previous service
- % of emergency repairs completed within target
- % of routine repairs completed within target
- % of repairs outstanding and overdue

These key performance indicators are also used to monitor the contractor's performance.

3.15 Equality and Diversity

EDDC will apply this Policy consistently and fairly, and will not discriminate against anyone on grounds of their racial or ethnic origin, disability, gender, religious belief, sexual identity, or any other relevant characteristic. EDDC will make this Policy available in other languages and formats on request.

We will carry out an Equality Impact Assessment on this Policy, in line with our corporate procedure.

3.16 Monitoring and Review

We will monitor this Policy to ensure it meets good practice and current Legislation and will review it in accordance with our review timetable for all policies. The Policy should be reviewed within 3 years from the date of approval, or sooner if Legislation changes.

3.17 Competent Persons

East Devon District Council will ensure that the manager(s) with lead responsibility for operational delivery are appropriately qualified holding a recognised safety management qualification.

East Devon District Council will ensure that only suitably competent Gas Safe Registered Contractors are procured and appointed to undertake gas inspection, testing, installation and repair works.

The operational team with responsibility for delivery will check the relevant accreditations for the work that they are carrying out as part of the due

diligence checks carried out at the procurement of any new contract. These checks will be undertaken on an annual basis to ensure competency and training is up to date.

3.18 Training

The manager(s) with lead responsibility for operational delivery will hold a relevant qualification in respect of Gas Safety compliance management.

3.19 Gas Safety Information

East Devon District Council considers good communication essential in the safe delivery of Gas Safety management and will therefore ensure that relevant information is provided to residents. East Devon District Council will develop on their website information and advice to customers regarding Gas Safety and will publish this information through other outlets such as social media and in the Housing Matters Magazine.

3.20 Regulatory & Legislative Compliance

The application of this Policy will ensure compliance with the regulatory framework and consumer standards (Home Standard) for social housing in England.

4 Policy Administration

4.1 Appendices and other relevant information

None

4.2 Links related Policies/Strategies, Procedures and Legislation

- The Gas Safety (Installation and Use) Regulations 1998:
<https://www.legislation.gov.uk/ukxi/1998/2451/contents/made>
- Pressure Equipment (Safety) Regulations 2016: Great Britain:
<https://www.gov.uk/government/publications/pressure-equipment-safety-regulations-2016/pressure-equipment-safety-regulations-2016-great-britain#product-classification>
- The Building Regulations 2010 Approved Document Part L:
https://assets.publishing.service.gov.uk/media/63d8ed5de90e0773d8af2c97/Approved_Document_L_Conservation_of_fuel_and_power_Volume_1_Dwellings_2021_edition_incorporating_2023_amendments.pdf

4.3 Standards

- The Consumer Standards (Home Standard)

4.4 Code of Practice

- Gas Safety (Installation and Use) Regulations 1998 (GSIUR) as amended. Approved Code of Practice and guidance:
<https://www.hse.gov.uk/pubns/books/l56.htm>
- BS7593:2019 Code of practice for the preparation, commissioning and maintenance of domestic central heating and cooling water systems:
<http://twc-services.co.uk/wp-content/uploads/2020/04/BS-7593.2019.pdf>

4.5 Data Protection

b) The collection and use of resident's personal data will not exceed that agreed to in their tenancy agreement

The [EDDC Data Protection Policy](#) provides further information on how we store and use personal information.

The following privacy notice(s) provide further information on how we will use resident's personal data, how it is gathered, and how long we will retain this information, and what rights residents have in relation to this.

Property and Assets - Completion of programmed, servicing and cyclical works

All our privacy notices can be found on the EDDC website (<https://eastdevon.gov.uk/access-to-information/data-protection/privacy-notices/>)

4.6 Policy consultation

Involved Residents & Housing Review Board

4.7 Policy review

December 2026 by the Compliance & Planned Works Service Manager, or sooner if Legislation changes during this time.



Issue details	
Title:	Fire Safety Policy for Housing
Version number	Version 2.0
Officer responsible:	Compliance & Planned Works Service Manager
Authorisation by:	Housing Review Board
Authorisation date:	December 2023

History of most recent Policy Changes – Must be completed			
Date	Page	Change	Origin of Change e.g (Change in Legislation)
06 December 2023	1-19	Updated to reflect current Legislation	Change in Legislation

1 Previous Policies/Strategies

Version 1.0

2 Why has the Council introduced this Policy?

This Fire Safety Policy details how East Devon District Council meets the requirements for Fire Safety under the Housing Act 2004, the Regulatory Reform (Fire Safety) Order 2005 (RRO), the Fire Safety Act 2021 and the Fire Safety (England) Regulations 2022. In addition to this the policy provides assurance that measures are in place to ensure compliance with these regulations and to identify, manage and/or mitigate risks associated with fire in properties owned or managed by East Devon District Council.

The Policy is relevant to residents, contractors and other persons who may work on, occupy, visit, or use its premises, or who may be affected by its activities or services. It should be used by all to ensure they understand the obligations placed upon East Devon District Council to maintain a safe environment for residents and employees within the home of each resident and within all non-domestic (communal) premises or areas of buildings. East Devon District Council will follow a systematic approach to the management of Fire Safety to ensure it meets the requirements set out in the Regulatory Reform (Fire Safety) Order 2005 including all amendments and other relevant Legislation relating to the management of Fire Safety. This is to ensure the safety of residents, employees and members of the public.

3 What is the Council's Policy?

3.1 Scope

This Fire Safety Policy covers the management of Fire Safety within East Devon District Council Housing Properties, including multi-occupied domestic premises with communal areas, community centres, district offices and HMO's. It specifically excludes all other properties to which East Devon District Council have responsibility (Property Services, Streetscene, Corporate Estates).

3.2 Introduction

East Devon District Council acknowledges and accepts its responsibilities with regard to the management of Fire Safety under the Housing Act 2004, the Regulatory Reform (Fire Safety) Order 2005 (RRO), the Fire Safety Act 2021 and the Fire Safety (England) Regulations 2022. This document sets out East Devon District Council's overall Policy relating to Fire Safety in their premises and describes the management of Fire Safety in line with the above Legislation.

3.3 Policy Statement

East Devon District Council have a duty of care to take all reasonable steps to prevent and control the risk from fire in all of the properties that it owns or manages.

East Devon District Council will maintain a Fire Safety Policy and will work with residents, Leaseholders, staff, contractors and the statutory enforcement bodies to agree and deliver legally compliant solutions to Fire Safety issues. In this regard we will:

- Implement our Fire Safety Policy by empowering nominated staff with specific responsibilities and duties.
- Ensure that all nominated staff receive the appropriate training and resources required to fulfil their statutory responsibilities/duties under Fire Safety Legislation.
- Ensure that prompt remedial action is taken to safeguard persons in properties where there is a serious risk from fire.

East Devon District Council aims to provide a safe environment in which our residents are assured that the risk of injury or damage to their homes caused by fires is minimised.

East Devon District Council will foster and maintain good working relationships with partners and contractors to help ensure the ongoing safety of our residents; this includes Devon & Somerset Fire & Rescue Service (DSFRS).

In aiming to deliver this safe environment we will seek to identify, assess and reduce risks to ensure compliance with the Regulatory Reform (Fire Safety) Order 2005 and other relevant Fire Safety Legislation.

In discharging our obligations to Fire Safety we will:

- Carry out our Fire Risk Assessments (FRA's) in accordance with the Regulatory Reform (Fire Safety) Order 2005 and The Fire Safety Act 2021 using suitably qualified persons.
- Carry out monthly 'in-house' visual Fire Safety risk checks of communal areas of all blocks of flats.
- Act appropriately on any actions or recommendations identified in the Fire Risk Assessments.
- Employ suitably qualified and competent contractors to carry out any Fire Safety related works identified in the Fire Risk Assessments.
- Ensure there are sufficient measures in place to prevent the spread of fire.
- Ensure all communal means of escape are clear and free of any obstructions which may affect the ability to escape safely in the event of a fire.
- Ensure all fire doors are inspected periodically in line with the Fire Safety (England) Regulations 2022 and any repairs/replacements are carried out to ensure the fire doors are compliant and fit for purpose.
- Ensure all electrical installations within individual properties and communal areas are inspected on a 5-year cycle and any unsatisfactory installations are addressed urgently.
- Ensure all gas appliances within individual properties and communal areas are serviced annually.
- Ensure all fire prevention systems (fire alarms, smoke detectors, emergency lighting, dry risers and fire extinguishers) are correctly inspected and maintained.
- Ensure the appropriate fire strategy is in place at each multi-occupied residential premises and that the signage and fire emergency plans accurately reflect the fire strategy at each site.
- Provide residents and Leaseholders with advice and information about Fire Safety in newsletters; leaflets; posters in blocks and community centres; on our website; social media; the Resident Handbook and at tenancy visits.
- Notify Leaseholders of their responsibilities/duties to ensure that as 'Responsible Persons' they comply with the requirements of The Regulatory Reform (Fire Safety) Order 2005 and The Fire Safety Act 2021.
- Identify and assist vulnerable residents/Leaseholders who may be a risk to both themselves and to others in the event of a fire, whilst being mindful of statutory obligations including the Equalities Act 2010 and the Regulatory Reform (Fire Safety) Order 2005 regarding the disabled, elderly and young persons.
- Ensure residents are aware of any Fire Safety improvement works.

This Policy is formally accepted by the Chief Executives. The Chief Executive will do all that is reasonably practicable to comply with its requirements, and will make the necessary resources available.

3.4 Policy development

This Policy has been developed to allow East Devon District Council to comply with the following Legislation:

- The Regulatory Reform (Fire Safety) Order 2005.
- The Fire Safety Act 2021
- The Fire Safety (England) Regulations 2022
- The Housing Act 2004
- The Building Regulations Approved Document B 2019 (incorporating 2020 & 2022 amendments)
- Equality Act 2010
- The Health and Safety at Work Etc. Act 1974
- The Management of Health & Safety at Work (Amendment) Regulations 2006
- The Construction (Design & Management) Regulations 2015

3.5 Legislation

3.5.1 The Regulatory Reform (Fire Safety) Order 2005

The main provisions of the FSO are to:

- Carry out periodic Fire Risk Assessments identifying any possible dangers and risks and create a work plan to address all actions and recommendations identified.
- Eliminate or reduce the risk from fire as far as is reasonably practicable and provide general fire precautions to deal with any remaining potential risks.
- Create a plan to deal with fire emergency and record any major findings and action taken.
- Review Fire Risk Assessments regularly, monitor the actions and recommendations, update and make any amendments where necessary.

The FSO applies to:

- The common parts of buildings containing flats and maisonettes
- The common parts of sheltered accommodation
- Offices, shops and factories
- Community halls and other community premises

The FSO does not apply to purely domestic premises occupied by a single-family group including individual flats, maisonettes, bedsits, or residential units themselves.

The Fire and Rescue Authority, have a statutory duty to enforce the requirements of the RRO. This can be by means of notification of deficiencies, formal enforcement notices, prohibition notices and/or ultimately by means of prosecution.

3.5.2 The Fire Safety Act 2021

The Fire Safety Act 2021 clarifies the scope of the Fire Safety Order to make clear it applies to the structure, external walls (including cladding and balconies) and individual flat entrance doors between domestic premises and the common parts.

East Devon District Council, as the 'Responsible Person', will ensure these parts are considered when Fire Risk Assessments are carried out.

3.5.3 The Fire Safety (England) Regulations 2022

The Fire Safety (England) Regulations 2022 implemented the majority of the recommendations made by the Grenfell Tower Inquiry in its Phase 1 report which required a change in the law.

The regulations seek to improve the Fire Safety of blocks of flats in ways which are practical, cost effective for individual Leaseholders and proportionate to the risk of fire.

The regulations came into force on 23 January 2023 and apply to multi-occupied residential buildings over 11 metres in height. East Devon District Council currently own one building falling within this category (Morgan Court, Exmouth). All other buildings fall outside this category.

East Devon District Council, as the Responsible Person, will:

- Undertake quarterly checks on all communal fire doors and annual checks on flat entrance doors at Morgan Court.
- Undertake, as a minimum, six monthly checks on all communal 'throughfare' fire doors and annual checks on flat entrance doors, cupboard doors and compartmentation hatches in all other all multi-occupied residential buildings.
- Provide residents in all multi-occupied properties with relevant Fire Safety information, including fire doors, every 12 months.
- Install and maintain a secure information box within the communal areas of all multi-occupied residential buildings and community centres.
- Prepare and keep up to date floor/building plans for all multi-occupied residential buildings and ensure a copy is stored within the secure information box at each site.

3.5.4 Housing Health and Safety Rating System (HHSRS) introduced under the Housing Act 2004

The main provisions of the HHSRS are that:

- Any residential premises should provide a safe and healthy environment for any potential occupier or visitor and;
- To satisfy this principal, a dwelling should be designed, constructed and maintained with non-hazardous materials and should be free from both unnecessary and avoidable hazards;

- In relation to Fire Safety, the HHSRS applies to those matters which can properly be considered the responsibility of the owner (or landlord).

In relation to Fire Safety, the HHSRS does not apply to those elements of a dwelling for which responsibility lies with the user (the occupier) including fixtures and fittings (unless supplied by the landlord as a part of a furnished tenancy or where shared rooms are provided).

The Local Authority has a duty to act where category 1 or 2 hazards are found. They have a duty to enforce the requirements of the Act. This can be by means of informal notice to improve, formal enforcement notices, prohibition notices and/or ultimately by means of prosecution.

3.6 Roles and Responsibilities

East Devon District Council, as the freehold owner of the premises which fall within the scope of the Regulatory Reform (Fire Safety) Order 2005, is the Responsible Person. The Responsible Person, acting as the employer on behalf of East Devon District Council, has a responsibility to support this Policy by ensuring sufficient allocation of resources including adequate funding, suitable and sufficient equipment, personnel, time and training. In the case of East Devon District Council the Employer is currently represented by the Chief Executive.

3.7 Responsibilities of Nominated Persons

3.7.1 The Chief Executive and Assistant Director of Tenancy Services

The Chief Executive and Assistant Director of Tenancy Services are deemed to be the Responsible Persons and have a duty to ensure that East Devon District Council has a clearly defined and effective management system incorporating, planning, organisation, control, monitoring and review of the preventative and protective fire measures.

To fulfil the obligations and duties under the Order, the Responsible Person must appoint one or more competent persons.

The Responsible Person must ensure that the person\ s appointed are allocated sufficient time and resources to fulfil their duties under the Order.

A person is to be regarded as competent for the purposes of the Order where they have sufficient training and experience or knowledge and other qualities to enable them to undertake their duties.

EDDC have delegated/appointed the following roles as “nominated competent persons” for the purposes of the Regulatory Reform (Fire Safety) Order 2005, The Fire Safety Act 2021, the Fire Safety (England Regulations) 2022 and this Policy:

3.7.2 Compliance and Planned Works Service Manager

Senior Level Management of Fire Safety within EDDC and reporting directly to the Assistant Director of Tenancy Services and the Housing Review Board ensuring the following:

- EDDC fire related policies and procedures are in place and adhered to.
- Staff training.
- Ensuring all staff have received the appropriate Fire Safety training on induction and periodically thereafter in line with the training statement.
- To ensure that all contractors follow the principles as detailed below (Contractors).
- Ensure that, where reasonably practicable, fire stopping is carried out as part of void works within flats in an approved compliant manner
- Coordinating information awareness to residents.
- Fire Risk Assessments are undertaken by competent persons, on all properties requiring one and a review process is in place.
- Statutory maintenance contracts on fire prevention systems and fire doors are in place.
- External contractors and in-house works standards.
- To monitor that the statutory annual maintenance to all fixed and portable fire systems have been procured and completed at the appropriate times and records kept for those buildings which we have control.
- To ensure that where repairs are undertaken on any structure or fire system that the repair does not compromise the existing level of Fire Safety compliance.
- That we monitor that the statutory annual maintenance to all fixed and portable fire systems have been procured and completed at the appropriate times and records kept (as it applies to the housing stock and corporate buildings under their control).
- That programmes are in place to deliver Fire Safety improvement works.

3.7.3 Tenancy Services Manager

Has management responsibility for ensuring that:

- All estate and office staff have received the appropriate Fire Safety training on induction and periodically thereafter.
- Estate Management Officers and the Sheltered Mobile Support Officers, have a system in place to receive and act upon all Fire Risk Assessments and action plans relevant to their areas of control, that they are checked and actions to address issues are undertaken and recorded on the FRA action plans.
- Ensure that staff are undertaking monthly Fire Safety risk checks in communal areas and that these are recorded and action taken as required.

3.7.4 Assistant Director Housing Tenancy Services

Management responsibility for ensuring that:

- A process is in place to ensure that allocation officers are assessing the suitability of housing residents above ground floor
- Allocations officers are able to provide re-housing advice to residents who live in properties above ground floor who can no longer self-evacuate in the event of a fire and wish to move to ground floor accommodation

3.7.5 Compliance & Planned works Service Manager

Management responsibility for ensuring Fire Risk Assessments and reviews are conducted in accordance with the arrangements set out below. In particular:

- Ensuring that all staff have received the appropriate Fire Safety training on induction and periodically thereafter
- To monitor that the statutory annual maintenance to all fixed and portable fire systems have been procured and completed at the appropriate times and records kept for those buildings
- To ensure that where works are undertaken on any structure or fire system that the works do not compromise the existing level of Fire Safety compliance.
- To provide an annual statement of asset management compliance/risk to the Housing Review Board.

3.7.6 Responsive Repairs & Voids Service Manager

This role includes:

- Ensuring all staff have received the appropriate Fire Safety training on induction and periodically thereafter in line with the training statement.
- To ensure that all contractors follow the principles as detailed below (Contractors).
- Ensure that, where reasonably practicable, fire stopping is carried out as part of void works within flats in an approved compliant manner

3.7.7 Compliance Surveyor (Building Safety)

This role ensures:

- Maintenance of all fixed fire systems are in accordance with relevant British Standards (fire alarms, escape lighting, and firefighting equipment).
- All annual certificates are recorded on a central database and that copies are also held on those sites where a fire log book is located.

- All domestic fire detection systems are annually tested (and recorded) as part of the annual gas safety check, solid fuel service or through another contract.
- Managing the Fire Risk Assessment and review process.
- Undertaking FRA reviews in accordance with the agreed timescales based on risk
- Undertaking random quality control audits.
- Providing operational guidance and support to area based staff. To ensure that a system to monitor that the statutory annual maintenance to all fixed and portable fire systems have been procured and completed at the appropriate times and records kept.

3.7.8 Estate Management Officers and Mobile Support Officers –

Responsibilities are:

- Ensuring good local community relations with the local Fire Service including invitations to local resident events and meetings.
- Ensuring that communal areas and means of escape are kept clear of obstructions and combustible materials at all times, including arranging removal and disposal and recharges where necessary.
- Ensuring waste and recycling bins are stored at a safe distance from external door and window openings and there are no significant accumulations of combustible materials.
- Ensure that any repairs identified via monthly Fire Safety risk checks, in particular defects to any Fire Safety equipment, fire doors, emergency lighting, fire related signage etc. are communicated to the Repairs or Compliance sections immediately.
- Identify breaches of tenancy where residents fail to comply with Fire Safety Policy i.e. where fire doors are propped open.
- Identify vulnerable residents during Tenancy Audits and site visits and offer Fire Safety visits from DSFRS if required. Any residents who reside in a block of flats and would be unable to evacuate without assistance in the event of a fire must be identified in the 'Fire Service Information' sheet which is to be kept in the secure information boxes.

3.7.9 Housing Allocations Officers & Devon Home Choice Officer:

Responsibilities are:

- Ensuring that when allocating properties above ground floor level, all members of the household are able to self-evacuate in the event of a fire.
- Providing re-housing advice to residents who live in properties above ground floor who can no longer self-evacuate and wish to move to ground floor accommodation.

3.7.10 Employees

Whilst at work in area offices or on site:

- Ensure they are familiar with the emergency plan for their workplace and co-operate by participating in fire evacuation/drill.
- Co-operate with their managers and supervisors to ensure that a safe and healthy workplace is maintained.
- Report to their manager or supervisor any concerns about Fire Safety.
- Be familiar with all escape routes and exit doors.
- Not wedge/prop fire doors open, nor block or obstruct them.
- Be aware of the action to be taken on discovering a fire, hearing a fire alarm, for raising the alarm (including the location of fire alarm call points) and calling the fire and rescue service.
- Promptly evacuate the premises, in accordance with the emergency plan, to a place of safety without putting themselves and others at risk, and NOT attempt to extinguish a fire unless they have been specifically trained in the use of fire fighting appliances.

3.8 Record Keeping

East Devon District Council will record and maintain a core asset register of all properties that require a Fire Risk Assessment and ensure that the Fire Risk Assessments are held in a central database or online portal where they can be accessed easily for review and monitoring.

East Devon District Council will establish and maintain a register against each property asset of any fire prevention, fire protection and fire-fighting equipment such as:

- Domestic smoke and CO detectors
- Communal smoke detectors
- Communal fire alarm and emergency lighting systems
- Dry riser
- Fire extinguishers and fire blankets
- Fire doors and fire rated services access hatches

East Devon District Council will establish and maintain accurate records of all completed testing, servicing and maintenance of the above equipment, including ensuring all certification is held on a central database.

East Devon District Council will retain and maintain accurate records of all fire stopping, fire compartmentation and fire door replacement works.

East Devon District Council will maintain an accurate record of communal area inspections carried out by the Estates Management/Sheltered Housing Teams.

3.9 Performance Management

The following key performance indicators (KPI's) are reported to East Devon District Council's Leadership team & Housing Review Board:

Fire Risk Assessment:

- Number of blocks & communal areas with a valid Fire Risk Assessment (Yearly).
- Number of High and Medium (Actions) and Low (Recommendations) arising from Fire Risk Assessments.
- Number of fire doors with a valid inspection
- Number of communal fire doors with a valid inspection

Fire Protection Systems:

(NOTE: Only the 1 building within the scope of the Fire Safety (England) Regulations 2022 is reported):

- Number of domestic fire doors with a valid inspection (Yearly inspections)
- Number of communal fire doors with a valid inspection (Quarterly inspections)

3.10 Competent Persons

East Devon District Council will ensure that the manager(s) with lead responsibility for operational delivery are appropriately qualified holding a recognised Fire Safety management qualification.

East Devon District Council will ensure that only suitably competent Approved Fire Safety Consultants and Contractors are procured and appointed to undertake Fire Risk Assessments, Fire Safety works, fire door and fire protection systems inspection, servicing repair and maintenance.

The operational team with responsibility for delivery will check the relevant accreditations for the work that they are carrying out as part of the due diligence checks carried out at the procurement of any new contract. These checks will be undertaken on an annual basis to ensure competency and training is up to date.

3.11 Training

The manager(s) with lead responsibility for operational delivery will hold a relevant qualification in respect of Fire Safety compliance management.

Appropriate training will be provided as and where required to those employees who will be responsible for managing the programmes of Fire Risk Assessments and fire door inspections as part of their daily job and other employees within the Property & Asset Team.

3.12 Fire Safety Information

3.12.1 Information to staff

Any questions or concerns in relation to Fire Safety should be directed to the Compliance and Planned Works Service Manager, the Compliance and Cyclical Servicing Manager or the Compliance Surveyor (Building Safety)

The Compliance Surveyor (Building Safety) shall ensure that an up-to-date copy of all Fire Risk Assessments is available in within the "Building Safety" folder on the "S" drive. In addition the folder will contain information on the relevant fire Legislation and all relevant guidance documents, the EDDC Fire management Policy and all fire related policies.

3.12.2 Information to residents

Information on the Fire Risk Assessments for all buildings where the Regulatory Reform (Fire Safety) Order 2005 is applicable will be made available to residents upon request.

The Tenancy Services Manager shall ensure that residents with specific needs are identified and given appropriate information about the action to be taken in event of fire. In cases where the Tenancy Services Manager has a concern about the safety of a resident either due to their age or infirmity then contact should be made with Devon and Somerset Fire and Rescue Service to initiate a home safety check, provided that the resident is happy for them to attend.

3.12.3 Resident Fire Safety awareness

This will generally take the form of:

- Fire Routine Notice (to all buildings except single dwellings not forming part of any form of flat arrangement)
- Leaflet information (on new tenancy and occasional leaflet drops)
- Annual letter to residents regarding fire doors and fire strategy as required by the Fire Safety (England) Regulations 2022
- Fire home safety checks where requested, delivered by Devon & Somerset Fire & Rescue Service
- Newsletters and social media
- As required by EDDC staff undertaking maintenance /general visits to individual residents
- Estate visits/Fire Safety risk checks.
- Community events

3.12.4 Fire Evacuation Plans

EDDC have adopted site specific evacuation plans for all purpose built blocks of flats. In the majority of our premises, there is appropriate fire compartmentation between dwellings and escape routes, therefore a 'stay put' approach is deemed appropriate.

In premises where the fire compartmentation is deemed insufficient, the evacuation plan has been designed to allow for "full" evacuation immediately on notification of a fire alert unless otherwise stated. All residents and staff must refer to the appropriate Fire Action Notice on site, which details the correct evacuation strategy in place. EDDC regularly remind residents to ensure they

refer to the appropriate Fire Action Notice so they are aware of what to do in the event of discovering a fire.

3.13 Fire Fighting Equipment (provision & use)

3.13.1 Use of fire extinguishers

As a general principle it is the expectation that all residents or staff upon finding a fire will raise the alarm and assist in the evacuation of the building. In normal circumstances it is not expected for non-trained staff, residents and members of the public to tackle a fire using a fire extinguisher.

The only people who should tackle a fire would be any “nominated” members of staff who have received additional practical training on the selection and use of fire extinguishers. It will be for their judgement to actually determine if the fire is safe to tackle or not.

3.13.2 Residential accommodation

It is not considered appropriate to provide fire extinguishers within the individual dwellings or the communal areas (corridors and staircases) of blocks of flats.

3.13.3 Peripatetic trades staff – (gas fitters, plumbers, electricians, joiners etc.)

Due to the nature of the processes carried out and the potential that as a result of the works being undertaken that a fire could be started. Contractors are expected to provide suitably trained staff with appropriate equipment for a safe system of work.

3.14 Fire Risk Assessments and reviews

3.14.1 Fire Risk Assessment (FRA)

The Responsible Person is required to carry out a suitable and sufficient Assessment of the risks to relevant persons from fire, and that the significant findings of this Assessment are to be written down and, where deficiencies are noted, they are to be acted upon in a planned and organised manner.

The significant findings of the Assessment need to be fully accessible by the Responsible Person and the relevant persons as applicable.

The Fire Risk Assessment will be re-done/reviewed in accordance with this Policy and where there has been significant changes to the building in terms of either, its construction, processes used, or occupancy.

All FRA's and reviews will be commissioned by the Compliance & Planned works Service Manager and when completed, copies will be made available to the relevant area/office managers for distribution to the officers responsible for the respective units.

The RRO 2005 identifies EDDC as the Responsible Person and as such we have a duty to carry out an FRA in relevant premises and take reasonable steps to remove or reduce any risks that have been identified and act upon significant findings.

3.14.2 Fire Risk Assessor

The Fire Risk Assessor will be a competent person who shall:

- Carry out the FRA inspections and provide a report for each premises
- Provide technical and expert advice and recommendations
- Ensure compliance with the requirements of the Regulatory Reform (Fire Safety) Order 2005 and Fire Safety Act 2021
- Are accredited to the BAFE SP205 scheme (Fire Risk Assessment Provider)

3.14.3 Review of Fire Risk Assessment

Where no change has taken place, the original Assessment should be reviewed in accordance with the Policy to ensure that the building, management procedures and that testing /maintenance and training of staff remain adequate and compliant with all relevant Fire Safety Legislation. This review is to be organised by the Compliance Surveyor (Building Safety).

We will regularly review our Fire Risk Assessments, as follows:

- Premises over 11m in height – A new FRA will be carried out annually, after a fire or following any significant changes.
- Premises below 11m in height – A new FRA will be carried out at least every 2 years, after a fire or following any significant changes. An annual review will take place in between.

3.14.4 Review following a Fire

A Fire Safety review/investigation of the building and in particular the dwelling will be conducted by Senior Managers with the support of the Compliance Surveyor (Building Safety) particularly after a significant fire. This will include any fire which has resulted in a fatality, serious injury or where the fire has spread from the room/area of origin.

The purpose of the review should be to determine any corporate failings, things that could be done better and what works are required to ensure compliance for the rest of the building.

3.14.5 Fire Risk Assessment Records

Fire Risk Assessments will be available to residents and Leaseholders on request.

For internal use electronic copies will be retained within the Building Safety folder on the S/drive and eventually on the OneHousing/Civica system.

Our fire preventative measures are designed to protect people, property and assets against the loss of life, injury and damage caused by fire.

Wherever possible we will undertake measures to prevent the risk of fire, this will include:

- Ensuring that our communal escape routes and storage areas are kept clear and by carrying out enforcement where breaches occur.
- That staff are trained in order to identify and report any potential risks.
- That we provide good information and advice to existing and new residents and Leaseholders about how to reduce the risk of fires with the help of D&SFRS.
- That we provide leaflets and posters to highlight the risks of fires and how to help prevent them.
- Ensuring we identify and work with our more vulnerable residents who may be at greater risk should there be a fire.

3.15 Fire Protection

3.15.1 Evacuation routes and fire exits

To ensure safe evacuation, routes will have adequate signage and be kept free of sources of ignition, flammable and combustible material and obstructions at all times. We will enforce this with residents where necessary by requesting clearance of common ways/means of escape. In blocks of flats, in-house checks will be carried out by the Estates/Sheltered Housing teams to identify and deal with such issues alongside those identified during cleaning and estate inspections.

Final exit doors will not be left open to ensure that security of the building is maintained. Inspections by the Estates/Sheltered Housing teams will be carried out to identify and deal with such issues.

3.15.2 Fire Doors – common areas and resident/leaseholder doors

Fire doors are designed to limit the spread of smoke and fire from the area/room of origin i.e. a flat in order to protect the means of escape. To be effective, they must be kept closed or locked at all times. Fire doors in common areas are checked periodically (3 monthly intervals at Morgan Court, at least 6 monthly intervals elsewhere) as part of an ongoing fire door maintenance contract and also visually during FRA's and by EDDC staff to ensure they are operating correctly and are not damaged.

Fire doors, including entrance doors to residents'/Leaseholders' flats, are designed to provide a minimum of 30 minutes fire and smoke resistance (FD30S). Doors should not be propped open, tampered with or compromised in any way, i.e. materials affixed to frame/door to prevent banging noises and/or cat flaps fitted.

Flat entrance fire doors, including Leaseholder fire doors, are inspected annually as part of an ongoing fire door maintenance contract and also by staff

during visits to ensure they are operating correctly, the self-closer mechanism is intact and working and the door is not damaged.

Any repairs to and replacements of fire doors are addressed either as part of the ongoing fire door maintenance contract, as a planned works project or as reactive work through our term-maintenance contractor.

3.15.3 Signage

Appropriate Fire Safety signage is displayed throughout communal areas indicating the fire exits. Fire Action notices are also present in all communal areas. Fire doors are signed 'keep shut' or 'keep locked' as appropriate. Signs prohibiting smoking are affixed inside the block or at the entrance to each block. Signage is also displayed in communal areas prohibiting the storage of items in communal areas.

3.15.4 Smoke detection

All our domestic properties are fitted with hard wired smoke detection to minimum LD3 standard. Upgrades to LD2 or LD1 standard are carried out as part of void works, electrical re-wires or as part of sheltered scheme alarm upgrades. All homes with combustion appliances present have Carbon Monoxide detectors fitted.

3.16 Maintenance

EDDC shall ensure that all fire related systems are regularly serviced in accordance with the relevant British Standards where appropriate:

- Communal smoke detectors (tested weekly)
- Communal fire alarm systems (tested weekly, serviced 6 monthly)
- Emergency lighting (tested monthly, serviced annually)
- Fire extinguishers and fire blankets (inspected & serviced annually)
- Automatic Opening Vent (tested weekly, serviced 6 monthly)
- Dry Riser (inspected and serviced 6 monthly)
- PAT testing (annually)
- Access/egress controls (will be serviced annually)

All domestic smoke detection within EDDC properties will be annually inspected and tested. (This to be done as part of the annual gas safety, electrical check & Home Safeguard alarm tests). Any properties which are electrically heated will be covered by a separate fire protection systems maintenance contract.

All works carried out by contractors are inspected prior to works commencing, periodically during the works and upon completion to ensure that the works do not compromise any of the fire measures incorporated within the building or affect the ability of the occupants to evacuate safely in the event of a fire.

EDDC shall ensure the following installations are maintained in accordance with the relevant British Standards where appropriate:

- Gas installations are checked and serviced every 12 months
- Electrical installations are inspected every 5 years

Certificates are to be held on site (where appropriate) within the secure information box. Copies of these certificates will be held within EDDC compliance software to populate the Asset Register and advise the Compliance Surveyor of servicing requirements.

3.17 Testing of fire systems and the site log book

Checks of active (fire alarms, communal smoke detectors, emergency escape lighting, firefighting equipment) systems are to be conducted at agreed appropriate times during normal hours and comply with relevant British or European Standards.

A Fire Safety log book will be kept at each site to record the details of all tests on passive and active preventative and protective measures, as well as inspections.

3.18 Contractors

3.18.1 Generally

EDDC accepts that under the aforementioned Legislation, our contractors have a responsibility towards Fire Safety.

For all contracts of a substantial nature, the agreement or contract between the two parties will specify the Legislation and Fire Safety standards to which the contractor will be expected to comply with.

Where the appointed contractor employs five or more persons they should be asked for a copy of their own Fire Safety Policy.

All contractors will also be asked to supply their Risk Assessment, and Method Statement/s (RAMS) with respect to planned operations involving significant risks.

Under CDM 'dangerous works' should be identified in their Construction Phase Health & Safety Plan (CPHSP). An Assessment needs to be made in order to remove the risk.

EDDC will inform all contractors of any risks to their Fire Safety that may result from the activities of EDDC.

3.18.2 During Works on Site

EDDC will ensure the site is supervised by both the contractor's site/project manager and the nominated EDDC Surveyor to ensure that the Fire Safety standards expected under the contract Fire Risk Assessment and the relevant guidance are being complied with.

Any questionable practices should in the first instance be brought to the person in charge on site. Any works considered to be "dangerous" must be stopped immediately until the dangerous practice has been eliminated. The Compliance and Planned Works Service Manager should be notified of the incident and any remedial actions undertaken without delay.

3.18.3 Leaving the site (Both at the end of each day and end of works)

Before leaving site, the contractor must ensure the fire protection to the building has not been compromised. Any breaches in compartmentation must be made good before leaving site, any signs removed must be replaced, all waste is to be removed and any slip/trip hazards eliminated. Any secondary damage caused by the works must be identified and made good to the required standards.

3.18.4 Audit and review

The following Key Performance Indicators will be used to monitor the effectiveness of the Fire Safety Policy:

- Number of fires recorded annually / number of fire related incidents.
- Cost of major fires (rebuild/repairs) to EDDC.
- Number and nature of enforcement, alterations or prohibition notices from statutory authorities.
- Number of FRA's undertaken and FRA Reviews undertaken within date.
- Percentage of staff up to date for with their relevant Fire Safety training.
- Blocks and Communal areas with a valid Fire Risk Assessment
- Actions arising from Fire Risk Assessments
- Number of fire doors with a valid inspection
- Number of communal fire doors with a valid inspection

All persons are to ensure that proper records are maintained and available on demand for inspection.

3.19 Enforcing authorities inspections, audits, general familiarisation

Where arrangements have been made for audits to specific buildings, either by the enforcing authorities with a responsibility for fire i.e. the Fire Service or our Auditors, the Compliance & Planned Works Service Manager should be notified immediately with details of the planned audit.

Copies of all correspondence between either of the enforcing authorities received by EDDC should be copied immediately to the Property & Asset Manager.

3.20 Equality and Diversity

EDDC will apply this Policy consistently and fairly, and will not discriminate against anyone on grounds of their racial or ethnic origin, disability, gender, religious belief, sexual identity, or any other relevant characteristic.

EDDC will make this Policy available in other languages and formats on request.

We will carry out an Equality Impact Assessment on this Policy, in line with our corporate procedure.

3.21 Monitoring and review

We will monitor this Policy to ensure it meets good practice and current Legislation and will review it in accordance with our review timetable for all

policies. The Policy should be reviewed within 3 years from the date of approval, or sooner if Legislation changes.

3.22 Regulatory & Legislative Compliance

The application of this Policy will ensure compliance with the regulatory framework and consumer standards (Home Standard) for social housing in England.

4 Policy Administration

4.1 Appendices and other relevant information

None

4.2 Links related Policies/Strategies, Procedures and Legislation

- The Regulatory Reform (Fire Safety) Order 2005:
<https://www.legislation.gov.uk/ukxi/2005/1541/article/3/made>
- The Fire Safety Act 2021:
<https://www.gov.uk/government/publications/fire-safety-act-2021>
- The Fire Safety (England) Regulations 2022:
<https://www.gov.uk/government/publications/fire-safety-england-regulations-2022>
- A guide for persons with duties under the Regulatory Reform (Fire Safety) Order 2005 (as amended) and the Fire Safety (England) Regulations 2022:
https://assets.publishing.service.gov.uk/media/651567fe7c2c4a001395e180/14.310_HO_How_To_Guide_FINAL_RX_v04_.pdf
- Making your small block of flats safe from fire:
<https://www.gov.uk/government/publications/making-your-small-block-of-flats-safe-from-fire>
- Fire safety in purpose-built blocks of flats:
<https://www.gov.uk/government/publications/fire-safety-in-purpose-built-blocks-of-flats>

4.3 Standards

- Consumer Standards (Home Standard)

4.4 Data Protection

b) The collection and use of resident's personal data will not exceed that agreed to in their tenancy agreement

The [EDDC Data Protection Policy](#) provides further information on how we store and use personal information.

The following privacy notice(s) provide further information on how we will use resident's personal data, how it is gathered, and how long we will retain this information, and what rights residents have in relation to this.

Property and Assets - Completion of programmed, servicing and cyclical works

All our privacy notices can be found on the EDDC website (<https://eastdevon.gov.uk/access-to-information/data-protection/privacy-notices/>)

4.5 Policy consultation

Involved Residents & Housing Review Board

4.6 Policy review

December 2026 by the Compliance & Planned works Service Manager or sooner if Legislation changes.

Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Report of the Cabinet – Item for Decision: Asset Management Strategy

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 31 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Council the approves an additional budget in the sum of £50,000 to fund the appointment of a consultant to develop the Asset Management Strategy.

Reason for recommendation:

EDDC do not currently have sufficient detailed information to enable us to accurately forecast and budget for the financial implications of managing our repair and maintenance obligations.

The outcome from the AMS will include detailed information on each property in our portfolio including components, age, condition, life expectancy, energy efficiency, together with a fully costed 5/10/15 / 30-year plan of works.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Date of Meeting 25 Jan 24

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Asset Management Strategy

Report summary:

This report recommends the development of an Asset Management Strategy for East Devon District Council.

The report will cover how the AMS will ensure we meet legislation, regulation and are able to forecast the budgetary requirements in maintaining our homes. The AMS will assist in guiding future strategic property decisions to ensure EDDC manage the housing portfolio efficiently. The AMS will include fully costed 5/10/15 /30-year plan of works based on the outcome of the Stock Condition Survey programme.

The report will also recommend a Project Board be formed to deliver the AMS. The terms of reference are attached at Appendix1.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1) To recommend to Cabinet:

- a) approval of the appointment of a consultant, if required, to develop the Asset Management Strategy; and
- b) delegation of authority to the Assistant Director of Housing to agree a fee with the above consultant, not exceeding £50,000, with payment of the fee agreed from the Housing Revenue Account (HRA), on the assumption that there is an existing budget for this fee within the HRA. If there is no existing budget, then for Cabinet to recommend to full Council approval of an additional budget for these monies.
- c) delegated authority to the Assistant Director of Housing to agree a fee.

2) To recommend to Cabinet approval of the Project Board Terms of Reference.

Reason for recommendation:

EDDC do not currently have sufficient detailed information to enable us to accurately forecast and budget for the financial implications of managing our repair and maintenance obligations.

The outcome from the AMS will include detailed information on each property in our portfolio including components, age, condition, life expectancy, energy efficiency, together with a fully costed 5/10/15 / 30-year plan of works.

Officer: Yusef Masih – Interim Compliance & Planned Works Manager

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change Medium Impact

Risk: Low Risk; .

Links to background information

Link to

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

1 Background

1.1 Purpose of an Asset Management Strategy

1.1.1 The purpose of an Asset Management Strategy (AMS) is to set out and demonstrate:

- An understanding of the property assets owned and managed by EDDC, including their attributes and characteristics
- An understanding of our liabilities, in particular the investment needs of the stock in the short- medium and longer term as identified through stock condition surveys and our database
- Adopt an approach to the strategic management and maintenance of the assets to maintain them in good and tenatable repair.
- An understanding of when disposal, purchase, and development is to be recommended.

1.1.2 The AMS should both support and underpin the strategic and financial performance of the overall business.

- the way in which the assets are managed and financed.
- the investment needs of the stock based on condition and fitness for purpose.

- The standards which are to be adopted.

1.1.3 EDDC must assess its 'use of resources' and show how it achieves value for money and continuous improvement.

1.1.4 EDDC are completing a comprehensive stock condition survey which will support the development of the strategy. Using asset information to make better decisions, whilst having stock condition information, will enable EDDC to have a more robust and data driven approach to updating, managing, and profiling properties, whole-life costing and assessing investment or disinvestment options.

2 Asset Management Strategy Objectives

2.1 The key objectives of the strategy will be:

2.1.1 Asset Performance:

- Develop an asset appraisal model to assess asset performance / return on investment. This is commonplace for many councils, to assess expenditure against projected future income, to ensure any project is financially viable and to enable EDDC to make informed decisions on the financial viability of projects.
- Identify financial performance and in particular poor performing assets.
- Options appraisal of poor performing assets.

2.1.2 Maintenance of portfolio

- Ensure all homes comply with the Decent Home Standard and Climate change agenda.
- Work towards all homes meeting the Social Housing Standard of an EPC rating of C or over.
- Ensuring our properties are safe, secure, and compliant, meeting all our obligations.

2.1.3 Investment Decisions

- The AMS will set a clear action plan outlining the approach to future investment ensuring value for money is achieved for all projects.
- The HRA Business Plan is to be updated annually, providing a long-term income and expenditure profile based upon the latest data and business priorities. The AMS will complement and inform the councils Business Plan and set out our priorities for the physical care and improvement of our housing stock, non-domestic assets, (garages) and the local environment.
- Any future AMS will link to the Housing Business Plan.

2.1.4 Fit for the future.

- Efficient, suitable, and fit for purpose accommodation for the future delivery of services.
- Development and regeneration of potential refurbishment opportunities across the portfolio that could release further income after investment.
- Investment in support of the Council's Strategy and the council's capital strategy maximising income, generating opportunities through investment opportunities.
- Disposal – to consider the sale of properties that produce a negative income stream.
- Respond to customers changing priorities and provide choices that are important to our customers.
- Care for the external environment as well as individual homes.
- Embrace technological advances in Smart Home technologies and making our homes digitally connected as standard.

- Continue to improve the energy efficiency of our stock and make meaningful investment in the reduction of fuel poverty and fossil fuels.
- Anticipate and avoid parts of the stock declining in desirability, value, and attractiveness.

3 Risks

3.1 There are challenges and risks to implementing the Asset Management Strategy and the key ones are listed below. These challenges and risks shall be recorded and regularly managed through an AMS risk register and departmental work plans.

- Risk in not undertaking stock improvements or ineffective targeting of our programmes. This could lead to wasted resources, negative reputation and potentially hard to let homes.
- Failure to meet the Decent Homes Standard may lead to non-decent homes, regulatory action, and loss of current and future tenants.
- Unsustainable neighbourhoods could result in demolition and clearance.
- Inadequate information on life cycle costs.
- Inappropriate timescales could increase reactive repair costs, the benefit of economies of scale will be lost with additional financial implications.
- Numbers of formal and informal complaints increasing
- Number of ombudsman determinations and financial compensation
- Failure to follow regulation / legislation could lead to action by the regulator.
- Low levels of tenant satisfaction

4 Our current Asset Management Strategy / approach

4.1 Currently EDDC do not have an up-to-date Asset Management Strategy. There has been a knowledge-based approach to planned works within teams.

4.2 The contract entered with the current contractor, principally procured for day-to-day repairs also included a provision to conduct planned works. This resulted in several larger scale projects being delivered over the past 2 years, including external window replacement, external decorations programmes and fabric upgrade / climate change works part Government funded. More recently, a contractor has been instructed to replace fifty kitchen and bathrooms, which are scheduled for completion by May 2024.

5 Profile of our portfolio

5.1 The Council owns and manages a diverse range of housing. It is a mixed portfolio spanning several different property types. They are held on a mixture of tenures, general Needs tenancy, freehold, licence, and leasehold. The portfolio also includes 15 community centres which are part of the AMS. The following table 1, sets out the various archetypes and their numbers.

Dwelling Type	General Needs	General Needs Void	Sub total	Sheltered	Void	Sub total	Total
Bedsit	24	1	25	14	3	17	42
Bungalow	189	4	193	752	31	782	976
Flat	607	29	636	505	30	535	1171
House	1894	43	1937	14	0	14	1951

Maisonette	6	0	6	0	0	0	6
Room	9	11	20	0	0	0	20
Total	2729	88	2817	1284	64	1348	4165

There are in addition a number of garages, the detail of which is set out in table 2.

Garages	
Status	Number of Garages
Garages Occupied	344
Garages Void	383
Total	727

6 Stock Condition Surveys 2023/24

- 6.1 The council agreed to proceed with a programme of Stock Condition Surveys, SCS, on all EDDC Housing Stock. Currie and Brown, surveyors were instructed to deliver the programme, which started during March 2023 and is expected to complete during January 2024.
- 6.2 So far, about 80% of the portfolio has been inspected, with an expectation that by the end of the programme, during January 2024, 90%+ of the portfolio will have been inspected. The completion of SCS will form an important part of the development of the AMS.
- 6.3 Currie and Brown will provide a detailed report once the programme is completed. The report will set out the key finds of the programme and include comprehensive costed 5/10/15/30 year works programme, which will form an element of any future AMS.

7 Project Board Resources

- 7.1 EDDC will bring together a project board with officers, members, and tenants to take a strategic approach to the development and delivery of an AMS of its Housing Stock. The make-up of the Project Board will be agreed once approval to the recommendations in this paper have been agreed. The draft Terms of Reference for the Project Board are attached (Appendix 1).

The project board will lead on taking forward the SCS and the development of an AMS.

8 Development of specification / scope and approach

- 8.1 The AMS will be developed to deliver the key objectives of the council. It will set a clear action plan outlining the approach to future investment, value for money and in ensuring we meet all regulation and legislative requirements.
- 8.2 The strategy will need to complement and inform the councils Business Plan and set out priorities for the physical care and improvement of our housing stock, non-domestic assets, and the local environment.
- 8.3 Key influencing factors to any recommendations and outcomes will be affordability, so understanding of our financial position will be imperative. The strategy will outline our approach across a five-year term / 30-year term and detail relevant resources to achieve the stated outcomes.

8.4 It will be necessary for the specification document to set out the following requirements:

- Provide housing which aims to achieve standards in-line with current and projected customer expectations and demand.
- Ensure compliance with current, relevant regulations.
- Provide the correct balance between response, cyclical repairs, and capital investment.
- Reflect local diversity in its approach.
- Comment on assets to modernise, remodel or dispose.
- Set out the general core principles which will influence investment decisions.
- Identify and address newly emerging needs.
- Consider how economies of scale and value for money can be achieved.
- Set out a method for identifying poorly performing stock, Net Present Value calculation.
- Assess the hot spots for right to buy and the impact and effect of the loss of high performing stock.
- Set targets for investment needed to meet standards such as SAP (energy efficiency), fuel poverty and quality of homes.
- Identify poorly performing stock in respect of rental returns and high maintenance activity/future costs.

8.5 The strategy should also aim to provide answers to fundamental questions such as.

- What are the costs and benefits behind owning specific property and land?
- Where should the council invest or dispose of its assets, and what is the extent of that investment?
- How is innovation able to influence and improve asset management?

8.6 A Net Present Value, NPV, figure will be achieved for the portfolio together with rankings that take account of other inputs (such as Indices Multiple Deprivation or SAP ratings) in order that comparisons can be undertaken across tenure, location, and archetype.

NPV is a recognised method of assessing the viability of most residential portfolio/single properties. Many councils adopt such an approach to ensure they understand the financial viability of the portfolio. It is an essential Asset Management tool to fully understand the financial performance of the housing stock.

9 Development of the strategy

9.1 It is proposed that the current internal resources and skills within the team are reviewed to identify our capability to develop the strategy. Once this is completed we will be able to identify consultancy support needs.

If consultancy support is required it will be sourced through approved procurement methods. The Project Board will recommend the appointment of the consultancy support.

It is considered the appointment of consultancy support to draft the AMS if required will be in the region of, £50,000. On approval of the final specification a fixed price fee shall be agreed for the work required.

10 Links to other Plans

10.1 EDDC Housing Services Plan 24/25

The objectives from the current service plan, also document the reasons behind the development of the AMS.

- Deliver an informed planned / cyclical programme of maintenance works across the housing stock in order to meet our targets for Decent Homes and in maintaining / future proofing the stock.
- Deliver a cyclical programme of works to ensure EDDC meets all its statutory duties in regard to all strands of compliance and to ensure the health and safety of our tenants.
- Ensure all statutory and regulatory standards are met in line with the management of our housing stock and as set out by the Social Housing Regulator.
- Deliver an efficient and responsive repairs service to all EDDC tenants to ensure that properties are maintained in line with our statutory duties.
- Development and creation of a Strategic Housing Asset Management Strategy aligned with a review of the Housing Revenue Account Business Plan. This will drive a programme of planned works across the stock to ensure we are delivering decent homes. This links directly to the EDDC Climate change Action plan that identifies the need to ensure the appropriate level of investment is made across the housing stock in order to ensure we can meet objectives that relate to improving the energy efficiency of our housing stock.
- Develop a new 5-year Housing Strategy 2024 – 2029, setting the strategic direction of the housing service.
- The development and creation of an Asset Management Strategy will drive progress that the service needs to make in ensuring that climate change and the energy efficiency status of our housing stock is at the forefront of decisions we are making around investment in the stock moving forward.
- The commitment set by the council is to be a Carbon Neutral Council by 2040 will be a clear priority within our asset management function. Critical to meeting this target is to understand our current position, across the council and to develop a clear baseline against which we can work.

10.2 Climate Change

The development and creation of an Asset Management Strategy will drive progress that the service needs to make in ensuring that climate change and the energy efficiency status of our housing stock is at the forefront of decisions we are making around investment in the stock moving forward.

The commitment set by the council is to be a Carbon Neutral Council by 2030 will be a clear priority within our asset management function. Critical to meeting this target is to understand our current position, across the council and to develop a clear baseline against which we can work.

To meet this strategic objective, we shall be undertaking, as part of the AMS an Energy Study against our housing portfolio, which will develop our thinking and technical approach to devising a longer-term strategy to becoming Carbon Neutral by 2030. This will extend beyond homes and look to include commercial business, along with a policy on electrical charging points for residents.

11 Consultation / resident engagement

- 11.1 We will continue building on our approach to involving and engaging tenants, owners, and other stakeholders where their views enable us to develop the AMS.
- 11.2 The AMS, will provide a wide range of involvement options, including a greater use of technology so that we can be flexible in the ways we respond effectively to both external and internal challenges.

We aim to achieve this by:

- Building on good initiatives already in place.
- Increasing the options available for tenants, owners, and other stakeholders to become involved with us in a way that suits them.
- Explore ways to use technology to create more flexible ways to consult with our tenants and other customers.
- Consultation with Repairs and Maintenance Group, Resident involvement management group
- Increasing the options available for tenants, owners, and other stakeholders to become involved.
- Explore ways to use technology to create more flexible ways to consult with our tenants and other customers.
- Consult with Housing Review Board

In conducting the above, we will take steps to ensure that all of our engagement opportunities are fully accessible and inclusive, and we will make it as easy as possible for tenants, owners, and other stakeholders to provide feedback and engage with us.

12 Mobilisation

It is expected the following milestones are set on approval of this report:

Agree terms of reference	Jan 24
Agree specification for consultant	Jan 24
Appoint consultant	March 2024
Draft AMS & Financial Business Plan	May/June 24
Consultation and approval	July – Sep 24
<ul style="list-style-type: none"> - Project Board - Leadership Team - HRB - Cabinet 	

Financial implications:

There are financial implications. There is a recommendation for a supplementary budget of £50,000, if approved this will be met from the HRA balance. Consideration will be needed to the replenishment of the HRA Balance for this supplementary sum along with any other commitments against the balance, so that the level remains at the £3.1m adopted level.

Legal implications:

There are no legal implications on which to comment.

Terms of Reference
East Devon District Council
Project Board; Asset Management Strategy

1. Purpose

1.1 East Devon District Council (EDDC) brings together representatives from EDDC, “the board” to take a strategic approach to the delivery of an Asset Management Strategy, AMS, of its residential portfolio of homes, including ancillary properties, garages, and sewerage plants.

- Oversee the development of an evidenced based 30-year Asset Management Strategy & delivery Programme.
- To agree actions relating to the Asset portfolio to maintain, develop and improve the financial legal and strategic position of the Council’s investments.
- Oversee and monitor implementation of the project with agreed key dates.
- Support the project by ensuring the data is provided to the consultant.
- Oversee the development of an accurate Planned and Cyclical Works Programmes both short and long term.
- Oversee the development of an accurate Housing Revenue Account Business Plan update and model.
- Oversee the development of a strategy to secure improvements to the quality and future proofing of our housing stock.
- Make efficiencies by maximising our ability to flex economies of scale.

1.2 To oversee the production of an over-arching Asset Management Strategy by June 2024

1.3 The Board is a consultative group that enables early engagement on ensuring the development of an AMS to secure the best future use of assets.

1.4 The requirement for the strategy fits with the Council’s Housing Service Plan 2023- 2024 to deliver a decent home for all residents of EDDC. This compliments the emerging Council Plan priority of Better Homes and communities for all. Our Housing Strategy 2020-2024 sets out our key objectives:

- Providing Homes
- Improving Homes
- Improving Communities
- Improving Services

1.5 By developing the strategy EDDC are reducing the risk of any tenants claim for either dis-repair or under, The Housing Health and Safety Rating System (HHSRS), whilst also ensuring of compliance under Decent Homes.

1.6 The Board will support the value enhancement and promotion of assets in the Region, taking a central role in shaping the policy and decisions for the delivery of the strategy. **The Board will:**

2.1 Oversee and monitor implementation of the strategy.

2.2 Ensure effective communications with, and the active engagement of, all departments in the strategy.

2.3 Raise awareness of, and act as ambassadors for, the work of the Board and ensure that the identified priorities of the Board are reflected in the property related strategies and policies of the organisations represented on the Board.

2.4 Share good practice across the organisations represented on the Board and with the Leadership Team. Report to the Leadership Team, monthly or more frequently if required, including the escalation of any risks to successful delivery.

2.7 The Board will be supported by a Project Sponsor, provided by EDDC, or otherwise as agreed.

2.8 Review and recommend the procurement route open to EDDC for the appointment of a consultant to deliver the Asset Management Strategy.

3. Membership

3.1 The members of the board to deliver the Programme are listed, by roles and teams in the following table.

3.2 To ensure the effective operation of the Board, it will comprise a maximum of senior officer representatives from the Programme, plus two independent business representatives.

Role	Department
Compliance and Planned works Manager	Housing
Project Sponsor	Housing
Project Manager	Housing
Finance Manager	Finance
Systems Manager	Systems
Responsive repairs and voids service manager	Housing
Assistant Director	Housing Strategy & Operations
Housing strategy & enabling project manager	Housing Strategy & Operations
Tenancy Services Manager	Housing
Portfolio Holder	TBC
Tenant Representative	TBC
Elected Member	TBC

4 Accountable Body

4.1. EDDC shall act as the Accountable Body for the Programme.

4.2 The Board shall be chaired by XXXX. If the Chair is unable to attend a meeting, the Board shall elect a substitute from the attending representatives.

4.3 Frequency of Meetings. The Board shall meet on a monthly basis, from its inception in January 2024. The frequency of Board meetings can be changed to suit the changing workload. Meetings will be hosted by the Accountable Body with secretariat support provided by the Project Manager.

5. Principles

5.1 The Board commits to the following principles:

- Working Principles: Commitment – members will commit resources to the mutual endeavour. Clarity – members are clear about who is doing what.

- Mutuality – understanding our common purpose with mutual benefit for each partner.
Openness – being prepared to raise issues concerning the quality of the working relationship.
- Confidentiality– respecting that on occasion property negotiations may require organisations to keep information in confidence.
- Added value – quantifying the added value of doing this together rather than doing it alone.
- Fairness – members will not seek to profit from each other.

6 Reporting and Accountability

6.1. The Board shall report to the Executive Leadership Team and may refer matters to it for consideration and determination.

6.2 The Board will report to the ELT on progress monthly. This will include the submission of a final report at the close of the programme.

6.3 The Board shall act as arbiter in situations where there are competing demands.

6.5 The Board will be established as a local strategic assets' forum. Formal decision making on specific property assets and transactions affecting them will remain with the Leadership Team.

Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Report of the Cabinet – Item for Decision: Housing Task Force

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 31 January 2024 and recommendation from the Housing Review Board on 25 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference. (The report is contained in a separate Part B appended to the agenda).

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Council approve an additional budget in the sum of £74,000 to fund the post within the Housing Task Force.

Reason for recommendation:

To update Members on progress to date and the future approach to the delivery of affordable housing and wider strategic housing objectives.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Report to: Cabinet

Date of Meeting 31 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Council Tax Charges for Second homes and Empty properties

Report summary:

This report is in two parts:

Part 1 – Sections 1-8

- Sets out changes in the premiums for Empty and Second Homes following the implementation of the new Levelling Up and Regeneration Act 2023 and what this means for East Devon District Council.
- Council have previously considered this matter (Cabinet meeting 4 January 2023 and Council meeting 22 February 2023) and did agree to implement changes on the basis that the Levelling Up and Regeneration Act would have become law prior to 31 March 2023 therefore allowing for changes in the premiums to be implemented from April 2023 for empty homes and April 2024 for second homes. As the bill did not receive Royal Assent until 26 October 2023 we are having to bring this matter back to Members for consideration and approval which will take effect a year later than previously reported – Empty Homes from April 2024 Second Homes from April 2025.

Part 2 – Section 9

- To ring fence the additional funding to support the challenges over Housing in the District.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet recommend to Council to approve a resolution to implement the following:

1. The application of the current premium of 100% for all dwellings which are unoccupied and substantially unfurnished (empty dwellings) from a period of one year with effect from 1 April 2024 unless subject to an exception introduced by government;
2. The application of a premium of 100% for all dwellings which are unoccupied but substantially furnished (second homes) from 1 April 2025 unless subject to an exception introduced by government; and
3. The Assistant Director responsible for Council Tax is given delegated powers to implement the changes in line with the Council's requirements and any guidance given by the Secretary of State or by regulation.
4. To agree to the principle that the additional funds generated by the changes to second homes Council Tax premiums is ring fenced across the Devon wide system of preceptors to address the housing challenges.
5. Subject to recommendation 4 the Council agrees to ringfence the additional income attributable to East Devon District Council's proportion of the Council Tax charge (as referenced in section 9) to address the housing challenges.

6. Subject to recommendation 5 being approved the Council will review the decision to ringfence the funding in 2029 (4 years from when the premium starts).

Reason for recommendation:

The change in policy is primarily designed to encourage taxpayers to use premises as their main residence or allow others to use it as a main residence. It is hoped that this change will allow more empty dwellings and unoccupied dwellings to be brought back into use for the local community.

Should the primary purpose not achieve these aims then the additional premiums being levied will result in additional funding to the collection fund which is collected on behalf of preceptors. The recommendation is for Members to agree to the principle that this additional funding should be ringfenced across the Devon wide system of preceptors to addressing housing challenges as set out in part 2 of this report.

Officer: **Libby Jarrett, Assistant Director - Revenues, Benefits, Customer Services, Fraud & Compliance** LJarrett@eastdevon.gov.uk 01395 517450

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk; The report highlights risks to fraud and error under section 8 of the report. In terms of the additional income the premiums could generate are at this stage for illustrative purposes as there is no recommendation for ringfencing a specific amount only to agree to the principle. Once we know what the exceptions are and who will be eligible along with other changes we will then be able to better assess what additional income the second homes premium is likely to generate.

Links to background information

<https://www.legislation.gov.uk/ukpga/2023/55/enacted> (sections 79 and 80),
<https://www.gov.uk/government/consultations/proposals-to-exempt-categories-of-dwellings-from-the-council-tax-premiums/consultation-on-proposals-to-exempt-categories-of-dwellings-from-the-council-tax-premiums-in-england> (expected exceptions)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Part 1

1.0 Background

- 1.1 A large part of Council Tax legislation is mandatory on all billing authorities within England. Discounts such as single person discounts, disregards and exemptions are set by statute with no discretion allowed.
- 1.2 There are now an increasing number of areas where each Council may determine the type and level of charge to be made (within prescribed parameters). The Council has previously adopted the maximum level of premiums on empty properties and also on second homes.
- 1.3 The main discretionary areas are as follows:
- Second homes (premises which are no-one's sole or main residence but are furnished);
 - Unoccupied and substantially unfurnished premises;
 - Unoccupied and substantially unfurnished premises which require or are undergoing structural repairs; and
 - Premiums where premises have been unoccupied and substantially unfurnished for a period of 2 years or more.
- 1.4 This report seeks approval from Members to agree to the proposals in relation to changes to second homes and empty properties set out within the Levelling Up and Regeneration Act 2023.
- 1.5 The Levelling Up and Regeneration Act 2023 allows for changes to the level of charge paid in two situations:
- (a) To bring forward the period from two years to one year when an unoccupied and substantially unfurnished dwelling (empty dwelling) can be charged a premium of 100% (Section 79).
 - (b) To enable the charging of a 100% premium (Section 80) for any dwellings which are:
 - No one's sole or main residence; and
 - Substantially furnished.
- 1.7 Government have introduced this legislation in order to help local authorities tackle the housing shortages by encouraging them to be brought back into use and to also address inconsistencies with the current legislation.
- 1.8 The current premiums for leaving a property empty can be avoided by furnishing the property. These changes would address the inconsistencies in the current legislation where an empty homes premium can be avoided by the taxpayer furnishing the property which means it becomes a second home which currently has a maximum charge of 100%.
- 1.9 Members have previously supported the decision to implement changes to the Empty and Second Homes charges (Full Council meeting February 2023) but because of the delay in the Levelling Up and Regeneration Act becoming law the matter is having to come back before Members to approve. Members have previously raised concerns over the number of second homes in the District and the negative impact this has on the supply of homes available to meet local housing needs and the potential harm these can cause to local communities. Addressing the shortage of homes within our communities is a key priority within the Council plan and this is likely to remain even when the new plan is adopted.

2.0 Changes to empty dwelling premiums

- 2.1 The Act permits billing authorities in England to impose an empty dwellings premium after one year instead of two.
- 2.2 The Act provides that billing authorities must have regard to any guidance issued by the Secretary of State when deciding whether to implement an empty dwellings premium. The government have consulted on some possible new exceptions that maybe introduced such as properties being actively marketed for sale or let, properties undergoing probate, empty properties undergoing major repairs, etc. The Council is requested to approve delegated powers to the Assistant Director responsible for Council Tax to implement the changes having regard to the exceptions when published.

3.0 Introduction of premiums for second homes (“dwellings occupied periodically”)

- 3.1 Currently the law only permits for Billing Authorities to impose a premium on empty properties (unoccupied and substantially unfurnished) and does not cover properties that are no one’s sole or main residence but are furnished, commonly referred to as second homes.
- 3.2 The Act permits billing authorities to apply a premium of 100% to properties that have no resident and are substantially furnished. This means that the Council tax charge would be the standard 100% charge plus a premium of 100% making a total charge of 200%.
- 3.3 There is no requirement for a property to have been used as a second home for a fixed period of time before the premium can apply.
- 3.4 The Act specifies that the first decision to impose this class of premium must be taken at least 12 months before the financial year to which it would apply. In effect this means that the earliest the premium can apply is from 2025/26 assuming the decision is approved by Full Council before 31 March 2024.
- 3.5 The Secretary of State has the power to prescribe certain classes of property that will not be subject to an empty dwelling premium. Although the government have consulted on some proposed exceptions no follow up guidance has been issued so it is unclear whether these will be excluded. Recommendation four provides for delegated authority to be given to the Assistant Director to implement the changes having regard to the exceptions when published.

4.0 Premiums – generally

- 4.1 The Council, is required to determine the level of any discounts or premiums which will apply in its area and a decision is required to be made by full Council under Section 11A to 11C of the Local Government Finance Act 1992.
- 4.2 Once determined, the resolution of the Council will need to be published in at least one local newspaper(s) within 21 days of the decision.
- 4.3 Should the Council at any time wish to vary or revoke a decision to impose any type of premium this can be done at any time before the beginning of the financial year to which it would apply.

5.0 Caseload (data as at 2 October 2023)

- 5.1 Premiums currently charged on empty properties (residents already paying this would not see a change):

Premium	Total
100% More than 2 years but less than 5 years	42
200% More than 5 years but less than 10 years	12
300% More than 10 years	3

Total	57
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5.2 Properties that would be classed as empty more than 1 year but less than 2 years would now pay the 100% premium charge on top (unless subject to an exception):

Number of empty properties more than one year but less than 2 years	221
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5.3 Second homes (no one's sole or main residence and furnished) currently paying a full charge and would be subject to the 100% premium charge on top:

Number of second homes	2760
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6.0 Potential additional Council Tax Income

6.1 If agreed, a 100% premium could apply to circa 2,760 second homes, however it is likely that a proportion will be excluded once the government publishes guidance on exceptions to the premium or where a property subsequently becomes occupied. We are aware that a number of Council's are assuming a 30% reduction in this figure to take account of these factors. The following table shows the additional income that this premium may generate based on the current numbers and also allowing for a 30% reduction. As Council Tax is collected on behalf of preceptors I have shown the proportion that is retained by Devon County Council (being the largest preceptor) and East Devon District Council:

Second Homes	Total Income 2023/24 Band D charge £2,236	East Devon District Council 7%	Devon County Council 73%
2760	£6.171m	£432K	£4.505m
1932 (@70%)	£4.319m	£302K	£3.154m

Note: Figures are based using the average Band D charge for 23/24 .

6.2 Changing when the empty homes premium applies from two years to one year would impact those empty properties shown in paragraph 5.2. If these numbers remain similar and based on this year's average Council Tax charge this has the potential to generate approximately £248K additional Council Tax. East Devon retains circa £17K. However, if we assumed a 30% reduction (like second homes) then the additional income would be circa £174K with East Devon's element being £12K.

7.0 Requirements

7.1 The following are conditions that need to be met in order to apply these recommendations from 1 April 2024:

- A resolution is to be made by full Council by 31 March 2024.
- One year's notice will need to be given to increase the charge for second homes ("dwellings occupied periodically") meaning that the changes to this charge would start from 01.04.2025.
- A notice of the decision will need to be published within 21 days of it being taken in at least one local paper.
- Should the council wish to vary or revoke a decision for any type of premium this would need to be done in the year prior to the change and cannot be revised in year.
- We would need to comply with any exceptions that the Secretary of State prescribes.

8.0 Other considerations – Fraud and Error

- 8.1 It is recognised that there may be a risk that some owners may try to avoid the additional premium by registering a person as living in the property even though their residence remains elsewhere.
- 8.2 We will be reviewing our procedures, controls, documents, etc ahead of these changes being implemented to minimise the risk of fraud and error occurring, but also that we will take action should fraud be identified in line with our Anti-Fraud Theft and Corruption Policy. This is important as we know public sector fraud and error nationally is on the increase.
- 8.3 This issue has been raised with our Devon partners and there is a commitment to do some cross joint working to share best practice in this area.

Part 2 Ringfence the additional funding from the Second Homes premium

- 9.0 The key impact of second homes is to remove a significant number of homes from the local housing market, with properties that would otherwise be available to provide permanent homes for local people being used as holiday homes by people whose primary residency is outside the district/borough. For this reason, the Council believes that the additional money raised by the second homes premium should be invested back into housing. We are working with other councils across Devon to make the case that all the additional tax raised should be ringfenced to address housing challenges, including to acquire existing properties to provide temporary accommodation, to support people with complex needs and the provision of specialist accommodation with supported facilities for care leavers.
- 9.1 Recommendation 5 is for East Devon District Council's proportion of the additional Council Tax funding generated from the Second Home premium (as set out in para 6.1) to be ringfenced to address the housing challenges. East Devon's element based on current figures would be circa £420K. The additional income from this new premium would not be effective until 2025/26 onwards.
- 9.2 Recommendation 6 allows for a review of the decision on whether to continue to ringfence the funding after 4 years from when the Second Homes premium applies.

10.0 Summary

- 10.1 These recommendations support the Council's priority in helping to address the housing issues in East Devon as the additional council tax premiums will either help to encourage more homes to become available for people to live in as their main residence or provide additional funding that will be ringfenced to support housing challenges.

Financial implications:

The financial details are contained within the report. Members will be aware through the adopted Financial Plan that this additional income from the second homes premium was identified to help support the Council's overall funding gap in the Medium-Term Financial Plan in 2025/26 onwards. In agreeing to the principle of the additional monies being ring fenced to meet housing challenges it is expected that this will in turn reduce costs to the Council and should be directed to current budget pressures and spend to save initiatives.

Legal implications:

The legal issues are dealt with in the body of the report.

Report to: Council



Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Report of the Cabinet – Item for Decision: Council Tax Charges for Second Homes and Empty Properties

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 31 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

To approve the implementation of the following:

1. The application of the current premium of 100% for all dwellings which are unoccupied and substantially unfurnished (empty dwellings) from a period of one year with effect from 1 April 2024 unless subject to an exception introduced by government;
2. The application of a premium of 100% for all dwellings which are unoccupied but substantially furnished (second homes) from 1 April 2025 unless subject to an exception introduced by government; and
3. The Assistant Director responsible for Council Tax is given delegated powers to implement the changes in line with the Council's requirements and any guidance given by the Secretary of State or by regulation.
4. To agree to the principle that the additional funds generated by the changes to second homes Council Tax premiums is ring fenced across the Devon wide system of preceptors to address the housing challenges.
5. Subject to recommendation 4 the Council agrees to ringfence the additional income attributable to East Devon District Council's proportion of the Council Tax charge (as referenced in section 9) to address the housing challenges.
6. Subject to recommendation 5 being approved the Council will review the decision to ringfence the funding in 2029 (4 years from when the premium starts).

Reason for recommendation:

The change in policy is primarily designed to encourage taxpayers to use premises as their main residence or allow others to use it as a main residence. It is hoped that this change will allow more empty dwellings and unoccupied dwellings to be brought back into use for the local community.

Should the primary purpose not achieve these aims then the additional premiums being levied will result in additional funding to the collection fund which is collected on behalf of preceptors. The recommendation is for Members to agree to the principle that this additional funding should be ringfenced across the Devon wide system of preceptors to addressing housing challenges as set out in part 2 of this report.

The change in policy is primarily designed to encourage taxpayers to use premises as their main residence or allow others to use it as a main residence. It is hoped that this change will allow more empty dwellings and unoccupied dwellings to be brought back into use for the local community.

Should the primary purpose not achieve these aims then the additional premiums being levied will result in additional funding to the collection fund which is collected on behalf of preceptors. The recommendation is for Members to agree to the principle that this additional funding should be ringfenced across the Devon wide system of preceptors to addressing housing challenges as set out in part 2 of this report.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Report to: Council



Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Report of the Cabinet – Item for Decision: Capital Strategy 2024 – 2025 and 2027 to 2028

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 31 January 2024 and recommendation from the Housing Review Board on 25 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Council adopt the Capital Strategy 2024/25 – 2027/28

Reason for recommendation:

In order to comply with good practice there is a requirement for the Council to have in place an adopted Capital Strategy.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Report to: Cabinet



Date of Meeting 31 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Capital Strategy 2024/25 – 2027/28

Report summary:

Appended is a draft Capital Strategy for Cabinet to consider and recommend to Council for adoption, this forms part of the annual budget setting approval process.

The document draws together various adopted strategies and agreed process of the Council that govern how the Council manages capital expenditure and investment decisions. The Capital Strategy brings these areas together in one overarching document.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability. This Council's practices meet these outcomes and it's useful to set these out in one place to demonstrate this.

Decisions made this year on capital and treasury management will have financial consequences for the Council for many years to come. They are therefore subject to both a national regulatory framework and a local policy framework, summarised in this strategy with further details available in the relevant supporting documents.

The Capital Strategy is a key document, it provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provides an overview of how associated risk is managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet recommend to Council the adoption of the Capital Strategy 2024/25 – 2027/28

Reason for recommendation:

In order to comply with good practice there is a requirement for the Council to have in place an adopted Capital Strategy.

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

Portfolio(s) (check which apply):

Climate Action and Emergency Response

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

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information [Capital Strategy 2024/25 – 2027/28](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Financial implications:

Contained within the report.

Legal implications:

Other than to note that it is a requirement for the Council to adopt a Capital Strategy there are no specific legal implications arising.



Capital Strategy 2024/25 – 2027/28

January 2024

Contents

1. Purpose
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14. Risk Management
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16. Other Consideration

Purpose

- 1.1 This document draws together various adopted strategies and agreed process of the Council that govern how the Council manages capital expenditure and investment decisions. The Capital Strategy brings these areas together in one overarching document.
- 1.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code introduced the requirement for local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions are taken in line with desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability. This Council's practices meet these outcomes and it's useful to set these out in one place to demonstrate this.
- 1.3 The Capital Strategy is a key document, it provides a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provides an overview of how associated risk is managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.
- 1.4 Decisions made this year on capital and treasury management will have financial consequences for the Council for many years to come. They are therefore subject to both a national regulatory framework and a local policy framework, summarised in this report.
- 1.5 The Capital Strategy document covers the period from 2024/25 to 2027/28 and will be reviewed annually by Full Council prior to each financial year.

Capital Expenditure

- 2.1 Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing fixed asset. Fixed assets are tangible or intangible assets that yield benefits to the Council generally for a period of more than one year, e.g. land, buildings, vehicles. This is in contrast to revenue expenditure which is spending on the day to day running costs of services such as employee costs, premise running costs and supplies and services.
- 2.2 The capital programme is the authority's plan of capital works for future years, including details on the funding of the schemes. Included are the projects such as the purchase of land and buildings, the construction of new buildings, major maintenance that enhance assets, design and project management fees related to projects and the acquisition of vehicles and other items of equipment. Also included could be service and commercial investments if they relate to a purchase of an asset. The Council has an adopted de minimis level of £20,000 for expenditure to be classified as capital.

- 2.3 The Council's capital programme is approved as part of the annual budget setting process. Further budgeted capital expenditure and the capital financing of this is detailed within the treasury management strategy statement.

Revenue Budget Implications

- 3.1 Any capital expenditure that is not immediately paid for through a revenue or capital resource leads to a capital financing need or gap, which will increase the Council's total Capital Financing Requirement (CFR). The CFR is a measure of the Council's underlying need to borrow to finance the total historic outstanding capital programme.
- 3.2 The medium term strategy is prudently maintaining an under-borrowed position, meaning that as a temporary measure the Council is using its own cash supporting reserves, balances and cash-flows rather than fully funding the CFR with external borrowing. This position will need to be reviewed in line with investment returns and counterparty risks.
- 3.3 Where a capital project increases the CFR or financing gap then a minimum revenue provision (MRP) must be made to reduce the borrowing amount over the life of the asset. The MRP and the interest payable on the borrowing (annual cost of borrowing) are charged to the revenue account each year and this will therefore impact on the Council's revenue budget and on-going medium term financial plan budget gap.
- 3.4 As part of the capital bids process any revenue implications of new capital programme items are captured. These details are readily available and highlighted if material otherwise all direct revenue implications are contained to the already available revenue funding. The main revenue budget implications for the Medium Term Financial Plan are highlighted to be the cost of financing additional works. It has been reported to members that broadly that for every £100k included, the impact of costs in the MTFP is £10k for 40 years.
- 3.5 The following table highlights this impact on the revenue budget for the General Fund:

Capital Financing Requirement					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
General	12,025	21,226	31,140	38,749	44,904
Service loans to third parties	4,359	3,662	2,338	2,226	1,308
Other loans to third parties	467	467	467	467	467
Investments	2,649	2,627	2,593	2,546	2,498
Projects for yield	0	0	0	0	0
CFR General Fund	19,500	27,982	36,538	43,988	49,177
CFR HRA	84,649	84,640	84,631	84,620	84,610
Total CFR	104,149	112,622	121,169	128,608	133,787
Movement in CFR	9,329	8,473	8,547	7,439	5,179

Movement in CFR represented by					
Net financing need for the year/ (surplus receipts)	9,456	8,851	9,154	8,318	6,288
Less MRP/VRP and other financing movements*	(127)	(378)	(607)	(879)	(1,109)

* MRP = Minimum Revenue Provision. VRP = Voluntary Revenue Provision. Other financing movements will include any PFI/ finance lease annual principal amounts

3.6 The related prudential affordability indicator can be found in the treasury management strategy.

Treasury Management Investments

- 4.1 Treasury Management investment activity covers those investments which arise from the organisation's cash flows and debt management activity and ultimately represent balances which need to be invested until the cash is required for use in the course of business.
- 4.2 Treasury Management investments need to ensure that the **security and liquidity of funds are placed ahead of the investment return**. The management of associated risk is set out in the Council's Treasury Management Strategy.
- 4.3 The CIPFA Treasury Management Code recognises that organisations may make investments for policy reasons outside of normal treasury management activity. These may include service investments to deliver key objectives. The management of associated risk for these investments is set out in the Council's Place and Prosperity Framework.

Links to other corporate strategies, plans and financial Governance documents

- 5.1 The Council Plan sets out the Council's ambitions and priorities with agreed outcomes which guide its work. These aims, priorities and objectives are in turn reflected in Service Plans.
- 5.2 To support the delivery of the Council Plan and Service Plans a number of key strategies/policies are in place; Financial Plan which contains The Medium-Term Financial Model and the Financial Sustainability Model, Capital Strategy, Asset Management Plan, Treasury Management Strategy.
- 5.3 There are adopted documents which govern and put in place financial controls to ensure proper financial management, these are linked to this Capital Strategy, namely:
 - Treasury Management Strategy – This Strategy is approved annually and follows the Treasury Management Code published by CIPFA to govern treasury activities defined as: *The management of the organisations borrowing, investments and cash flows, its banking, money market and capital market transactions.*
 - The Prudential Code – The adoption of the Code is approved annually and follows the latest best practice as published by CIPFA to help ensure that the capital expenditure plans of the Council are affordable, prudent and sustainable.
 - Place and Prosperity Framework - The Framework sets out the mechanism where Place and Prosperity investment proposals will be screened against the borrowing requirements of the Public Works Loan Board in a standardised way with sufficient assessment of the risk.
 - Project Management Guidelines – These govern the way the Council will appraise and monitor the delivery of key projects which in the main are those within the capital programme.
- 5.4 The operation of all these strategies are underpinned by the Council's constitution, in particular the Contract Standing Orders and Financial Regulations.
- 5.5 Capital resources should be directed to those programmes and projects that optimise the achievement of corporate aims. The following processes are designed to ensure this:

Capital Programme Setting Process

- 6.1 The preparation of the draft Capital Budget is directed by the Budget Setting and Capital Allocations Panel who meet specifically in December each year to consider scheme proposals. The Panel considers funding resources available, the capital appraisal process and each scheme proposal. Recommendations are made from this Panel to Cabinet who consider all aspects of the annual Revenue and Capital Budget to make recommendations to Council. Draft proposals are also presented to Joint Scrutiny and Overview Committee for consideration and recommendations.
- 6.2 The capital appraisal process is used to build a capital programme aimed at delivering the Council's stated priorities and ensuring schemes meet set gateways:
- Gateway 1 fully financed – external grants pay fully for the project, or revenue savings pay back capital investment inside 5 years
 - Gateway 2 statutory obligation – we have to do it by law
 - Gateway 3 contractual obligation – we have to abide by our contractual agreements
 - Gateway 4 critical business interruption – a major part of the Council's services would not be able to function

Each scheme is given a score against a set criteria such as how the project meets the Council Plan, its carbon impact, the risk involved, any part funding, invest to save and service provision. If gateways are passed then the project is approved subject to there being sufficient funds, scoring is considered to give priority against limited resources.

For each scheme proposed an Initial Project Proposal Form is completed as governed in the adopted Council's "Guide to Project Management".

- 6.3 This process governs for the formation of the Council's Capital Programme and how capital expenditure is approved. Two area of capital expenditure differ to this process:
- ICT Projects proposed by Strata (Jointly owned IT company who proved ICT support to the Council) this falls to the Strata Scrutiny and Executive Committees to consider and make recommendations to Cabinet.

- Community Infrastructure Levy supported schemes are considered and governed and recommended to Council by the Strategic Planning Committee.

6.4 An extract for the Council's Project Management Guidelines is reproduced below which clarifies roles and responsibilities regarding spending plans:

Who	What
Council	<ul style="list-style-type: none"> • Approves the Council's spending plans including service plans – Annual • Adopts Council Plan.
Cabinet	<ul style="list-style-type: none"> • Recommends Council spending plans and service plans – Annually • Considers and makes recommendations on business cases for large scale projects. Ad hoc reports to Cabinet with cut off September for inclusion in forthcoming budget considerations. • Considers minutes of Strata JEC (ICT Projects). • Considers minutes of Strategic Planning for CIL (Infrastructure/123 schedule list) • Considers minutes of Budget Setting and Capital Allocations Panel (All other Capital Projects and overall financing implications).
Budget Setting and Capital Allocations Panel	<ul style="list-style-type: none"> • Recommendations to Cabinet projects to be included in the Annual Capital programme. Overview of Programme and funding. Receives Capital Appraisal Forms and Initial Project Proposal Document. • Monitors delivery of large projects and report to Cabinet through minutes any critical issues such as changes (realised or anticipated) to the business case, project plan, level of risk, or variation against the project budget. • Receive Post Project Evaluation reports for large projects.
Strata JEC	<ul style="list-style-type: none"> • Recommend to Cabinet IT projects for budget inclusion. • Monitor delivery of IT projects and report to Cabinet through minutes any critical issues such as changes (realised or anticipated) to the business case, project plan, level of risk, or variation against the project budget.
Strategic Planning - CIL	<ul style="list-style-type: none"> • Minutes to Cabinet identifying projects and any implications on the Council's Capital programme.
SLT	<ul style="list-style-type: none"> • Acts as Project Management Board. • Receives all project documentation and agrees next steps. • Monitors progress of projects, mainly by exception. • Receives requests for changes (realised or anticipated) to the business case, project plan, level of risk, or variation against the project budget and will refer as appropriate.

Who	What
	<ul style="list-style-type: none"> • Supports Cabinet in the review of the Council Plan and Service Plans • The Finance Director (CFO/S151) has overall responsibility for the Project Management process including training.
Senior Responsible Owner	<ul style="list-style-type: none"> • Will normally be a Director/Assistant Director but could be a senior manager for small projects. • Champions the project and has overall responsibility for its delivery. • Ensures that the business case is sound and manages the approval of the project. • Responsible for ensuring that an initial kick off meeting takes place with all the anticipated key players to discuss the vision of the project and likely issues (e.g. financial, legal, ICT) to allow for an early understanding of the level of support required internally. • Identifies the core Project Team at the kick off meeting including the Project Manager. • Provides support to the Project Manager. • Ensures the Project Manager has all the resources necessary to deliver the project at their disposal. • Resolves any issues at a level outside the scope of the Project Manager, for example resources/priorities. • Refers issues by exception to ELT/SLT. • Reports to the relevant Portfolio Holder, Cabinet, Overview, Scrutiny, or Audit & Governance Committees or Budget Setting and Capital Allocations Panel.
Project Manager	<ul style="list-style-type: none"> • Will normally be a senior manager or an appropriately qualified/experienced officer. • The role should not be shared and is the single focus for day-to-day management of the project. • Responsible for producing project documentation including the PID and PPE. • Manages the project delivery including management of the project budget and Project Team (where appropriate). • Responsible for ensuring effective completion of the project as specified in the PID. • Keeps the Senior Responsible Owner regularly informed of progress and of any significant deviation from the project plan (realised and anticipated). • Responsible for producing monthly progress updates for relevant officer/team/group. • Ensures project team meetings are arranged as appropriate. • Provides reports as required by the Senior Responsible Owner.
Project Team	<p>Not all projects will require a team for delivery. For some it will mean a cross service officer team, whilst others will also have member representation. A Project Team:</p>

Who	What
	<ul style="list-style-type: none"> • Should be made up of officers who have the required skills, experience and knowledge to deliver the project. • Project Team members must be identified in the PID and their participation must be agreed by SLT to ensure there is enough capacity to support the project. • Project Team members must fully understand their roles and responsibilities. • Is responsible for carrying out tasks allocated by the Project Manager in accordance with the PID and is collectively responsible for the delivery of the project. • Provides progress updates to the Project Manager (frequency to be defined by Project Manager) and raise issues as they occur. • The size of the Project Team can vary depending on the type and scope of project. • All large projects must also include a representative of Finance and Legal on the Project Team.

Monitoring of the Capital Programme

- 7.1 Once the detailed capital programmes has been approved by Members, the financial spend is monitored on a monthly basis. Monitoring is reported through to Cabinet in the Budget Monitoring reports.
- 7.2 Additional governance is in place for key project and these are monitored through the Budget Setting and Capital Allocations Panel with minutes presented to Cabinet:

Requirement	Project Type		
	Small	Medium	Large
Monthly Monitoring Reports covering; budget, time, milestones, risk register.	Optional – presented Assistant Director/Director	Yes – presented to SLT Project Board (mthly)	Yes – presented to SLT project board (mthly) & BSCAP (qtrly)
Post Project Evaluation Document.	No	Yes – presented to SLT Project Board	Yes – Presented to SLT Project Board & BSCAP

Service/Commercial Investments

- 8.1 The Authority may undertake two distinct types of investment; treasury management investments and service/ commercial investments.

- 8.2 Service or commercial investments are those investments made outside of the day to day treasury management activity which could be either made in support of service provision, for example economic regeneration or commercial whereby the investments have been undertaken purely for the purpose of generating financial returns.
- 8.3 There is a regulatory and statutory recognition that investments may be made for policy reasons outside their treasury management activity. To ensure that all investment decisions are made in a structured and informed manner with due consideration to both the risks and rewards stemming from that decision, the CIPFA Treasury Management Code covers both types of investment.
- 8.4 The Authority has service investments and zero commercial investments.
- 8.5 The Place and Prosperity Framework governs and determines the Council's risk appetite and controls on service type capital expenditure and defines the governance and monitoring arrangements.
- 8.6 The implications on Council borrowing linked to any future investments will need to be factored into the Council's Prudential Indicator calculations.
- 8.7 The revised Prudential Code makes clear that local authorities must not borrow to invest primarily for financial returns.

Funding Strategy and Capital Policies

This section sets out the policies of the Council in relation to funding capital expenditure and investment.

9.1 External Funding

Services must seek to maximise external funding wherever possible to support capital schemes. This can be in the form of grants and contributions from outside bodies including central government. The capital appraisal processes significantly favours projects that attract external funding.

Prior to submitting bids for grant funding, an assessment of the risk of a contract price increase, associated with market conditions or abnormal building plan demands attached to some grants, must be completed to estimate the likelihood of additional funding being needed.

In respect of match funding bids then the relevant service must fully identify the necessary match funding resources from either within existing budgets or

schemes need to be submitted as part of the normal capital appraisal process if additional funding is being sought.

9.2 Capital Receipts

A capital receipt is an amount of money exceeding £10,000 which is received from the sale of an asset. They cannot be spent on revenue items. Repayments of capital grants, loans and investments also generate capital receipts. The Council is currently also permitted to spend capital receipts on service transformation projects for a further 3 years from 2022/23.

Capital receipts are pooled and used to finance future capital expenditure and investment according to priorities, although they may be used to repay outstanding debt on assets financed from loans, as permitted by the regulations. The Council has deemed that Housing Revenue Account (HRA) generated capital receipts are used to support HRA capital expenditure only.

9.3 Revenue Funding

Services may use their revenue budgets to fund capital expenditure, this may be via earmarked reserves. The Council will consider any corporate funding of capital from revenue as outlined in the annual budget report, previously a significant proportion of the Council's New Homes Bonus Grant was used to finance capital but due to grant reductions this is no longer the case.

The Director for the Service and the Finance Director (CFO/S151) will take an overview and decide the most appropriate way of funding the service areas. In doing that the Finance Director (CFO/S151) will take account of the strategy regarding the levels of general and earmarked reserves.

9.4 Prudential Borrowing

Local Authorities can set their own borrowing levels based on their capital need and their ability to pay for the borrowing. The levels will be set by using the indicators and factors set out in the Prudential Code. The borrowing costs are not supported by the Government so the Council needs to ensure it can fund the repayment costs. This borrowing may also be referred to as Prudential Borrowing. The Council's Minimum Revenue Provision Policy sets out a prudent approach to the amount set aside for the repayment of debt.

Capital projects that cannot be funded from any other source can be funded from Prudential Borrowing. The Council must be able to afford the borrowing repayment and interest charges on the loan from existing revenue budgets or the Council must see this as their key priority for the budget process and to be factored into the Financial Plan and medium term financial plan calculations accordingly.

The Finance Director (CFO/S151) will make an assessment of the overall prudence, affordability and sustainability of the total borrowing requested. The impact of this borrowing will be reported in the Treasury Management

Strategy alongside the Prudential Indicators required by CIPFA's Prudential Code for Capital Finance.

The view of the Finance Director (CFO/S151) will be fed into the corporate bidding process and inform the Budget Setting and Capital Allocation Panel so that, should the borrowing levels be unaffordable or not prudent, then the schemes will be prioritised against the available funding from borrowing using the corporate prioritisation system.

The Finance Director (CFO/S151) will also determine whether the borrowing should be from internal resources or whether to enter into external borrowing.

9.5 Leasing

Directors may enter into finance leasing agreements to fund capital expenditure however, a full option appraisal and comparison of other funding sources must be made and the Finance Director (CFO/S151) is required to be consulted to ensure that leasing provides the best value for money method of funding the scheme.

Under the Prudential Code finance leasing agreements are counted against the overall borrowing levels when looking at the prudence of the authority's borrowing.

Procurement and Value for Money

- 10.1 The Council uses Devon Procurement Services, processes have been defined and guidance and training is available to officers through this Procurement Team which ensures officers can evidence they are seeking to achieve value for money in procurement.
- 10.2 It is essential that all procurement activities comply with prevailing regulations and best practice. Guidance on this can be sought from the Procurement Team. Procurement activities must comply with the Council's Contract Standing Orders and Financial Regulations.

Partnerships and Relationships with other Organisations

- 11.1 Capital planning will be undertaken within the context of the Council Plan and wherever possible and subject to the usual risk assessments services should look to expand the number of capital schemes which are completed on a partnership basis and continually look for areas where joint projects can be

implemented. This principle is taken into account in the capital appraisal process with higher priority given to such schemes.

Management Framework

- 12.1 The governance structure of the Council has the Strategic Leadership Team that takes a strategic and group view on the capital programme and investments. This Strategy outlines the key roles and responsibilities of member groups and committees in this process.

Performance Management

- 13.1 Clear measurable outcomes are developed for each capital scheme in the Project Initiation Document (PID). After the scheme has been completed, services should check if outcomes have been achieved. For medium and large projects these are required to be specially reported and reviewed under the Project Management Guidelines (see above).

Risk Management

- 14.1 Risk is the threat that an event or action will adversely affect the Council's ability to achieve its desired outcomes and to execute its strategies successfully.
- 14.2 Risk management is the process of identifying risks, evaluating their potential consequences and determining the most effective methods of managing them and/or responding to them. It is both a means of minimising the costs and disruption to the organisation caused by undesired events and of ensuring that staff understand and appreciate the element of risk in all their activities.
- 14.3 The aim is to reduce the frequency of adverse risk events occurring (where possible), minimise the severity of their consequences if they do occur, or to consider whether risk can be transferred to other parties. Project Managers for medium and large capital projects are required to maintain and report on their individual project risk register, highlighting any risks which are deemed after mitigation to be medium to high.
- 14.4 It is important to identify the appetite for risk by each scheme and for the capital programme, especially when investing in capital assets held primarily for financial returns. Under the CIPFA Prudential Code these are defined as investments and so the key principle applies of control of risk and optimising returns consistent with the level of risk.
- 14.5 The Council accepts there will be a certain amount of risk inherent in delivering the desired outcomes of the Council Plan. The Council seeks to keep the risk of capital projects to a low level whilst making the most of opportunities for improvement. Where greater risks are identified as necessary to achieve desired outcomes, the Council seeks to mitigate or manage those risks to a tolerable level. All key risks identified as part of the capital planning process are considered for inclusion in the corporate risk

register and all medium and large projects are identified in the Council Performance Management System (Spar) with a rag rating against current risk assessment.

- 14.6 The risks with any long-term strategy is the unknown or unexpected events which will require large scale capital investment. Whilst the Treasury Management Strategy has sufficient headroom within its borrowing limits to deal with such situation, the impact of the borrowing costs are much harder to be protected against.

Knowledge and Skills

- 15.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council will use the services of other specialists and consultants as necessary. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Other Considerations

- 16.1 Capital Schemes must comply with legislation, such as the Disability Discrimination Act, the General Data Protection Regulations (GDPR), building regulations etc.

Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Report of the Cabinet – Item for Decision: Treasury Management Strategy 2024/25 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy

Report summary:

This report sets out the Cabinet recommendation arising from their consideration of the report at Cabinet on 31 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

- a. That Council adopts this Treasury Management Strategy including the Prudential Indicators for 2024/25;
- b. That Council approves the Minimum Revenue Provision Policy Statement;
- c. That Council approves the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties.

Reason for recommendation:

The Council is required to adopt formally a Treasury Management Strategy and set prudential indicators before the beginning of the new financial year.

Officer: Andrew Melhuish, Democratic Services Manager andrew.melhuish@eastdevon.gov.uk

Report to: Cabinet



Date of Meeting: 31 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release: N/A

Report summary:

The Chartered Institute of Public Finance and Accountancy (CIPFA) produces a Code of Practice for treasury management for Public Services. One of the main recommendations of this code is the requirement for an annual Treasury Management Strategy to be adopted formally by the Council. There is also a requirement to set prudential indicators relating to all treasury activities that the authority will undertake in the forthcoming financial year.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

The Cabinet is requested to recommend the following to the full Council:

- a. Council adopts this Treasury Management Strategy including the Prudential Indicators for 2024/25;
- b. Council approves the Minimum Revenue Provision Policy Statement;
- c. Council approves the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties.

Reason for recommendation:

The Council is required to adopt formally a Treasury Management Strategy and set prudential indicators before the beginning of the new financial year.

Officer: Janet Reeves - Accountant jreeves@eastdevon.gov.uk 01404 515616 extension 2033

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk; Low Risk; The Council would fail to comply with CIPFA recommended “best practice” for treasury management.

Links to background information [Treasury Management Strategy 2024/25 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

See Link to Background Information

Financial implications:

Contained within the report.

Legal implications:

As indicated in the accompanying report, the Treasury Management Strategy must be prepared in line with the statutory framework and related guidance and the finance team has confirmed that this has been done. Otherwise, there are no legal implications requiring comment.

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement
and Annual Investment Strategy

2024/25

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Key Considerations

2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMSS/AIS reports and the risk management framework

CIPFA published the revised codes on 20 December 2021 and has stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Authority, therefore, has to have regard to these Codes of Practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

The revised Treasury Management Code requires all investments and investment income to be attributed to one of the following three purposes: -

Treasury management

Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances that are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity that seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service delivery

Investments held primarily and directly for the delivery of public services including housing, regeneration, and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return

Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to an authority's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

The revised Treasury Management Code will require an authority to implement the following: -

1. **Adopt a new liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;
2. **Long-term treasury investments**, (including pooled funds), are to be classed as commercial investments unless justified by a cash flow business case;
3. **Pooled funds** are to be included in the indicator for principal sums maturing in years beyond the initial budget year;
4. Amendment to the **knowledge and skills register** for officers and members involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each authority;
5. **Reporting to members is to be done quarterly**. Specifically, the Chief Finance Officer (CFO) is required to establish procedures to monitor and report

performance against all forward-looking prudential indicators at least quarterly. The CFO is expected to establish a measurement and reporting process that highlights significant actual or forecast deviations from the approved indicators. However, monitoring of prudential indicators, including forecast debt and investments, is not required to be taken to Full Council and should be reported as part of the authority's integrated revenue, capital and balance sheet monitoring;

6. **Environmental, social and governance (ESG)** issues to be addressed within an authority's treasury management policies and practices (TMP1).

The main requirements of the Prudential Code relating to service and commercial investments are: -

1. The risks associated with service and commercial investments should be proportionate to their financial capacity – i.e., that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services;
2. An authority must not borrow to invest for the primary purpose of commercial return;
3. It is not prudent for local authorities to make any investment or spending decision that will increase the CFR, and so may lead to new borrowing, unless directly and primarily related to the functions of the authority, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose;
4. An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt;
5. A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream;
6. Create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

An authority's Capital Strategy or Annual Investment Strategy should include: -

1. The authority's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the authority's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence;
2. An assessment of affordability, prudence, and proportionality in respect of the authority's overall financial capacity (i.e., whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services);
3. Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed;
4. Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments);
5. Requirements for independent and expert advice and scrutiny arrangements (while business cases may provide some of this material, the information contained in them will need to be periodically re-evaluated to inform the authority's overall strategy);

6. State compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that an authority must not borrow to invest primarily for financial return;

As this TMSS and AIS deals solely with treasury management investments, the categories of service delivery and commercial investments should be addressed as part of the Capital Strategy report.

However, as investments in commercial property have implications for cash balances managed by the treasury team, it will be for each authority to determine whether to add a high level summary of the impact that commercial investments have, or may have, if it is planned to liquidate such investments within the three year time horizon of this report, (or a longer time horizon if that is felt appropriate).

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially, before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

“The management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

1.2 Reporting requirements

1.2.1 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

1.2.2 Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
 - the capital plans, (including prudential indicators);
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
 - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an investment strategy, (the parameters on how investments are to be managed).
- b. A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.
- c. An annual treasury report** – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

Before being recommended to the Council, the above reports are required to be adequately scrutinised. The Cabinet undertakes this role.

Quarterly reports – In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but do require to be adequately scrutinised. This role is undertaken by the Audit and Governance Committee. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

1.3 Treasury Management Strategy for 2024/25

The strategy for 2024/25 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Authority;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.4 Training

The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny.

Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance, and decision making.

The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and board/ council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and board/council members.
- Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).

- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”

In further support of the revised training requirements, CIPFA's Better Governance Forum and Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', which is available from the CIPFA website to download.

Members undertook training on 26 June 2019 and further training will be arranged as required.

There is a post with specific responsibility for treasury management within the accountancy team and the Council is committed to ensuring the holder has relevant qualifications and has access to the training and support required to undertake this role.

In addition, the Council's treasury management team is a member of the South West Treasury Management Benchmarking Group hosted by Link Asset Services. This group has members from approximately 14 authorities and provides a forum for interpreting Treasury Management data across the area and sharing best practice. The group also allows the opportunity to consider any potential forthcoming treasury management risks, the early identification of which can aid proactive investment management.

The Council maintains an internal audit function through the South West Audit Partnership (SWAP). SWAP undertakes a periodic internal audit review of the treasury management function. In the latest audit by SWAP, the treasury management function was given a Reasonable Opinion.

Further review is also provided by the external audit team, who consider the reporting of treasury management data within the financial statements as part of their external audit opinion work.

1.5 Treasury management consultants

The Authority uses Link Group, Treasury solutions as its external treasury management advisors.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

The scope of investments within the Authority's operations will include conventional treasury investments, (the placing of residual cash from the Authority's functions) and may include non-treasury investments. Non-treasury investments require specialist advisers, and the Authority will seek to appoint suitable specialist advisers in relation to such activity, as and when required.

1.6 Treasury management investments and other investments

The Treasury Management Strategy Statement and Annual Investment Strategy deals solely with treasury management investments. In order to give an holistic view of the Authority's borrowing need, the report summarises service related loans to third parties and commercial investment activities. Other than this, these investments are not dealt with in this document.

2 THE CAPITAL PRUDENTIAL INDICATORS 2024/25 – 2026/27

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable, and sustainable.

These indicators help show the effect of the financing and borrowing strategy that the Authority plans to adopt over the next three financial years (as a minimum).

The indicators also act as an early warning system, to flag up if the Authority decides to set capital programmes without the necessary finances to fund them.

2.1 Capital expenditure and financing

This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts.

Gross Capital Expenditure to be incurred (Actual and Estimated)					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
General Fund	12,501	12,747	12,550	9,548	8,245
Service loans to third parties	(170)	43	40	17	17
Other loans to third parties	0	0	0	0	0
Service investments	0	0	0	0	0
Projects for yield	0	0	0	0	0
HRA	6,247	4,381	4,906	4,906	4,906
Total Capital Expenditure	18,578	17,171	17,496	14,471	13,168

The above excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

Note: Place and Prosperity capital expenditure is shown within the "general" heading above.

The table below summarises the above capital expenditure plans and how they are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of Capital Expenditure					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Total Capital Expenditure	18,578	17,171	17,496	14,471	13,168
Capital receipts	(1,680)	(1,602)	(2,036)	(803)	(1,606)
Capital grants and other contributions	(2,750)	(2,836)	(1,900)	(944)	(868)
Direct revenue contributions	(1,393)	0	0	0	0
Use of earmarked reserves	(3,299)	(3,882)	(4,406)	(4,406)	(4,406)
Financed in year	(9,122)	(8,320)	(8,342)	(6,153)	(6,880)
Net financing need for the year/ (surplus receipts)	9,456	8,851	9,154	8,318	6,288

2.2 The Authority's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Authority's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Authority's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not been paid for immediately through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge that broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g., PFI and finance leases). Whilst these increase the CFR, and therefore the Authority's borrowing requirement, these types of scheme include a borrowing facility by the PFI, PPP lease provider and so the Authority is not required to borrow separately for these schemes. The Authority currently has no such schemes within the CFR.

The Authority is asked to approve the CFR projections below:

Capital Financing Requirement					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
General	12,025	21,226	31,140	38,749	44,904
Service loans to third parties	4,359	3,662	2,338	2,226	1,308
Other loans to third parties	467	467	467	467	467
Investments	2,649	2,627	2,593	2,546	2,498
Projects for yield	0	0	0	0	0
CFR General Fund	19,500	27,982	36,538	43,988	49,177
CFR HRA	84,649	84,640	84,631	84,620	84,610
Total CFR	104,149	112,622	121,169	128,608	133,787
Movement in CFR	9,329	8,473	8,547	7,439	5,179

Movement in CFR represented by					
Net financing need for the year/ (surplus receipts)	9,456	8,851	9,154	8,318	6,288
Less MRP/VRP and other financing movements*	(127)	(378)	(607)	(879)	(1,109)

* MRP = Minimum Revenue Provision. VRP = Voluntary Revenue Provision. Other financing movements will include any PFI/ finance lease annual principal amounts

Note: Place and Prosperity capital expenditure is shown within the "general" heading above.

Planned External Borrowing					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Service spend	0	0	6,827	2,787	(358)
Housing	0	0	0	0	0
Regeneration	0	0	2,493	5,781	6,969
Financial Intervention	0	0	(166)	(250)	(323)
Projects for yield	0	0	0	0	0
Treasury management - in year*	0	3,279	3,708	4,170	4,664
Treasury management - earlier years*	0	2,880	18,308	0	0
	0	6,159	31,170	12,488	10,952

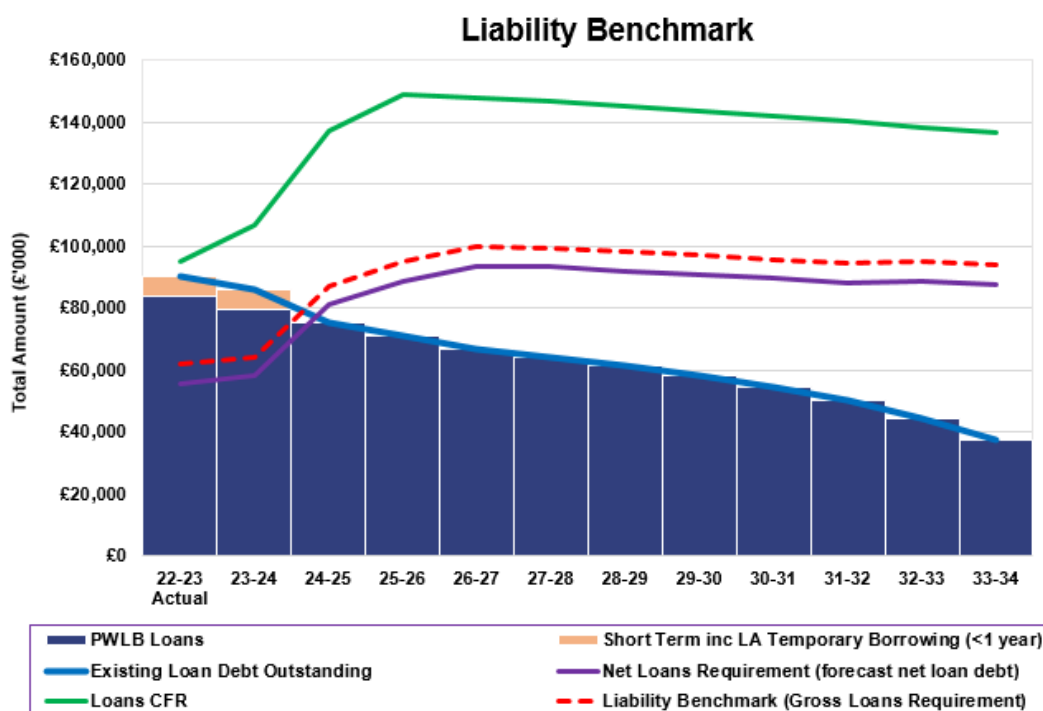
* This represents the refinancing or extending of existing debt and the externalisation of internal borrowing. None of this relates to Projects for Yield.

2.3 Liability Benchmark

The Authority is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement:** this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.



An analysis of the above Liability Benchmark, which covers the period to 31 March 2034, is provided below:

1. As at the 31 March 2023, the starting point for the liability benchmark chart, the Authority had approximately £59.35m in treasury deposits. £30.65m was held in externally managed investments and £28.7m was held in deposits managed by the Authority's own treasury team. Usually, at the year-end, the amount of internally managed treasury deposits held by the Authority is minimal, however, since March 2020, grants for Covid 19, Homes for Ukraine and a number of other central government initiatives such as the Energy Rebate scheme, has meant the Authority is holding much larger cash deposits than usual. Some of these will be repayable to central government and those that are not, are expected to be expended in

the next two or three years. It was felt that these “temporary” cash reserves of £28.7m would give a distorted picture of the liability benchmark calculations, hence only the externally managed investments have been included.

2. Existing PWLB loan debt is shown as the blue bar chart. As PWLB loans mature, so the level of PWLB debt is declining over time. Much of this debt relates to the HRA. Each year, over the next 10 years, a HRA self-financing loan is due to mature. At year-end 31 March 2023, a PWLB loan for the HRA of £2.88m matured; it is planned to re-finance it externally via the PWLB but currently it is being re-financed internally by a temporary loan from the General Fund.

3. At year-end 31 March 2023, a short-term temporary borrowing requirement existed. The Authority’s bank current account was technically overdrawn at this year-end, due to the interval between raising and debiting BACS payments. By the time the payments were presented through the bank, treasury deposits had been withdrawn to ensure sufficient funds were held in the bank current account.

4. The PWLB and the temporary borrowing requirement together are shown as the Existing Loan Debt Outstanding, (blue line).

5. The Net Loans Requirement, (purple line), shows existing and planned prudential borrowing, projected into the future, net of the external treasury investments.

6. The Loans CFR, (green line), relates to capital expenditure planned that has not been funded and therefore gives rise to a financing need. As the capital expenditure plans in the document cover only the three years to 2026/27 but no further into the future, the Loans CFR level peaks at that point and starts to decline. However, because the Loans CFR is mainly HRA-related, (for which there is no requirement to make Minimum Revenue Provision, unlike the General Fund), the Loans CFR does not decrease as quickly as if it were wholly related to the General Fund.

7. The Liability Benchmark or Gross Loans Requirement, (red line) is the Net Loans Requirement plus a short-term liquidity allowance*. Any years where actual loans outstanding, (blue line), exceed the benchmark, (red line), represent an over-borrowed position. Any years where actual loans, (blue line), are less than the benchmark, (red line), indicate a future borrowing requirement. The chart shows a growing borrowing requirement in future years; much of this is due to HRA self-financing loans maturing, which will then need re-financing but the sharp increase in the gap in 2023-24 through to 2026-27 relates to recent unfunded general fund capital projects. According to CIPFA’s Prudential Code, all the Authority’s long term borrowing must be both ‘affordable’ and ‘prudent’. Therefore, the Authority must be confident that it is able to pay back both the interest and principal of any borrowing through its revenue budget. Whilst new borrowing will enable the Authority to construct useful assets, it will also lead to an increased ‘call’ on revenue budgets for many years into the future

**The Short-term liquidity allowance means an adequate (but not excessive) allowance for a level of excess cash to be invested short-term to provide access to liquidity if needed (due to short-term cash flow variations, for example).*

2.4 Minimum revenue provision (MRP) policy statement

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Authority has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).

The Authority is required to calculate a prudent provision of MRP that ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The MRP Guidance (2018) gives four ready-made options for calculating MRP, but the Authority can use any other reasonable basis that it can justify as prudent.

The MRP policy statement requires full council approval (or closest equivalent level) in advance of each financial year.

The Authority is recommended to approve the following MRP Statement.

From 1 April 2008 for all unsupported borrowing, the MRP policy will be:

- **Asset life method (annuity)** – MRP will be based on the estimated life of the assets;

Capital expenditure incurred during 2023/24 will not be subject to an MRP charge until 2024/25, or in the year after the asset becomes operational.

The Authority will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

There is no requirement on the HRA to make a minimum revenue provision but there is a requirement for a charge for depreciation to be made.

MRP in respect of assets acquired under Finance Leases or PFI and leases where the Authority is lessee will be charged at an amount equal to the principal element of the annual repayment.

For capital expenditure on loans to third parties where the principal element of the loan is being repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

Where no principal repayment is made in a given year, MRP will be charged at a rate in line with the life of the assets funded by the loan.

MRP Overpayments – Under the MRP guidance, any charges made in excess of the statutory MRP can be made, known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years, if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

At 31 March 2023, cumulative VRP overpayments, (wholly in respect of the HRA), will be £4,460,079.

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Authority. The treasury management function ensures that the Authority's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Authority's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the annual investment strategy.

3.1 Current portfolio position

The overall treasury management portfolio as at 31 March 2023 and the position as at 31 December 2023 are shown below for both borrowing and investments.

A more detailed schedule of investments and borrowing can be found in Appendix 5.6.

Treasury Portfolio				
	31.3.23	31.3.23	31.12.23	31.12.23
	Actual	Actual	Actual	Actual
	£000	%	£000	%
Treasury investments				
Banks	6,000	10.12%	5,010	6.38%
Building Societies	0	0.00%	0	0.00%
Local Authorities	0	0.00%	17,100	21.76%
DMADF (HM Treasury)	15,000	25.27%	16,550	21.06%
Money Market Funds	7,700	12.97%	9,000	11.45%
Total managed in house	28,700	48.36%	47,660	60.65%
Money Market Funds*	30,649	51.64%	30,925	39.35%
Property Funds	0	0.00%	0	0.00%
Total managed externally	30,649	51.64%	30,925	39.35%
Total treasury investments	59,349	100.00%	78,585	100.00%
Treasury external borrowing				
PWLB	(84,046)	100.00%	(83,108)	100.00%
Total external borrowing	(84,046)	100.00%	(83,108)	100.00%
Net treasury investments/ (borrowing)	(24,697)		(4,523)	
<i>* market value</i>				

The Authority's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Gross External Debt					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Borrowing at 1 April	89,730	90,240	88,338	115,275	122,951
OLTL at 1 April*	0	0	0	0	0
External Debt at 1 April	89,730	90,240	88,338	115,275	122,951
Expected change in borrowing	510	(1,902)	26,937	7,676	5,446
Expected change in OLTL*	0	0	0	0	0
External Debt at 31 March	90,240	88,338	115,275	122,951	128,397
Capital Financing Requirement	104,149	112,622	121,169	128,608	133,787
Under/ (over) borrowing	13,909	24,284	5,894	5,657	5,390

* OLTL = other long term liabilities

Within the above figures, the level of debt relating to various activities is as follows:

Purpose of debt					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Temporary cashflow borrowing	3,313	2,350	2,350	2,350	2,350
General fund expenditure	1,300	437	27,462	35,224	40,758
Finance loans to third parties	978	906	833	757	679
Projects for yield	0	0	0	0	0
HRA capital expenditure	84,649	84,645	84,630	84,620	84,610
External Debt at 31 March	90,240	88,338	115,275	122,951	128,397
Proportion of total debt % used to finance loans to third parties	1.08%	1.03%	0.72%	0.62%	0.53%

Note: Place and Prosperity capital expenditure is shown within the "general" heading above.

Within the range of prudential indicators, there are a number of key indicators to ensure that the Authority operates its activities within well-defined limits. One of these is that the Authority needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Director of Finance reports that the Authority complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view considers current commitments, existing plans, and the proposals in this budget report.

3.2 Treasury Indicators: limits to borrowing activity

3.2.1 The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources. An additional £4.0m, (increased from £2.0m), has been included to allow for potential increases in debt that might result from accounting changes following the implementation of IFRS 16 Leases on 1 April 2024: (other long-term liabilities).

Operational Boundary					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Debt	90,639	90,240	115,275	122,951	128,397
Other long term liabilities	2,000	4,000	4,000	4,000	4,000
	92,639	94,240	119,275	126,951	132,397

3.2.2 The authorised limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt, which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local authority plans, or those of a specific authority, although this power has not yet been exercised.
2. The Authority is asked to approve the following Authorised Limit.

Authorised Limit					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Debt	96,817	96,435	121,474	129,165	134,621
Other long term liabilities	2,000	4,000	4,000	4,000	4,000
	98,817	100,435	125,474	133,165	138,621

The authorised limit includes an additional amount as headroom for unanticipated cash movements, including those due to slippage.

Within the above, headroom for the General Fund is set at £3.0m, and an additional £4.0m, (increased from £2.0m), has been included to allow for potential increases in debt that might result from accounting changes following the implementation of IFRS 16 Leases on 1 April 2024: (other long term liabilities). Also, within the above, for the HRA, a debt cap of £87.844m set by the Government as the authorised limit has been used; although the Government abolished HRA debt caps in October 2018, the Authority still uses it internally to define the maximum HRA CFR limit for its HRA self-financing regime. This internal limit is currently:

HRA Debt Limit					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
HRA debt cap*	87,844	87,844	87,844	87,844	87,844
HRA CFR	84,649	84,640	84,631	84,620	84,610
HRA headroom	3,195	3,204	3,213	3,224	3,234

* The Government abolished debt caps in October 2018 but this is still used internally as a guideline.

3.3 Prospects for interest rates

See the Appendix, section 5.2.1

3.4 Borrowing strategy

The Authority is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt, as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate remains elevated through to the second half of 2024.

Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The Director of Finance will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates, borrowing will be postponed.*
- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

In practice therefore, the borrowing strategy is dependent on the amount and timing of capital expenditure, given the market conditions at the time, and the capital-financing requirement is likely to be funded via a combination of external fund disinvestment and/or loans from the PWLB.

- *In recent years, whilst interest rates have been low, the Authority has been re-financing its self-financing HRA loans as they have matured each year. They have been re-financed over 50 years. Whilst it is intended to continue with this policy, the Authority may temporarily delay re-financing, given that longer dated borrowing rates are expected to fall from their current levels; (see initial paragraph of 3.4 above).*

3.5 Cash Flow or Temporary Borrowing

In addition to borrowing for capital purposes, the Authority also borrows in the short-term to meet day-to-day shortages in its call account. This borrowing requirement is inherent within the operation of this account and is normally covered overnight via the call account overdraft and cleared the next day.

In some instances, particularly around the year-end, the overdraft may not provide a sufficient short-term buffer, and in these instances, the Authority can borrow via the market at fixed rates for a fixed term of less than 3 months.

3.6 Policy on borrowing in advance of need

The Authority will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered

carefully to ensure that value for money can be demonstrated and that the Authority can ensure the security of such funds.

Borrowing in advance will be made within the constraints that:

- It will be limited to no more than the expected increase in borrowing need (CFR) over the three year planning period; and
- The authority would not look to borrow more than 12 months in advance of need.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.7 Debt rescheduling

Rescheduling of current borrowing in our debt portfolio is unlikely to occur, as there is still a very large difference between premature redemption rates and new borrowing rates.

Rescheduling of current borrowing in our debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment, or rebalancing of the portfolio to provide more certainty is considered appropriate.

If rescheduling is done, it will be reported to Cabinet at the earliest meeting following its action.

3.8 Financial Institutions as a Source of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also the UK Investment Bank and some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years). Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

4. ANNUAL INVESTMENT STRATEGY

4.1 Investment policy – management of risk

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

The Authority’s investment policy has regard to the following: -

- DLUHC's Guidance on Local Government Investments ("the Guidance").
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code").
- CIPFA Treasury Management Guidance Notes 2021.

The Authority's investment priorities will be security first, portfolio liquidity second and then yield, (return). The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Authority's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets.
3. This Authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in appendix 5.4 under the categories of 'specified' and 'non-specified' investments.
 - a. **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally, they were classified as being non-specified investments solely due to the maturity period exceeding one year. *(Note: the operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The lack of a credit rating means that non-rated building societies are automatically included in the non-specified investments category).*
 - b. **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
4. **Non-specified investments limit.** The Authority has determined that it will limit the maximum total exposure to non-specified investments, (except for investments in non-rated building societies), as being £20m of the total investment portfolio at the point of investment, (see section 5.4).
5. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the table in section 4.3.

6. Only the Authority's external funds can be invested for **longer than 365 days**, (see section 5.1.5).
7. All investments will be denominated in **sterling**.
8. As a result of the change in accounting standards for 2022/23 under IFRS 9, this authority will consider the implications of investment instruments that could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the Ministry of Housing, Communities and Local Government, [MHCLG], concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23.) More recently, a further extension to the over-ride to 31.3.25 has been agreed by Government.

However, this authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance; (see section 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.

The above criteria are unchanged from last year.

4.2 Creditworthiness policy

The primary principle governing the Authority's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Authority will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment section 5.4; and
- It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Authority's prudential indicators covering the maximum principal sums invested.

The Director of Finance will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to the Authority for approval as necessary. These criteria are separate to those that determine which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality that the Authority may use, rather than defining what types of investment instruments are to be used.

Credit rating information is supplied by the Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. In addition a full review of the counterparty list is carried out on a regular basis.

The security of the Authority's financial assets is paramount, and whilst the strategy needs to be clear in this area it also needs to be sufficiently comprehensive and iterative

in order to provide operational flexibility within, what at times, is a volatile macroeconomic environment. As the financial backdrop changes it is essential that the strategy is set to enable an efficient response to those changes.

The Authority manages the majority of its internal investments via money market funds and a range of banks and building societies in line with the creditworthiness criteria referred to below. Additionally the Authority has opened a Debt Management Deposit Account Facility with the UK Government's Debt Management Office.

In order to address the need for flexibility, and to ensure the spread of risk, access to an investment portal has been arranged which allows officers to review and potentially transact with a small range of money market funds directly. All money market funds considered suitable with reference to the creditworthiness criteria will be approved for use by the Director of Finance before an account is opened. The Authority currently has access to three money market funds; if appropriate operationally, consideration will be given to opening additional money market funds in the future.

This strategy was changed to include corporate bonds within its creditworthiness criteria for the first time in 2016/17. Investments in corporate bonds are limited to a duration of less than 1 year, must be AAA rated and have a maximum value of £2m. The Authority will not trade corporate bonds directly, but will trade via a specialist investment intermediary, whose fee is linked to the return. Given the short duration, it is anticipated the majority of trades will be via the secondary market.

In the 2018/19 Treasury Management Strategy, the Authority approved the inclusion of alternative investments such as Property Funds in Non-Specified Investments.

The use of these instruments can be deemed capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be carried out before investment of this type is undertaken.

4.3 Creditworthiness Criteria

The Authority's proposed creditworthiness criteria are included in the table below.

Creditworthiness Criteria		
	Criteria	Maximum Money and/ or % Investment Limit
External (Long Term) Investment Fund		
Pooled Investment Schemes (e.g., bond funds)	AAA long-term rating backed up with lowest volatility (V1/S1)	60% of External Fund total
Alternative Investment Funds e.g., property funds	The use of these instruments can be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be carried out before investment of this type is undertaken.	£10m
Cash Flow/ Internal Investments		
Deposit Building Societies	With over £5 Billion in total assets	£3m
Deposit Building Societies	With over £1 Billion in total assets	£2m
Deposit with UK incorporated banks	Minimum F1, A1 or P1 short term backed up by A long term credit rating	£2m
Deposit with banks incorporated outside the UK but entitled to accept deposits in the UK	Minimum F1+, A1+ or P1+ short term backed up by AA- long term credit rating	£2m
Money Market Funds	AAA	£3m
UK Local, Police & Fire Authorities		£3m
UK Government Treasury Bills/ Gilts/ Debt Management Deposit Facility		No limit
Corporate Bonds	AAA and less than one year duration	£2m
<i>The "deposits" referred to in the above table relate either to cash, floating rate notes or certificates of deposit.</i>		

The Authority will not invest in subsidiaries that do not have a credit rating in their own right and a separate FSA licence from the parent company.

In the event of a downgrade resulting in a counterparty or investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.

Any changes in counterparty ratings or other criteria that put the counterparty below the minimum criteria whilst the Authority holds a deposit will be brought to the attention of the Director of Finance and the Portfolio Holder for Finance immediately, with an appropriate response decided on a case-by-case basis.

The Authority's current counterparty list is included at section 5.5.

It is recommended that Cabinet approves the creditworthiness criteria above.

The proposed criteria for specified and non-specified investments are shown in Appendix 5.4 for approval.

4.4 Investment strategy

4.4.1 In-house funds.

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate having peaked in the second half of 2023 and possibly reducing as early as the second half of 2024 so an agile investment strategy would be appropriate to optimise returns.

While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

4.4.2 Investment returns expectations.

The current forecast shown in appendix 5.2.1 includes a forecast for the current Bank Rate of 5.25%.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Average earnings in each year	
2023/24 (residual)	5.30%
2024/25	4.55%
2025/26	3.10%
2026/27	3.00%
2027/28	3.25%
Years 6 to 10	3.25%
Years 10+	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

For its cash flow generated balances, the Authority will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits, in order to benefit from the compounding of interest.

4.5 Investment performance / risk benchmarking

This Authority will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day SONIA (*Sterling Overnight Index Average*).

4.6 End of year investment report

At the end of the financial year, the Authority will report on its investment activity as part of its Annual Treasury Report.

4.7 External fund managers

The Authority currently has the following amounts invested:

External funds			
	Fitch International Fund Quality Rating	Fitch Fund Market Sensitivity Rating	Total Investment (market value at 31.12.23) £000
Pooled investment vehicles, OEICS			
Royal London Asset Management - Short Term Fixed Income Fund S Inc	AAAf	S1	15,582
Payden & Rygel - Sterling Reserve Fund	AAAf	S1	15,343
The AAAf Fund Quality Credit Rating reflects the very high credit quality of a fund, as measured by its weighted average rating factor.			
The S1 Fund Market Sensitivity Rating reflects a fund's very low sensitivity to market risk factors. It also takes into account the investment advisor's strong capabilities as well as the fund's sound legal and regulatory environment.			

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5.1 CAPITAL PRUDENTIAL & TREASURY INDICATORS 2024/25 – 2026/27

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

5.1.1 Capital Expenditure

This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts.

Gross Capital Expenditure to be incurred (Actual and Estimated)					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
General Fund	12,501	12,747	12,550	9,548	8,245
Service loans to third parties	(170)	43	40	17	17
Other loans to third parties	0	0	0	0	0
Service investments	0	0	0	0	0
Projects for yield	0	0	0	0	0
HRA	6,247	4,381	4,906	4,906	4,906
Total Capital Expenditure	18,578	17,171	17,496	14,471	13,168

The above excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

Note: Place and Prosperity capital expenditure is shown within the "general" heading above.

5.1.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework, prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Authority's overall finances. The Authority is asked to approve the following indicators:

a. Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs), against the net revenue stream.

The estimates of financing costs include current commitments and the proposals in this budget report.

Ratio of financing costs to net revenue stream					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	%	%	%	%	%
General Fund	0.68%	1.76%	2.30%	8.35%	10.42%
HRA	23.23%	18.31%	16.96%	16.97%	16.76%

Note that previously, financing costs could be reduced by interest and investment income. This has been removed from the calculation in the 2021 CIPFA Prudential Code. Note also, that the ratio of general fund financing costs to net revenue is beginning to climb as new borrowing is taken out to finance capital expenditure plans.

b. Ratio of net income from investments as proportion of net revenue stream

Non HRA Ratio of net income from investments as proportion of net revenue stream					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	%	%	%	%	%
Service delivery	0.68%	1.03%	1.02%	1.03%	2.64%
Internally managed treasury deposits	2.94%	5.53%	1.88%	0.86%	0.81%
Externally managed pooled money market funds	2.26%	5.54%	3.06%	2.04%	1.94%
Investment property	1.03%	0.74%	0.63%	0.62%	0.61%
Other commercial returns	0.00%	0.00%	0.00%	0.00%	0.00%

Non HRA Ratio of net income from investments as proportion of net revenue stream					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	%	%	%	%	%
Internally managed treasury deposits	1.64%	3.15%	2.15%	1.94%	1.85%

c. HRA ratios

HRA ratio of debt to revenues					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
HRA debt	84,649	84,645	84,630	84,620	84,610
HRA revenues	18,363	20,143	21,308	21,735	22,169
	%	%	%	%	%
Ratio of debt to revenues	460.98%	420.22%	397.17%	389.33%	381.66%

The above indicator identifies the trend in the level of HRA debt (borrowing and other long-term obligations).

HRA ratio of debt to revenues					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
HRA debt	£84,649,000	£84,645,000	£84,630,000	£84,620,000	£84,610,000
Number of HRA properties	4,158	4,176	4,176	4,176	4,176
Debt per dwelling	£20,358	£20,269	£20,266	£20,263	£20,261

5.1.3 Maturity structure of borrowing

Maturity structure of borrowing. *(This is the amount of projected long-term borrowing that is due for repayment in each period, expressed as a percentage of total borrowing).* These gross limits are set to reduce the Authority's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

At any point, the actual percentages of debt projected to mature in each year will add up to 100%, but the proposed indicator is for a range of approved percentages. This gives discretion within an approved range to the treasury team. It does mean that each 'set' of figures will sum to more than 100%.

The Authority is asked to approve the following treasury indicators and limits:

Maturity Structure of fixed interest rate borrowing 2024/25			
		Lower	Upper
Under 12 months	2024/25	0.00%	20.00%
12 months to 2 years	2025/26	0.00%	20.00%
2 years to 5 years	2026/27 to 2028/29	0.00%	20.00%
5 years to 10 years	2029/30 to 2033/34	0.00%	30.00%
10 years to 20 years	2034/35 to 2043/44	0.00%	40.00%
20 years to 30 years	2044/45 to 2053/54	0.00%	20.00%
30 years to 40 years	2054/55 to 2063/64	0.00%	20.00%
40 years to 50 years	2064/65 to 2073/74	0.00%	20.00%

Within the HRA, the majority of the loans are over the longer term, as aligned to the HRA business plan, resulting in the upper limit being higher from years 5–20.

The upper limits on the maturity structure of borrowing will shift slightly each year as the maturity dates draw closer. However, the limits shown are in line with expectations based on the funding plans.

In addition to the above, the Authority has an overdraft limit of £0.35m and can, if required, borrow for periods less than 3 months at fixed rates, in order to meet daily cash flow requirements. The Strategy is managed to avoid short-term fixed borrowing where possible. With the exception of the bank overdraft therefore, all borrowing the Authority undertakes is at a fixed rate of interest.

The actual amounts maturing in each period are shown in the table below and reflect both the actual and potential loan commitments as referred to elsewhere within this strategy.

Based on capital borrowing plans included in the budget and plans for non-treasury loans, the current projected maturity structure of borrowing is shown below:

Maturity Structure of fixed interest rate borrowing 2024/25			
		£'000	%
Under 12 months	2024/25	4,217	3.19%
12 months to 2 years	2025/26	4,233	3.20%
2 years to 5 years	2026/27 to 2028/29	17,598	13.31%
5 years to 10 years	2029/30 to 2033/34	29,771	22.51%
10 years to 20 years	2034/35 to 2043/44	44,350	33.53%
20 years to 30 years	2044/45 to 2053/54	18,346	13.87%
30 years to 40 years	2054/55 to 2063/64	0	0.00%
40 years to 50 years	2064/65 to 2073/74	13,743	10.39%
Total		132,258	100.00%

5.1.4 Control of Interest Rate Exposure

Please see paragraphs 5.2.1, 3.4 and 4.4.

5.1.5 Upper Limit for Total Principal Sums invested over 365 days.

This limit is set with regard to the Authority's liquidity requirements and to reduce the need for early sale of an investment. The Authority is asked to confirm approval that only external investments, (i.e., those managed by external fund managers), can be invested for over 365 days. Currently the Authority has £30.925m in specified investments with external fund managers. Although these investments have been held continuously for over 365 days, in practice, the Authority has been free to access the funds on quarter days without loss of income or access the funds with 3 days' notice, if necessary.

5.2 INTEREST RATES

5.2.1 The Prospects for Interest Rates

The Authority has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 8 January 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View	08.01.24												
	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.25	4.75	4.25	3.75	3.25	3.00	3.00	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	5.00	4.50	4.00	3.50	3.30	3.00	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.20	5.10	4.80	4.30	3.80	3.30	3.20	3.10	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.00	4.90	4.60	4.10	3.70	3.20	3.20	3.10	3.10	3.10	3.10	3.20	3.20
5 yr PWLB	4.50	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.60	3.50	3.50	3.50
10 yr PWLB	4.70	4.50	4.40	4.30	4.20	4.10	4.00	3.90	3.80	3.70	3.70	3.70	3.70
25 yr PWLB	5.20	5.10	4.90	4.80	4.60	4.40	4.30	4.20	4.20	4.10	4.10	4.10	4.10
50 yr PWLB	5.00	4.90	4.70	4.60	4.40	4.20	4.10	4.00	4.00	3.90	3.90	3.90	3.90

Additional notes by Link on this forecast table: -

- Our central forecast for interest rates was previously updated on 7 November and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25% until at least H2 2024. We expect rate cuts to start when both the CPI inflation and wage/employment data are supportive of such a move, and when there is a likelihood of the overall economy enduring at least a slowdown or mild recession over the coming months (although most recent GDP releases have surprised with their on-going robustness).
- Naturally, timing on this matter will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.
- In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.

PWLB RATES

- The short and medium part of the gilt curve has rallied since the start of November as markets price in a quicker reduction in Bank Rate through 2024 and 2025 than held sway back then. This reflects market confidence in inflation falling back in a similar manner to that already seen in the US and the Euro-zone. At the time of writing there is c70 basis points difference between the 5 and 50 year parts of the curve.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is even.

Downside risks to current forecasts for UK gilt yields and PWLB rates include: -

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).
- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.
- **Geopolitical risks**, for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran, and North Korea, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates: -

- Despite the recent tightening to 5.25%, the **Bank of England allows inflationary pressures to remain elevated** for a long period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.
- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, which may prove inflationary, resulting in investors pricing in a risk premium for holding UK sovereign debt.
- Projected **gilt issuance, inclusive of natural maturities and QT**, could be too much for the markets to comfortably digest without higher yields compensating.

LINK GROUP FORECASTS

We expect the MPC will keep Bank Rate at 5.25% until the second half of 2024 to combat on-going inflationary and wage pressures, even if they have dampened somewhat of late. We do not think that the MPC will increase Bank Rate above 5.25%.

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation starts to fall through 2024.

Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 08.01.24 p.m.	Target borrowing rate now (end of Q4 2025)	Target borrowing rate previous (end of Q3 2025)
5 years	4.53%	3.70%	3.80%
10 years	4.67%	3.90%	3.80%
25 years	5.19%	4.20%	4.20%
50 years	4.97%	4.00%	4.00%

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies

will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year set out below.

Average earnings in each year	Now	Previously
2023/24 (residual)	5.30%	5.30%
2024/25	4.55%	4.70%
2025/26	3.10%	3.20%
2026/27	3.00%	3.00%
2027/28	3.25%	3.25%
2028/29	3.25%	3.25%
Years 6 to 10	3.25%	3.25%
Years 10+	3.25%	3.25%

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 basis points, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 basis points. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

5.3 ECONOMIC BACKGROUND

- The third quarter of 2023/24 saw:
 - A 0.3% m/m decline in real GDP in October, potentially partly due to unseasonably wet weather, but also due to the ongoing drag from higher interest rates. Growth for the second quarter, ending 30th September, was revised downwards to -0.1% and growth on an annual basis was also revised downwards, to 0.3%;
 - A sharp fall in wage growth, with the headline 3myy rate declining from 8.0% in September to 7.2% in October, although the ONS “experimental” rate of unemployment has remained low at 4.2%;
 - CPI inflation continuing on its downward trajectory, from 8.7% in April to 4.6% in October, then again to 3.9% in November;
 - Core CPI inflation decreasing from April and May's 31 years' high of 7.1% to 5.1% in November, the lowest rate since January 2022;
 - The Bank of England holding Bank Rate at 5.25% in November and December;
 - A steady fall in 10-year gilt yields as investors revised their interest rate expectations lower.

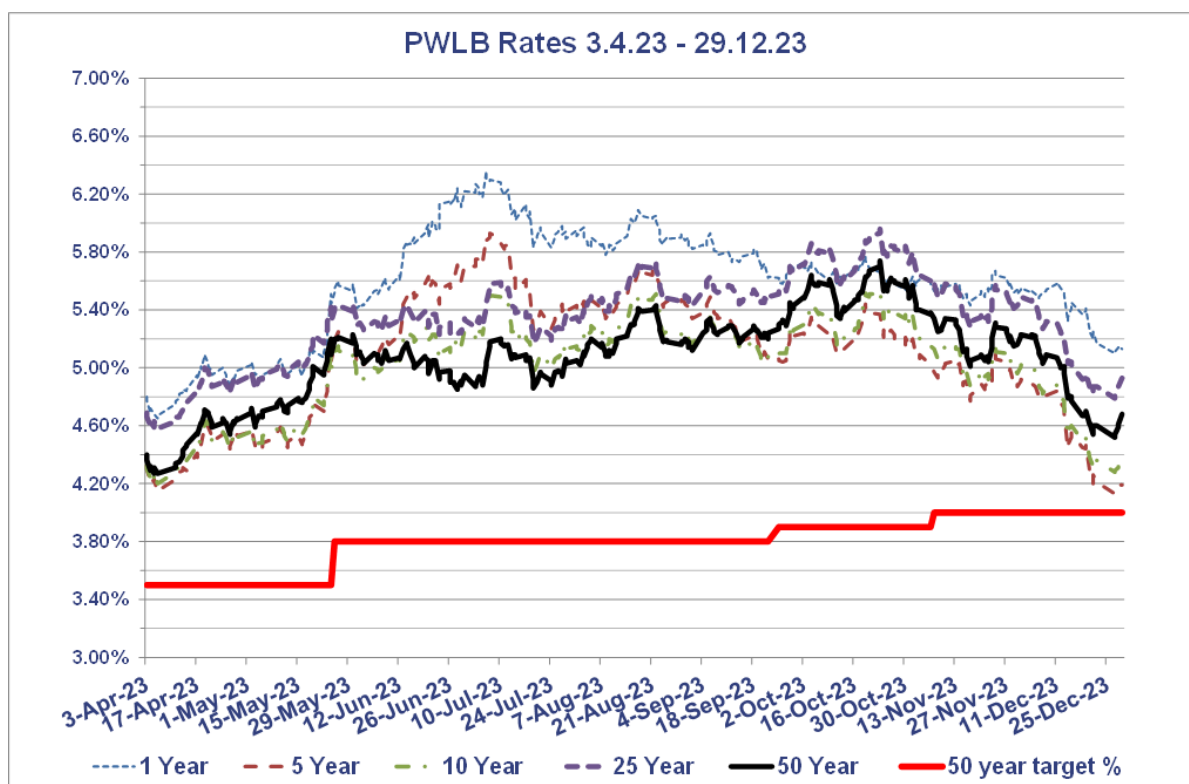
- The revision of GDP data in Q2 to a 0.1% q/q fall may mean the mildest of mild recessions has begun. Indeed, real GDP in October fell 0.3% m/m which does suggest that the economy may stagnate again in Q3. The weakness in October may partly be due to the unseasonably wet weather. That said, as the weakness was broad based it may also be the case that the ongoing drag from higher interest rates is more than offsetting any boost from the rise in real wages.
- However, the rise in the flash composite activity Purchasing Managers Index, from 50.7 in November to 51.7 in December, did increase the chances of the economy avoiding a contraction in Q3. The improvement was entirely driven by the increase in the services activity balance from 50.9 to 52.7. (Scores above 50 point to expansion in the economy, although only tepid in this instance.) The press release noted that this was primarily driven by a revival in consumer demand in the technological and financial services sectors. This chimes with the further improvement in the GfK measure of consumer confidence in December, from -24 to -22. The services PMI is now consistent with non-retail services output growing by 0.5% q/q in Q3, but this is in stark contrast to the manufacturing sector where the output balance slumped from 49.2 to 45.9 and, at face value, the output balance is consistent with a 1.5% q/q fall in manufacturing output in Q3.
- The 0.3% m/m fall in retail sales volumes in October means that after contracting by 1.0% q/q (which was downwardly revised from -0.8% q/q) in Q2, retail activity remained weak at the start of Q3. That suggests higher interest rates are taking a bigger toll on real consumer spending.
- Higher interest rates have filtered through the financial channels and weakened the housing market but, overall, it remains surprisingly resilient with the Halifax house price index recently pointing to a 1.7% year on year increase whilst Nationwide's December data pointed to a -1.8% year on year decrease. However, the full weakness in real consumer spending and real business investment has yet to come as currently it is estimated that around two thirds to a half of the impact of higher interest rates on household interest payments has yet to be felt.
- Overall, we expect real GDP growth to remain subdued throughout 2024 as the drag from higher interest rates is protracted but a fading of the cost-of-living crisis and interest rate cuts in the second half of 2024 will support a recovery in GDP growth in 2025.
- The labour market remains tight by historical standards, but the sharp fall in wage growth seen in October will reinforce the growing belief in markets that interest rates will be cut mid-2024. Wage growth eased in October much faster than the consensus expected. Total earnings fell by 1.6% m/m, which meant the headline 3myy rate eased from 8.0% in September to 7.2% in October. This news will be welcomed by the Bank of England. Indeed, the timelier three-month annualised rate of average earnings growth fell from +2.4% to -1.2%. Excluding bonuses, it fell from 5.3% to 2.0%. Furthermore, one of the Bank's key barometers of inflation persistence, regular private sector pay growth, dropped from 7.9% 3myy to 7.3%, which leaves it comfortably on track to fall to 7.2% by December, as predicted by the Bank in November.
- The fall in wage growth occurred despite labour demand being stronger in October than expected. The three-month change in employment eased only a touch from +52,000 in September to +50,000 in October. But resilient labour demand was offset by a further 63,000 rise in the supply of workers in the three months to

October. That meant labour supply exceeded its pre-pandemic level for the first time, and the unemployment rate remained at 4.2% in October. In the three months to November, the number of job vacancies fell for the 17th month in a row, from around 959,000 in October to around 949,000. That has reduced the vacancy to unemployment ratio as demand for labour eases relative to supply, which may support a further easing in wage growth in the coming months.

- CPI inflation fell from 6.7% in September to 4.6% in October, and then again to 3.9% in November. Both these falls were bigger than expected and there are clear signs of easing in domestic inflationary pressures. The fall in core CPI inflation from 5.7% to 5.1% in November was bigger than expected (consensus forecast 5.6%). That's the lowest rate since January 2022. Some of the decline in core inflation was due to the global influence of core goods inflation, which slowed from 4.3% to 3.3%. But some of it was due to services inflation falling from 6.6% to 6.3%. The Bank views the latter as a key barometer of the persistence of inflation and it came in further below the Bank's forecast of 6.9% in its November Monetary Policy Report. This will give the Bank more confidence that services inflation is now on a firmly downward path.
- The Bank of England sprung no surprises with its December monetary policy committee (MPC) meeting, leaving interest rates at 5.25% for the third time in a row and pushing back against the prospect of near-term interest rate cuts. The Bank continued to sound hawkish, with the MPC maintaining its tightening bias saying that "further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures". And it stuck to the familiar script, saying that policy will be "sufficiently restrictive for sufficiently long" and that "monetary policy is likely to need to be restrictive for an extended period of time". In other words, the message is that the MPC is not yet willing to endorse investors' expectations that rates will be cut as soon as May 2024.
- Looking ahead, our colleagues at Capital Economics forecast that the recent downward trends in CPI and core inflation will stall over the next few months before starting to decline more decisively again in February. That explains why we think the Bank of England won't feel comfortable cutting interest rates until H2 2024.
- The fall in UK market interest rate expectations in December has driven most of the decline in 10-year gilt yields, which have fallen in line with 10-year US Treasury and euro-zone yields. 10-year gilt yields have fallen from 4.68% in October 2023 to around 3.70% in early January, with further declines likely if the falling inflation story is maintained.
- Investors' growing expectations that the Fed will cut interest rates soon has led to an improvement in risk sentiment, which has boosted the pound and other risky assets. In addition, the rise in the pound, from \$1.21 in November to \$1.27 now, has also been supported by the recent relative decline in UK wholesale gas prices.
- The further fall in 10-year real gilt yields in December has supported the recent rise in the FTSE 100. That said, the index remains 5% below its record high in February 2023. This modest rise in equities appears to have been mostly driven by strong performances in the industrials and rate-sensitive technology sectors. But UK equities have continued to underperform US and euro-zone equities. The FTSE 100 has risen by 2.2% in December, while the S&P 500 has risen by 3.8%. This is partly due to lower energy prices, which have been a relatively bigger drag on the FTSE 100, due to the index's high concentration of energy companies.

In the chart below, the rise in gilt yields across the curve in the first half of 2023/24, and therein PWLB rates, is clear to see, prior to the end of year rally based on a mix of supportive domestic and international factors.

PWLB RATES 03.04.23 – 29.12.23



HIGH/LOW/AVERAGE PWLB RATES FOR 03.04.23 – 29.12.23

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.60%	5.09%	5.03%	5.35%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

MPC meetings 2 November and 14 December 2023

- On 2 November, the Bank of England's Monetary Policy Committee (MPC) voted to keep Bank Rate on hold at 5.25%, and on 14 December reiterated that view. Both increases reflected a split vote, the latter by 6 votes to 3, with the minority grouping voting for an increase of 0.25% as concerns about "sticky" inflation remained in place.
- Nonetheless, with UK CPI inflation now at 3.9%, and core inflating beginning to moderate (5.1%), markets are voicing a view that rate cuts should begin in Q1 2024/25, some way ahead of the indications from MPC members. Of course, the data will be the ultimate determinant, so upcoming publications of employment, wages and inflation numbers will be of particular importance, and on-going volatility in Bank Rate expectations and the gilt yield curve can be expected.

- In addition, what happens outside of the UK is also critical to movement in gilt yields. The US FOMC has kept short-term rates in the range of 5.25%-5.50%, whilst the ECB has moved its Deposit rate to a probable peak of 4%. Markets currently expect both central banks to start cutting rates in 2024.

5.4 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The DLUHC issued Investment Guidance in 2018 and this forms the structure of the Authority's policy below. These guidelines do not apply to either trust funds or pension funds, which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for local authorities to invest prudently and that priority is given to security and liquidity before yield. In order to facilitate this objective, the guidance requires this Authority to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Authority will apply its principles to all investment activity.

In accordance with the Code, the Director of Finance has produced treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

Annual investment strategy - The key requirements of both the Code and the investment guidance are to set an Annual Investment Strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Authority will use. These are high security and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Authority is:

Strategy guidelines – The main strategy guidelines are contained in the body of the Treasury Management Strategy Statement.

Specified investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Authority has the right to be repaid within 12 months if it wishes. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months once the remaining period to maturity falls to under 12 months.

These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments that would not be defined as capital expenditure with: -

- The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills, or a Gilt with less than one year to maturity).

- Investments in Banks incorporated in the UK with a credit rating by Standard and Poor, Moody's and / or Fitch rating agencies of at least A/F1, A1 or P1, with a limit of £2m on the amount invested.
- Investments in Banks incorporated outside of the UK but entitled to accept deposits in the UK, per the Bank of England Prudential Regulation Authority list of banks, with a credit rating by Standard and Poor's, Moody's and / or Fitch rating agencies of at least AA-/F1+/A1+/P1, with a limit of £2m on the amount invested.
- Pooled investment vehicles (such as Money Market Funds) that have been awarded a high credit rating by Standard and Poor's, Moody's and/ or Fitch rating agencies of AAA for Constant Net Asset Value (CNAV) funds and Low Volatility Net Asset Value (LVNAV) funds and AAA V1/S1 for Variable Net Asset Values (VNAV). *
- Internal Investments up to 9 months up to agreed limits, in UK Building Societies with an asset basis of over £1 billion and rated by Standard and Poor's, Moody's and / or Fitch rating agencies. *(Non-rated UK Building Societies fall into the non-specified investments category).*
- Corporate bonds rated AAA of less than one-year duration.
- UK Local, Police and Fire Authorities with a limit of £3m on the amount invested with each.

** following the Money Market Fund Regulations of 21 July 2018, only public debt CNAV MMFs, (those investing 99.5% into government debt instruments etc.), remain as CNAVs. All other CNAVs converted to LVNAVs. VNAVs were unaffected by the changes.*

Non-Specified Investments are any other type of investment, (i.e., not defined as specified above), (but required by the Authority to be in sterling). *(Note: the operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Authority may make investments up to 9 months up to agreed limits in non-rated Building Societies with an asset basis of over £1 billion).*

The Authority amended its strategy in the 2018/19 Treasury Management Strategy Document to include Alternative Investment Instruments, such as Property Funds, in the Non-Specified Investment category. The use of these Alternative Investment Instruments can be deemed capital expenditure, and as such will be an application (spending) of capital resources. This Authority will seek guidance on the status of any such fund it may consider using. Appropriate due diligence will also be carried out before investment of this type is undertaken.

The Authority limits non-specified treasury investments, (excluding in building societies), to £20m of the value of its investment portfolio at the point of investment, with the maximum amount invested being in line with criteria outlined in the Table above.

Environmental, Social and Governance (ESG) Considerations

The Authority acknowledges that ESG issues are increasingly significant but is aware that a consistent and developed approach to ESG, particularly for short-term cash deposits, is difficult, when there is currently a diversity of market approaches to ESG classification and analysis. Over time, this Authority will consider its credit and counterparty policies in light of ESG information and develop its own ESG investment policies and treasury management practices consistent with the organisation's own relevant policies. However, in the meantime, the use of mainstream credit rating agencies, many of whom incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings, is an interim measure.

5.5 INTERNAL COUNTERPARTY LIST 2023/24 AS AT 31 December 2023

(Time limit 365 days unless specifically stated)

UK High Street Banks			
<i>UK or Irish bank with presence in UK and a short-term Fitch rating of F1 or higher</i>	Long-Term Fitch Rating	Short-Term Fitch Rating	Max Investment £
Lloyds Banking Group			
Lloyds Bank plc (RFB)	A+	F1	2,000,000
Lloyds Bank Corporate Markets plc (NRFB)	A+	F1	2,000,000
Bank of Scotland plc (RFB)	A+	F1	2,000,000
Others			
Barclays Bank UK plc (RFB)	A+	F1	2,000,000
Barclay Bank plc (NRFB)	A+	F1	2,000,000
Handelsbanken plc	AA	F1+	2,000,000
HSBC UK Bank plc (RFB)	AA-	F1+	2,000,000
HSBC Bank plc (NRFB)	AA-	F1+	2,000,000
National Westminster Bank plc (RFB)	A+	F1	2,000,000
Santander UK plc	A+	F1	2,000,000
The Royal Bank of Scotland plc (RFB)	A+	F1	2,000,000

Building Societies (time limit: up to 9 months). (* Unrated building societies are non-specified investments).

		Total Assets of Building Society £000	Assets > £1 Billion	Max Investment £
1	Nationwide	269,730,000	Yes	3,000,000
2	Yorkshire	73,860,900	Yes	3,000,000
3	Coventry	58,202,100	Yes	3,000,000
4	Skipton	31,266,600	Yes	3,000,000
5	Leeds	25,626,500	Yes	3,000,000
6	Principality	11,044,200	Yes	3,000,000
7	West Bromwich*	5,617,200	Yes	3,000,000
8	Newcastle*	5,300,500	Yes	3,000,000
9	Nottingham*	3,825,000	Yes	2,000,000
10	Cumberland*	3,086,000	Yes	2,000,000
11	National Counties*	2,394,067	Yes	2,000,000
12	Progressive*	1,900,204	Yes	2,000,000
13	Cambridge*	1,859,631	Yes	2,000,000
14	Monmouthshire*	1,488,508	Yes	2,000,000
15	Newbury*	1,453,406	Yes	2,000,000
16	Saffron*	1,283,034	Yes	2,000,000
17	Leek United*	1,238,284	Yes	2,000,000
18	Furniss*	1,233,610	Yes	2,000,000

Non UK Banks			
	Long-Term Fitch Rating	Short-Term Fitch Rating	Max Investment £
Abu Dhabi (U.A.E)			
First Abu Dhabi Bank PJSC	AA-	F1+	2,000,000
Canada			
Bank of Montreal	AA-	F1+	2,000,000
Bank of Nova Scotia	AA-	F1+	2,000,000
Canadian Imperial Bank of Commerce	AA-	F1+	2,000,000
Royal Bank of Canada	AA-	F1+	2,000,000
Toronto Dominion Bank	AA-	F1+	2,000,000
Finland			
Nordea Bank Abp	AA-	F1+	2,000,000
Germany			
DZ Bank AG (Deutsche Zentral-Genossenschaftsbank)	AA-	F1+	2,000,000
Singapore			
DBS Bank Ltd	AA-	F1+	2,000,000
Oversea Chinese Banking Corporation Ltd	AA-	F1+	2,000,000
United Overseas Bank Ltd	AA-	F1+	2,000,000
U.S.A			
Bank of New York Mellon, The	AA	F1+	2,000,000

UK Government Debt Management Office	
	Max Investment £
Debt Management Account Deposit Facility	Unlimited

UK Local, Police and Fire Authorities	
	Max Investment £
UK Local, Police and Fire Authorities	3,000,000

Money Market Funds		
	Rating	Max Investment £
CCLA – Public Sector Deposit Fund	AAAmf	3,000,000
Goldman Sachs Sterling Liquid Reserves Fund	AAAmf	3,000,000
Morgan Stanley Liquidity Funds – Sterling Liquidity Fund	AAAmf	3,000,000

5.6 CURRENT PORTFOLIO POSITION

The overall treasury management portfolio at 31 March 2023 and for the position as at 31 December 2023 are shown below for both borrowing and investments.

Treasury Portfolio				
	31.3.23	31.3.23	31.12.23	31.12.23
	Actual	Actual	Actual	Actual
	£000	%	£000	%
Treasury investments				
Banks				
Lloyds Bank Call Account	1,000	1.69%	0	0.00%
Lloyds Bank Bonus Call Account	1,000	1.69%	0	0.00%
Lloyds Fixed Bespoke Term Deposit	0	0.00%	2,000	2.54%
Bank of Scotland Call Account	2,000	3.37%	2,000	2.54%
Santander Business Reserve Account	1,000	1.69%	10	0.01%
Santander Business Notice Account	1,000	1.69%	1,000	1.27%
Building Societies	0	0.00%	0	0.00%
Local Authorities				
Ashford Borough Council	0	0.00%	1,200	1.53%
Blackpool Borough Council	0	0.00%	1,900	2.42%
Devon County Council	0	0.00%	3,000	3.82%
Eastleigh Borough Council	0	0.00%	2,500	3.18%
Leeds City Council	0	0.00%	2,500	3.18%
London Borough of Barking and Dagenham	0	0.00%	3,000	3.82%
Wirral Metropolitan Borough Council	0	0.00%	3,000	3.82%
DMADF (HM Treasury)	15,000	25.27%	16,550	21.06%
Money Market Funds				
CCLA - Public Sector Deposit Fund	3,000	5.05%	3,000	3.82%
Goldman Sachs - Sterling				
Liquid Reserves Fund	1,700	2.86%	3,000	3.82%
Morgan Stanley Sterling Liquidity Fund	3,000	5.05%	3,000	3.82%
Total managed in house	28,700	48.36%	47,660	60.65%
Money Market Funds*				
Payden Sterling Reserve Fund	15,120	25.48%	15,343	19.52%
Royal London Asset Management Short Term Fixed Income Fund	15,529	26.16%	15,582	19.83%
Total managed externally	30,649	51.64%	30,925	39.35%
Total treasury investments	59,349	100.00%	78,585	100.00%
Treasury external borrowing				
PWLB	(84,046)	100.00%	(83,108)	100.00%
Total external borrowing	(84,046)	100.00%	(83,108)	100.00%
Net treasury investments/ (borrowing)	(24,697)		(4,523)	
<i>* market value</i>				

5.7 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

The above is a list of specific responsibilities of the S151 officer in the 2021 Treasury Management Code. However, implicit in the recent changes in both codes, is a major extension of the functions of this role, especially in respect of non-financial investments, (which CIPFA has defined as being part of treasury management). The following are examples of the major extension in the functions of this role: -

- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments, and treasury management, with a long-term timeframe.
- ensuring that the Capital Strategy is prudent, sustainable, affordable, and prudent in the long term and provides value for money.
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority.
- ensuring that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing.
- ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources.
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities.
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority.
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above.
- creation of Treasury Management Practices which specifically deal with how non-treasury investments will be carried out and managed, to include the following (*TM Code p54*): -
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
 - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision*

making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;

- *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

Report to: Council



Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Report of the Cabinet – Item for decision: Safeguarding Policy Review

Report summary:

This report sets out the Cabinet's recommendation to Council arising from their consideration of the report at the Cabinet on 31 January 2024.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet containing specific recommendations for Full Council to consider and are appended to this report for reference.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

For approval of additional funding of £3,000 for requesting Disclosure Barring Service checks for Councillors.

Reason for recommendation:

The requirement for Councillors to have a Disclosure Barring Service check will have a budgetary impact and an additional request for funding up to £3,000 supports this requirement.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Report to: Cabinet



Date of Meeting 31 January 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Safeguarding Policy Review

Report summary:

As part of East Devon District Council's commitment to raising safeguarding standards, it has reviewed its Safeguarding Policy. It has taken the Devon Districts' Safeguarding Policy pro-forma as an overarching framework and includes some additional requirements to the original policy specific to East Devon District Council. The wider policy covers children and vulnerable adults in one high level statement, and also incorporates modern slavery and counter terrorism. The East Devon District Safeguarding policy now covers all staff, councillors, other workers and volunteers of East Devon District Council.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. To adopt and implement the updated East Devon District Council Safeguarding Policy.
2. To refer to full Council for approval of additional funding of £3,000 for requesting Disclosure Barring Service checks for Councillors.

Reason for recommendation:

To ensure that we have a 'fit for purpose' safeguarding policy in place for the organisation.

Officer: Matt Blythe, 01395 519977, matthew.blythe@eastdevon.gov.uk

Portfolio(s) (check which apply):

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

Equalities impact Medium Impact

The equalities considerations are as set out in the report and the policy. The policy itself and processes that underpin the policy are an important way of reducing inequality and ensuring that vulnerable people are protected. An [Equalities Impact Assessment](#) has been conducted.

Climate change Low Impact

Risk: Medium Risk; failure to take action around Safeguarding is a Medium risk as we have an existing Policy and reviewing this policy keeps it current with learning and legislation and therefore a continued mitigation against those risks occurring.

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Report in full

1. Background

- 1.1 The Council has adopted policies for staff and members to follow, that set out our roles and responsibilities for safeguarding children and vulnerable adults, drawing on good practice found in existing safeguarding policies to ensure that we all have access to a policy that is relevant and appropriate to reflect East Devon District Council's (EDDC) specific way of working. The East Devon District Council safeguarding policy was last reviewed and presented to Cabinet in July 2021. The East Devon District Council Safeguarding policy has been developed to include the recommendations from the Verita report, our response to the 2022 Self-assessment audit commissioned by The Devon Children's Safeguarding Partnership (specifically 'listening to the voice of the child or adult at risk' and 'corporate parenting') and feedback from local training delivery. The proposed policy is shown at annex 1.
- 1.2 The policy sets out a series of high level aims and goes into detail on the responsibilities to provide clarity on who should be doing what.
- 1.3 The Council has a duty to work with other agencies and the policy specifies its responsibility under the Children's Act 2004, the Care Act 2014 and related legislation, to ensure that functions are discharged with regard to the need to safeguard and promote the welfare of children and other vulnerable groups.
- 1.4 There is a shared responsibility with a variety of statutory agencies to protect children and vulnerable adults from harm, ensure their safety, and prevent impairment of their health or development. As a partner agency we appreciate that safeguarding is not just the duty of Social Services and child protection specialists.
- 1.5 Typically, in a district council staff and councillors dealing with housing, environmental health, countryside, benefits and leisure have the most contact with children and families, and vulnerable adults. Other services and councillors will also get involved in service delivery where they come into contact with families and children. As an example, housing officers are involved in homeless situations; anti-social behaviour; community development; children's case conferences; investigating housing conditions etc. that requires close working with Social

Workers, and there will be examples in other services where operationally we come in to contact with children and their support workers.

- 1.6 As a minimum all staff, elected councillors and partners/contractors should become familiar with the Council's safeguarding policy and procedures on how to report and handle incidents where we suspect abuse or neglect.

2 The Council's Commitments

- 2.1 We have set out a series of commitments in the Policy which says that we will seek to tackle and manage safeguarding concerns.
- 2.2 We have designated Safeguarding Leads and Champions for both staff and councillors, to give greater support and oversight.
- 2.3 We have raised awareness of our duties through the staff welcome process, making safeguarding training mandatory for staff and councillors, managers meetings, development of an Internal Safeguarding Forum and reports to the Senior Leadership Team.
- 2.4 There is now mandatory training on induction which is renewable every three years for staff and councillors. Also available through our learning provider is a Level 2 course for frontline staff that come into regular face to face contact with customers and require more than just an awareness of the issues. We have also provided an ongoing package of safeguarding training for councillors, Senior Leadership Team, and bespoke enhanced safeguarding/mental capacity act training for staff.
- 2.5 The EDDC Safeguarding Forum has been in place since November 2022 it is made up of representatives from key services, including the safeguarding lead, safeguarding champions, Housing and Benefit managers and safeguarding support officers. The forum meets every two months to discuss the direction of safeguarding delivery internally, monitoring how we are currently working and drawing on National/County and local learning to inform staff and keep their knowledge current around emerging trends.
- 2.6 We have encouraged managers to reinforce awareness of safeguarding issues with their teams at team meetings to help keep this important duty in our corporate consciousness.
- 2.7 In adopting a standalone policy that dovetails with the wider Devon Districts initial policy it will be necessary to underpin this policy with procedures that set out how staff and councillors should deal with particular situations. We draw on good practice and advice from our Safeguarding Boards to ensure that we have a policy and procedure that is clear and easy to follow.
- 2.8 Our attendance as a member of the Devon Districts Safeguarding Officers Network, which has representatives from both safeguarding boards and the other Devon Districts, ensures that we are aware of all relevant local updates, changes and emerging threats. We share these updates with our Safeguarding Champions and through our forum for cascading to our frontline staff.

3 Enhancements

- 3.1 Key changes to the existing East Devon District Council policy are as follows:
 - 3.1 Aims of Policy, to include voice of the vulnerable & Corporate Parenting
 - 4.5 Volunteer policy & Councillor Code of Conduct included.
 - 5.3.1 Councillor Safeguarding Lead
 - 5.3.2 Councillor Safeguarding Champion.
 - 5.3.3 Councillor responsibilities including mandatory training attendance.
 - 5.3.3 Councillors to ensure they have an up-to-date DBS disclosure.
 - 5.3.4 Councillor Safeguarding Champion or Lead support in a safeguarding concern.

- 5.4.1 Accompanied LADO meeting attendance consultation with safeguarding lead and reference to EDDC Safeguarding Forum.
- 5.4.2 Designation of Assistant Director/Director as Champions.
- 5.4.2 Line manager responsibility.
- 5.4.3 Contractor safeguarding delivery.
- 5.4.4 Officer Safeguarding Champion responsibility and Director Lead responsibility.
- 5.4.6 LADO liaison role.
- 5.4.7 Monitoring Officer responsibility for councillor DBS disclosure
- 5.4.8 Officer mandatory training requirement.

Appendix 1 - inclusion of process flowchart

4 Financial

- 4.1 Most of the amendments will be delivered within existing budgets.
- 4.2 The requirement for Councillors to have a Disclosure Barring Service check will have a budgetary impact. This will depend on the level of disclosure required:
 - Basic - £1,920
 - Enhanced - £2,940

5 Conclusion

- 5.1 The proposed amendments build on the Devon Districts' initial Safeguarding Policy and take into account changes since it was adopted by East Devon.
- 5.2 The amended policy is now tailored to East Devon procedures and practices.

Financial implications:

There is a request for a supplementary budget of up to £3k as identified in the report.

Legal implications:

This is an important policy and it is important that it is regularly reviewed and updated, to ensure it is robust and in accordance with best practice. As it is not part of the policy framework, it can be adopted by the Cabinet. The proposals for DBS checks for members will be subject to a further report from the Monitoring Officer setting out the proposed arrangements for member approval.

East Devon District Council

SAFEGUARDING POLICY

This policy should be read with the individual district council guides for managers and employees.

This policy can be made available in large print and other formats such as printed on yellow paper, taped, Braille etc. as requested.

Policy development and Version details

Title	East Devon District Council Policy
Author	East Devon District Council Safeguarding Lead
Owner	Dave Whelan
Review dates	January 2026
Status for FOI	Open
Protected marking status	Unclassified
EqIA conducted	January 2024

Version	Date	Description
V1.1	Oct 2023	Individual East Devon District Council Safeguarding Policy created from Devon District Councils Joint Safeguarding Policy
V1.2	Jan 2024	Updated draft post December 2023 Cabinet
V1.3	Feb 2024	Updated post 31 January 2024 Cabinet

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1. Introduction

1.1. This policy is based on the district council responsibilities under:

- The Care Act 2014 in particular Sections 42 to 46 related to safeguarding, further information can be found at: <http://www.legislation.gov.uk/ukpga/2014/23/contents/enacted>
- The Children's Act 2004, specifically Section 11 which places a duty on key people and public bodies, including district councils, to make arrangements to ensure that their functions are discharged with regard to the need to safeguard and promote the welfare of children. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2004/31/contents>
- Working Together to Safeguard Children, a guide to multi-agency working to help, protect and promote the welfare of Children, December 2023 [Working together to safeguard children 2023: statutory guidance \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/114144/working-together-to-safeguard-children-2023-statutory-guidance.pdf)
- The Mental Capacity Act 2005 provides a statutory framework for people who lack capacity to make decisions for themselves.
- The Human Rights Act 1998 applies to all public authorities. Organisations must comply with the Act and the individual's rights when providing a service or making decisions that impact on the individual's rights.
- The Counter Terrorism Act 2015 section 26 which places a duty on certain bodies, in the exercise of their functions, to have due regard to the need to prevent people from becoming terrorists or supporting terrorism. The Prevent Agenda is one of four strands which makes up the Governments counter-terrorism strategy. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2015/6/contents>
- The Modern Slavery Act 2015. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>
- The Anti-Social Behaviour, Crime and Policing Act 2014 in particular Part 10 relating to forced marriage. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2014/12/contents/enacted>
- The Serious Crime Act 2015 particularly Part 5 relating to female genital mutilation, child cruelty and domestic abuse. Further information can be found at: <http://www.legislation.gov.uk/ukpga/2015/9/contents/enacted>
- The policy is written with reference to the principle of Think Child, Think Parent, Think Family. Further information can be found at: <http://www.publichealth.hscni.net/publications/think-childhttp://www.publichealth.hscni.net/publications/think-child-think-parent-think-family-0think-parent-think-family-0>

2. Policy commitment

2.1. East Devon District Council (EDDC) believe that all children, young people and adults have the right to be safe, happy and healthy and deserve protection from abuse. The council is committed to safeguarding from harm all children, young people and adults with care and support needs (see definition in paragraph 4 relating to the Care Act 2014) using any council services and involved in any of their activities, and to treat them with respect during their dealings with the council, our partners, and contractors.

3. Aims of the Policy

3.1 The aims of the policy are to:

- Clarify the roles and responsibilities of all parties within scope of the policy.
- Support the promotion of a safe working environment and a culture of care in which the rights of all children, young people and adults with care and support needs are protected and respected and have the right to be safe.

- Ensure the importance of listening to children and adults at risk and responding appropriately “listening to the voice of the child or adult at risk”.
- Promote best practice in how employees, councillors and associated workers interact with children and young people (taking on that corporate parenting role) and ensuring a shared responsibility where needed and supporting adults at risk while providing Council services.
- Develop clear guidance and procedures for those employees and councillors working with children, young people and adults with care and support needs and ensure through training and support that they are aware of these and able to implement them.
- Support a framework for developing partnerships with appropriate external bodies e.g. Torbay and Devon Safeguarding Adult Board and Devon Safeguarding Children Partnership, to ensure that the policy continues to reflect legal and best practice requirements in respect of a shared responsibility of care of children, young people and adults with care and support needs.
- Provide a framework for local Practical Guidance to exist for the consideration and management of safeguarding via the EDDC Safeguarding Intranet Page.

4. Scope of the Policy

4.1 The policy is in respect of the district council’s responsibility towards:

- Children and young people, legally defined as any person under the age of 18. From this point the terms child or children will be used to refer to this group.
- Adults with care and support needs are defined under the Care Act 2014 and for the purposes of this policy, as anyone over the age of 18 who:
 - has needs for care and support (whether or not the local authority is meeting any of those needs); **and**
 - is experiencing, or is at risk of, abuse or neglect; **and**
 - as a result of those care and support needs is unable to protect themselves from either the risk of, or the experience of abuse or neglect.
- The employees and councillors of the council who have dealings with children, young people and adults with care and support needs and who are required to act in a position of trust and to act responsibly and within the law.
- The employees and councillors of the council who, while not required to act in a position of trust, will come into contact with members of these groups on a regular basis during the course of their work.
- Volunteers and other workers involved in the provision of council services but not employed by the council, including workers in organisations with whom the council has contracts for the delivery of services.

4.2 It covers all the functions and services of the council, its elected Councillors, staff, partners and contractors.

4.3 This document is primarily concerned with protecting children, young people and adults with care and support needs from harm and providing guidance on how to deal with issues. However, it is important to remember that safeguarding has a wider meaning which includes the promotion of welfare and taking action to enable all children, young people and adults with care and support needs to have the best life outcomes.

4.4 The policy does not cover health and safety issues related to safeguarding children such as use of play equipment or provision of food at events. Separate guidance on this and appropriate behaviours when dealing with children and adults with care and support needs, should be read in conjunction with this policy.

4.5 Where available this policy should also be used in conjunction with the following documents:

- Disciplinary Procedure
- Grievance Procedure

- Whistle Blowing Policy
- Access to Information Policy
- Acceptable Use Policy
- Equality Policy
- Complaints & Feedback Procedure
- Harassment and Hate Crime Policy
- Health & Safety at Work guidance
- Volunteer Policy
- Employees Code of Conduct
- Councillors' Code of Conduct

5. Responsibility

- 5.1. The Chief Executive has overall responsibility for delivery of the organisation's safeguarding arrangements.
- 5.2. The Council is responsible for ensuring that the Local Authority has a safeguarding policy which adequately provides protection for children and adults with care and support needs in receipt of its services. It is also responsible for the regular review of this policy in the light of changes to legislation. Responsibility for the implementation of this policy lies at all levels of the council.

5.3. Councillors

- 5.3.1. Safeguarding sits within the Council and Corporate Coordination Portfolio and the portfolio holder will be the designated Councillor Safeguarding Lead. The Councillor Safeguarding Lead will:
- Work with the Director of Housing, Health & Environment who is the Corporate Safeguarding Lead to ensure that the policy is fit for purpose and fully implemented.
- 5.3.2. The Council will appoint a Councillor Safeguarding Champion. The Councillor Safeguarding Champion will:
- Assist the Councillor Safeguarding Lead in implementing the policy.
 - Provide advice and support where required to other Councillors.
 - Liaise with Officer Safeguarding Champions to ensure that safeguarding issues are addressed appropriately, and that learning is shared across the Council.
 - Promote good practice and understanding of the policy amongst Councillors.
- 5.3.3. All elected Councillors are responsible for:
- Ensuring that they are familiar with and understand the policies and procedures relating to their Council casework with or in the vicinity of children and adults with care and support needs.
 - Ensuring that they feel confident in working within this environment to ensure that they have the knowledge and skills to carry out their tasks in this context.
 - Treating all those children and adults with whom they come into contact while carrying out their work equally and with respect.
 - Reporting any concerns, they may have about abuse or a lack of care of children and adults with care and support needs to the relevant Devon County Council (DCC) service as per Appendix 1.
 - In the case of a suspected abuse or working outside good practice involving a member of staff, volunteer or Councillor of East Devon District Council, the reporting Councillor will raise the issue through the Corporate Safeguarding Lead – Director of Housing, Health & Environment, for consideration of submission to the Local Authority Designated Officer (LADO) at Devon County Council in consultation with our Liaison Officer and/or Monitoring Officer as detailed below.

- Directing enquiries relating to attendance at a LADO / PIPOT (Person in Position of Trust) investigation meeting to the Corporate Safeguarding Lead (Director of Housing, Health & Environment).
- Ensuring that they have an up-to-date certificate from the Disclosure Barring Service (DBS).
- Undertaking Mandatory Safeguarding Training upon induction and each new term of office so they can recognise and respond to the signs and symptoms of child and adult abuse.

5.3.4. Elected Councillors who have a safeguarding concern may discuss the matter with the Councillor Lead or Champion, seeking advice if required on whether to refer the matter to the appropriate external organisation. However, the final decision lies with the individual Councillor.

5.4. Officers

5.4.1. East Devon District Council has appointed The Director of Housing, Health and Environment as the Corporate Safeguarding Lead responsible for:

- The implementation of the policy and providing a single point of contact for the safeguarding boards.
- Ensuring there is a secure central record relating to allegations and investigations.
- Acting as multi agency partner on the Local Safeguarding Children Board and Local Adult Safeguarding Board.
- Advocating the importance of safeguarding to partners, contractors, and customers.
- Ensuring all safeguarding policies, procedures and guidelines are implemented and promoted.
- Being the single point of contact for all enquiries in relation to an officer or councillor being required to attend a LADO (Local Authority Designated Officer) / PIPOT (Person in Position of Trust) investigation. The Corporate Safeguarding Lead will inform the LADO Liaison Officer (Corporate HR Manager) for issues relating to officers or the Monitoring Officer for issues relating to Councillors.
- Ensuring anyone from EDDC invited to a LADO/PIPOT meeting called by DCC should not go unaccompanied and should consult the Corporate Safeguarding Lead.
- If a member of the public raises a concern re suspected abuse or working outside of good practice involving a member of staff, volunteer or Councillor of EDDC, this enquiry will be directed to the Corporate Safeguarding Lead.
- Delivery of the EDDC Safeguarding Forum.
- Delivery of a bi-annual Safeguarding Champions meeting.

5.4.2. Assistant Directors & Directors will act as Officer Safeguarding Champions and have responsibility for:

- Receiving concerns, discussing them with whoever has raised the concern and taking advice from the relevant partner agency/County Council service: this could include complex matters such as consent and whether parents/carers should be notified.
- Ensuring the procedure is followed on such matters as making a referral, confidentiality, and recording.
- Assist the Corporate Safeguarding Lead in implementing the policy.
- Provide advice and support to colleagues and promote good practice across the organisation.
- Attending appropriate courses and updating of safeguarding legislation.
- Liaise with the Councillor Safeguarding Champion to ensure that safeguarding issues are addressed appropriately, and that learning is shared across the Council.

5.4.3. Members of the Senior Leadership Team are responsible for:

- Identifying those services and posts that are likely to have an involvement with children and adults with care and support needs and undertaking an appropriate risk assessment of posts in respect of DBS disclosure requirements.
- Ensuring that those people appointed by them to the district council, whose normal duties fall into the definition of Regulated Activity as defined in the Safeguarding Vulnerable Groups Act 2006 and amended by the Protection of Freedoms Act 2012, are subject to the appropriate level of DBS disclosure and are appropriately qualified and/or trained in working with these groups.
- Ensuring that all necessary procedures and practices are in place to provide adequate protection both for the individuals in these groups but also protection for the employees involved with them.
- Ensuring that proper records are kept of any incidents occurring within their service and that these are held securely and/or passed on to the council's Human Resources/Personnel team if the incident involves a member of staff.
- Ensuring that the procurement framework for the authority includes expectations upon contractors to demonstrate effective safeguarding practices for all their staff.

5.4.4. Line Managers are responsible for:

- Ensuring that employees, volunteers, and other workers dealing with these groups are adequately trained and aware of their responsibilities in this area including who they need to speak to when they have concerns.
- Ensuring that external contractors delivering council services are aware of the council's expectation that workers are aware of and abide by the standards of behaviour expected of council employees.
- Ensuring that carers and/or parents of the children and adults with care and support needs are aware that, in providing services, council employees are not normally acting in place of a parent, except in relation to events for unaccompanied children who have been formally registered.
- Ensuring the carers and/or parents of the children and adults with care and support needs who are in direct receipt of council services are made aware that services will be delivered in line with this policy.
- Ensuring that any evidence or complaint of abuse or lack of care is reported to the appropriate body e.g. Devon County Council, Safeguarding Board or the Police, and to the council's Human Resources or Personnel team where members of staff are involved.
- Ensuring that employees and others do not work with children or adults with care and support needs on regulated activities without an appropriate Disclosure & Barring Service (DBS) disclosure.
- Working with other associated agencies to ensure the proper transfer of information relating to dealings with children and adults with care and support needs, where necessary.
- Ensuring that adequate supervision and support is available to those who have been directly involved in dealing with safeguarding cases, including a debrief of the case and any relevant outcomes.

5.4.5. Human Resources are responsible for:

- Working with senior managers in maintaining a record of those posts, requiring a DBS disclosure together with the level of disclosure required.
- Ensuring that recruitment procedures are robust and that information pertinent to working with these groups is obtained during the recruitment procedure.
- Ensuring that DBS Disclosures are carried out in compliance with legislation and DBS guidance.

- Supporting senior managers in dealing with allegations of abuse or lack of care by staff.
- Referring information to the DBS and Local Authority Designated Officer (LADO) about employees who have been dismissed or removed from working with vulnerable groups (or would have been had they not left/resigned) as a result of a relevant caution/conviction, conduct that has harmed or put a child/vulnerable adult at risk of harm, or satisfied the 'Harm Test' in relation to vulnerable groups.

5.4.6. Local Authority Designated Officer (LADO) Liaison Officer (Corporate HR Manager) is responsible for:

- Reviewing situations with the Corporate Safeguarding Lead where a member of staff or volunteer may have behaved in a way that has:
 - Harmed or may have harmed a child or adult with care and support needs.
 - Possibly committed a criminal offence against children or adults with care and support needs.
 - Behaved towards a child/children or adult/adults with care and support needs in a way that indicates they may pose a risk of harm to children/adults with care and support needs.
- Reviewing with the Monitoring Officer, the Corporate Safeguarding Lead and the Councillor Safeguarding Lead, concerns with regards to a Councillor who may have behaved in a way that has:
 - Harmed or may have harmed a child or adult with care and support needs.
 - Possibly committed a criminal offence against children or adults with care and support needs.
 - Behaved towards a child/children or adult/adults with care and support needs in a way that indicates they may pose a risk of harm to children/adults with care and support needs.

5.4.7. The Monitoring Officer is responsible for:

- Ensuring DBS checks are undertaken for all District Councillors as part of the Safeguarding Policy and reviewing them to ensure there are no matters of concern.
- In the event that the disclosure information received raises issues of concern, to advise the Chief Executive who in consultation with the relevant Group Leader, will discuss with the individual Councillor the restrictions considered necessary, to safeguard children, young people and adults, on the positions held by that Councillor. The existence of a criminal record or other information revealed as a result of an enhanced DBS check will not automatically debar a Councillor from holding office.
- Reviewing with the LADO Liaison Officer, the Corporate Safeguarding Lead and the Councillor Safeguarding Lead, concerns with regards to a Councillor who may have behaved in a way that has:
 - Harmed or may have harmed a child or adult with care and support needs.
 - Possibly committed a criminal offence against children or adults with care and support needs.
 - Behaved towards a child/children or adult/adults with care and support needs in a way that indicates they may pose a risk of harm to children/adults with care and support needs.

5.4.8. All employees and particularly those working with children and adults with care and support needs are responsible for:

- Ensuring that they are familiar with and understand the policies and procedures relating to their work with or in the vicinity of children and adults with care and support needs.
- Ensuring that they feel confident in working within this environment and working with their managers to ensure that they have the knowledge and skills to carry out their tasks in this context.

- Treating all those children and adults with whom they come into contact while carrying out their work equally and with respect.
- Reporting any concerns, they may have about abuse or a lack of care of children and adults with care and support needs to the relevant Devon County Council (DCC) service as per Appendix 1.
- In the case of a suspected abuse or working outside good practice involving a member of staff, volunteer or Councillor of East Devon District Council, the reporting officer will raise the issue through the Corporate Safeguarding Lead – Director of Housing, Health & Environment, for consideration of submission to the Local Authority Designated Officer (LADO) Person in a Position of Trust (PIPOT) at Devon County Council via our Liaison Officer as detailed below.
- Directing enquiries relating to attendance at a LADO (Local Authority Designated Officer) / PIPOT (Person in Position of Trust) investigation meeting to the Corporate Safeguarding Lead (Director of Housing, Health & Environment).
- Undertaking Mandatory Safeguarding Training upon induction and every three years.

5.5. Volunteers, partners, contractors and other workers are expected to:

- Work with employees of the council, to the same standard, in ensuring the safety and wellbeing of children and adults with care and support needs within their scope.
- Participate in any training or development opportunities offered to them to improve their knowledge of skills in this area.

5.6 Glossary

- LADO (Local Authority Designated Officer) investigation; relates to the management of allegations against adults working with children, via Devon County Council.
- PIPOT (Person in Position of Trust) investigation; relates to the management of allegations against adults working with vulnerable adults, via Devon County Council.

6. Review

- 6.1 This policy and the guidance will be reviewed bi-annually or whenever there is a significant change in the related legislation, or an emerging risk is identified. This will help us ensure that these documents are up to date and fit for purpose.
- 6.2 A review of safeguarding activity will be presented to Cabinet and Scrutiny Committee annually.

Appendix 1 EDDC Safeguarding Process

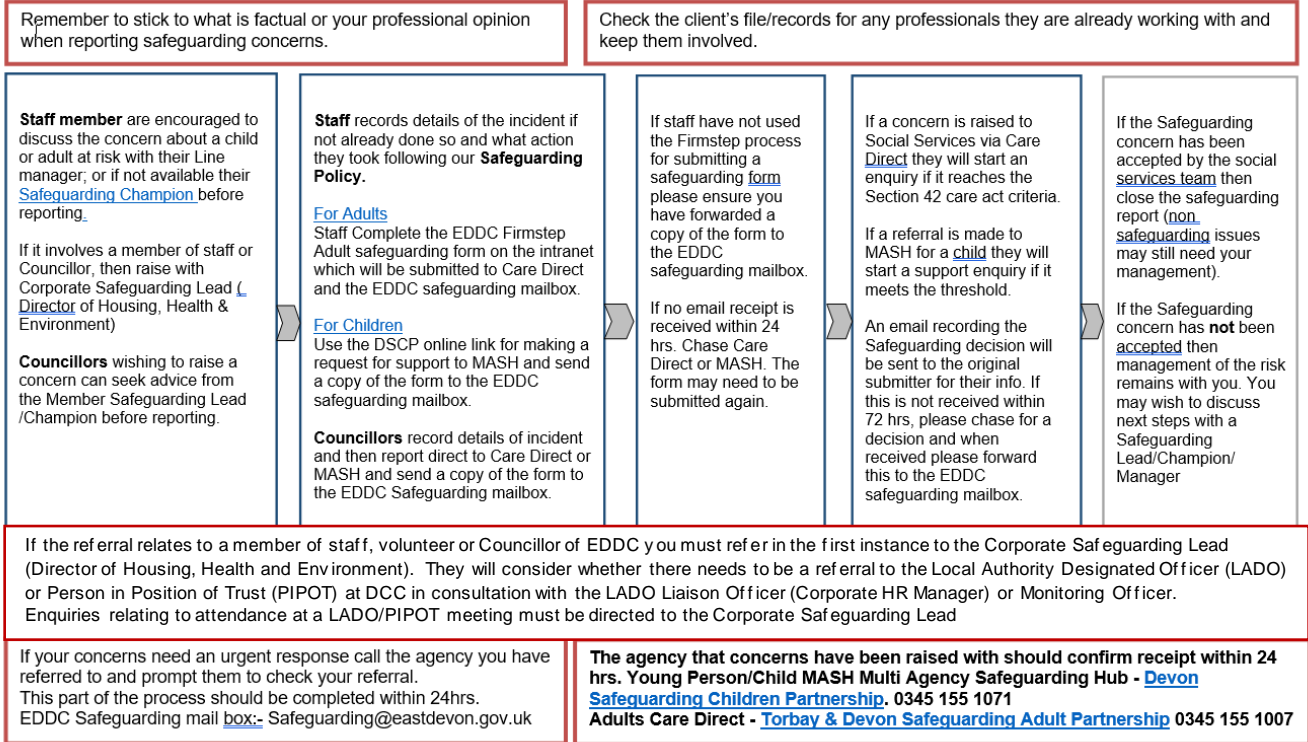
Safeguarding Guidance for staff and Councillors.

EVERY Member of Staff & Councillor has a **DUTY to report Safeguarding Concerns** and share information.

If you think a child or adult is in immediate danger or a crime has been committed, then always contact the police on 999.



Summary process chart –





Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Statutory review of Polling Districts

Report summary:

The Council started its statutory review of Polling Districts, Places and Stations on 15 January 2024. This report covers the recommendations in relation to the responses received during the consultation and seeks agreement to the amendments.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Council

1. approve the recommended proposals for the Polling District, Polling Places and Polling Stations;
2. approve the renaming of polling districts to include the initials of the new Parliamentary Constituencies as recommended by the Association of Electoral Administrators;
3. delegate authority to the Interim Returning Officer to use alternative venues if preferred ones are unavailable.

Reason for recommendation:

Under the Representation of the People Act 1983, the Council has a duty to divide its area into polling districts and to designate a polling place for each district. The Electoral Administration Act 2006 requires the Council to undertake and complete a review of Polling Districts and Places between 1 October 2023 and 31 January 2025 (inclusive).

The following definitions may be helpful when reading the report and Appendices.

- “Polling districts” are geographical electoral areas into which wards and constituencies may be sub-divided.
- “Polling places” are the buildings or areas designated by the council where electors in a polling district go to vote in person.
- “Polling stations” are the number of issuing desks in the building or area that is the designated polling place.

The intention of the legislation was reviews would be completed by the January before a UK parliamentary general election. However, since the repeal of the Fixed Term Parliaments Act 2011, there is no longer any certainty as to when the next general election will be.

The Dissolution and Calling of Parliament Act 2022 means:

- the UK Parliament can be dissolved by the King on request of the Prime Minister, at any time within the 5 years of the life of the Parliament

- the next general election must take place before Tuesday 28 January 2025, but it could happen at any point before then
- there is no longer a link between the timing of the compulsory polling district and places review falling in a 16-month period ending 3 months before a scheduled general election.

In addition, the Boundary Commission for England has recently undertaken a review of parliamentary constituency boundaries. Final recommendations have now been published and Orders for the new parliamentary constituency boundaries have been made.

The new boundaries will be used for the next general election. If a parliamentary by election is called in the meantime, it would be run on existing boundaries.

Officer: Jill Humphreys, jhumphreys@eastdevon.gov.uk 01395 517550

Portfolio(s) (check which apply):

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

Links to background information Click here to enter links to background information; appendices online; and previous reports. These must link to an electronic document. Do not include any confidential or exempt information.

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Report in full

Consultees

Representations have been invited from Ward Members, Parish Councils, disability groups, and MPs. The consultation was also included on the Council's website, sent out as a press release, and made available on social media. A questionnaire was also sent to all venue booking agents to assess accessibility.

Appendix 1 shows the representations received.

Proposals

- a. The main issue to come to light is for the new developments around Broadclyst (Tithebarn and Westclyst areas). It is proposed that a new polling station at the Science Park be designated to cover this area. See Appendix 2 for the area to be allocated to the new station.
- b. The Cranbrook polling station is close to exceeding the Electoral Commission's recommendation for electorate attending a station (2250 electors). It is therefore proposed that an extra station is added at the Younghayes Centre.

- c. With the introduction of the new parliamentary constituency boundaries, the Association of Electoral Administrators have advised that polling districts be renamed to include the constituency names. It is therefore proposed to rename all polling districts to comply with this advice.

Financial implications:

None

Legal implications:

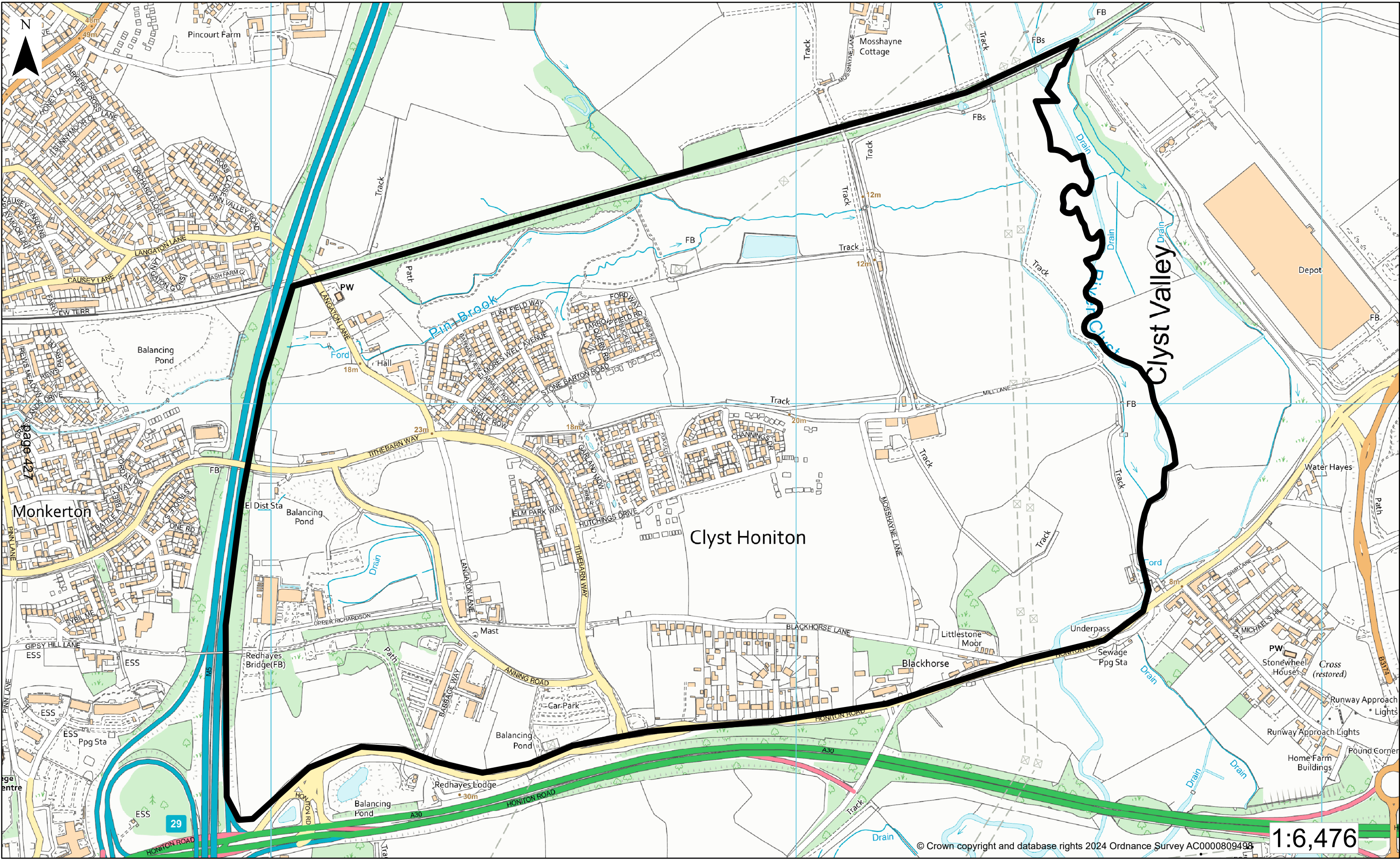
The legal issues are dealt with in the body of the report

Number	Individual/Public Body making representations	Area	Representations received	ARO response to representations received
1	Elector	Broadclyst	Any chance we could have a polling station in Westclyst - perhaps the junior school? My nearest polling station is in Broadclyst, but I travel in the opposite direction to work each day, so would find it a lot more convenient. Now there are so many more houses in Westclyst, I hope there is a good case for one here.	Agree with Broadclyst Parish Council. Access difficulties and safeguarding issues.
2	Parish Councillor	Broadclyst	Great to see that Exeter Science Park will host a polling station for the new village of Tithebarn Green.	Agreed
3	District Councillor	Broadclyst	I would love to see a polling station in Tithebarn to make accessibility for residents to be able to vote more easily possible. Getting to Broadclyst is very difficult if you don't have a vehicle, and if you do, it's not very environmentally friendly. I would support a polling station at Tithebarn.	Agreed
4	Parish Council	Broadclyst	<p>Broadclyst Parish Council welcomes the addition of a second polling station in the parish at the Science Park, which we hope will make voting more accessible for electors living in the southwest of Broadclyst parish.</p> <p>Geographical boundaries are more easily identifiable than postcodes, so we suggest a boundary for the new polling station of the railway to the north, the M5 to the west, the old A30 to the south and the river Clyst to the east. This not only</p>	Agreed

			encompasses the new strategic developments at Tithebarn, but also includes residents in Blackhorse village. Regarding a polling station in Westclyst, which is the third village in Broadclyst Parish, the obvious option is the Community Primary School; however, access during the school day can be complicated and present a safeguarding risk. Therefore, until such time as there are any other community venues in Westclyst village, it seems that electors living in Westclyst will need to continue to vote at the Broadclyst polling station. The distance between the two villages is around two miles along the B3181, with a regular bus service for those unable to walk or drive.	
5	Elector	Dalwood	We would like you to keep our polling station at Dalwood Village hall.	Agreed
6	Town Council	Exmouth	Exmouth Town Councillors discussed this on Monday and were in agreement with the proposed polling districts and places. Littleham Ward members are going to see if they can identify an alternative venue for Raddenstile Lane and I will let you know if they come back to me.	Will decide regarding Raddenstile Lane once Town Council replies.
7	Elector	Exmouth	I am very happy with the location of my polling station, thank you.	Agreed
8	Elector	Exmouth	We are happy with the location of the Polling Station at Withycombe Rugby Club, Hulham Road, Exmouth. Very easy to walk to and has some car parking.	Agreed

9	Parish Council	Rewe	At the Rewe Parish Council meeting last night, Councillors agreed that Rewe Parish and Community Hall is still the best location for the polling station for future elections.	Agreed
10	Elector	Sidmouth	How about The Youth Club in Manstone Lane. Nearby for lots of houses or back to The Congregational Church in Primley Road, where it used to be.	The Youth Club has permanent club bookings on Thursdays (the usual day for elections). The Congregational Church now known as the Primley URC is currently used as a polling station.
11	Elector	West Hill	Having read that you are to carry out a review of Polling Stations I would just like to state that the West Hill site in the village hall is ideal for this village.	Agreed
12	Parish Council	West Hill	West Hill Parish Council considered your email at their meeting last night and gave the current Polling arrangements for West Hill their full support.	Agreed
13	District Councillor	Yarty	I'm happy with the 'no changes' for the 4 polling stations in Yarty ward. No-one within ward has contacted me requesting changes from within ward, though should any requests appear before your deadline I will relay them. A very much doubt any comments will appear as there are few if any other options.	Agreed

Proposed Tithebarn Polling District





Report to: Council

Date of Meeting 21 February 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Motions on Notice

Report summary:

The constitution provides that members of Council may submit written notice of motions for debate at Council. A motion must be signed by the proposer and seconder and submitted not later than 10 clear days before the date of the meeting.

Motions must be about matters for which the council has a responsibility, or which affect East Devon District Council.

Motions for which notice has been given will be listed on the agenda in the order in which notice was received unless the member giving notice states, in writing, that they propose to move it to a later meeting or withdraw it.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Motion on Notice is debated and determined by Council.

Reason for recommendation:

The constitution makes provision for motions on notice to be debated and decided by Council.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Portfolio(s) (check which apply):

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

Equalities impact Low Impact

The impact is low as this report is dealing with the submission of motions on notice. Any work undertaken following the consideration of the motions on notice would be subject to an equalities impact assessment being undertaken.

Climate change Low Impact

Risk: Low Risk; A risk assessment would need to be completed on any works or further investigations resulting from the motions of notice.

Links to background information N/A

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

Motion 1: Sewage & South West Water

Motion Proposed: Cllr Todd Olive

Motion Seconded: Cllr Geoff Jung

Motion signed: Cllrs Olly Davey, Nick Hookway, Paul Arnott, Richard Jefferies, Paula Fernley, Matt Hall, Marianne Rixson, Yehudi Levine, Anne Hall, Charlotte Fitzgerald, Sarah Jackson, Chris Burhop and John Heath

Motion received: 1 February 2024

The full text of the motion is set out below.

East Devon District Council,

Noting widespread concern among East Devon residents regarding the state of local and national sewage infrastructure,

Recognising with grave concern significant disruption to the functioning of Exmouth's sewage network due to a series of major pipe failures in December 2023, and *noting* extensive disruption to residents resulting from tanker movements and repair works as a result,

Alarmed at the failure of South West Water to advise East Devon District Council of sewage overflows in Exmouth over the same period, leading to reports of people and pets falling ill from exposure to untreated human waste during sea swimming,

Stressing that these issues affect all East Devon residents, whether coastal or inland, and *noting* that in 2022, the last year for which full data is available:

- I. all five of South West Water's worst-performing East Devon consented overflow outlets by hours of spill, and four of the five worst-performing outlets by number of individual spills, were located inland,
- II. sewage overflows from South West Water outlets in East Devon ran for over 20,000 hours, with over two-and-a-half thousand individual spills,
- III. four South West Water outlets in East Devon spilled for over a thousand hours each, with the worst-performing outlet spilling for 1966 hours, or nearly a quarter of year,
- IV. five South West Water outlets in East Devon spilled over a hundred times, with the worst-performing outlet spilling on more than two in every three days on average, and
- V. twenty-six of thirty East Devon District Council wards experienced a spill, meaning over 82% of East Devon's population lived in a ward affected by untreated sewage overflows,

Noting with alarm that constraints and actions identified in a 2010 Water Cycle Study regarding sewage infrastructure capacities have not been actioned, including:

- I. The construction of a new Wastewater Treatment Works to serve the new community at Cranbrook,
- II. Improvements to existing treatment works at Maer Lane and elsewhere to facilitate new development and population increases in view of contemporary capacity limits, and
- III. Improvements to existing treatment works at Otterton and Sidmouth to improve river water quality,

Emphasising the importance of East Devon's coasts and rivers to our area's outstanding natural environment, and the intrinsic aesthetic, cultural, and existence value of this to our residents, and *considering* the substantial contribution that these natural assets make to our local economy via tourism, as recognised by our 2022 Tourism and Cultural Strategies,

Expressing concern that a failure to properly control sewage overflows into rivers and associated phosphate pollution is actively undermining efforts by East Devon District Council and others to promote ecological recovery, biodiversity, and nature restoration, and indeed is counter-productive for South West Water's own efforts to improve the environmental quality of river catchments,

Mindful of the large number of comments and concerns raised by residents in the 2022-23 Regulation 18 consultation on the emerging East Devon Local Plan regarding the capacity of local sewage infrastructure,

Recalling concern expressed by Members at South West Water's perceived failure to properly and appropriately respond to consultations on planning applications for new development in areas known to experience frequent sewage overflows,

Concerned at the lack of engagement by South West Water with East Devon District Council officers and the Coast Country & Environment Portfolio Team, including through a failure to follow-up on actions agreed between senior South West Water executives and the Portfolio Team at the November 2023 Beachwise Forum and a failure to include the District Council in consultations with relevant Town and Parish Councils,

Noting that central government funding for the Environment Agency, the relevant regulatory authority, had been cut by over half in real terms between 2009/10 and 2021/22, and

Conscious of the need for East Devon District Council to address these issues on account of its responsibilities to the environment, environmental health, and as the Local Planning Authority, while *noting with frustration* that many legal powers of investigation and enforcement are reserved to central government and under-funded, under-staffed statutory regulators:

1. Declares that it has no confidence in South West Water's existing systems and processes for proactively managing and investing in East Devon's sewage infrastructure;
2. Requests that the Leader write publicly to the Chief Executive of South West Water to invite the company to:
 - a. commit to involving the District Council in discussions with Town and Parish Councils regarding ongoing and upcoming works on South West Water infrastructure,
 - b. jointly convene a regular liaison group bringing together senior staff from South West Water and East Devon District Council, together with relevant East Devon Cabinet members, to proactively monitor and respond to ongoing developments and issues,
 - c. proactively and transparently engage with East Devon District Council's Planning Policy team and processes on an ongoing basis to ensure that the emerging Local Plan can deliver development without exacerbating existing issues with storm overflows and capacity constraints, and in tandem with network improvements,
 - d. more broadly, to commit to working with East Devon District Council's planning officers to help manage development pressures on infrastructure and respond to community concerns, to responding to requests for consultation and providing relevant data, to accepting invitations to Planning Committee meetings to discuss applications whenever possible, and taking other relevant steps, and

- e. commit to actively engaging with East Devon District Council's Beach Safety Officer and Environmental Health team to proactively advise of overflow discharges in the interest of public safety;
3. Further requests that the Leader copy correspondence to our local MPs to encourage them to support our efforts to engage South West Water, and to lobby government to:
 - a. revisit weak legislation allowing water companies until 2038 to reduce phosphate pollution in rivers from sewage overflows by only 80%, with a view to requiring more immediate action in the short- and mid-term to reduce storm overflows and ameliorate capacity issues,
 - b. resist a request by South West Water to raise bills by over 20% by 2030, before inflationary increases, until demonstrable action on sewage spills has been taken to reduce spills towards South West Water's own 2025 targets, and
 - c. restore Environment Agency funding to 2009/10 real-terms levels, and properly fund other environmental regulators, to ensure that polluting activities are fully and robustly monitored, investigated, and where necessary enforcement action taken;
 4. Resolves that Strategic Planning Committee evaluate what planning policy measures, including spatially and/or temporally limited moratoria on development, are required to respond to any sewage capacity issues that might be identified by the upcoming Water Cycle Study at the earliest possible opportunity following its receipt;
 5. Further resolves that the results of the Water Cycle Study and any resulting measures recommended by Strategic Planning Committee be actively publicised to residents and brought to the attention of South West Water as the body responsible, including through the proposed liaison group if and when it is implemented; and
 6. Instructs that Strategic Planning Committee, or another committee if this is considered more appropriate by officers, considers a standing item to annually review progress on any recommendations made by the Water Cycle Study.

Financial implications:

To be confirmed.

Legal implications:

The motion on has been submitted in accordance with the Part 4 of the Council's Constitution – Rules of Procedure 10.1 Notice: Except for motions which can be moved without notice under Rule 11, written notice of every motion, signed by at least 5 members, must be delivered to the Chief Executive not later than 10 clear days before the date of the meeting.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted