

Agenda for Council
Wednesday, 26th February, 2025, 6.00 pm

To: All elected Members of the Council; Honorary Aldermen

Venue: Council Chamber, Blackdown House, Honiton

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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, 26th February, 2025 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 "T. Hendren".

Chief Executive

1 Apologies

2 Declarations of interest

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

3 Minutes of the previous meeting (Pages 7 - 24)

4 Public speaking

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 no 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 25 - 28)

9 Reports from the Cabinet and the Council's Committees and questions on those reports (Pages 29 - 164)

10 Pay Policy Statement 2025/26 (Pages 165 - 169)

11 Corporate Peer Review Update (Pages 170 - 203)

12 Devolution & Local Government Reorganisation (Pages 204 - 208)

13 EDDC Culture Strategy 2022-2031 support (Pages 209 - 215)

14 Cranbrook - Community Governance Review (Pages 216 - 226)

15 New Planning Policy - Local Development Scheme (Pages 227 - 238)

16 Statement of Accounts 2023/2024 (Pages 239 - 242)

17 Treasury Management Strategy 2025/26 (incorporating Minimum Revenue Provision Policy Statement and Annual Investment Strategy) and Capital Strategy 2025/26 (Pages 243 - 291)

18 Council Tax Reduction Scheme 2025/2026 (Pages 292 - 298)

19 Council Tax Resolution 2025/26 (Pages 299 - 308)

20 Calendar of Meetings 2025/2026 (Pages 309 - 313)

21 Motion on Notice - Broadband in East Devon (Pages 314 - 316)

Motion on Notice – Broadband in East Devon

PROPOSER: Cllr Richard Jefferies

SECONDER: Cllr Paul Hayward

SUPPORTERS: Cllr Yehudi Levine, Cllr Duncan Mackinder and Cllr Todd Olive

East Devon District Council,

- A. Noting with concern issues raised by residents across East Devon regarding slow and unreliable broadband connections, and that some residents have been driven by poor service into arranging their own fibre optic connections,
- B. Recognising the critical importance of broadband for accessing everyday services like emails and news outlets, using online banking and shopping facilities, and engaging with digital government services like passport applications, reporting missed bin collections or environmental health issues, or accessing pensions and benefits,
- C. Emphasising the value of decent broadband for wellbeing, including benefits for social connectivity and inclusion,
- D. Highlighting the role of fast broadband speeds as an enabler of local economic growth driving productivity improvements and enabling residents of rural areas to work remotely, while also unlocking rural premises as a venue for digital businesses,
- E. Noting Devon County Council's leaving over half of premises promised new connections under the rural connectivity scheme un-covered following a decision to 'let off' broadband supplier Airband from its obligations under a 2020 contract, and
- F. Recalling that this follows an appalling 2024 decision by its political leadership to divert over £7m in funding for rural broadband upgrades returned by BT to help plug its general budget deficit, rather than investing further in rural connectivity as sought by government and generally done by councils elsewhere:

1. Requests that the Portfolio Holder for Economy and Assets:

- a. Write to all parish and town councils to canvass for evidence and experiences of poor connectivity in East Devon, and where feasible to seek the same from East Devon's many rural businesses, and
- b. Write to the Minister for Telecoms and East Devon's MP's to re-iterate the issue of broadband 'not-spots' in our district, and ask what actions government are taking to alleviate this critical constraint on social wellbeing and economic growth; and

2. Asks that the Leader:

- a. Invite other authorities in Devon to participate in a joint initiative - following the successful example of the Devon Water Summit - to explore the costs of poor connectivity in the region, and to invite relevant public and industry bodies to explore how superfast fibre rollouts can be further accelerated, and
- b. Writes to the Leader at Devon County Council, and the Programme Director of Connecting Devon & Somerset, to express this Council's disappointment at the cancellation of over half of Airband's connection obligations, and to invite them to offer an urgent briefing to this Council regarding efforts to bring superfast broadband to all of our residents, including changes made to Connecting Devon & Somerset's due diligence processes to ensure that such failures do not happen in future.

Motion on Notice – Highways

PROPOSER: Cllr Paul Arnott

SECONDER: Cllr Nick Hookway

SUPPORTERS: Cllr Geoff Jung, Cllr Anne Hall, Cllr Susan Westerman and Cllr Eileen Wragg

East Devon District Council,

- A. Noting concern throughout Devon regarding the state of our region's roads, and the impacts of this on residents' lives,
- B. Recalling a significant history of issues raised with Devon Highways consultation responses on planning applications made to this authority, where residents and Ward Members cite material disagreements with Devon County Council Highways officers,
- C. Highlighting with grave concern Devon County Council's admission that Devon's highways repair backlog is out of control, with an accumulated £200m backlog in highway maintenance and repair work continuing to grow year-on-year,
- D. Alarmed that the County Council's response to the deteriorating state of Devon's roads is to continue with its existing – and failing – outsourced delivery model, and that this decision was undertaken without meaningful consultation with communities or partner authorities
- E. Concerned that the County Council's provision for the introduction of new 20mph speed limit zones is woefully inadequate, with only six schemes approved for the 2024/25 financial year against 169 requests from Devon communities, up from four granted requests against 105 applications made in 2022, putting residents in East Devon and across the county at unnecessary risk:

1. Asks that the Leader call on Devon County Council to:
 - a. Urgently review the value and efficiency of its existing outsourced highway maintenance contract,
 - b. Urgently reconsider its decision to continue with "business as usual" at the earliest possible opportunity, inviting genuine consultation with partner authorities and communities through that process;
2. Requests that the Portfolio Holder for Strategic Planning:
 - a. Invite the relevant Director at Devon County Council to attend a discussion with East Devon District Councillors to air concerns regarding Highways' input into the planning process, and to raise these concerns with the relevant Devon County Council Scrutiny Committee following that meeting,
 - b. Invite relevant Devon Highways officers to provide a briefing for East Devon District Councillors and Town & Parish Councillors regarding how they assess planning applications and provide consultation responses, and
 - c. Following the requested briefing session, to invite East Devon District Council's Development Management team to consult with members regarding how the information provided in Devon Highways' responses to consultation requests could be improved to provide additional reassurance to Members and the public; and
3. Recommends that East Devon District Council's Scrutiny Committee consider undertaking an investigation of these issues in support of and in addition to the above measures.

- 23 **Independent Remuneration Panel & Audit and Governance Committee - Appointments** (Pages 320 - 322)
- 24 **Outside Bodies - Devon and Torbay Combined Authority Board and South West Energy & Environment Group** (Page 323)

25 **Local Government (Access to Information) Act 1972 - Exclusion of Press and Public**

Exclusion of the Press and Public

To consider passing a resolution having been duly proposed and seconded under Schedule 12A of the Local Government Act 1972 to exclude the press and public from the meeting, on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, within the meaning of Schedule 12A to the Local Government Act 1972.

Reason: Para 3 Schedule 12A Information relating to the finance or business affairs of any particular person

26 **Recycling & Waste Future Services model business case (2026 contract replacement)** (Pages 324 - 336)

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](#)

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EAST DEVON DISTRICT COUNCIL**Minutes of the meeting of Council held at Council Chamber, Blackdown House, Honiton on 9 January 2025****Attendance list at end of document**

The meeting started at 6.00 pm and ended at 8.41 pm

1 Apologies

Apologies list at end of document.

2 Declarations of interest**Agenda Item 4:**

Councillors Jess Bailey, Iain Chubb, Marcus Hartnell and Stuart Hughes declared an ORI as they were elected councillors at Devon County Council.

Councillors Sarah Chamberlain and Matt Hall declared an ORI as they were employees at Exeter City Council.

Councillor Anne Hall declared an ORI as her partner was an employee at Exeter City Council.

3 Confidential/exempt item(s)

None.

4 English Devolution White Paper

The Council received a report setting out details of the English Devolution White Paper with the new governments approach to deepening and widening devolution in England. Members noted that the White Paper placed an emphasis on areas adopting a mayoral model to access additional powers and greater financial flexibility. The White Paper set out plans to reorganise local government, with an aim to establish larger unitary authorities in two tier areas and where smaller unitary authorities were unable to meet local needs. Members were also informed that the proposals also included changes to how strategic planning was dealt with across wider geographies.

Members acknowledged that the publication of the Devolution White Paper marked a very important milestone. As well as moving to a position of devolution by default, it also set out a twin pronged approach with local government reorganisation. There was considerable emphasis placed on the role of Mayors, with associated structures able to access the most far reaching and flexible powers including integrated financial settlements. Universal coverage of Strategic Authorities would provide delineation between strategic decisions and front line service delivery.

Members noted that there were a number of different options that future local government structures could take in Devon in conjunction with wider devolution proposals and it was important that close partnership working, with our peers and

stakeholders in order to consider and develop these options including how they best serve the needs of East Devon communities moving forward, was maintained.

The Council received details of a joint statement from the Leaders of the Devon District Councils and endorsed the statement.

Councillor Paul Arnott proposed the recommendations which were seconded by Councillor John Loudoun.

Cllr Colin Brown proposed that a recorded vote was taken for all recommendations contained in the report and having been put to the vote was carried by a majority show of hands.

RESOLVED: That a recorded vote was conducted for each recommendation.

During discussion it was recognised that consultation with local communities, town and parish councils was carried out and to support this an amendment was proposed by Councillor Vicky Johns and seconded by Councillor Steve Gazzard

To lobby the government on the importance of a Devon-wide consultation to ensure that any revised local government structures meet the principles of devolved powers to local communities, town and parish councils, rather than being imposed by Whitehall.

The Leader of Council as the proposer and Councillor John Loudoun as the seconder of the motion accepted this additional recommendation.

The Chair moved to the recorded vote and members subsequently agreed that 1a, 1b and 1c were taken as a recorded vote.

Recommendation 1 a. Joint Leaders Statement from the Devon Districts Forum

For: Councillors Paul Arnott, Kevin Blakey, Kim Bloxham, Chris Burhop, Bethany Collins, Olly Davey, Tim Dumper, Paula Fernley, Charlotte Fitzgerald, Steve Gazzard, Del Haggerty, Anne Hall, Matt Hall, Sam Hawkins, Paul Hayward, John Heath, Nick Hookway, Sarah Jackson, Richard Jefferies, Vicky Johns, Geoff Jung, John Loudoun, Duncan Mackinder, Tony McCollum, Todd Olive, Marianne Rixson, Eleanor Rylance, Andrew Toye, Joe Whibley, Daniel Wilson and Eileen Wragg.

Against: Councillors Aurora Bailey, Brian Bailey, Colin Brown, Jenny Brown, Maddy Chapman, Mike Goodman, Marcus Hartnell, Stuart Hughes, Ben Ingham, Cherry Nicholas, Helen Parr and Henry Riddell.

Abstained: Councillors Roy Collins and Peter Faithfull.

For 31, Against 12 and 2 abstentions.

Recommendation 1 b. Potential to promote the establishment of a Mayoral Combined Authority for the peninsular to cover Devon, Plymouth, Torbay and Cornwall.

For: Councillors Paul Arnott, Aurora Bailey, Brian Bailey, Kevin Blakey, Kim Bloxham, Colin Brown, Jenny Brown, Chris Burhop, Maddy Chapman, Bethany Collins, Olly

Davey, Tim Dumper, Peter Faithfull, Paula Fernley, Charlotte Fitzgerald, Mike Goodman, Del Haggerty, Anne Hall, Marcus Hartnell, Sam Hawkins, Paul Hayward, John Heath, Nick Hookway, Stuart Hughes, Ben Ingham, Richard Jefferies, Vicky Johns, Geoff Jung, John Loudoun, Duncan Mackinder, Tony McCollum, Cherry Nicolas, Todd Olive, Helen Parr, Henry Riddell, Marianne Rixson, Eleanor Rylance, Andrew Toye, Daniel Wilson and Eileen Wragg.

Against: Councillors Roy Collins Steve Gazzard and Matt Hall.

Abstained: Councillors Sarah Jackson and Joe Whibley.

For: 40, Against 3 and 2 abstentions.

Recommendation 1 c. Need to engage with our communities, partners and stakeholders to develop considered and coherent proposals around changes to the current model of 10 councils in Devon to a smaller number of suitably sized unitaries rather than defaulting to a single unitary approach.

For: Councillors Paul Arnott, Kevin Blakey, Kim Bloxham, Chris Burhop, Bethany Collins, Roy Collins, Olly Davey, Tim Dumper, Paula Fernley, Charlotte Fitzgerald, Steve Gazzard, Del Haggerty, Anne Hall, Matt Hall, Sam Hawkins, Paul Hayward, John Heath, Nick Hookway, Sarah Jackson, Richard Jefferies, Vicky Johns, Geoff Jung, John Loudoun, Duncan Mackinder, Tony McCollum, Todd Olive, Marianne Rixson, Eleanor Rylance, Andrew Toye, Joe Whibley, Daniel Wilson and Eileen Wragg.

Against: Councillors Aurora Bailey, Brian Bailey, Colin Brown, Jenny Brown, Maddy Chapman, Peter Faithfull, Mike Goodman, Stuart Hughes, Ben Ingham, Cherry Nicholas, Helen Parr and Henry Riddell.

Abstained: Councillor Marcus Hartnell.

For: 32, against 12 and 1 abstention.

A vote by way of a show of hands was taken on recommendations 2, 3, 4, 5 and 6 and these were carried by a majority show of hands.

RESOLVED:

That Council;

Notes the key proposals arising from the English Devolution White Paper, including the proposed introduction of a new devolution framework and the plans for local government reorganisation

Endorses the;

1. a. Joint Leaders statement from the Devon Districts Forum
 - b. Potential to promote the establishment of a Mayoral Combined Authority for the peninsula to cover Devon, Plymouth, Torbay and Cornwall
 - c. Need to engage with our communities, partners and stakeholders to develop considered and coherent proposals around changes to the current model of 10 councils in Devon to a smaller number of suitably sized unitaries rather than defaulting to a single unitary approach.
2. Belief that a preferred pathway should be explored which would create two Devon Unitary Authorities, one of which should be focused around the North Devon, Mid

Devon, East Devon and Teignbridge District Councils, along with Exeter City Council.

3. Belief that the people of Devon would be best served after the abolition of the county council by the two new unitaries, containing a city in each this being Plymouth to the west, and Exeter to the east.
4. Grants delegated authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Council and Corporate Co-ordination to advance discussions around the form and coverage of future Principal Authorities.
5. Receives a further report in February providing an update on the discussions before interim proposals are submitted to central government.
6. To lobby the government on the importance of a Devon-wide consultation to ensure that any revised local government structures meet the principles of devolved powers to local communities, town and parish councils, rather than being imposed by Whitehall.

Attendance List

Councillors present:

| | | |
|-------------|--------------|-------------|
| P Arnott | P Fernley | R Jefferies |
| A Bailey | C Fitzgerald | V Johns |
| B Bailey | S Gazzard | G Jung |
| J Bailey | M Goodman | J Loudoun |
| K Blakey | D Haggerty | D Mackinder |
| K Bloxham | A Hall | T McCollum |
| C Brown | M Hall | C Nicholas |
| J Brown | M Hartnell | T Olive |
| C Burhop | S Hawkins | H Parr |
| M Chapman | P Hayward | H Riddell |
| I Chubb | J Heath | M Rixson |
| B Collins | N Hookway | E Rylance |
| R Collins | M Howe | A Toye |
| O Davey | S Hughes | J Whibley |
| T Dumper | B Ingham | D Wilson |
| P Faithfull | S Jackson | E Wragg |

Officers in attendance:

Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Andrew Melhuish, Democratic Services Manager
Melanie Wellman, Director of Governance (Monitoring Officer)
Andrew Wood, Director of Place

Councillor apologies:

I Barlow
V Bonetta
A Bruce

S Chamberlain
D Ledger
Y Levine
M Martin
J O'Leary
S Richards
S Smith
S Westerman

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Council held at Council Chamber, Blackdown House, Honiton on 4 December 2024

Attendance list at end of document

The meeting started at 6.00 pm and ended at 8.30 pm

42 Apologies

Apologies received from Councillors Jess Bailey, Jenny Brown, Violet Bonetta, Maddy Chapman, Del Haggerty, Anne Hall, Matt Hall, Marcus Hartnell, Mike Howe, Richard Jefferies, Vicky Johns, Cherry Nicholas, Todd Olive, Helen Parr, Sophie Richards and Simon Smith.

43 Declarations of interest

Agenda Item 13 - Motion on Notice Inheritance Tax (Agricultural Property Relief): Affects Non-Registerable Interest: Councillors Aurora Bailey, Brian Bailey, Alasdair Bruce, Sarah Chamberlain, Bethany Collins and Henry Riddell – local farming connection.

Ordinary Registerable Interest: Councillor Andrew Toye – local farming connection.

44 Minutes of the previous meeting

The minutes of the previous meeting held on 16 October 2024 were confirmed as a correct record and signed by the Chair of Council.

45 Public speaking

None.

46 Matters of urgency

None.

47 Announcements from the Chair of Council and the Leader of Council

None.

48 Confidential/exempt item(s)

There was one item of confidential business referred to at Agenda Item 18.

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

There were six questions received on notice pursuant to Procedure Rules no. 9.2 and 9.3 and members noted the responses.

RESOLVED That the questions asked by members of the Council pursuant to Procedure Rules no. 9.2 and 9.3 and the responses given are noted.

| Question | Question from | Question | Response |
|----------|----------------------|--|--|
| 1 | Cllr Peter Faithfull | In your reply to me at the last full council meeting you stated that, in the last General Election, 'none of your election literature, published in your name, commended a target number.' Would you be willing to retract that statement? | The Leader of Council confirmed that the information related to national housing figures included in promotional information distributed. |
| 2 | Cllr Mike Goodman | In 2022/23 it was reported by Grant Thornton that the EDDC housing department were amongst the worse in the country for maladministration complaints at 87% as reported by the Ombudsman which focused on inspections and timeliness within damp and mould complaints. Can Councillor Dan Ledger explain why the Ombudsman's report 2023/24 shows there has been no improvement and what actions have been taken to improve the performance. | PFH Sustainable Homes & Communities response: In 2023/24, EDDC's maladministration rate was 89%. It should be noted, however, that this is relating to 89% of cases referred to the Housing Ombudsman for determination, not 89% of EDDC's total complaints. In 2023/24, 9 complaints were taken on by the Housing Ombudsman for determination, and 8 of those cases had a maladministration finding. Only one of these cases related to damp and mould. In the 2023/24 Landlord Performance Report for East Devon, published by the |

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| | | | Housing Ombudsman, they state "The Landlord performed similarly when compared to similar landlords by size and type". |
| 3 | Cllr Mike Goodman | Could Councillor Jackson explain what progress has been made to develop an East Devon online petition as most councils have this in place and is valuable to our residents. | PFH Communications & Democracy response: The Overview Committee have requested a paper to set out the options for introducing an online petition for residents. The report is due to be reported to the committee on 23 January 2025. |
| 4 | Cllr Mike Goodman | Members were confidentially received the important long-awaited Stock condition survey, when is this report going to be made public. | <p>PFH Sustainable Homes & Communities response: On November 7th 2024, all members were invited to attend a briefing session held by Currie and Brown to hear the initial headline data from the stock condition survey, not the full stock condition survey data. Aside from one preparatory meeting, this was also heard by Officers at the same time.</p> <p>This approach was taken to demonstrate the desire of Officers to work collaboratively and transparently with</p> |

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| | | | <p>Members on the basis that further work would be needed to validate the data and complete internal quality assurance processes before moving forward.</p> <p>As has been explained, this validation and scrutiny will take time and the first stage of this is already underway and will be due to complete by the end of January. Until we are certain that the information we have been issued is a true reflection of our position and adopt it as such, we will not be able to publish a public report. In response to a follow up question the Portfolio Holder confirmed that the stock condition survey was currently subject to an internal quality assurance process and would be available to councillors when that work had concluded.</p> |
| 5 | Cllr Mike Goodman | The Grant Thornton internal report 2023/24 identifies a weakness in the Councils financial sustainability arrangements to fund the Housing stock. Can Councillor Hawkins outline what arrangements are being put in place. | <p>PFH Finance response:</p> <p>Council will be aware that a revised Housing Revenue Account (HRA) budget was approved for 2024/25 (July 2024), close monitoring is in</p> |

| | | |
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| | | <p>place with weekly meetings between Finance and the Service to ensure the budget is not exceeded. Members of Cabinet, Housing Review Board and the Audit & Governance Committee have received regular and timely financial monitoring reports giving the assurance of this position. In agreeing to the revised budget a sustainability plan was presented and approved, this outlined the implications for the 2025/26 budget and the longer term work required linked to the stock condition survey. To update and provide progress against this programme a HRA position statement was presented to the Housing Review Board on 7th November which covered the current financial position, the stock condition survey, CIPFA Health check, the HRA Sustainability Plan, the Business Plan and Options Appraisal work, the Asset management</p> |
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| | | | <p>Strategy, and the Housing Investment & Delivery Plan.</p> <p>It is acknowledged that the financial sustainability of the HRA is a risk, but the Council has put in place the right mitigations as evidenced. I look forward to this being reflected in the 2024/25 outturn report.</p> |
| 6 | Cllr Mike Goodman | Having a place to call home is important to our residents could Councillor Ledger, confirm how many people are on the housing waiting list for each year from 2020 please. | <p>PFH Sustainable Homes & Communities response:</p> <p>At EDDC we hold a housing waiting list, this includes any persons who wish to register for social housing, not just those who have a housing need.</p> <p>It is important to note the key difference between an applicant assessed as being in housing need and those that are on a housing waiting list. In answer to a follow up question the Portfolio Holder confirmed that the figures included housing need and waiting list details and it was hoped that the data could be reviewed to indicate the housing wait list numbers only.</p> |

| As at | Total Housing Need | Housing Waiting List | Total | Housing Need % | No Housing Need % |
|--------------------------|--------------------|----------------------|-------|----------------|-------------------|
| 1st April 2020 | 2214 | 2494 | 4708 | 47% | 53% |
| 1st April 2021 | 2652 | 2254 | 4906 | 54% | 46% |
| 1st April 2022 | 2221 | 2326 | 4547 | 49% | 51% |
| 1st April 2023 | 2588 | 2786 | 5374 | 48% | 52% |
| 1st April 2024 | 3065 | 3140 | 6205 | 49% | 51% |
| 1 st Nov 2024 | 2881 | 2884 | 5765 | 50% | 50% |

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

The minutes from the meetings of the Cabinet and committees for meetings held between 16 October and 25 November 2024 were presented.

RESOLVED: That the minutes of the Cabinet and committees between 16 October and 25 November 2024 are noted:

- Cabinet – 30 October 2024
- Scrutiny Committee – 7 November 2024
- Housing Review Board – 7 November 2024 Overview Committee – 24 October 2024
Planning Committee 22 October and 19 November 2024
- Strategic Planning Committee – 29 October, 1 November and 5 November 2024 South & East Devon Habitats – 24 October 2024
- Arts and Culture Forum – 6 November 2024
- Leisure Strategy Delivery – 11 November 2024

51 **Recommendation from Cabinet - 30 October 2024: Council Financial Plan 2025/2035**

The Leader of Council presented a recommendation from Cabinet on 30 October 2024 relating to the Financial Plan for the period 2025 to 2035.

Members noted that it was essential that the Council considered its financial resources in advance to allow time to make necessary amendments to its service provision to ensure balanced budgets were maintained.

The recommendation was moved by Cllr Paul Arnott and seconded by Cllr Sam Hawkins and put to the vote and carried by a majority show of hands.

RESOLVED: That the Financial Plan 2025 to 2035 and its direction outlined in balancing future budgets is adopted.

52 **Recommendation from Licensing & Enforcement Committee - Statement of Gambling Policy**

The Chair of the Licensing & Enforcement Committee presented the Statement of Licensing Policy for 2025 to 2025.

Members noted that there was a legal requirement to review the policy every three years and the updated policy presented had been amended to reflect changes in national guidance and feedback from the Gambling Commission. It was further noted that it was anticipated that a more substantive review of the policy outside of the standard three year review window would be necessary in light of changes to Guidance to Local Authorities from the Gambling Commission in the near future.

Council welcomed the update policy and Councillor Sarah Jackson moved the recommendation which was seconded by Councillor Joe Whibley. Having duly been seconded and put to the vote Council unanimously agreed to adopt the Statement of Licensing Policy for 2025 to 2028.

RESOLVED: That the Statement of Licensing Policy 2025 to 2026 is adopted.

53 **Recommendation from Strategic Planning Committee - Local Development Framework**

The Council received a recommendation from the Strategic Planning Committee relating to the Local Development Scheme (LDS). Members noted that the LDS set out a programme and timetable for production of future planning policy documents and that the previous LDS dates from 2023 required an update.

Members welcomed the new proposed LDS which formed a future work programme for the Planning Policy team at the Council and listed key policy documents that are proposed to be produced by the Planning Policy team or in which the policy team is partnering in production. The LDS also provided an overview of and advises on relevant planning policy work undertaken by outside partners, to include Devon County Council, in respect of waste and minerals plans and local communities in respect of Neighbourhood Plan making.

The recommendation was proposed by Councillor Dan Ledger and seconded by Councillor Yehudi Levine and having been put to the vote was carried by a majority show of hands.

RESOLVED that Council approve the Local Development Scheme to take effect immediately following approval.

54 **Motion on Notice - Inheritance Tax (Agricultural Property Relief)**

Councillor Colin Brown proposed the following motion:

This Council notes with concern the proposed changes to inheritance tax announced by the Government in the recent Autumn budget, which would scrap Agricultural Property Relief (ARP).

ARP has been instrumental in allowing British family farms to remain intact across generations, supporting food security, sustaining rural communities, and aiding environmental stewardship.

This tax is estimated to impact over 70,000 farming families with an inheritance tax bill of at least £240,000, which will force many to sell portions of their land or close entirely, paving the way for corporate ownership over family ownership.

The Council believes that this tax will have severe impacts:

1. Food Security: Selling off land and closing farms will put our national food independence at risk, at a time when global stability is already fragile. British family farms are critical to ensuring a steady supply of homegrown food.
2. Rural Community Stability: Family farms are the foundation of rural Britain, contributing to local jobs, schools and local services. The Government proposed tax, risks destabilising communities, eroding the rural way of life, and causing a negative ripple effect across the countryside.
3. Environmental Stewardship: Farms cover 70% of the UK's land, with family farms playing a leading role in nature recovery, biodiversity, and sustainable land management. The sale and fragmentation of these lands would hinder conservation efforts and undermine environmental initiatives.

This Council resolves to: Oppose the government's changes to inheritance tax affecting family farms.

Advocate for the exemption of family farms to preserve the UK's food security, rural communities, environmental initiatives.

Request all opposition parties oppose this budget inheritance tax on this basis.

This Council urges all Councillors to stand with Britain's family farmers, to support our rural communities, and that the CEO sends a letter to the Chancellor of the Exchequer and the Minister of State for Food Security and Rural Affairs Daniel Zeichner signed by all group leaders formally rejecting this proposed 'family farm tax'.

The motion was seconded by Councillor Colin Brown and supported by Councillors Aurora Bailey, Brian Bailey, Jenny Brown, Iain Chubb, Mike Goodman, Stuart Hughes and Ben Ingham.

Councillor John Loudoun proposed an amendment to the motion which was seconded by Councillor Eileen Wragg proposing that the matters set out in the motion were referred to the Scrutiny Committee. The proposer and seconder of the original motion consented to this change, namely:

In light of the confusing government department figures related to the number of farms affected by the recent Budget changes, and given that farmers' IHT is not an issue that all Members will have sufficient detailed knowledge about, and in order to give maximum consideration of what positive broad support this council might provide to the district's farmers, Council agrees to refer this motion to the Scrutiny Committee requesting that it considers the motion, its recommendations and their implications and to report back to council on the outcome of its deliberations.

During deliberations the motion was amended to include the following:
Proposed by Councillor Ben Ingham and seconded by Cllr Brian Bailey.

This Council urges Councillors to stand with Britain's family farmers, to support our rural communities, and that the Chief Executive sends a letter to the Chancellor of the Exchequer and the Minister of State for Food Security and Rural Affairs signed by all Group Leaders requesting them to reconsider the proposed changes to the Agricultural Property Relief and farming/agricultural related Business Property Relief.

The substantive motion was put to the vote and carried by a majority show of hands and Council **RESOLVED:**

1. That In light of the confusing government department figures related to the number of farms affected by the recent Budget changes, and given that farmers' IHT is not an issue that all Members will have sufficient detailed knowledge about, and in order to give maximum consideration of what positive broad support this Council might provide to the district's farmers, Council agrees to refer this motion to the Scrutiny Committee requesting that it considers the motion, its recommendations and their implications and to report back to Council on the outcome of its deliberations.
2. That this Council urges Councillors to stand with Britain's family farmers, to support our rural communities, and that the Chief Executive sends a letter to the Chancellor of the Exchequer and the Minister of State for Food Security and Rural Affairs signed by all Group Leaders requesting them to reconsider the proposed changes to the Agricultural Property Relief and farming/agricultural related Business Property Relief.

55 **Motion on Notice - Housing**

Councillor Henry Riddell proposed the following motion.

Housing

"Damp and mould has serious impacts on residents' lives and can cause negative health implications which can be life changing.

The council's stock condition survey has identified a number of properties with damp and mould and work is already underway to scrutinise the data received, understand works completed since the surveys took place and organise works outstanding. 33% of properties surveyed had some damp (40% benchmark at similar authority)- this could be condensation through to major damp. All Cat 1 & 2 damp and mould cases (9.81% of surveyed stock) were referred to the Council at the point of identification in order for works to be completed urgently.

Under Awaab's law the council has to investigate each complaint about damp and mould in social housing and this will be extended to the private rented sector next year. If they do not, residents will be able to hold their landlords to account by taking legal action through the courts for a breach of contract. The Council are awaiting further guidance from the Housing Ombudsman on Awaab's Law and other new standards. Once this guidance has been received a robust policy and procedure will be produced. for the Housing review board to consider.

In light of the above, the Council resolves to:

- Rectify the outstanding Cat 1 & 2 damp and mould issues at the relevant properties as a matter of urgency, creating schedules of works to eradicate damp and mould. That these plans are put in place before the end of the financial year for these properties.
- A full communications plan being established for all residents, whether owner occupier, social, affordable or privately rented, on how to identify, report, remove and reduce damp and mould in their property.

- Create robust policy and procedures before the next financial year to ensure the council is well placed to deal with the impacts of new legislation and regulations coming forward to the social housing sector. This will have particular focus on Awaab's law once guidance has been released."

Councillor Dan Ledger or Mike Goodman seconded the motion which was supported by Councillors Aurora Bailey, Brian Bailey, Colin Brown, Jenny Brown and Mike Goodman

In seconding the motion Councillor Dan Ledger stated that

Having been put to the vote the motion was unanimously carried.

RESOLVED:

1. That Council agrees to rectify the outstanding Cat 1 & 2 damp and mould issues at the relevant properties as a matter of urgency, creating schedules of works to eradicate damp and mould. That these plans are put in place before the end of the financial year for these properties.
2. That Council agrees that a full communications plan being established for all residents, whether owner occupier, social, affordable or privately rented, on how to identify, report, remove and reduce damp and mould in their property.
3. That the Council creates robust policy and procedures before the next financial year to ensure the council is well placed to deal with the impacts of new legislation and regulations coming forward to the social housing sector. This will have particular focus on Awaab's law once guidance has been released."

56 **Appointment of Co Opted Tenant Members to the Housing Review Board**

The Council received a report seeking approval for the appointment of two co-opted tenant representatives to serve on the Housing Review Board.

Members welcomed the appointments which would ensure that the voices of tenants were heard and considered in the board's decision-making processes.

The Chair of Council moved the recommendation and having been put to the vote was unanimously carried.

RESOLVED: To appoint Rachel Browne and Rosie Dale as co-opted tenant representatives on the Housing Review Board.

57 **Poverty Working Group - To appoint a councillor**

The Council received a nomination to appoint Councillor Colin Brown to serve on the Poverty Working Panel. There were no further nominations and the Chair moved that Councillor Colin Brown should be appointed to the Poverty Working Panel.

Having been put to the vote the nomination was unanimously carried.

RESOLVED: That Council appoint Councillor Colin Brown to serve on the Poverty Working Panel.

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

The Chair of Council moved that the Press and Public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information within the meaning of Schedule 12A to the Local Government Act 1972 Paragraph 5 in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

Members unanimously supported the recommendation.

RESOLVED: To exclude the Press and Public from the meeting.

59 **Recommendation from Cabinet - 30 October 2024: Beer Cliffs Contribution**

The Portfolio Holder for Coast, Country and Environment presented a report seeking a financial contribution of up to £60,000 to carry out works to Beer Cliffs.

Members noted that funding was required to contribute towards a scheme to urgently reduce the risk of rock falling from the cliffs at Beer onto the EDDC owned public beach and leased out area.

Councillor Geoff Jung proposed the recommendation which was seconded by Councillor John Loudon and having been put to the vote was carried by a majority show of hands.

RESOLVED: That in year funding of up to £60,000 is found to contribute towards the scheme to urgently reduce the risk of rock falling from the cliffs at Beer onto the EDDC owned public beach leased out area.

Attendance List
Councillors present:

| | | |
|---------------|--------------|-------------|
| P Arnott | T Dumper | D Ledger |
| A Bailey | P Faithfull | Y Levine |
| B Bailey | P Fernley | J Loudoun |
| I Barlow | C Fitzgerald | D Mackinder |
| K Blakey | S Gazzard | M Martin |
| K Bloxham | M Goodman | T McCollum |
| C Brown | S Hawkins | H Riddell |
| A Bruce | P Hayward | M Rixson |
| C Burhop | J Heath | E Rylance |
| S Chamberlain | N Hookway | A Toye |
| I Chubb | S Hughes | S Westerman |
| B Collins | B Ingham | J Whibley |
| R Collins | S Jackson | D Wilson |
| O Davey | G Jung | E Wragg |

Officers in attendance:

Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Andrew Melhuish, Democratic Services Manager
Catrin Stark, Director of Housing and Health
Melanie Wellman, Director of Governance (Monitoring Officer)
Andrew Wood, Director of Place

Councillor apologies:

J Bailey
V Bonetta
J Brown
M Chapman
D Haggerty
A Hall
M Hall
M Hartnell
M Howe
R Jefferies
V Johns
C Nicholas
T Olive
H Parr
S Richards
S Smith

Chair

Date:

Report to: Council



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Questions on Notice

Report summary:

The constitution provides that members of Council may ask: the Chair, the Leader or a Portfolio Holder Member of the Cabinet; or the Chair of any Committee or Sub Committee a question on any matter in relation to which the Council has powers or duties or which affects the district.

A member may only ask a question if either:

(a) they have given at least 3 working days' notice in writing of the question to the Chief Executive; or

(b) the question relates to urgent matters, they have the consent of the Chair to whom the question is to be put and the content of the question is given to the Chief Executive by noon on the day of the meeting.

In response to a question on notice an answer may take the form of:

(a) A direct oral answer;

(b) Where the desired information is in a publication of the Council or other published work, a reference to that publication; or

(c) Where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

In accordance with the Constitution two questions on notice have been received and they are set out in the report with the responses.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

To note the responses to the questions on notice.

Reason for recommendation:

In accordance with the Council's Constitution Rules Part 4, 9.2 Questions on notice at full Council; 9.3 Notice of questions.

| Question | Question from | Question | Response |
|----------|----------------------|---|---|
| 1 | Cllr Peter Faithfull | How many of our annual affordable homes are made available to buy each year for the last 5 years? | PFH Sustainable Homes & Communities A verbal answer will be given. |
| 2 | Cllr Brian Bailey | Does the cabinet member agree that playing sports is important to keeping people off all ages fit and healthy. Does the cabinet member agree that this Council should do all they can to ensure that facilities are affordable? | <p>Portfolio Holder Culture, Leisure, Sport and Tourism</p> <p>Yes, this question neatly captures the vision set out within our Leisure Strategy that</p> <p>Our role is essential in facilitating and enabling provision of good quality, accessible, and inclusive leisure for both residents of, and visitors to, East Devon because of the positive impact being active has on our health and wellbeing, and the contribution it makes to national and local public health initiatives.'</p> <p>That is why we have completed a Leisure Strategy 2021 – 2031 which is available on the Council website and includes an Action Plan that is regularly reviewed at the Leisure Strategy Forum.</p> <p>The Strategy and Action Plan are supported by a number of key principles and the first two resonant directly with the question from Cllr Bailey.</p> <ol style="list-style-type: none"> 1. That the provision of leisure facilities for residents and visitors alike is an essential function of this Council. 2. That such leisure facilities are important to improve the health and wellbeing of residents and visitors alike and thereby support national and local public health initiatives <p>By effectively establishing 'need' and having a mechanism to secure resources to contribute towards meeting the need, the council is well placed to achieve both council and community policy objectives in relation to maintaining and improving sport and recreation provision, increasing</p> |

participation and encouraging more active healthy communities.

We are also working more closely with partners including Active Devon and their push for more movement to change lives for the better and seek more ways of aligning shared goals and outcomes.

Does the cabinet member agree that this Council should do all they can to ensure that facilities are affordable?

It is pleasing to note that affordable and accessible leisure facilities is also recognised as one of the key principles within the Leisure Strategy.

It is worth reflecting that in East Devon, there are a wide range of public, private and voluntary sector organisations delivering opportunities alongside those provided by EDDC and its leisure operator LED. This in part reflects the rural nature of the district, with organisations serving relatively small populations across a number of towns and villages.

There are significant challenges with delivering the level of infrastructure and access required, and while the Council has a role in championing and enabling the provision required, it is unrealistic to expect the Council to be able to deliver everything.

Innovative partnerships, cross sector sustainable delivery and funding models, and significant amount of capital funding will be required in order to achieve the level of provision that the Leisure Strategy identifies as needed.

The council will continue to secure S106 Developers' Contributions (S106) or Community Infrastructure Levy (CIL) towards improvements to existing and new facilities in accordance with National Planning Policy Framework and policies for planning obligations. Additionally, grant funding and other sources of capital will be explored to provide or improve those sports facilities where planning obligations cannot be justified.

| | | | |
|---|------------------|--|---|
| | | | <p>That's why it is important that any proposal for provision needs be accompanied by a robust business plan so the financial implications are fully understood. That also rings true for current facilities as well.</p> <p>These strategies will continue to be reviewed by the Leisure Delivery Forum and refreshed as schemes and projects are developed, delivered or changed. After further feasibility work, some projects may be considered unviable. Some may need different forms of support.</p> <p>The overarching approach of the Strategies is one of optimism, and over the next few years we will do what we can to enhance yet further the facilities and opportunities that add so much to the wellbeing and quality of the lives of residents in East Devon.</p> |
| 3 | Cllr Colin Brown | <p>At the December full Council meeting it was agreed.</p> <p>That this Council urges Councillors to stand with Britain's family farmers, to support our rural communities, and that the Chief Executive Sends a letter to the Exchequer and the Minister of State for Food Security to reconsider the proposed changes to the Agricultural Property Relief and farming related Businesses Property Relief.</p> <p>Can the Leader confirm the letter was sent and have the Council received a reply.</p> | <p>Leader of Council</p> <p>The letter has been sent to the Chancellor and the Secretary of State for Environment, Food and Rural Areas. This was dispatched following the further consideration of this issue at the Scrutiny meeting on the 30th January and references the further work that is now being undertaken locally to understand the impact of the changes to Agricultural Property Relief and Business Property Relief in an East Devon setting. A reply has not yet been received.</p> |

Report to: **Council**

Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



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

Report summary:

To receive reports from the Cabinet and the Council's Committees and receive any questions on those reports from meetings between 27 November 2024 and 17 February 2025.

Recommendations from Cabinet and the Council's Committees are set out as separate agenda items and contained in the agenda pack.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

To note the reports from Cabinet and the Council's Committees and the responses to any questions raised.

Reason for recommendation:

In accordance with the Council's Constitution.

Officer: Andrew Melhuish (Corporate Lead Democratic and Scrutiny) –
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

Report in full

The minutes from the following meetings are included:
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Cabinet – 27 November 2024; 8 January 2025; and 5 February 2025

Scrutiny Committee – 10 December 2024; 15 January 2025 and 30 January 2025

Housing Review Board – 30 January 2025

Planning Committee 17 December 2024 and 28 January 2025

Strategic Planning Committee – 22 and 29 November 2024; 11 December 2024 and 4 February 2024

Leisure Strategy Delivery – 14 January 2025

Licensing & Enforcement Committee – 5 February 2025

Licensing & Enforcement Sub-Committee – 11 December 2024 and 29 January 2025

Personnel Committee – 14 January 2025

Placemaking Exmouth Town & Seafront Group – 10 December 2024 and 10 February 2025

Cranbrook Placemaking Group – 18 November 2024 and 20 January 2025

Standards Committee – 16 January 2025

Audit & Governance Committee – 27 November 2024 and 27 January 2025

Financial implications:

None.

Legal implications:

None.

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 27 November 2024

Attendance list at end of document

The meeting started at 6.08 pm and ended at 8.28 pm

86 Minutes of the previous meeting

The minutes of the previous meeting of Cabinet held on 30 October 2024 were agreed.

87 Declarations of interest

Min 92. Minutes of Budget Setting and Capital Allocations Panel held on 11 November 2024.

Councillor Sam Hawkins, Affects Non-registerable Interest, member of Cranbrook Town Council.

Min 98. River Axe SAC Local Nutrient Mitigation Fund Round 2 award.

Councillor Paul Hayward, Affects Non-registerable Interest, Employed as the Clerk to Axminster Town Council.

Min 98. River Axe SAC Local Nutrient Mitigation Fund Round 2 award.

Councillor Sarah Jackson, Affects Non-registerable Interest, the nature of which I am not required to disclose under section 32 of the Localism act 2011.

Min 99. Cranbox Modular Space Delivery in Cranbrook Town Centre.

Councillor Kevin Blakey, Affects Non-registerable Interest, member of Cranbrook Town Council.

Min 99. Cranbox Modular Space Delivery in Cranbrook Town Centre.

Councillor Paul Hayward, Affects Non-registerable Interest, has family members living in Cranbrook.

Min 99. Cranbox Modular Space Delivery in Cranbrook Town Centre.

Councillor Sam Hawkins, Other Registerable Interest, member of Cranbrook Town Council.

Min 102. UKSPF Programme amendment.

Councillor Paul Hayward, Affects Non-registerable Interest, Employed as the Clerk to Axminster Town Council.

Min 102. UKSPF Programme amendment.

Councillor Sarah Jackson, Affects Non-registerable Interest, the nature of which I am not required to disclose under section 32 of the Localism act 2011.

Min 104. Government consultation on remote attendance and proxy voting at Council meetings.

Councillor Paul Hayward, Affects Non-registerable Interest, Employed as the Clerk to Axminster Town Council.

Min 104. Government consultation on remote attendance and proxy voting at Council meetings.

Councillor Sarah Jackson, Affects Non-registerable Interest, the nature of which I am not required to disclose under section 32 of the Localism act 2011.

88 **Public speaking**

Martin Huscroft representing Kilmington Cricket Club, spoke on Minute 103 Public Spaces Protection Order (PSPO) – Dog Control 2023. He stated that dog fouling on the field of play had got worse during the Covid pandemic and the lockdowns associated with them despite the provision of dog waste bins. Since the 2023 Dogs on leads PSPO the issue had got significantly less. This protection was important to the cricket club as it had expanded its youth provision to younger members. The club had a duty of care to its members, sporting opponents and the school who use the field, they took this responsibility seriously but could only deliver with the protection the authority provided them. Dog fouling was anti-social and a health and safety issue with serious health implications, this was the cricket club's top priority.

John Lavender representing Kilmington Playing Fields Committee spoke on Minute 103 Public Spaces Protection Order (PSPO) – Dog Control 2023. The PSPO had addressed safeguarding issues regarding the primary school that frequently use the field especially for children who were anxious around dogs. Access to the children's playground area required crossing the field with some parents stating they use the playground more now that they don't have to worry about the dog mess in the field they had to walk through. The Kilmington Playing Fields Committee had recognised the value that members of the community placed on being able to walk their dogs in the field. They considered the need to reduce the risk and take into account the health and safety and well-being for people using the field and believed this would be achieved through a Dogs on Leads Policy.

89 **Matters of urgency**

There was one late item to be dealt with in this way recorded at Minute 108 Review of Leisure Provision - Funding and Management Agreement with LED Community Leisure.

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

There were two items dealt with in this way which are recorded at Minutes 107 and 108.

91 **Minutes of Overview Committee held on 24 October 2024**

Members noted the Minutes and recommendations of Overview Committee held on 24 October 2024.

Minute 14 East Devon Trees, Hedgerow and Woodlands Strategy

- The adoption of the final draft of the East Devon Tree, Hedgerow and Woodland Strategy 2024 – 2034 which reflects the ambitions and opportunities to protect East Devon's treescape and create opportunities for tree planting working in partnership with key stakeholders.
- To appoint a part time Tree & Woodland Project Officer role to enable the delivery of the Strategy. The budget and costs for this role are already secured within the existing salary budget due to a vacant part time role within the Tree team.

- To note the Overview Committee's concerns about the reduction of the enforcement role within the Tree team and to consider continuing including this vacant post in the establishment, going forward.

92 **Minutes of Budget Setting and Capital Allocations Panel held on 11 November 2024**

Members noted the Minutes and recommendations of Budget Setting and Capital Allocations Panel held on 11 November 2024.

Minute 6 Listing of Capital bids proposed

1. that the following bids be included in the Capital Programme:
 - a. Exmouth SANG for £1,580k in 2025/26 as forward funding in advance of securing funding from CIL and proportionate funding from Teignbridge District Council and Exeter City Council through the Habitat Regulations Executive Committee;
 - b. Lighting upgrade for parks and gardens across the District for £75k;
 - c. HRA Higher Brook Meadow replacement of play provision for £120k subject to transfer to General Fund;
 - d. Phear Park play area for £200k for 2025/26;
 - e. Events Team electrical outlets upgrade for £30k for 2025/26;
 - f. Recycling and Refuse Fleet requirements for £290k for 2025/26;
 - g. Fluvial works for £320k for 2025/26;
 - h. Exmouth BMP Phase 2 risk budget for £300k for 2025/26;
 - i. Seawall investigations for £30k for 2025/26;
 - j. Beer beach huts decking replacement for £75k for 2025/26;
 - k. Cliff works for £150k for 2025/26;
 - l. Bin replacement in Exmouth (Maer) for £20k for 2025/26;
 - m. Recycling and Refuse Depot and Plant for £78k for 2025/26;
 - n. Exmouth Pavilion electrical works for £34,500 for 2025/26;
 - o. Ocean Building terrace floor works for £55,500 for 2025/26 subject to being liable for works with delegated authority to the PH Finance, Director of Finance and Assistant Director Place, Assets and Commercialisation to agree to action if required;
 - p. Flooring works OSM and Honiton Leisure Centres for £72,500 for 2025/26 subject to confirmation on dual-site contribution;
 - q. Play equipment replacement for £50k for 2025/26;
 - r. Internal decorations and repairs for various LED buildings for £33,500 for 2025/26 and £33,500 for 2026/27 subject to confirmation on dual-site contribution;
 - s. Manor Gardens drainage for £75k for 2025/26;
 - t. Home Safeguard alarms for £465,810 for 2025/26;
 - u. UV Filtering for Exmouth, Honiton and Sidmouth pools for £88,500 for 2025/26;
 - v. Manor Pavilion roofing works for £15k for 2025/26 and £161,500 for 2026/27;
 - w. Swim pool underwater works for Exmouth, Honiton & Sidmouth for £60k for 2025/26;
 - x. External decorations and repairs for various corporate buildings for £153,500 for 2025/26; £153,500 for 2026/27; and £153,500 for 2027/28;
 - y. Cranbrook flagship play provision for £150k for 2025/26.
2. That the following bids put forward for inclusion are not supported at this time:
 - a. Norman Lockyer structural repairs for £157,500 for 2025/26 and £7,500 for 2026/27. This was deferred to permit further discussions between the Council and the Norman Lockyer Observatory Society;
 - b. Exmouth Pavilion toilet works for £61,900 for 2025/26 and £67,600 for 2026/27. This was deferred for later consideration as part of the wider consideration of the Leisure Strategy;
 - c. Glen Goyle footpath for £30k for 2025/26. This was deferred with a request made for officers to explore discussion with local stakeholders on funding.

93 **Minutes of Leisure Strategy Forum held on 11 November 2024**

Members noted the Minutes and recommendations of Leisure Strategy Forum held on 11 November 2024.

Minute 17 Outcome of Leisure Workshops

To endorse the proposed timetable and decision stages.

94 Minutes of Recycling and Waste Partnership Board held on 12 November 2024

Members noted the Minutes and recommendations of Recycling and Waste Partnership Board held on 12 November 2024.

Minute 13 – Joint contract and operations report

1. that the Recycling and Waste team run a communications campaign to promote greater awareness amongst residents on the safe disposal of batteries.
2. that the Recycling and Waste team undertake proactive communications to promote the use of the first electric recycling collection vehicle.
3. that the joint Overview and Scrutiny Committee review the budget volatility of material prices during the budget setting process.

Minute 18 – Bulky household waste collection charges

that Cabinet approve the proposed increase in bulky household waste collection charges from 1 December 2024 to cover the additional operational costs introduced by POPs regulations.

95 Minutes of Housing Review Board held on 7 November 2024

Members noted the Minutes and recommendations of Housing Review Board held on 7 November 2024.

Minute 24 Financial monitoring report

1. that Cabinet acknowledges the variances identified as part of the Revenue and Capital monitoring process up to month six.
2. that Cabinet approves the recommendation contained within the report to fund all Right to Buy acquisitions with 100% Right to Buy capital receipts and the £0.975m of budgeted borrowing released by this be utilised to fund the urgently required electrical compliance work.

Minute 26 Housing Revenue Account position statement

that Cabinet note the Housing Revenue Account update report.

Minute 27 Acquisitions and disposal policy

1. that the Strategic Acquisitions & Disposals Policy be adopted subject to 2(i) of the policy objectives being amended to 'Enhance Housing Stock; acquire properties meet the needs of our community, including good quality, affordable and accessible housing needs'.
2. that delegated authority be granted to the Director of Housing, in agreement with the S.151 Officer and the Director of Governance & Licensing (the Monitoring Officer), to authorise the disposal of individual non contiguous HRA assets up to a maximum value of £500,000, in accordance with the adopted 'Acquisitions and Disposals Policy' and in consultation with the

Portfolio Holder for Sustainable Homes and Communities.

3. that all acquisitions and disposals within the HRA be reported to the Housing Review Board and Cabinet.

96 **Minutes of Arts and Culture Forum held on 6 November 2024**

Members noted the Minutes and recommendations of Arts and Culture Forum held on 6 November 2024.

Minute 15 Funding requests from Villages in Action and Screen Devon

that subject to further information being provided on KPIs, that Cabinet approves the following funding requests:

1. Villages in Action - an uplift of £5,000 to their annual contribution from EDDC (currently £10,000) to support the recruitment of a new Network Lead in East Devon.
2. Screen Devon - £10,000.

97 **Elections update**

The Returning Officer updated members that after an election it was best practice to carry out an evaluation of election processes seeking feedback from appropriate stakeholders. That exercise had been carried out and would inform the project plan and risk register for future elections. The report specifically updated on the printing issue that led to a significant number of residents not receiving their poll cards in a timely manner and the steps that had been taken to minimise the risk of this occurring again. She confirmed that the printers had taken this issue very seriously and felt that processes both internally and externally had been further improved.

The Portfolio Holder Communications and Democracy thanked the Returning Officer and the Elections Team for their quick response in notifying Members to this situation. She agreed the council was now in a stronger position going forward.

There was discussion around poor postal delivery and the need to communicate with personnel within the postal service before the next election. It was highlighted that postal votes now have significant markings on the envelopes that made them stand out and identifying them as a priority within sorting offices. It was commented that residents do not need a poll card to vote which in the long term was more environmentally friendly.

RESOLVED:

That the Elections update be noted.

REASON:

To ensure that members were updated regarding the printing issue that arose in relation to the Parliamentary elections and that the learning from that and other lessons learnt, helped to inform the project plan and risk register for future electoral events.

98 **River Axe SAC Local Nutrient Mitigation Fund Round 2 award**

The Assistant Director Countryside and Leisure with support of the Chair and Cabinet wished to congratulate and thank Will Dommett the District Ecologist for his tremendous efforts in getting this vast amount of funding from the Government's Local Nutrient Mitigation Fund.

The District Ecologist presented his report outlining that the water quality of the River Axe Special Area of Conservation (SAC) and Site of Special Scientific Interest (SSSI) had been a concern for a long time. The River Axe SAC was in unfavourable and declining status owing to nutrient enrichment and sediment pollution. East Devon District Council, as the Competent Authority under the Habitat Regulations 2017, was required to consider the implications of these matters on the River Axe SAC before permitting any further development which had the potential to result in additional phosphate loads entering the catchment.

An Expression of Interest (EOI) outlining a proposal for £4 million was made by EDDC as lead authority in collaboration with both Dorset and Somerset Councils (who had parts of the River Axe SAC catchment within their boundaries), in April 2024 to Round 2 of the Government's Local Nutrient Mitigation Fund. The recent Budget in October included a £4.09 million allocation to EDDC and the River Axe catchment as one of the seven successful EOIs that were made in England. EDDC was also awarded an additional £192,494 in capacity support funding along with a further £100,000 through the Nutrient Support Fund.

Not all developers had the practical capacity to mitigate phosphates on site or the means to negotiate off-site mitigations directly. To unlock this position, it was therefore necessary for the council to facilitate a scheme to fund schemes that create mitigation credits, which it could then allocate to facilitate development.

RESOLVED that Cabinet:

1. Welcome the outcome of the bid and approves the Council acting as the Accountable Body for the funds and entering into the accompanying Memorandum of Understanding and Grant Determination letter. Authority to agree terms being delegated to Director of Place in consultation with Director of Finance (S151 Officer) and Director of Governance (Monitoring Officer).
2. Endorses the establishment of a Programme Board to provide oversight and advise on the deployment of the funds to include representatives of Somerset and Dorset Councils.
3. Receives a further report setting out the Terms of Reference for the Programme Board and associated scheme of delegation necessary to operationalise the Mitigation Fund.
4. Endorses the recruitment of the Programme Manager, Project Manager and administration support roles be funded through the award and for to be hosted by the Council.

REASON:

To be able to deliver the River Axe SAC Local Nutrient Mitigation Fund scheme as detailed in the report and put in place the necessary legal, financial and reporting processes to enable the delivery of the £4.09 million that had been allocated by the Ministry of Housing, Communities & Local Government to the scheme programme.

99 Cranbox Modular Space Delivery in Cranbrook Town Centre

Cllr Kevin Blakey spoke on this item. He stated that Cranbrook Town Centre was finally becoming a benefit to the town especially with the opening of the new supermarket shortly. For the town to survive it need to thrive so had to be different not just good. The Cranbox project was not just about providing quick access to space but also gave

Cranbrook a unique selling point to draw business in. This project was 10 years in the making and action was required now. He stated he supported the recommendations.

Cllrs Kevin Blakey and Cllr Sam Hawkins spoke and then left the room during the debate and vote due to their being members of Cranbrook Town Council.

The Enterprise Zone Project Manager and Corporate Lead - Major Projects & Programmes (Interim) provided an update on the Cranbox project. The project delivered new commercial floorspace within Cranbrook Town Centre and had been developed by EDDC with the support of Cranbrook Town Council. The project had been awarded funding through the Devon & Torbay Net Zero Capital Programme, subject to Ministry of Housing, Communities and Local Government (MHCLG) sign off.

The Chair thanked the District and Town Councillors as well as the town clerk and all who had worked on the project for their hard efforts on getting this to this stage

RESOLVED that Cabinet:

1. That Studio 4 have been appointment through an NHS procurement framework to support the delivery of a planning application for the scheme, to the value of £25k from the Enterprise Zone programme budget be noted.
2. Accept the funding from the Devon & Torbay Net Zero Capital Programme, following MHCLG sign off 2. EDDC act as Accountable Body for the grant funding, with Cranbrook Town Council delivering the project.

REASON:

To support the delivery of Cranbrook Town Centre through the delivery of additional commercial floor space, using grant funding from the Devon & Torbay Net Zero Capital Programme be agreed.

100 **Peer Challenge review update**

The Portfolio Holder Council and Corporate Co-ordination presented the report that provided an overview of the Peer Challenge recommendations and the delivery plan to implement the recommendations. He thanked Jo Avery, Management Information Officer for her efforts in getting the report together.

RESOLVED that Cabinet:

Receive the Peer Challenge recommendations and delivery plan and note the progress of the actions to date.

REASON:

To ensure that the recommendations from the Peer Challenge are actioned and delivered appropriately.

101 **Financial Monitoring Report 2024/25 - Month 6 September**

The Finance Manager gave a summary of the Council's overall financial position for 2024/25 at the end of month six (30 September 2024).

Current monitoring indicated that:

- The General Fund Balance was currently projected to be above the adopted level, no action was recommended for members consideration at this stage. Forecasts indicated a favourable position of £968k was predicted. The council continued to see a significant favourable position in treasury management interest.
- The Revised Housing Revenue Account (HRA) budget approved by Council (July 2024) agreed the use of the HRA Balance up to £1.750m in year, with the acceptance this would take the HRA Balance below its minimum adopted level of £2.1m to £1.350m, to be replenished in future years. Expenditure was being maintained within this perimeter with ongoing analysis on future spending plans and projections to gain assurance on this position to financial year end.

RESOLVED that Cabinet:

1. Acknowledge the variances identified as part of the Revenue and Capital Monitoring process up to Month 6.
2. Agree to the recommendation discussed in section 3.1 to fund all Right to buy Acquisitions with 100% Right to Buy Capital Receipts and the £0.975m of budgeted borrowing released by this decision be utilised to fund urgently required electrical compliance work.

REASON:

The report updated Members on the overall financial position of the Authority at set periods and included recommendations where corrective action was required for the remainder of the financial year.

102 UKSPF Programme amendment

The Director of Place presented the report that highlighted that MHCLG had recently updated the guidance on the UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF), stating that all funded activity, including that delivered by third parties, must conclude by the end of the current financial year. This updated guidance now threatened several of the council's planned projects which were forecasting end dates beyond March 2025.

To complete all spend and activity by the March deadline, officers had explored alternative projects which could be fully delivered within the timeframe and demonstrate alignment with the UKSPF guidance. Phase 1 of EDDC's Public Toilet Investment Programme (PTIP), along with our Carbon Action Programme (CAP), met both criteria. Both initiatives were due to be completed and fully spent by the end of the financial year and were compatible with the UKSPF interventions.

There was now an opportunity to utilise remaining UKSPF funding by part-funding PTIP and CAP schemes. In return, it was recommended that the EDDC funding saved through the utilisation of the UKSPF budget was to be committed for the delivery of the remaining UKSPF projects. This cost-neutral solution ensured successful delivery of the PTIP, CAP and the UKSPF projects and reduced the likelihood of any underspend being returned to MHCLG. It allowed the council to retain the benefits of the UKSPF allocation within the local community and continue the positive impacts into the 2025/26 financial year.

The Chair thanked the Deputy Leader for his work on this, who in turn wished to thank officers, panel and forums members that had worked together in order to use this funding.

RESOLVED that Cabinet:

1. Agrees to using EDDC's UKSPF and REPF allocation to part-fund up to £600,000 for the Public Toilet Investment Programme (PTIP) and up to £200,000 to part-fund the Carbon Action Programme (CAP).
2. Agrees to allocate and ringfence the internal funding saved through this measure to deliver all remaining UKSPF and REPF activity endorsed by Cabinet and/or the UKSPF Programme Management Panel. The amount of funding ringfenced will be equal to the total sum of UKSPF and REPF payments to part-fund the PTIP and CAP.
3. Agrees to give delegated authority to the Director of Place, in consultation with the S151 officer and the Monitoring Officer, to determine the total amount of UKSPF and REPF funding (up to £800,000) to be allocated to part-fund the PTIP and CAP and to authorise the relevant payments.
4. Agrees to delegate authority for the ringfenced funding to the UKSPF Programme Management Panel and the Director of Place, in consultation with the S151 officer and the Monitoring Officer, to allocate the funding, amend existing projects and approve new projects (up to £800,000).

REASON:

Cabinet approval was required to ensure that UKSPF and REPF activity could continue following the updated guidance issued by MHCLG. This would significantly reduce the risk of EDDC having to repay a significant amount of funding back to MHCLG.

103 **Amendments to the Public Spaces Protection Order - Dog Control 2023**

The Assistant Director Environmental Health presented the report. Following the implementation of the Public Spaces Protection Order – Dog Control 2023, there were required corrections relating to Kilmington and Allhallows Playing Fields. Due to the time since the introduction of the Public Spaces Protection Order – Dog Control 2023, a period of public consultation was undertaken regarding the proposed variations. The report outlined the responses and made recommendations to be approved by Cabinet before the Order could be varied.

The Chair thanked residents from both communities for their contribution to this matter.

RESOLVED that Cabinet:

Approve the following variations to the Public Spaces Protection Order – Dog Control 2023 made under the Anti-Social Behaviour Crime and Policing Act 2014.

- Change the requirement for dogs to be kept on leads at Kilmington play area to a dog on lead requirement at Kilmington Playing Field and a dog exclusion requirement at the children's play area.
- Change the dog exclusion requirement at Allhallows playing fields, Honiton to only apply to the sports pitches.

REASON:

To ensure that the Public Spaces Protection Order - Dog Control 2023 reflects public opinion and was enforceable by authorised officers.

104 **Government consultation on remote attendance and proxy voting at Council meetings**

The Director of Governance and Monitoring Officer updated members to the fact the Government was currently conducting an eight-week consultation on the detail and implications of allowing remote and hybrid attendance and proxy voting at local authority meetings in England.

Discussion included the following:

- Proxy voting was difficult to manage
- Proxy voting could be perceived as amounting to pre-determination.
- Proxy voting should not be an option
- This would enable councillors to attend more meetings
- Widens the demographic to becoming a councillor
- With the climate emergency this would help to reducing the carbon footprint
- Would be unfair if the technology was not available to do the job
- The need to move forward with current ways of working
- Promote the watching of meetings on council's YouTube channel
- The need for a mixture of in-person and remote meetings
- The choice of when and how you meet
- EDDC had been lobbying for this since lockdown
- Extra resilience when facing adverse weather conditions
- Helps the public to become more engaged

RESOLVED that Cabinet:

1. Agree the proposed response to the consultation and agree its submission to the Government.
2. That the Monitoring Officer share the response with all Town and Parish Councils in East Devon and encourage them to respond to the consultation by the 19 December 2024 deadline.

REASON:

To ensure that the Council had the opportunity to respond to the consultation.

105 **Update on the Council Plan delivery plan**

The report provided an overview of the progress made on the Council Plan delivery plan up to the second quarter of 2024/25.

RESOLVED that Cabinet:

1. Receive the progress report of the delivery plan and note the progress of the actions to date.
2. To note the update on the new Corporate Performance System.

REASON:

To ensure that the objectives from the Council Plan were being actioned and delivered appropriately.

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

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).

107 **Towards Zero Carbon Development in the West End:**

Interconnector Project Part A

The recommendations as set out in the confidential report were agreed.

108 Review of Leisure Provision - Funding and Management Agreement with LED Community Leisure

The recommendations as set out in the confidential report were agreed.

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 |
| 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 Economy and Assets |
| S Hawkins | Portfolio Holder Finance, Group Leader of Cranbrook Voice |
| T Olive | Portfolio Holder Strategic Planning |

Also present (for some or all the meeting)

Councillor Bethany Collins
 Councillor Roy Collins
 Councillor Peter Faithfull
 Councillor Paula Fernley
 Councillor Steve Gazzard
 Councillor Mike Goodman
 Councillor Kevin Blakey

Also present:

Officers:

Matthew Blythe, Assistant Director Environmental Health
 Tim Child, Assistant Director Place, Assets & Commercialisation
 Amanda Coombes, Democratic Services Officer
 Simon Davey, Director of Finance
 Will Dommett, District Ecologist
 Naomi Harnett, Corporate Lead (Interim) – Major Projects & Programmes
 Tracy Hendren, Chief Executive
 Charles Plowden, Assistant Director Countryside and Leisure
 John Symes, Finance Manager
 Melanie Wellman, Director of Governance (Monitoring Officer)
 Andrew Wood, Director of Place
 Mike O'Mahony, Senior Leisure Officer
 Frances Wadsley, Project Manager, Planning, Growth, Development & Prosperity

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 8 January 2025

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.43 pm

109 Minutes of the previous meeting held on 27 November 2024

The minutes of the previous meeting of Cabinet held on 27 November 2024 were agreed.

110 Declarations of interest

Min 116. Minutes of Placemaking in Exmouth Town and Seafront Group held on 10 December 2024.

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

Min 117. Minutes of Exmouth Beach Management Plan Steering Group held on 23 October 2024.

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

111 Public speaking

There were no members of the public wishing to speak.

112 Matters of urgency

There was one matter dealt with in this way recorded at Minute 128.

113 Confidential/exempt item(s)

There were none.

114 Minutes of Scrutiny Committee held on 7 November 2024

Members noted the Minutes and recommendations of Scrutiny Committee held on 7 November 2024.

Minute 26 Climate Change report

1. That Cabinet note the progress made in achieving the actions specified in the Climate Change Action Plan 2020 – 2040.
2. That Cabinet consider the lessons learnt and how these can be applied to the development of the next Climate Change Action Plan.
3. That all Members be included in the development of the Climate Change Strategy going forward and that SWEEG be brought in to provide technical information and expertise to assist Members

115 **Minutes of Asset Management Forum held on 2 December 2024**

Members noted the Minutes of Asset Management Forum held on 2 December 2024.

116 **Minutes of Placemaking in Exmouth Town and Seafront Group held on 10 December 2024**

Members noted the Minutes of Placemaking in Exmouth Town and Seafront Group held on 10 December 2024.

117 **Minutes of Exmouth Beach Management Plan Steering Group held on 23 October 2024**

Members noted the Minutes of Exmouth Beach Management Plan Steering Group held on 23 October 2024.

118 **Minutes of Joint meeting of the Overview Committee and Scrutiny Committee held on 10 December 2024**

Members noted the Minutes and recommendations of the joint meeting of the Overview Committee and Scrutiny Committee held on 10 December 2024.

Minutes 34 – 38 Key Directorate Plan Objectives 2025-2026

That Cabinet approves the Directorate Plans for 2024 – 2028 for the Housing and Health, Place, Finance and Governance Directorates.

119 **Minutes of the Cranbrook Placemaking Group held on 18 November 2024**

Members noted the Minutes of Cranbrook Placemaking Group held on 18 November 2024.

120 **Council Tax Base 2025/26**

The Assistant Director Revenues, Benefits, Customer Services and Corporate Fraud & Compliance presented the report that set out the tax base for 2025/2026 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 2025/2026.

RESOLVED that Cabinet:

1. Agrees the approval of the tax base for 2025/2026 at 65,142.52 Band D equivalent properties.
2. Agrees the amount for each parish as detailed under section 3 of the report.

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.

121 **Council Tax Reduction Scheme 2025/26**

Members were asked to consider and approve the Council Tax Reduction (CTR) scheme for 2025/26 that was recommending no change from the 2024/25 scheme. This was due to the current scheme continuing to support low-income households in the most effective way in the current economic climate.

RECOMMENDED to Council:

That the Council Tax Reduction Scheme for working age residents is approved for 2025/26.

REASON:

The council was required by law to decide whether to revise or replace its CTR scheme each year. The proposal was that the scheme remained unchanged from 2024/25 as the current economic climate remains difficult for those on low incomes. Leaving the scheme as it was, would ensure that those households on the lowest income and therefore falling into income band 1 would continue to receive 100% support towards their Council Tax charge.

122 **Draft Revenue and Capital Budgets 2025/26**

The Director of Finance presented the draft revenue and capital budgets for 2025/26 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 5 February 2025 when members would finalise budget proposals to recommend to Council.

The report has been compiled before the Provisional Local Government Finance Settlement announcement on the 18 December 2024, it was confirmed that the outcome of the Settlement was in line with the estimates made in the report and no amendments were required.

RESOLVED that Cabinet:

Agree the draft revenue and capital estimates including the associated fees and charges schedule, 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 a Council Tax for 2025/26.

123 **East Devon National Landscape Management Plan consultation**

EDDC together with other local authorities had previously authorised the East Devon National Landscape Partnership to undertake a review of the National Landscape (AONB) Management Plan by 31 December 2026, as required under Section IV of the Countryside and Rights of Way Act 2000. The review process was underway with key issues, new challenges and opportunities having been identified, including through stakeholder engagement. Approval was now sought for public consultation on a draft of the reviewed Plan to take place during February and March 2025. This would inform any changes to be made and once finalised the revised Management Plan would be recommended by the National Landscape Partnership, for adoption by each of the local authorities by the end of July 2025.

RESOLVED that Cabinet:

Agrees to the East Devon National Landscape Partnership undertaking public consultation on the reviewed East Devon National Landscape Management Plan for 2025-2030.

REASON:

To enable the East Devon National Landscape Partnership to carry out the consultation on the reviewed East Devon National Landscape Management Plan. EDDC with other local authorities, had authorised the East Devon National Landscape Partnership to review the Management Plan on their behalf. Consultation was a standard component of statutory Plan preparation, involving a consultation period during which consultees, including the public, could comment on the draft Plan.

124 **Culture Strategy 2022 - 2031 support**

Since the creation and adoption of the Council's Culture Strategy 2022-2031 a significant amount of progress had happened with the appointment of the council's Cultural Producer to drive the Strategy's 10-year Delivery Plan forward. The setting up of the Arts Culture East Devon (ACED) network had now attracted over 200 local cultural and creative organisations across the district that were helping to drive community engagement, social capital, pathways for young creatives, engaging in Placemaking schemes and boosting the local economies of towns and rural areas. This had been supplemented with the funding received from the UK SPF and the cultural programme which had enabled an acceleration of many priority areas in the Culture Strategy. The UK Shared Prosperity Fund (UK SPF) had also helped to set up the Creative East Devon Fund which was a competitive application process open to all the District's local creative and cultural organisations within the ACED network to develop and grow their work.

The Council Plan had identified the value and importance of its cultural programmes and events within its current Council Plan and how it could help to shape areas such as place making, enable community cohesion and support local economies with job creation and apprenticeships into the creative and arts sector.

RESOLVED that Cabinet:

1. Approve the support of the Screen Devon scheme and its supporting Key Performance Indicators by granting additional funding of £10,000 for the 2025/26 financial year as set out in the report.
2. Approve the support of the Villages in Action programme and its supporting Key Performance Indicators by granting additional funding of £5,000 (in addition to the existing annual contribution of £10,000) for the 2025/26 financial year to support the recruitment of a new Network Lead in East Devon.

RECOMMENDED to Council:

3. That a budget of £15,000 is provided from the UK SPF Year 4 allocation in the first instance to fund the recommendations to provide additional funding of £10,000 to Screen Devon and additional funding of £5,000 to Villages in Action as set out in recommendations 1 and 2 and for this to be met from the General Fund if UK SPF funding is not available.

125 **Draft Housing Strategy**

The Housing Projects Officer presented the draft Housing Strategy which was requesting approval to go out to consultation for 11 weeks, before a final draft was produced and

presented in Summer 2025. The strategy sought to focus resources on four key strategic areas which aimed to deliver over the next 5 years.

Objective 1: Delivering person-centred housing services

Objective 2: Preventing Homelessness and Rough Sleeping

Objective 3: Improving the standard of homes and communities

Objective 4: Increasing the supply of homes

A detailed delivery action plan would sit alongside the strategy to track and demonstrate achievements against the objectives.

RESOLVED that Cabinet:

That members approve the attached draft (including any amendments agreed at this meeting) for public consultation to begin in January 2025.

REASON:

The draft strategy set out the intended direction for the delivery of housing related services across the council for the next 5 years. The council wished to seek the views of the public, external agencies and others before finalising its approach.

126 Corporate Peer Challenge Review outcome

The Portfolio Holder Council and Corporate Co-ordination reminded Members that the Local Government Association (LGA) were commissioned by EDDC to conduct a Corporate Peer Challenge following a Motion at Full Council in July 2023. The Peer Challenge was conducted in February 2024 and an action plan and timetable to address the recommendations was presented to members in July 2024. The Peer Challenge Team returned on 28 November 2024; this report presents the conclusions reached by the Peer Team when reviewing the progress that has been made. His following comments was asked to be noted.

“The peer team were pleased to note how much progress had been made by the council since the corporate peer challenge had taken place just nine months earlier. It was clear that EDDC has made significant progress which was a positive reflection of the hard work that has been undertaken by the council. EDDC has embraced improvement, and this is evidenced in the action plan which includes not only the key recommendations made by the peer team but also includes progress against additional comments and suggestions that were mentioned in the Corporate Peer Challenge feedback report”.

The Portfolio Holder Council and Corporate Co-ordination and the Chair thanked staff, executive officers and Members for their engagement into the review.

RECOMMENDED to Council:

That the report and positive conclusions of the LGA be noted.

REASON:

To support and maintain ongoing improvement at the Council.

127 Appointment to the Devon and Torbay Housing Advisory Group

The Director of Place presented his report which sought endorsement for the Portfolio Holder for Strategic Planning to represent the Council on the Devon and Torbay Housing Advisory Group. This would play an important role in advising, informing and influencing

the Devon and Torbay Combined County Authority (DTCCA) to support the delivery of the housing aspects of the devolution deal.

RESOLVED that Cabinet:

Endorses the nomination of the Portfolio Holder for Strategic Planning to represent the Council on the Devon and Torbay Housing Advisory Group.

REASON:

To ensure that the strategic housing challenges and ambitions were clearly articulated through the work of the Devon and Torbay Housing Advisory Group.

128 **English Devolution White Paper**

The Director of Place presented the report which highlighted the English Devolution White Paper that set out the new government's approach to deepening and widening devolution in England. The document placed an emphasis on areas adopting a mayoral model to access additional powers and greater financial flexibility. The White Paper also set out plans to reorganise local government, with an aim to establish larger unitary authorities in two-tier areas and where smaller unitary authorities cannot meet local needs. The report also summarised proposed changes to how strategic planning would be dealt with across wider geographies.

Discussion included the following:

- The importance of progressing the production of the Local Plan
- One unitary authority would be disastrous with no benefit to residents
- Two unitary councils would be a better option
- The need to be proactive and clear on our views
- Residents must be made clear as to the challenges the council would be dealing with
- Devon was vast and there was no set precedent to get guidance from. A single unitary authority would cover a huge area. This had the potential for services being devolved to Towns and Parishes
- Would lose local democracy and accountability and become more cumbersome
- Worried the proposals were rushed and not thought through
- The need to get it right the first time

After Members debated it was agreed that two further recommendations would be asked of Council, recorded below at 3 and 4.

RESOLVED that Cabinet:

1. Notes the key proposals arising from the English Devolution White Paper, including the proposed introduction of a new devolution framework and the plans for local government reorganisation.

RECOMMENDED to Council that endorsement is given to the;

2. a. Joint Leaders statement from the Devon Districts Forum
- b. Potential to promote the establishment of a Mayoral Combined Authority for the peninsular to cover Devon, Plymouth, Torbay and Cornwall
- c. Need to engage with our communities, partners and stakeholders to develop considered and coherent proposals around changes to the current model of 10 councils in Devon to a smaller number of suitably sized unitaries rather than defaulting to a single unitary approach.

3. Belief that a preferred pathway should be explored which would create two Devon Unitary Authorities, one of which should be focused around the North Devon, Mid Devon, East Devon and Teignbridge District Councils, along with Exeter City Council.
4. Belief that the people of Devon would be best served after the abolition of the county council by the two new unitaries, containing a city in each this being Plymouth to the west, and Exeter to the east.
5. Grants delegated authority to the Chief Executive in consultation with the Leader and Portfolio Holder for Council and Corporate Co-ordination to advance negotiations around the form and coverage of future Principal Authorities.
6. Receives a further report in February providing an update on the negotiations before interim proposals are submitted to central government.

REASON:

To ensure all members were aware of the proposed changes set out in the English Devolution White Paper, particularly those relating to local government reorganisation.

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 |
| 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 Economy and Assets |
| S Hawkins | Portfolio Holder Finance, Group Leader of Cranbrook Voice |
| T Olive | Portfolio Holder Strategic Planning |

Also present (for some or all the meeting)

Councillor Colin Brown
Councillor Jenny Brown
Councillor Bethany Collins
Councillor Roy Collins
Councillor Peter Faithfull
Councillor Richard Jefferies
Councillor Sophie Richards

Also present:

Officers:

Amanda Coombes, Democratic Services Officer
Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Libby Jarrett, Assistant Director Revenues, Benefits, Corporate Customer Access, Fraud & Compliance
Tim Laurence-Othen, Housing Projects Officer

Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Andrew Wood, Director of Place

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 5 February 2025

Attendance list at end of document

The meeting started at 6.02 pm and ended at 8.23 pm

129 Minutes of the previous meeting

The minutes of the previous meeting of Cabinet held on 8 January 2025 were agreed.

130 Declarations of interest

There were no declarations given.

131 Public speaking

There were no members of the public wishing to speak.

132 Matters of urgency

There were two late items that officers agree should be dealt with in this way recorded at Minutes 145 and 147.

133 Confidential/exempt item(s)

There was one item that officers recommended should be dealt with in this way recorded at Minute 147.

134 Minutes of Poverty Working Panel held on 18 November 2024

Members noted the Minutes of the Poverty Working Panel held on 18 November 2024.

135 Minutes of the joint budget meeting of the Scrutiny Committee and Overview Committee held on 15 January 2025

Members noted the Minutes and recommendations of the joint budget meeting of the Scrutiny Committee and Overview Committee held on 15 January 2025.

The Chair thanked officers and Members of both committees for their contribution to the meeting.

Minute 44 Draft Revenue and Capital Budgets 2025/26

That the draft revenue and capital budgets for 2025 / 2026 including the associated fees and charges schedule be approved.

136 Minutes of Leisure Strategy Delivery Forum held on 14 January 2025

Members noted the Minutes of the Leisure Strategy Delivery Forum held on 14 January 2025.

137 **Play park renewal contract 2025**

The report sought delegated authority to award a play park renewal contract.

RESOLVED that Cabinet:

Grant delegated authority to the Assistant Director of Streetscene in consultation with the Portfolio Holder Coast, Country and Environment to award the play park contract to the preferred supplier.

REASON:

To enable the Assistant Director to award the contract to the preferred supplier following completion of the tender exercise.

138 **Revenue and Capital Budgets 2025/26**

The Director of Finance updated Members that Cabinet adopted the draft Revenue and Capital Budgets for 2025/26 on 8th January 2025. A joint meeting of the Overview and Scrutiny Committees reviewed those budgets on 15th January and the Housing Review Board considered the Housing Revenue Account budget on 30th January.

The Overview and Scrutiny committees and the Housing Review Board proposed no amendment to the draft budget. The Local Government Finance Settlement was published on the 3rd February, the only change to affect the council compared with the provisional settlement published just before Christmas was knowing the National Insurance grant/reimbursement sum for 2025/26. This did not meet the full cost estimated for increased national insurance contributions next year, with a shortfall in the General Fund of £324k required to be met from the General Balance and a £54k shortfall in the Housing Revenue Account which would reduce the contribution to be made to the HRA Balance to £0.196m (draft budget sum was £0.250m).

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 2025/26 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy, included the Capital Strategy to be recommended for adoption by Council.

RECOMMENDED to Council:

1. To propose the Net Expenditure Revenue General Fund Budget for 2025/26 of £25.392m, requiring £0.394m to be met from the General Fund Balance.
2. A Council Tax increase is approved of £5 a year giving a Band D council tax of £171.78 a year for 2025/26.
3. That the Housing Revenue Account Estimates with a net budget of nil (total expenditure met by income) is approved with a 2.7% increase on Council dwellings rents.
4. That the Net Capital Budget totalling £31.223m for 2025/26 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 set a Council Tax for 2025/26.

139 **Treasury Management Strategy 2025/26 and Capital Strategy 2025/26**

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 undertake in the forthcoming financial year.

The presented draft Capital Strategy formed part of the annual budget setting approval process. This draws together various adopted strategies and agreed process of the council that govern how it managed capital expenditure and investment decisions. The Capital Strategy brought these areas together in one overarching document.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code required local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions were taken in line with desired outcomes and to take account of stewardship, value for money, prudence, sustainability and affordability.

RECOMMENDED to Council to:

- 1a. Adopt this Treasury Management Strategy including the Prudential Indicators for 2025/26.
- 1b. Approve the Minimum Revenue Provision Policy Statement.
- 1c. Approve the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties.
2. Adopt the Capital Strategy 2025/26 – 2028/29.

REASON:

The Council was required to adopt formally a Treasury Management Strategy and set prudential indicators before the beginning of the new financial year. To comply with good practice there was a requirement for the Council to have in place an adopted Capital Strategy.

140 Financial Monitoring Report 2024/25 - Month 9 December

The report gave a summary of the Council's overall financial position for 2024/25 at the end of month nine (31 December 2024). Current monitoring indicated that:

- The General Fund Balance was currently projected to be above the adopted level, no action was recommended for members consideration at this stage. Forecasts indicated a favourable position of £662k was predicted. The council continued to see a significant favourable position in treasury management interest.
- The Revised Housing Revenue Account (HRA) budget approved by Council (July 2024) agreed the use of the HRA Balance up to £1.750m in year, with the acceptance this would take the HRA Balance below its minimum adopted level of £2.1m to £1.350m, to be replenished in future years. Expenditure was being maintained within this parameter with ongoing analysis on future spending plans and projections to gain assurance on this position to financial year end.

RESOLVED that Cabinet:

Acknowledge the variances identified as part of the Revenue and Capital Monitoring process up to Month 9.

REASON:

The report updated Members on the overall financial position of the Authority at set periods and included recommendations where corrective action was required for the remainder of the financial year.

141 **Councillor DBS checks and Safeguarding Protocol**

Members were updated on the progress in relation to the introduction of Councillor basic Disclosure Barring Service (DBS) checks, since the Council adopted a Protocol introducing DBS checks for Members on 17 April 2024 .

RESOLVED that Cabinet:

Note the update to the DBS checks and Safeguarding Protocol.

REASON:

The Council had decided as part of its Safeguarding Policy to undertake DBS checks for members. The report ensured that Cabinet were up-to-date in relation to the progress made in implementing the Protocol

142 **Community Grants**

The report provided an update on the current community grants issues and the initial proposal on how this would be moved forward.

RESOLVED that Cabinet:

1. Agrees to the re-setting of the Community Grants Schemes from 2025/26.
2. Agrees the combining of the Community Buildings Grant, Small Community Grants and the Action on Poverty Grants funds into one grant scheme across the following two years (25/26 & 26/27).
3. Request the Community Grants Panel to recommend the final co-designed scheme to Cabinet for approval, ensuring it reflects the Council plan priorities and takes account of need.
4. Agrees to the change in the Community Grant Panel Terms of Reference to remove the reference to the Lead officer being the Community Engagement and Funding Officer and replace this with the Benefits and Financial Resilience Manager which sits under the Finance Directorate.

REASON:

To ensure the council supported the VCSE sector with a new and updated grant scheme for 2025/26.

143 **Forward Plan quarterly review**

Members agreed the contents of the forward plan for key decisions for the period 1 March 2025 to 30 June 2025.

144 **Calendar of meetings 2025/2026**

To consider the calendar of meetings for the Council's 2025/2026 civic year.

RECOMMENDED to Council:

that the calendar of meetings timetable for 2025/2026 civic year be referred for approval to the annual meeting of the Council, subject to discussions with the Chairs of the meetings listed.

RESOLVED:

that the 2025 Annual Council meeting be held on Wednesday 14 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.

145 **Devolution update**

The Director of Place provided an update on proposals relating to devolution and local government reorganisation. This follows the publication of the English Devolution White Paper on the 16 December 2024. This was the subject of a report considered by Cabinet on the 8 January and then full Council on the 9 January. The report set out the key options in relation to the potential configuration of both strategic and principal authorities. It also highlighted that further clarification, in terms of the process for submitting proposals for unitary authorities and whether the planned County Council elections scheduled for May would be postponed, was still awaited from national government.

Following a Secretary of State announcement on 5 February it was confirmed that the Devon County Council elections would take place in May 2025 which meant that the Local Government Reorganisation proposals would likely be implemented in April 2028 as opposed to April 2027. A further Ministerial letter had also been received that day setting out further details of the process for submitting proposals for the establishment of unitary councils.

The Chair expressed his concern in relation to the short response timeline the Government had set for submission of initial proposals for 21 March 2025 and for final proposals for 28 November 2025. He paid tribute to EDDC officers and wished to reassure them they had his complete support and that their welfare was paramount.

Discussions included the following:

- The need to keep residents updated.
- The possibility to a cross party working group to assist the council in the process.
- The need to be realistic and focus on priorities.
- The need to have trust and confidence in officers and leadership to take this through the initial process.
- Acknowledgement that this was unsettling for all involved hence the importance for interim arrangements.
- This was the worst time financially for councils to be going through this.

RESOLVED that Cabinet:

Note the contents of the report and receives additional reports as further clarification was received and the proposals developed.

REASON:

To ensure Cabinet was fully engaged in the devolution and local government reorganisation proposals.

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

RESOLVED that Cabinet:

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).

147 **Local Electric Vehicle Infrastructure (LEVI) - Project progress update - Part 2**

RESOLVED:

The recommendations as set out in the report were agreed.

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 |
| 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 Economy and Assets |
| S Hawkins | Portfolio Holder Finance, Group Leader of Cranbrook Voice |
| T Olive | Portfolio Holder Strategic Planning |

Also present (for some or all the meeting)

Councillor Aurora Bailey
Councillor Brian Bailey
Councillor Ian Barlow
Councillor Kevin Blakey
Councillor Colin Brown
Councillor Bethany Collins
Councillor Roy Collins
Councillor Peter Faithfull
Councillor Steve Gazzard
Councillor Mike Goodman
Councillor Richard Jefferies

Also present:

Officers:

Jo Avery, Management Information Officer
Amanda Coombes, Democratic Services Officer

Simon Davey, Director of Finance
Richard Easthope, Parking Services Manager
Tracy Hendren, Chief Executive
Catrin Stark, Director of Housing and Health
John Symes, Finance Manager
Katie Webb, Property Lawyer
Melanie Wellman, Director of Governance (Monitoring Officer)
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Andrew Wood, Director of Place

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the joint budget meeting of the Scrutiny Committee and Overview Committee held at Council Chamber, Blackdown House, Honiton on 15 January 2025

Attendance list at end of document

The meeting started at 3.00 pm and ended at 4.25 pm

39 Declarations of interest

There were no declarations of interest.

40 Public speaking

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

41 Matters of urgency

There were no matters of urgency.

42 Confidential/exempt item(s)

There were no confidential/exempt items.

43 Recommendation from the meeting of the Recycling & Waste Partnership Board 12 November 2024

The Committees considered the recommendation from the Recycling & Waste Partnership Board meeting of 12 November 2024 to review the budget volatility of material prices during the budget setting process.

The Director of Place introduced the recommendation and advised that, in a volatile market with fluctuating commodity prices, a prudent approach should be adopted when setting the budget.

Discussion and responses to questions included the following points:

- Estimates for budget setting purposes were based on the previous year's figures.
- All East Devon waste is sent for recycling in the UK or Europe and cost estimates were based on worst case scenarios using figures generated by the Council itself.
- It was noted that there was also fluctuation in figures for each different type of recycled material eg. glass, paper and plastics.
- It was also noted that promoting the waste hierarchy [Reduce, Reuse, Recycle] could impact income from recycling, but that this was a longer term issue.
- There was discussion regarding increasing capacity for collecting cardboard going forward.
- The volatility in material prices for recycling has potential for putting pressure on the budget.

The Scrutiny Committee and the Overview Committee agreed to note the budget volatility of material prices during the budget setting process.

44 **Draft Revenue and Capital Budgets 2025/26**

The Director of Finance presented the report which set out the draft revenue and capital budgets for 2025 / 26 as adopted by Cabinet on 8 January 2025. As required by the Constitution, the Scrutiny and Overview Committees were asked to consider the draft budget and make recommendations for Cabinet to consider at its meeting on 5 February 2025 when making final budget proposals to recommend to Council. The Housing Review Board would undertake the same function in relation to the Housing Revenue Account.

Directorate Service Plans had been prepared alongside the draft budget and had been considered at a joint meeting of the Scrutiny and Overview Committees on 10 December 2024.

In presenting the report the Director of Finance highlighted the following points:

- The Local Government Finance Settlement was published on 18 December and the assumptions made in the report had not been materially affected by the Settlement.
- There was concern regarding the methodology in the Settlement for calculating the reimbursement of the increase in employer's National Insurance costs. It now appeared that the Council would only be reimbursed for 1/3rd of the increased cost. Local Authorities and other bodies were taking this up with central Government and the outcome of this would be known when the final Settlement is published in February.
- The Local Government Policy Statement, issued on 28 November 2024, had raised concerns regarding the rebalancing of local government finance between councils, and the potential impact of this on EDDC's draft budget, including abolishing the Rural Services Delivery Grant and a Services Grant, both of which the Council currently receives.
- More positively, all councils will receive additional income from Extended Producer Responsibility for Packaging (EPR) payments which will be guaranteed and are not ringfenced.
- Taking all changes into account, the Council will be at a standstill position for its Core Spending Power, with no inflationary increase.
- Members were asked to note the detailed budget analysis provided through the definition of "Controllable" and "Non-Controllable" expenditure and income, with "Non-Controllable" costs referring to internal transfers between services within the Council.
- Significant variations in costs between years were noted in the report.
- Specific areas of risk were highlighted at point 2.15 of the report [page 15], including the increase in National Insurance contributions, the new town budget, pressures around staffing capacity and skill gaps.
- The draft budget proposed a 3% increase in council tax which is the maximum allowed within the Referendum regulations, resulting in a £5 increase to £171.78 for a band D property for 2025/26.
- It was proposed to keep the General Fund Balance at the upper end of the adopted range between £4m and £4.8m to mitigate the risk of a higher pay inflation than that assumed in the draft budget.
- Risk areas included re-basing of business rates and potential end of the new homes bonus scheme in future years.
- A fees and charges schedule was attached to the budget papers.
- The draft budget for the Housing Revenue Account would be scrutinised by the Housing Review Board on 30 January 2025.
- The preparation of the draft Capital Budget had been directed by the Budget Setting and Capital Allocations Panel and detail of the draft capital programme for 2024/25 to 2028/29 was set out in the budget book attached to the report.

The Chair thanked the Director of Finance for the comprehensive report.

Discussion and responses to questions from Members included the following:

- If, in future years, the Council continues to not receive any additional income, cuts would have to be made to take inflation into account.
- It was disappointing that the Council may now have to pay 2/3^{rds} of the increased cost of its employer's National Insurance, as the Chancellor had previously indicated that local authorities would be compensated for the full cost of the increase. It was noted that the Financial Settlement did not contain figures and the estimated amount of 2/3^{rds} relating to the National Insurance increase had been obtained from a reading of the Methodology. This was being queried with Government and the definitive position would not be known until the final Settlement was published in February.
- It was noted that the Medium Term Financial Plan showed a projected shortfall of £3.97m in 2026/27.
- Government borrowing costs did affect the Council as less money was available. Should the need arise, the Council would seek alternative methods of funding rather than external borrowing when costs were high, to mitigate the cost.
- The number of second homes, and the council tax generated, would be monitored for its effects on the council tax base.
- The view was expressed that Councils should not charge for youth sports services.
- It was too soon to be able to estimate any of the costs associated with future changes resulting from the Devolution White Paper published in December 2024.
- Car parking permits would increase by 10% in 2025/26.
- The issue of lending/borrowing between local authorities was set out in the Treasury Management Strategy. Concern was expressed that the potential writing off of local authority debt could significantly add to the cost of the forthcoming local government reorganisation.
- Work on the masterplan and business case for the new town was on-going.
- Concern was expressed over the level of proposed increases to fees for certain services including sports pitches.
- The second home premium element had been included in the council tax base.

The Director of Finance would review the Fees and Charges Schedule prior to its consideration by full Council.

The Scrutiny Committee and the Overview Committee both agreed the following recommendation to Cabinet:

RECOMMENDATION TO CABINET

That the draft revenue and capital budgets for 2025 / 2026 including the associated fees and charges schedule be approved.

Attendance List

Councillors present:

J Brown
M Chapman
O Davey
M Goodman (Vice-Chair)
A Hall (Chair)
M Hall
M Hartnell
V Johns

Y Levine
D Mackinder
K Blakey
T Dumper
P Fernley

Councillors also present (for some or all the meeting)

R Collins
P Faithfull
P Hayward
S Jackson
G Jung
J Loudoun
M Rixson
P Arnott
C Brown

Officers in attendance:

Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Sarah Jenkins, Democratic Services Officer
Sarah James, Democratic Services Officer
John Symes, Finance Manager
Melanie Wellman, Director of Governance (Monitoring Officer)
Andrew Wood, Director of Place

Councillor apologies:

I Barlow
K Bloxham
J Heath
A Toye
J Whibley
A Bailey
B Bailey
M Martin
H Riddell

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Scrutiny Committee held at Council Chamber, Blackdown House, Honiton on 30 January 2025

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.34 pm

45 Minutes of the previous meeting held on 7 November 2024

The minutes of the previous meeting held on 7 November 2024 were agreed and signed as a true record.

46 Declarations of interest

Minute 51. Scoping document: Agricultural property relief and business property relief. Councillor Roy Collins, Affects Non-registerable Interest, Councillor is a farmer and landowner.

47 Public speaking

No members of the public had registered to speak.

Members of the farming community were present as members of the public and were invited to speak on the item at minute 51, Scoping document: agricultural property relief and business property relief.

48 Matters of urgency

There were no matters of urgency.

49 Confidential/exempt item(s)

There were no confidential / exempt items.

50 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 in accordance with the Overview and Scrutiny Procedure Rules.

51 Scoping document: Agricultural property relief and business property relief

The Director of Place introduced the scoping document which set out the motion from the Council meeting held on 4 December 2024 regarding the Government's reforms to agricultural property relief and business property relief for inheritance tax, announced in the Autumn Budget 2024.

There was a need to understand the issues fully and the impact of the reforms on inter-generational inheritance of farms in East Devon. External expertise would be required with proposed consultees set out in the scoping document.

Members of the farming community present addressed the Committee and highlighted the following concerns regarding the Government reforms:

- Farmers may have to sell a proportion of their farm in order to pay their inheritance tax bill.
- Farms mostly make a modest living using the farm's assets.
- A farmhouse and paddock by themselves could amount to the £1million threshold for inheritance tax.
- Labour was often the biggest cost, and it was difficult to find labour.
- The supermarkets dictated the level of payment for produce which often does not reflect the cost of producing the food.
- Reforms were being introduced too quickly and there had been no consultation with farmers.
- East Devon mainly comprised small family farms which would become smaller still if land and assets had to be sold to pay inheritance tax.
- There was no guarantee that agricultural land, if sold, would ever come back into agricultural production which threatened the country's food security.
- Many farmers' children worked on family farms with little or no remuneration in the expectation that they would inherit the farm.

Discussion of the scoping document and responses to Members' questions included the following points:

- Support from Democratic Services would be provided for whichever route the Committee agreed to take following scoping.
- The Committee needed to agree key questions to be included in the scoping document.
- It was crucial to have input from the farming community who would be directly affected by the inheritance tax reforms.
- Concern was expressed regarding the potential loss of land for food production and the resulting food insecurity and impact on climate change.
- The view was expressed that the Council was not in a position to change Government legislation. Therefore, the impact the Council could have on this issue was limited.
- There was concern that the review could take a lot of officer time and resources.
- It was noted that the motion to Council had been referred to the Committee to consider and it was important to understand the true effect of the reforms on East Devon farmers.
- Land agents should also be included in evidence gathering.
- There was concern that a Task and Finish Forum may not provide sufficient transparency if it did not meet in public session.
- Planning issues related to the reforms were outside the remit of the Committee.
- There was a need to complete the review, based on the information provided by the farming community, before the legislation was brought in, rather than conduct a lengthy, in-depth review.

The Director of Place advised that clarification from the Government was expected imminently regarding local government reorganisation, and that this would have an impact on Officer capacity going forward.

External information and analysis by farm size was already available nationally regarding the likely impact of the inheritance tax reforms on farms. This data would need to be contextualised to East Devon, with the support of the National Farmers Union, the farming community and other relevant partners, to fully understand the impact on local farms. Due to the phased introduction of the reforms, there was a need to complete the review in a timely manner.

A report using information already available and setting out the impact of the reforms on East Devon could be brought back to the Committee sooner than the timescale set out in the scoping document.

It was noted that a letter from the Chief Executive to the Chancellor of the Exchequer and the Minister of State for Food Security and Rural Affairs had already been drafted following the Council meeting. As a result of the Scrutiny review, a further letter could be sent setting out the detailed impact of the reforms in the context of East Devon.

AGREED:

That a report would be brought back to the Committee using the nationally available analysis relating to the size of farms and the effect the reforms will have in the context of East Devon, with support and engagement from partners.

The Chair thanked the members of the farming community for attending.

52 **UK Shared Prosperity Fund - Year 2 (2023/24) Evaluation**

The Economic Development Manager presented the report which provided an overview of the UK Shared Prosperity Fund funded activity for 2023/24 and the key findings of the evaluation work undertaken in Year 2 (of 3) of the programme. The purpose of the report was to review progress made on the actions proposed in the January 2024 report, and to provide an overview of the UKSPF evaluation undertaken for 2023/24 activity, including the challenges identified and the proposed additional recommendations.

The Economic Development Manager advised that projects are now up and running and are monitored and evaluated on an on-going basis. A 4th year of the fund would now be available, with funds awarded to and flowing from the new combined authority for Devon and Torbay.

The Economy Projects Assistant advised that consistent on-going monitoring and evaluation ensured that data was available to support and evidence the outcomes of the various projects.

The Chair noted that undertaking the evaluation of the projects on an on-going basis provided valuable information to enable improvement going forward. The Chair also encouraged Members to read the full report available through the links in the document.

Discussion and responses to questions from Members included the following points:

- Initially it was a requirement to include 50% match funding for business grant schemes, however, there was evidence to show that demand decreased compared with other funds with no match funding requirement, so the match funding requirement had now been reduced to 30%.
- One of the biggest challenges to running projects was staff changes and capacity among project leads.
- The Culture, Leisure and Tourism Fund was a decarbonisation grant scheme which has since been renamed to the Carbon Action Fund to avoid confusion.
- The Chair asked that the report for Year 3 be subject to an equalities impact assessment.
- For community organisations seeking non-grant support, they can receive this from the VCSE support service delivered by Devon Communities Together on behalf of EDDC.
- A change of Government policy had resulted in the Council having to find alternative ways of spending funds to ensure that other projects could continue.

- Funds available for year 4 would be reduced and discussions were on-going as to which projects would be taken forward with Cabinet making the final decisions at its meeting in March.

IT WAS AGREED:

1. That the Scrutiny Committee noted the progress made on the actions identified in the December 2023 UKSPF Evaluation Report.
2. That the Scrutiny Committee noted the UKSPF evaluation undertaken for the 2023/24 financial year, along with the challenges identified and proposed actions.
3. That a follow up report be brought back to the Scrutiny Committee in a year's time.

The Chair thanked the Economic Development Manager and the Economy Projects Assistant for attending and for their work.

53 Work Programme

The Committee discussed the work programme.

It was noted that Members had attended Scrutiny work programming training in November 2024 provided by the Centre for Governance & Scrutiny. A work programming workshop would be held following the Committee meeting, however, it was noted that local government reorganisation could have a significant impact on the work programme going forward.

It was agreed that the review of the impact on farms in East Devon of reforms to inheritance tax should be a priority item on the work programme.

The Assistant Director Planning Strategy and Development Management would provide an informal "spotlight" session on planning enforcement at a time to be agreed.

It was agreed not to proceed with scoping work on the Exmouth Sea Wall project as this was now considered unnecessary as work was on-going.

Regarding the report on a South West Water Sewage Task and Finish Forum, it was noted that work was now on-going through the Devon wide water summit. The summit had brought together local authorities across Devon, experts from the University and the Environment Agency. Work was on-going through the Devon Districts Forum. The presentations from the water summit would be circulated following the meeting.

Concern was raised regarding continuing sewage overflow issues in Exmouth which was worsening due to development. It was noted that the Portfolio Holder for Coast Country and Environment had met on site with the managing director of South West Water's waste management to understand the vital programme of improvement works at Exmouth.

It was agreed to request an update from South West Water on improvement works at Exmouth at a future date.

With regard to the referral from Cabinet of Minute 120, Serious Violence Duty, it was agreed not to proceed in light of upcoming changes due to local government reorganisation.

Subject to the above changes, the work programme was agreed.

Attendance List

Councillors present:

J Brown
M Goodman (Chair)
J Heath
V Johns
Y Levine
D Mackinder (Vice-Chair)
J Whibley

Councillors also present (for some or all the meeting)

A Bailey
B Bailey
C Brown
R Collins
P Faithfull
N Hookway

Officers in attendance:

Tracy Hendren, Chief Executive
Sarah Jenkins, Democratic Services Officer
Andrew Melhuish, Democratic Services Manager
Zoe Smith, Economy Projects Assistant
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Tom Winters, Economic Development Officer
Andrew Wood, Director of Place

Councillor apologies:

I Barlow
K Bloxham
M Chapman
O Davey
A Hall
M Hall
M Hartnell
A Toye

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Housing Review Board held at Council Chamber, Blackdown House, Honiton, EX14 1EJ on 30 January 2025

Attendance list at end of document

The meeting started at 10.05 am and ended at 12.20 pm

29 Minutes of the previous meeting

The minutes of the meeting held on 7 November 2024 were agreed.

30 Declarations of interest

Declarations of interest.

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

Declarations of interest.

Councillor Sarah Chamberlain, Affects Non-registerable Interest, Employed by Exeter City Council in the housing department.

Declarations of interest.

Councillor Steve Gazzard, Affects Non-registerable Interest, Tenant of East Devon District Council.

Declarations of interest.

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

Declarations of interest.

Rob Robinson, Affects Non-registerable Interest, Tenant of East Devon District Council.

Declarations of interest.

Rosemary Dale, Affects Non-registerable Interest, Sheltered housing tenant of East Devon District Council.

11. Housing performance report - quarter 3.

Councillor Tim Dumper, Affects Non-registerable Interest, Non-remunerated director of a firm that worked closely with Acuity.

31 Public speaking

There were no members of the public registered to speak.

32 Matters of urgency

There were none.

33 Confidential/exempt item(s)

There were none.

34 **Housing Review Board forward plan**

The Director – Housing and Health presented the forward plan and advised members that the forward plan acted as a reminder of agenda items to come forward to future meetings. The forward plan had been derived from previous meetings and requests, as well as the housing service plan. Service managers were currently reviewing realistic timeframes against each topic. 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

The Director – Housing and Health advised the Board that the report on the individual garden maintenance scheme had been delayed due to staff illness, but would be brought to the next meeting of the Housing Review Board. The April Board meeting would also include reports on an update on the review and replacement of Home Safeguard equipment within the housing stock, a review of progress on the Resident Involvement Strategy and an initial draft of the Tenancy Strategy.

35 **Housing Service staffing update**

The Assistant Director – Housing (Regulated Services) gave the Board an update on the housing service staffing. He reported that he had been permanently appointed to the post of Assistant Director – Housing (Regulated Services). The Corporate Lead for Property and Assets role had gone out to advert and it was hoped that an appointment to this post would be made by mid March 2025.

A request was made for a written staffing update report and for an up-to-date housing structure chart outlining the key strategic roles. A request was also made for information on the number of officers employed across the housing service and the turnover rate. It was noted that although some of this organisational information was provided to councillors at Personnel Committee this was not readily available to all members of the Housing Review Board and that it was not housing service specific.

36 **Housing finance report**

The Director of Finance's report presented the draft revenue and capital budgets for 2025/26 relating to the Housing Revenue Account (HRA) and the financial monitoring and outturn forecasting versus budget of the current financial year to the end of December 2024. Recommendations from the Housing Review Board would be presented back to Cabinet in February 2025 to finalise the 2025/26 budget proposals to recommend to Council.

The HRA recorded expenditure and income on running the council's own housing stock and related services or facilities, which were provided primarily for the benefit of the council's own tenants. The HRA was a ringfenced account within the General Fund with strict legal and accounting rules to maintain separation from the General Fund. The HRA must always remain in surplus, and this must be considered when setting each year's budget and when planning for the future.

The HRA consisted of capital and revenue elements. Capital was typically asset enhancing items such as kitchens, bathrooms, windows etc or a project of more minor works to multiple properties. Revenue was typically low-level repairs and maintenance with regards to spend on assets plus staff and service costs, overheads etc. The Council

was allowed to borrow to fund capital expenditure, but not revenue without specifically required central government permission.

The initial budget presented to the Housing Review Board was a roll over budget from the previous year, with few changes from 2023/24. The 2023/24 HRA outturn and capital spend far exceeded the expectations that were included within that year's budget, requiring the contribution of all HRA earmarked reserves and adding an additional £2.5m to the HRA's borrowing requirement in order to maintain the £3.1 adopted level of the HRA balance. Therefore, shortly after the start of the current financial year it was established that the proposed 2024/25 budget was insufficient to meet the needs and demands of the housing service and provide the investment required to ensure regulatory compliant homes. A revised budget was approved by Council in July 2024.

During the 2024/25 financial year there had been numerous significant budget movements within the HRA (virements) which in effect had transferred significant sums from revenue to capital. This was the result of the underlying works included within the revised budget being scrutinised in detail within the regular collaborative financial management framework which had been established. This had been presented and where necessary approval given through HRA financial monitoring reports to committees. The 2024/25 budget figures presented for comparison in the report were those which were currently being reported, and monitored against in 2024/25.

Areas explained to and discussed by the Board included:

- Revenue budget.
- Income – the primary sources of income for the HRA were rents on dwellings, garages and other income including service charges.
- Repairs and maintenance – this included all major expenditure which fell into the revenue category and was segregated into general and responsive repairs and maintenance, and planned repairs and maintenance. The vast majority was covered by the integrated asset management contract (IAMC) with Ian Williams Ltd. The budgeted spend had increased by £0.05m, which could be attributed to the inflationary increase on the price per property payment under the IAMC.
- Supervision and Management – this covered a wide variety of costs related to the management and administration of council-owned housing. Key types of expenditure included all HRA direct staffing costs, property management costs, and external services and overheads. The budget for supervision and management as a whole for 2025/26 had decreased by £0.29m from 2024/5 (this factored a full staffing establishment); the most notable was a £0.12m decrease in employment costs and a £0.2m decrease in overheads/recharges.
- Capital charges – changes to the bad debt provision and depreciation/major repairs reserves/revenue contribution to capital.
- HRA financing. This was split into three areas:
 - Debt financing – the 2025/25 financing charges had increased by £0.47m
 - Interest income – the 2025/26 budget included an income amount of £0.24m.
 - Movement in reserves – this wouldn't continue in 2025/26 as all revenue and capital spend had been correctly allocated. There was an agreed annual contribution to be made to the HRA balance each year of £0.25m to reinstate the HRA balance to the adopted level of £3.1m.

The 2025/26 budget now bought a balanced budget. However, the HRA continued to face significant financial pressure in the immediate and longer term. This was from a range of factors including historic underinvestment, increased consumer and regulatory standards, general inflation, restrictions in rent increases, net zero expectations, disrepair claims, complaint resolution, high void and decant costs and other issues. Similar cost pressures were being seen in other stock holding local authorities. The

housing teams were thanked for their hard work in achieving efficiencies and savings in year.

It was noted that the proposed capital programme amounted to a significant investment in the Council's housing stock. This investment would result in a substantial level of additional borrowing and an increase in the overall HRA debt burden. The servicing of this debt would be met from within the HRA revenue budget and therefore create further pressure on revenue in future years. This additional interest expense burden would need to be offset by efficiencies, savings and income generation through strategic asset disposals. The longer-term revenue implications of capital investment would be modelled as part of the Business Plan review to ensure the HRA remained a going concern.

In response to a question about which properties were being sold under the Right to Buy scheme, the Director of Finance explained that the Council could not control which properties were sold, but would provide data on numbers sold in the next HRB finance report. Information was also requested on planned kitchen and bathroom works, as well as other planned capital expenditure that did and did not go ahead.

RECOMMENDED: that Cabinet approve the draft revenue and capital estimates and the financial modelling element presented is noted, subject to suitable key performance indicators being introduced for the Housing Review Board to be able to monitor major capital repair expenditure.

37 **Electrical compliance audit**

The Director of Finance presented the electrical compliance SWAP audit report to the Housing Review Board. SWAP (internal audit) undertook an audit of housing electrical safety, their audit report reflected the conditions seen during fieldwork which took place in early 2024. The report stated that prior to and during the review, there had been significant officer turnover in housing. The officers interviewed had now either left the council or changed role, and a new management team had been appointed. A specific Electrical Compliance Surveyor had been appointed and was working with the Assets Management Team to address concerns around the previous issues with electrical compliance records and data recording in addition to addressing issues with contractors who were not delivering against contract agreements.

The Director of Finance's report had previously been presented to the Audit and Governance Committee on 27th November 2024, and this committee would receive a further update from SWAP on the progress on the implementation of the recommendations. It was considered appropriate that the Housing Review Board were made aware of this report and satisfied itself that appropriate progress against the recommendations were made.

Housing had agreed to complete nine actions by 1 April 2025. Officers have completed one action, and work had already started on four other actions. The Housing Review Board requested that they see a list of the nine actions being referred to and that a progress report be added to the July meeting on the forward plan.

RECOMMENDED: that Cabinet approve that the Housing Review Board receive a progress report on the nine actions referred to in the SWAP housing electrical safety report at the July meeting Housing Review Board.

38 **Housing performance report - quarter 3**

The Housing Review Board were presented with key performance indicators (KPIs) for quarter three of 2024/25. The Assistant Director Housing (Regulatory Services) gave a presentation which summarised the performance and actions being taken to improve performance where targets were not being achieved. He remarked that it was an evolving report and welcomed feedback from members.

Discussion and clarification included the following points:

- Income collection – performance in this area had been excellent.
- Income lost through void properties was reducing.
- The number of re-let days had reduced by 48 days compared to quarter 2 performance, and had reduced by over 115 days from the average relet time at the end of the 2023/24 financial year.
- Compliance performance was high.
- Ian Williams were completing their repairs within target. However, there was a large discrepancy between the Council's data and that of the contractors. Works were ongoing to address this issue within One Housing, but this was a manual process that needed to be carried out by officers in partnership with the contractors. During the meeting the Assistant Director Housing (Regulatory Services) answered a number of questions relating to signing off major works and voids, the number of jobs recalled and clarification on how jobs were classified.
- Complaints handling still required some improvement. Although response times for stage one complaints had reduced (from 31 days at the beginning of the year to 13 days in quarter three), officers recognised the improvements that needed to be made in relation to improving the stage 2 complaint response times. This increase was largely due to the reduction in senior level officers to review the cases, sign-off on judgements and provide full responses.
- Tenant satisfaction measures – there had been an increase in seven of the twelve measures since quarter two, including some statistically significant changes. The tenant satisfaction surveys were carried out independently by an external company.

The performance report demonstrated the incredible hard work across the housing teams and the scale and pace of improvement.

During his presentation the Assistant Director Housing (Regulatory Services) gave the Board some examples of good news stories from the rental team, from the allocations team and void manager, and from the planned works and adaptations team. He also showed the Housing Review Board images of sewerage treatment plant upgrades, an overgrown void property garden, void clearance and a kitchen makeover.

It was noted that although community work was not included in the KPIs there were eight community hubs across the district that were a lifeline to some. They were accessible to all members of the public, not just EDDC housing tenants and provided hot meals and cold weather supplies such as blankets, hats and thick socks.

Those present thanked the Assistant Director Housing (Regulated Services) for his excellent report and congratulated the teams involved for the tremendous continuous improvement. Tenants generally felt that things were improving, but there was still a lack of communication. There was a danger in the housing service moving at pace, but forgetting to inform tenants of what was being done.

RESOLVED: that the Housing Review Board note performance at the end of quarter three, 2024/25.

Attendance List

Board members present:

Councillor Christopher Burhop
Councillor Sarah Chamberlain (Chair)
Councillor Melanie Martin
Councillor Simon Smith (Vice-Chair)
Sara Clarke, Independent Community Representative
Rob Robinson, Tenants
Councillor Jenny Brown
Councillor Tim Dumper
Rosemary Dale, Tenant

Councillors also present (for some or all the meeting)

I Barlow
C Brown
R Collins
P Faithfull
S Gazzard
D Ledger
S Westerman

Officers in attendance:

Sarah James, Democratic Services Officer
Alethea Thompson, Democratic Services Officer
Emma Congerton, Assistant Director Statutory Housing
Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Darren Hicks, Interim Tenancy Services Manager (Regulated Services)
Les Joint, Property and Asset Delivery Manager
Andrew King, Assistant Director for Housing (Regulated Services)
Liam Reading, Assistant Director - Housing Programmes, Investment and Development
Giles Salter, Solicitor
Catrin Stark, Director of Housing and Health
Rob Ward, Accountant
John Taylor, Property and Asset Manager
Gareth Wallace, Home Safeguard Project Lead
Lynsey Williams, Housing Sustainment and Resettlement Service Manager

Councillor apologies:

Councillor Aurora Bailey
Rachel Browne, Tenant

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Planning Committee held at Council Chamber, Blackdown House, Honiton on 17 December 2024

Attendance list at end of document

The meeting started at 10.04 am and ended at 3.30 pm

231 Minutes of the previous meeting

The minutes of the Planning Committee held on 19 November 2024 were confirmed as a true record.

232 Declarations of interest

There were no declarations of interests.

233 Matters of urgency

There were no matters of urgency.

234 Confidential/exempt item(s)

There were no confidential or exempt items.

235 Housing Monitoring Update to year ending 31 March 2024

The Housing Monitoring update report was brought to Planning Committee at the request of the Strategic Planning Committee meeting on 29 November, to bring to the attention of the Planning Committee the Council's housing land supply position. The Planning Committee were advised that at the time of publication of the agenda the Council's position was at a 4.15-year housing land supply which was an adequate supply target set by the previous government.

As a result of the recent publication of the government's proposed reforms to the National Planning Policy Framework published on 12 December 2024 the Assistant Director – Planning Strategy and Development Management was disappointed to report that the Council's position had now become significantly worse. He explained that the Council now had to assess its housing land supply position against the new standard method figure of 1,188 homes per year, an increase of just over 200 homes per year as well as include a requirement of a 5% buffer. As a result, the Council's housing land supply position is 2.97 years.

The Assistant Director – Planning Strategy and Development Management urged Committee Members when considering planning applications to give substantial weight to the Council's housing land supply position with the need to bring forward planning applications to help bolster the housing land supply within a limited time before the Local Plan was submitted for examination.

The Planning Committee noted the report and sought further clarification on the following:

- Clarification was sought on the current position of the draft Local Plan and whether it was valid. The Assistant Director – Planning Strategy and Development Management explained about the transitional arrangements for the new NPPF which allowed the council to progress the Local Plan on the lower figure if the Regulation 19 consultation stage started by 12 March 2025.
- Clarification was sought on the number of outstanding planning applications. Although there are not many applications outstanding Committee was reassured by the Assistant Director – Planning Strategy and Development Management that he anticipated more applications would come forward now that the new NPPF had been published.
- If the current Local Plan is out of date how much weight can be given to the emerging Local Plan once it reaches the Regulation 19 stage. It was advised that more weight can be given to the emerging Local Plan once the Regulation 19 consultation stage has been published.
- A concern was raised about the strain on the Planning Department and whether there was a requirement for additional resources or additional planning meetings to meet the need for more planning applications to come forward to achieve the adoption of the Local Plan.
- Clarification was sought on the impact of the Devolution White Paper. The Assistant Director – Planning Strategy and Development Management explained as the white paper had only been published it was too soon to understand its impact but reassured Committee it would not affect this Local Plan but could impact on any future Local Plans.
- Clarification was sought on what powers did the council have to force developers to complete developments within the required timeframe. Committee were advised the council did have powers to reduce the current three-year planning application lifespan but questioned whether this would achieve the required result as any development that was not delivered within a shorter lifespan would fall out of the five-year housing land supply. The Assistant Director – Planning Strategy and Development Management explained it would be better to seek reassurance from developers about their intentions of their delivery trajectories.

236 **Planning appeal statistics**

The Committee noted the appeals statistics report and noted that there had been an increase in the number of appeals allowed by the Inspector. The Development Manager drew Committee's attention to three appeals that had been allowed.

237 **24/2049/MFUL (Major) BROADCLYST**

Applicant:

Mr Paul Osborne (EDDC).

Location:

Land to the south of Shercroft Close, Station Road, Broadclyst.

Proposal:

Construction of a new 16 space car park with access from Station Road and a network of footpaths and the change of use of surrounding land to Country Park (Suitable Alternative Natural Greenspace – SANGS)

RESOLVED:

Approved with conditions as per officer recommendation but subject to an amendment to Condition 10 regarding fencing.

238 14/2945/MOUT (Major) CRANBROOK

Councillor Kim Bloxham advised as she had objected to planning application 14/2945/MOUT – Farlands, London Road, Whimple, before becoming a Committee Member she would only speak as the Ward Member for Cranbrook and would not take part in the discussions or vote for this application.

Applicant:

Cranbrook LVA LLP.

Location:

Farlands, London Road, Whimple, EX5 2PJ.

Proposal:

Development of up to 260 houses, commercial/retail uses, public open space including youth sports pitch, vehicular access and associated infrastructure (outline application with all matters reserved except access and accompanying Environmental Statement).

RESOLVED:

1. The Appropriate Assessment be adopted.
2. Approved with conditions as per officer recommendation subject to three additional conditions recommended by South West Water (potable water, water use efficiencies and foul drainage methodology) and subject to a Section 106 Agreement which captures the heads of terms set out in the report to Planning Committee.

239 24/1816/FUL (Minor) NEWTON POPPLEFORD & HARPFORD

Applicant:

Mr Christopher Drake.

Location:

Homefield Farm, Newton Poppleford, EX10 0BY.

Proposal:

Conversion of barn to dwelling and associated works.

RESOLVED:

Approved with conditions as per officer recommendation but subject to an additional condition to require the removal of the portacabin prior to occupation of the new dwelling.

240 24/0371/FUL (Minor) NEWTON POPPLEFORD & HARPFORD

Applicant:

Mr Kevin Howe.

Location:

Bridgend, Harpford, EX10 ONG.

Proposal:

Removal of residential caravan and conversion of building to dwelling.

RESOLVED:

Refused as per officer recommendation.

Attendance List

Councillors present:

B Bailey
I Barlow
K Bloxham
C Brown
J Brown
O Davey (Chair)
P Faithfull
S Gazzard
A Hall
S Smith

Councillors also present (for some or all the meeting)

C Burhop
R Collins
P Fernley

Officers in attendance:

Ed Freeman, Assistant Director Planning Strategy and Development Management
Wendy Ormsby, Development Manager
Damian Hunter, Planning Solicitor
Jamie Quinton, Senior Planning Officer
James Brown, New Community Officer, Development Management
Ben Chesters, Planning Officer
Callum Moir, Planning Officer
Wendy Harris, Democratic Services Officer

Councillor apologies:

S Chamberlain
M Chapman
D Haggerty
M Hall
M Howe
E Wragg

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Planning Committee held at Council Chamber, Blackdown House, Honiton on 28 January 2025

Attendance list at end of document

The meeting started at 10.10 am and ended at 3.45 pm. The meeting adjourned for lunch at 1.20 pm and reconvened at 2.18 pm.

241 Minutes of the previous meeting

The minutes of the Planning Committee held on 17 December 2024 were confirmed as a true record.

242 Declarations of interest

Minute 246. 24/1174/MFUL & 24/1175/LBC (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, the Chair, Councillor Olly Davey, on behalf of the Committee Members advised lobbying in respect of this application.

Minute 247. 23/1897/MOUT (Major) HONITON ST MICHAELS.

Councillor Steve Gazzard, Affects Non-registerable Interest, Known to one of the public speakers objecting to the application.

243 Matters of urgency

There were no matters of urgency.

244 Confidential/exempt item(s)

There were no confidential or exempt items.

245 Planning appeal statistics

The Committee noted the appeals statistics report.

246 24/1174/MFUL & 24/1175/LBC (Major) SIDMOUTH TOWN

Applicant:

Melanye Luscombe (Richmond Estates Sidmouth Ltd.)

Location:

The Richmond Hotel, Elysian Fields, Sidmouth, EX10 8UJ.

Proposal:

Change of use of Cumberland Cottage and its adjoining extensions including 1987 front extension and guest house extension from C1 Hotel to C3 Residential Use; change of use of annexe apartments currently classed as C1 Hotel Rooms to C3 Holiday Use; remove Managers Use restrictions on residential bungalow; permission to split and sell all the above properties, plus residential staff cottage leasehold/commonhold.

RESOLVED:

Refused in accordance with the officer recommendation.

247 **23/1897/MOUT (Major) HONITON ST MICHAELS**

Applicant:

c/o Agent.

Location:

Land north west of Ottery Moor Lane, Honiton.

Proposal:

Outline application for the construction of up to 21 dwellings, internal roads, landscaping, public open space, infrastructure and the creation of a new access and 'ahead only' junction on Ottery Moor Lane (all matters except access reserved).

RESOLVED:

Approved with conditions in accordance with officer recommendation subject to a Section 106 Agreement and with delegated authority to the Development Manager in consultation with the Chair and Vice Chair of Planning to include:

1. Planning conditions amended as set out in the officer presentation including amendments to Condition 18 (working hours 8am on Saturday), Condition 10 to be removed as not necessary and Condition 15(f) to be removed as duplicated.
2. Two further conditions as requested by Members:
 - The reserved matters application for layout shall include details of pedestrian and cycle links to and from the site to maximise permeability and access into the town centre. Details to include timescales for delivery;
 - The reserved matters application for landscaping shall demonstrate that hedgerow removal has been kept to the minimum required to facilitate the vehicular access.

248 **24/1787/FUL (Minor) HONITON ST MICHAELS**

Applicant:

Mr Michael Belcher.

Location:

Land to rear of Barn Mews, King Street, Honiton.

Proposal:

Erection of a two bedroom dwelling.

RESOLVED:

Refused as per officer recommendation.

249 **24/1203/COU (Other) WEST HILL & AYLESBEARE**

Applicant:

Mr Sam Slade.

Location:

Vacant chicken shed, Rosamondford Farm, Perkins Village, Exeter, EX5 2JG.

Proposal:

Change of use from agricultural to commercial storage (Class B8).

RESOLVED:

Approved with conditions as per officer recommendation.

250 **24/2250/FUL (Minor) CRANBROOK**

Applicant:

Taylor Wimpey UK Ltd.

Location:

Land to the south of Tillhouse Road, Cranbrook.

Proposal:

Erection of a temporary sales centre with associated car parking (retrospective).

RESOLVED:

Approved with conditions as per officer recommendation.

Attendance List

Councillors present (for some or all the meeting)

B Bailey
I Barlow
K Bloxham
C Brown
J Brown
O Davey (Chair)
P Faithfull
S Gazzard
D Haggerty
M Howe
S Smith
E Wragg

Councillors also present (for some or all the meeting)

R Collins
G Jung

Officers in attendance:

Wendy Harris, Democratic Services Officer
Andrew Digby, Senior Planning Officer
Liam Fisher, Senior Planning Officer
Jill Himsworth, Planning Officer
Damian Hunter, Planning Solicitor
Charlie McCullough, Senior Development Control Officer
Debbie Meakin, Democratic Services Officer
Wendy Ormsby, Development Manager

Councillor apologies:

S Chamberlain

M Chapman
A Hall
M Hall
J Bailey (Ward Member)
K Blakey (Ward Member)

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Strategic Planning Committee held at Council Chamber, Blackdown House, Honiton on 22 November 2024

Attendance list at end of document

The meeting started at 10.05 am and ended at 2.40 pm

232 Declarations of interest

Minute 236: Cllr P Hayward; Affects NRI as relates to employment by Axminster Town Council

Minute 236: Cllr H Parr Affects and Prejudicial NRI; Partner's financial interests as set out on her published register of interests online.

233 Public speaking

Cllr A Minter of Lympstone Parish Council gave this thanks to the local ward members for their support to the Parish. He outlined the disappointment felt by the Parish Council on the lack of consultation on villages and Exmouth boundaries; but was heartened to see the exclusion of the remainder of GH72 as some comfort that the authority has listened to the concerns of the parish. Additional BUAB section at Courtlands Cross was not acceptable, as the area is closer to Lympstone's services and allows the beginning of coalescence. The Sports ground/pitch on site would gain some support, and he suggested that a proportion of site had to keep an area for a pitch rather than later becoming housing development. He reminded the committee of the values of Lympstone which does not want to become a tier 2 settlement, and that an increase of more than 20% was not modest development.

Cllr Roy Collins of East Devon District Council spoke of his disappointment in the committee, and their failure to protect agricultural land in the district; as well as outlining world events that were detrimental to the planet. Food production was a key issue and agricultural land was being removed. There was no public consultation undertaken. The authority was the only district council with no representative to the CPRE.

Mr Hunter, Solicitor, clarified legal view consideration of new sites in reg 19 sites in response to the concerns raised by Cllr Roy Collins. Mr Freeman clarified that the site referred to by Cllr Collins in Honiton (Honi18) had been included in the regulation 19 draft plan by delegated authority as agreed by the committee, subject to a Highways agreement to the access proposed. If that site is included, it will go out for consultation and will be brought back to the committee for debate before the plan goes to Full Council.

Cllr Jayne Blackmore from Feniton Parish Council spoke on the development hierarchy and referred to correspondence on Feniton on the issue. The Parish had calculated that with the additional 112 dwellings proposed, the allocation was the highest of all service villages. The proposed dwellings were also more than three other tier 3 centres which have better access to facilities. The Parish did not feel this was moderate growth for a village with known flooding and infrastructure issues. The disused nursery site in the village could be used over the plan period but the overall plan set out for the committee to consider was too large. She asked for the rejection of site Feni08, as it had previously been rejected by a Planning Inspector on a past planning application. The site was not sustainable for a small village with poor transport links. The Parish also strongly objected

to site Otry 20 as the access was not suitable due to narrow lane, bridges and no footpath.

A statement was read out on behalf of Cllr Charlotte Fitzgerald, who was unable to attend the meeting in person. The statement related to the viability study and suggested affordable housing policy amendments. Rural areas in the current local plan attract a requirement of 50 percent affordable housing. If committee endorsed the policy recommendations, this requirement would be reduced to 30 percent.

The viability study underpinning these proposals has grouped together the entire rural area of the district, and some towns, into a single bracket, which was marked as V3 and shown in green on the map on page 299 of the agenda pack. This approach did not account for the significant variance in affordability among rural settlements within the District. She was also concerned by the proposed policy written at the top of the graph on page 301, which stated that sites of zero to nine dwellings will attract a zero percent Affordable housing requirement. She urged reconsideration, first, the minimum threshold housing development size for affordable housing and second, the blanket classification of rural areas for the same.

Lestyn John on behalf of Clinton Devon Estates, spoke in reference to site allocations, specifically part of Budl01 for 50 houses. Officers had previously stated that any allocation should focus on south eastern fields of the site but subject to access requirements. Since then, further work had been done by Clinton Devon Estates to give comfort on these points, circulated to officers the previous day. Highlighted work included on the likely visibility and highways analysis. 50 dwellings can be delivered with access at a suitable point on Bedlands Lane and no significant visibility issues; access via the field would be short and could be screened by new boundary planting. The proposed development fits the character of the area and views to the surrounding area from public rights of way are very restricted.

The Chair reminded the committee that following their approval of delegated authority to examine this site, the outcome would come before the committee again at their scheduled meeting on 11 December 2024.

A statement from Valerie Ansfield, Resident of Sutton Barton, was read out as follows: -
“Our objections relate to the item concerning Defining Settlement Boundaries. Residents of Salston have been participating in consideration of sites to be allocated for potential housing development.

1. As part of this we have contended that Salston is a Hamlet separate from Ottery St Mary and it appears that our arguments have been totally ignored. In fact, the boundary proposed at present splits the properties that historically comprise the Hamlet.
2. Reference to the making of footways to the town ignore the fact that the sites involved have this and many other associated problems that have led to them not being allocated - yet this report reads as though they are considered viable.
3. Other areas in East Devon in this report have been excluded for flooding impact: this is also the case here yet it is not mentioned in the report that has led to the proposed boundary outline.

Therefore, decisions are being made in reverse order, Elected Representatives are being incompletely briefed and complaints about the process which have already been lodged by us do not feature. We entirely object to the manner in which this is conducted”.

234 **Matters of urgency**

None.

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

None.

236 **East Devon Local Plan - Defining Settlement Boundaries**

There are two main policies relating to settlement boundaries in Chapter 3 of the draft plan: 'Development inside settlement boundaries' (SP 05) and 'Development beyond settlement boundaries' (SP 06). At the Strategic Planning Committee meeting on 5 November 2024, it was agreed to include these policies with this report on the proposed settlement boundaries so that the policies and the boundaries could be considered together.

An evidence paper had been produced to set out how the boundaries have been drawn for individual settlements and why any changes have been made. The paper set out the general principles that have guided the process. These covered that all site allocations are included in the settlement boundary and that, generally, predominantly open land in a green wedge or the coastal preservation area has been excluded to avoid policy conflicts. Constraints such as flooding or heritage impacts have not usually been taken into account because the aim is to set out areas that are broadly acceptable for development, recognising that further details will be addressed through the development management system. An exception to this is the village of Stoke Canon, where the whole built-up area is at risk of flooding, and no settlement boundary is proposed.

The bulk of the evidence paper comprised a settlement by settlement analysis, with a map showing any existing and the proposed settlement boundaries, a summary of representations received, and any changes highlighted.

A statement from Broadhembury Parish Council was read out in part (the full statement having been previously circulated to the committee):

'Settlement boundaries' or Built-up Area Boundaries (BUAB) define boundaries around settlements within which different Planning policies apply. Within the boundary development is more likely to be acceptable than outside the boundary. In the case of Broadhembury village the land outside the proposed boundary is classed as 'open countryside' where there is a presumption against building, except in certain circumstances. Until 2016, when the BUAB was removed it consisted of two sections split by a gap at the flood plain of the River Tale. The two portions on the Southern edge were within the boundary of the AONB (now the National Landscape). The proposed settlement boundary has joined the previously separate sections by including the flood plain within the boundary and by enlarging the area in accordance with criteria B1 and B2. Recent flooding of the River Tale at this point makes any development unrealistic. Whilst criterion B2 clearly refers to Broadhembury Memorial Hall which has existed since 1923 we can see no further rationale for B2 and must therefore assume that enlargement is based on criterion B1. We are not aware of specific applications which would qualify for B1 enlargement. General criterion A1 (boundaries should reflect existing scale and core build) cannot be used to justify the East and West ends of the BUAB because neither end reflects the scale and core build of the village. Similarly criterion A2

(boundaries should follow clearly defined physical features...etc) does not justify the extension of the boundary to the South because it arbitrarily cuts across an open field.

We therefore submit that the application of the criteria to justify the enlargement of the BUAB from its earlier area is inconsistent in methodology. We reject the proposal to redraw the BUAB, and the conclusions of the Site Selection report. We do not believe that the two issues should be considered independently because the BUAB has been in part redrawn specifically to include the preferred site which is itself weak in terms of methodology and legally open to lengthy and persistent challenge. We are open to discussion with the relevant Planning Officer to develop a plan which is more consistent with what the local community seeks whilst recognising EDDC's imperative to develop housing".

In response, the committee were reminded that a different methodology for boundaries was in place which included making boundaries bigger to enable more natural growth and infill development in contrast to the current adopted plan, as agreed by committee, hence Broadhembury BUAB was bigger than it was previously. Members were reassured that the area of flood zone now within the settlement boundary would not be built on due to that issue.

Clarification was also given on why proposed sites for allocation in the reg 19 version of the local plan are shown within the settlement boundary – principle to include as committee had already agreed the allocations which would form part of the settlements in the future.

Discussion took place on:

- Clarity was sought on footpath provision to Salston as the area is shown as outside of the settlement boundary due to a lack of footpath access, however allocation have been made on land to the north where the same issues apply; Otry_20 site is there still consultation to take place as added after reg 18. In response it was clarified that Otry_20 was included at regulation 18 stage; in response to the footpaths issue the committee had agreed that the footpaths could come forward on land to the north of Salston as part of allocated developments and link to existing development to make these areas accessible.
;
- Broadhembury proposed changes to exclude flood zones may impact on other settlements; cleaner to include in the Settlement Boundary as other policies would cover prevention of building on flood zones; development plan must be read as a whole, not just individual policies.
- Colyton: Why had small changes been made: in response, the Settlement Boundary is the black boundary on the maps that was for consideration and result of methodology for loose boundary to allow organic growth around the settlements on the periphery.
- A request was put forward to include the exception sites in Colyton in the Settlement Boundary to avoid confusion; leading to including such exception sites in other areas for consistency assuming those sites meet the remaining criteria required. This was put forward as a proposal and agreed by the committee.
- OSM Otry_21 BUAB line in correct place but allocation not shown which would be corrected.
- Old Bystock Village near Exmouth currently outside the Settlement Boundary but proposed to be included in officer recommendation – members were reminded that the site had been considered functionally related to Exmouth; again, any

development within that area that may impact on the heritage buildings in the village would be assessed against other policies and with regard to the local Neighbourhood Plan where appropriate.

- Why some areas of land that would be used for purposes other than houses were included within the Settlement Boundary, such as pitches or land for mitigation purposes. In response advice was given that the methodology used is that if a development is providing infrastructure that is necessary to make the development acceptable, and it is adjacent to that development then logically that land is being developed (be it as infrastructure) and therefore included in the Settlement Boundary.
- Identifying some dwellings that should be included into the Settlement Boundary relating to Exmo_20; the boundary must be pulled back from the area close to the SSSI area as that must be protected; the committee were advised that this was the only instance where this occurs for a settlement boundary; the proximity of building to that SSSI site would fall to other policies to prevent impact of any development on that. Advice was given again that infrastructure mitigation may not become clear until masterplanning was undertaken for any site that had been allocated. Leave within the settlement boundary and rely on other policies to stop any housing development within 400m of the designated sites.
- Exmouth inclusion of three houses in Settlement Boundary north eastern edge moved by Chair
- Budleigh Salterton reference Budl01 boundary agreement pending is still ongoing as advised during the public speaking item.
- Tipton St John Otry_04 site as a school previously agreed by the committee but feels that as the site is being shown as inside the Settlement Boundary it gives the impression that the site could be developed for housing; and are undermining committee's previous decision. In response, the settlement without a school would not make it a tier four settlement and therefore would not qualify as requiring a settlement boundary. Currently a primary school is in existence and officers are bringing forward the boundary based on the information currently held. An option would be to pull the Settlement Boundary back to exclude Otry_04. The Chair proposed, in light of the exceptional circumstances of this case, that the boundary should be moved to exclude Otry_04 and Otter Close in order to protect that area for the purpose that the committee had previously agreed. This was agreed by the Committee.
- West Hill west boundary expansion, concern about woodland section which should not be included in the Settlement Boundary. In response, the outlying areas are likely to be low density and unlikely to have footpaths and easy access to facilities. Officers recognised that it has been a difficult boundary to come up with for the sprawling area that West Hill covered. Discussion on the potential inclusion of the southern section shown outside of the settlement boundary took place but the issue of the remote sections being unsustainable for access to the centre of the village was cited as a reason for not including it.
- Clyst St Mary – clarity was sought for inclusion of Winslade Park which has no easy paths for access and was the Neighbourhood Plan to be the provider of any allocations? – in response, yes there were no allocations made and the Neighbourhood Plan would drive it. Winslade Park will have a residential element and there will be a combination of jobs and facilities on that site, but felt still within a 20 minute walk away.
- Uplyme – request that the settlement boundary was not correct due to distance across the settlement, topography, and lack of footpaths, so suggested curtailing it at a point along the exception site in order to make the settlement sustainable; keep consistency and reduce the sprawl of the boundary. The boundary is

inconsistent in comparison. In response, the distances are not as significant in comparison with the West Hill area discussed and therefore why the boundary has been drawn as proposed. Measurements were clarified and the committee informed that the settlement boundary drawn for Uplyme met the criteria. A proposal was made to reduce the boundary, which committee were informed was much smaller than the existing approved village boundary. The proposal was seconded and put to the vote and failed.

- Whimble – concern north western edge extension – contends that that section doesn't meet the criteria of B1 and therefore a proposal was made to reduce the Settlement Boundary to the orange line of the village boundary in the Villages Plan. In response, reference was made to an area linked to an existing development. Clarification was made by the Chair as ward member that it was not a public space and in open countryside. It was agreed to exclude this area from the settlement boundary;
- Newton Poppleford – raising the issue of consistency, concern was raised on the proposed Settlement Boundary in that the area described as excluded in stage 2 on the map should be included. Road safety concerns were also raised. A proposal to support the report recommendation failed. Therefore, a proposal to have the settlement boundary as the area shown as Stage 2 with the inclusion of area adjacent to Exmouth Road was supported.

The remaining settlement boundaries were proposed as per the report recommendation on block and agreed.

The policy wording for SP05 and SP06 was also proposed as recommended and agreed.

Recommendation:

1. That committee endorse policies SP 05 and SP 06, as set out in paragraphs 1.2 and 1.3 of this report for inclusion in the Regulation 19 draft of the plan.
2. That existing exception sites are included in settlement boundaries for all areas where those exception sites meet the remaining criteria required, in order to assure consistency across the plan.
3. That committee endorse the boundaries defined in the Settlement Boundaries Evidence Paper for inclusion in the 'Regulation 19' Local Plan with amendments to:
 - a. Exmouth – inclusion of three houses in Settlement Boundary at the north eastern edge;
 - b. Budleigh Salterton – subject to discussions on the boundary of allocation site Budl_01;
 - c. Tipton St John - that the boundary should be moved to exclude Otry_04 and Otter Close;
 - d. West Hill – boundary as per officer recommendation with exception of the small section on the west adjacent to the B3180;
 - e. Whimble - to reduce the Settlement Boundary to the orange line of the Villages Plan boundary at the north western edge;
 - f. Newton Poppleford – that the Settlement Boundary be drawn as including Stage 2 plus area adjacent to Exmouth Road, with the exact boundary to be drawn by officers for delegated approval by the Assistant Director and the Chair of Strategic Planning Committee.

(Cllr Helen Parr left the meeting for the discussion and vote on the Settlement Boundary for Colyton)

237 **East Devon Local Plan - Redrafting of Local Plan Chapters**

Chapter 6 is a reworking of the equivalent chapter in the draft local plan and includes all of the sites that have been determined for allocation in previous committee meetings and excludes all of the sites that the committee rejected.

In the redrafting process, review has been undertaken to consider particular challenges, constraints or opportunities and drafted policy to reflect on and respond to these. This means that some allocations had limited wording, specifically so where development would appear relatively straightforward, bearing in mind that we would seek compliance with all relevant policies in the plan elsewhere, as a norm. However, where there were site specific matters that need particular attention on any given allocation site, explicit requirements for development in plan policy were set out in the report.

These include, on larger and more complex sites, the need for comprehensive Masterplans to be produced to lead and guide the development of the site.

Members were reminded that Neighbourhood Plans will continue to be examined for general conformity with the adopted Local Plan (2031), with some (increasing) consideration given to the relationship with the emerging Local Plan, until such time as the new Local Plan is at least at Main Modifications stage.

Discussion included:

- Request for Brcl_29 allocation vehicle access route clarity; following lengthy discussion a proposal was put forward for a joint allocation of Brcl_29 and Brcl_12 with a masterplan with access to be determined;
- Mitigation areas need to be separately identified on the allocation maps to avoid any misinterpretation;
- GH/ED/27 improved pedestrian access along strawberry lane request; it was confirmed that the wording in the plan set out a delivery of safe access without being prescriptive about how this is delivered;
- Colour coding to make clear that a site may not be solely for housing to be clarified;
- Request for Axmi_02, Axmi_08 and Axmi_09 or GHED80 incorporate for future masterplanning please include burial ground – in response, this will need more work from officers to examine evidence to support and what can reasonably be required from a development, alongside the infrastructure delivery plan
- GH/ED/80 site road future extension wording clarification; will clarify in wording to be related to the relief road;

A reminder that the Regulation 19 draft of the plan will be on agenda for 11 December 2024.

Recommendation:

1. that mitigation areas need to be separately identified on the allocation maps to avoid any misinterpretation;
2. that Brcl_29 and Brcl_12 are put forward as a joint allocation with the requirement of a masterplan, with access to the joint site to be determined;
3. that committee endorse the proposed draft revised - Chapter 6. Strategy for development at the Principal Centre of Exmouth, Main Centres, Local Centres and Service Villages - of the local plan noting that they will need to be refined in readiness for the proposed Regulation 19 draft of the plan, subject to any further minor issues put forward directly to the Assistant Director to confer with the Chair under delegated authority to assess those minor issues and amend the chapter as they feel necessary.

238 **East Devon Local Plan - Viability Assessment initial findings**

The report set out that Local plans need to be supported by viability assessment to show that the policies within can be implemented in a financially sound and robust manner. It needed to be demonstrated that in typical cases the costs that would fall to a development scheme can be borne by the financial returns the developer can be expected to secure.

Following assessment by commissioned consultants, findings show that in higher value housing areas a 35% affordable housing percentage figure could typically be sustained, but this figure would be lower in other parts of the district. At Cranbrook there is existing policy that sets out percentage levels which are comparatively low, but this reflects the broader financial costs of building at the new town. The same considerations may well apply at the second new town, but it will be subject to separate bespoke modelling work.

Discussion by the committee included:

- Clarity on rural classification – groupings have come from consultants linking those area with similar viability and cost profile.
- Concern 35% level for windfall sites; in response it was reiterated that there was not sufficient evidence to maintain the current 50% outside settlement boundaries – evidence shows the level is at 35%;
- Affordability issue also set out in housing chapters elsewhere in the plan.
- Higher density where we can (eg. flats) but showing in report evidence that flat developments aren't viable. Should the committee be trying to increase the density in some areas? In response, higher density living impacted by nature of market demand, as evidence predominantly is for the need for 3 to 4 bedroom homes. This issue on high density living needs to be revisited for the new community in order to create an environment that is attractive to people and the market to deliver flats. This will fall to the masterplanning exercise.
- Increased focus on social rent is a positive element but there was concern for the 35%.

RESOLVED:

That Strategic Planning Committee note the viability assessment work that has been undertaken and endorse the headline findings for inclusion in local plan policy.

239 **Adjournment**

The Chair adjourned the meeting as a number of Members needed to leave and so the meeting would no longer be quorate and agreed to reconvene on Friday 29 November 2024 at 10am to consider the remaining items.

Attendance List

Councillors present:

B Bailey
J Bailey
C Brown
P Fernley

P Hayward
M Howe (Vice-Chair)
B Ingham
G Jung
T Olive (Chair)
H Parr

Councillors also present (for some or all the meeting)

P Faithfull
R Collins

Officers in attendance:

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

Councillor apologies:

K Blakey
B Collins
O Davey
Y Levine

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Strategic Planning Committee held at Council Chamber, Blackdown House, Honiton on 29 November 2024

Attendance list at end of document

The meeting started at 10.00 am and ended at 11.00 am

240 Declarations of interest

Minute 242. River Axe Special Area of Conservation (SAC) Local Nutrient Mitigation Fund Round 2 Award.

Councillor Jessica Bailey, Affects Non-registerable Interest, Employee of Dorset Council with effect from Monday, 2 December 2024.

Minute 244. Infrastructure Funding Statement.

Councillor Jessica Bailey, Affects Non-registerable Interest, Aware as a Devon County Councillor that Devon County Council has made at least one bid in relation to Tipton St John School.

241 New Planning Policy - Local Development Scheme and Local Plan Regulation 19 Consultation

Before moving into the agenda the Chair invited Councillor Chris Burhop to speak following a request to address the Committee about a decision that had been made by Committee on 22 November 2024.

Councillor Chris Burhop, Ward Member for Newton Poppleford & Harpford referred to the East Devon Local Plan – Defining Settlement Boundaries report and drew particular attention to the additional recommendation for Newton Poppleford as detailed below:

Recommendation 3.

f. Newton Poppleford - that the Settlement Boundary be drawn as including Stage 2 plus area adjacent to Exmouth Road, with the exact boundary be drawn by officers for delegated approval by the Assistant Director and the Chair of Strategic Planning Committee.

Councillor Burhop referred to the settlement boundary map explaining that as Newton Poppleford was a linear village it was important to determine where the centre of Newton Poppleford was referring to several planning appeals that had been dismissed due to their poor location away from the centre and away from services. He also referred to site allocations Newt_04 and Newt_05 and asked Members to consider what would happen to these sites if the footpath proposed were not put in place.

The Committee considered the Local Development Scheme (LDS) report that set out a programme and timetable for production of future planning policy documents. The report introduced the proposed new LDS, which summarises key content and provides more information on plan production considerations, including:

- Development plan documents
- Timetable update for local plan production
- Regulation 19 consultation
- Consultation strategy for the Publication consultation

- Supplementary planning documents and other strategy and policy documents
- Implications for Neighbourhood Planning

The Assistant Director – Planning Strategy and Development Management advised Committee that the Regulation 19 consultation would be done in two phases, the first phase to start mid-January 2025 (assuming the new NPPF is not published more than one month before this date) and the second phase would start in the Spring (May 2025) to focus on the masterplan for the new community and transport study followed by submission for examination in the Autumn.

Discussion on the report included:

- Clarification was sought about whether other councils had followed this process. The Assistant Director – Planning Strategy and Development Management gave reassurance that it was acceptable to have more than one consultation and there were other councils that were in similar situations.
- Clarification was sought about whether the public would be able to comment on sites that had been amended. The Assistant Director – Planning Strategy and Development Management advised that members of the public will have an opportunity to comment on the Regulation 19 version of the Local Plan through the CommonPlace software.
- Clarification was about the potential risk if Government decided to publish the new NPPF earlier than January with the suggestion that the consultation should start earlier than January. The Assistant Director – Planning Strategy and Development Management acknowledged this as an option but explained it would be challenging as it would not give officers time to refine everything and set up the consultation.

RESOLVED:

1. The proposal for two rounds of Regulation 19 consultation as set out and proposed in the committee report be endorsed.
2. The proposed communications strategy appended to the report as Appendix 2 be endorsed.

RECOMMENDATION TO COUNCIL:

That the proposed new Local Development Scheme, as appended to the report as Appendix 1, be endorsed and to take effect immediately following approval.

242 River Axe Special Area of Conservation (SAC) Local Nutrient Mitigation Fund Round 2 Award

The report set out that the water quality of the River Axe Special Area of Conservation (SAC) and Site of Special Scientific Interest (SSSI) has been a concern for a long time. The River Axe SAC is in unfavourable and declining status owing to nutrient enrichment and sediment pollution. A condition assessment and evidence report by Natural England in June 2024 on the River Axe SAC stated that “recent water quality measurements for the River Axe within the SAC show phosphorous concentrations to be exceeding the targets for all units.”

The Council, as the Competent Authority under the Habitat Regulations 2017, is required to consider the implications of these matters on the River Axe SAC before permitting any further development which has the potential to result in additional phosphate loads entering the catchment.

An Expression of Interest (EOI) outlining a proposal for £4 million was made by the Council as lead authority in collaboration with both Dorset and Somerset Councils (who have parts of the River Axe SAC catchment within their boundaries) in April 2024 to Round 2 of the Government's Local Nutrient Mitigation Fund.

The recent Budget on the 30 October 2024 unexpectedly announced and included £4.09 million allocated to East Devon District Council and the River Axe catchment as one of the seven successful EOIs that were made in England. Also awarded was an additional £192,494 in capacity support funding along with a further £100,000 through the Nutrient Support Fund.

Not all developers have practical capacity to mitigate phosphates on site or the means to negotiate off-site mitigations directly. To unlock this position, it is therefore necessary for the Council to facilitate a scheme to fund schemes that create mitigation credits, which it can then allocate to facilitate development.

The proposed approach set out in the report was focussed on three mitigation categories:

1. Nature Based Solutions such as constructed wetlands;
2. Upgrading of packaged treatment works and septic tanks;
3. Water saving measures on council house stock connected to permitted Waste water Treatment Works (470 units).

The programme would be delivered in partnership with Dorset Council, Somerset Council and the Westcountry Rivers Trust.

The Assistant Director – Planning Strategy and Development Management referred to the recommendations and advised that as Cabinet had already endorsed the recommendations at its meeting on 27 November 2024 the report was for noting.

RESOLVED:

That Strategic Planning Committee welcome the outcome of the bid and note the report.

243 Housing Monitoring update to year ending 31 March 2024

The report provided a summary of house building monitoring information to the year ending 31 March 2024. The report confirms that, looking forward, the authority has a 4.15 years Housing Land Supply as detailed in table 3 in the report and emphasised the need to bolster our housing land supply to reach a 5 year housing land supply at the point of the Local Plan adoption.

Discussion included:

- A concern was raised about the future projections for the district and how could the council improve on this. The Assistant Director – Planning Strategy and Development Management advised the housing land supply figure could only be improved by granting consents of planning applications. In response to a follow up question about how many planning applications were currently outstanding and how long do the applications take. Committee were advised that there were not many outstanding applications for major new housing developments with an explanation to various reasons why some applications were delayed including Section 106 Agreements and legal issues.
- It was suggested that a shorter time limit than 3 years for permissions should be implemented to encourage housing to come forward quicker. In response the

Committee were advised that although the council did have the freedom under legislation to do this, there was a need to weigh up the incentive against the consequences of running out of time. The Assistant Director – Planning Strategy and Development Management advised this could be considered on an application by application basis but that it might be better to get the developers commitment of their intended trajectory for the delivery of sites.

The Chair moved the two recommendations as written and included an additional recommendation that would read as follows:

3. That Planning Committee have sight of this report and are reminded of the importance of granting consents to help achieve the Council's five-year housing land supply at the point of the adoption of the Local Plan.

The Chair advised that the reason for the third recommendation was that he had concerns after watching some Planning Committee meetings that they had lost sight of the significance of achieving a five-year housing land supply.

RESOLVED:

1. That the residential dwellings completion data, future projections for the district and the 5 year housing land supply position that results be noted;
2. That the Housing Monitoring Update be agreed and published on the Council's website and used to inform decision making.
3. That Planning Committee have sight of the Housing Monitoring Update to year ending 31 March 2024 report to remind Committee of the importance of granting consents to help achieve the Council's five-year housing land supply at the point of the adoption of the Local Plan.

244 **Infrastructure Funding Statement**

The report provided a factual summary of the Community Infrastructure Levy (CIL) receipts and spend and Section 106 receipts and spend for 2023/24 which were required by law to be published on the Council's website by the end of this year.

Comments from Committee included:

- Reference was made to the vague headings detailed in paragraph 3.2 and the need to expand on these headings.
- The use of red in the Annual Infrastructure Funding Statement document was not supported as it was suggested this could be referred to as a warning sign.

The Chair on behalf of the Committee thanked the Communications Team and the Planning Obligations Team for all their hard work in providing the statement in a better format that was easier to read.

RESOLVED:

1. That the contents of the report and the requirement to provide an annual Infrastructure Funding Statement be noted.
2. That the submission to government be noted and the publication on our website of the 2023/24 Annual Infrastructure Funding Statement based on the information detailed in this report be noted.

Attendance List

Councillors present:

J Bailey
K Blakey
P Fernley
M Howe (Vice-Chair)
G Jung
Y Levine
T Olive (Chair)

Councillors also present (for some or all the meeting)

R Collins
P Faithfull

Officers in attendance:

Wendy Harris, Democratic Services Officer
Ed Freeman, Assistant Director Planning Strategy and Development Management
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)

Councillor apologies:

B Bailey
C Brown
B Collins
O Davey
P Hayward
B Ingham
H Parr

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Strategic Planning Committee held at Council Chamber, Blackdown House, Honiton on 11 December 2024

Attendance list at end of document

The meeting started at 9.03 am and ended at 3.55 pm

245 Minutes of the previous meetings

The minutes of the previous meetings held on 1 November, 5 November, 22 November and 29 November 2024 were confirmed as true records.

246 Declarations of interest

Minute 249. East Devon Local Plan - approval for Regulation 19 consultation.
Councillor Eleanor Rylance, Affects Non-registerable Interest, Broadclyst Parish Councillor and a resident of Broadclyst.

Minute 249. East Devon Local Plan - approval for Regulation 19 consultation.
Councillor Mike Howe, Affects Non-registerable Interest, Village shop owner.

Minute 249. East Devon Local Plan – approval for Regulation 19 Consultation
In accordance with the Code of Good Practice for Councillors and Officers dealing with planning matters as set out in the constitution Councillors Kevin Blakey, Bethany Collins, Paula Fernley, Geoff Jung and Eleanor Rylance advised lobbying in respect of Strategic Policy SD07: Development at Broadclyst.

247 Matters of urgency

There were no matters of urgency.

248 Confidential/exempt item(s)

There were no confidential or exempt items.

249 East Devon Local Plan - approval for Regulation 19 consultation

The Chair welcomed everyone to the meeting and invited the public that had registered to speak on chapters 1 to 5 to address the Committee.

Councillor Martin Smith on behalf of Feniton Parish Council referred to the inconsistencies between the Local Plan's vision and Strategy Policy SP01: Spatial Strategy paragraph (e) referring to the removal of any reference to 'meeting local needs' which the parish council believed was to overcome the need for more housing in the tier 4 settlements advising that Feniton had the highest number of housing allocations of any tier 4 settlement and 4.6 hectares of employment use which was unsustainable development.

John Hamill spoke about chapter 4 referring to a specific site allocation in the Ting Tong area which Committee had proposed for site allocation. He explained the reason there had not been any resident representation at the meeting on 3 September was because

the site had been recommended 'not for allocation' and highlighted that now that the site had been allocated it now had the potential for development of over 1,000 houses. Mr Hamill asked the Committee to think carefully about the site allocation as the infrastructure would not be able to cope.

Barbara Whetter spoke about chapter 5 and questioned why there had been so much development proposed in Feniton especially as it was a small rural village, dependent on car usage on unfit and congested roads.

Lesley Oates spoke about chapter 5 and advised that although she acknowledged the need for more affordable housing and more employment opportunities, she felt dismayed about the disproportionately large level of development suggested in certain rural areas as these villages did not have the infrastructure to support this. She referred to Richard Foord MP's speech in the House of Commons on 9 December where he advised that 57% of East Devon was National Landscape which had an unfair burden on the council to achieve housing targets on the remaining 43%. Lesley Oates suggested that the council should be fighting back at government rather than shoehorning developments into ridiculous spaces.

Dr Lorna Mason, speaking on behalf of Jill Murdoch and Bill Martin raised concerns that the amount of development proposed for the area would destroy the village's unique character which local people did not want. Dr Mason questioned the lack of transparency from the closed-door Member Working Group meetings and questioned who would profit from the sale of land in East Devon and whether Committee Members were being influenced by developers with financial incentives.

Dr Mason mentioned for public record that 370 people had commented in the previous consultation that they were unhappy or dissatisfied with development in Broadclyst. She urged Members to pay attention to what Broadclyst residents were saying and pointed out that the Committee had voted to include the most objected to site and now have increased the allocation above what officers and the parish council considered would be detrimental.

The Chair responded to the accusations and advised Dr Mason that all Members were accountable and responsible by law for declaring their own financial interests and if there was evidence that this was not the case it should be brought forward.

Councillor Richard Grainger, representing Ottery St Mary Town Council read out a letter that had been sent to East Devon District Council on 11 November that addressed the town council's concerns about the process of identifying sites for development under the East Devon Local Plan and that the town council fully supported the views expressed by Lympstone Parish Council as they reflected their own concerns about the undue pressure this process has placed on local councils including Ottery St Mary as well as the negative impact it has had on their communities. It also addressed concerns about the poorly managed process and the lack of communications between EDDC and local councils which displayed a lack of empathy, leadership and understanding from EDDC leading to a feeling of frustration and betrayal in smaller communities where the view of residents appear to have been ignored or dismissed.

Thomas Shillitoe raised concerns about the time it has taken East Devon District Council to keep up the administration of the Local Plan with emails not being answered and an out-of-date website that has created confusion and a feeling of being completely in the dark about what is going on. He suggested that the rushed information about the Exmouth sites had contained errors and omissions that had resulted in Members making

a decision based on incorrect information and referred to an incorrect map that did not detail the European Designations of SAC and SPA that had resulted in Members supporting site Exmo_20, a development of 700 homes and questioned how Members could make informed decisions without this important information.

Duncan Cherrett, spoke about chapter 5 and a contradiction between our towns and villages and the Council's aspirations about climate change of protecting the well-being of existing residents. He questioned some decisions made by Members for sites that were close to heritage sites or that did not have sufficient infrastructure highlighting the lack of detail and facts centred on these decisions. He referred to an allocation of 142 houses in a historic village near to Grade I National Trust Listed Buildings and highlighted there was not any factual information about the impact of flood risk or drainage issues and advised that members of the public need to see evidence that this Council has pressed hard to ensure developers present evidence to mitigate these harms.

The Chair reassured members of the public that had spoken this morning that the Council was unquestionably concerned with everything that had been raised and clarified that all these concerns would be looked at through detailed evidence during the planning application stage and gave reassurance that additional steps would also be taken with any planning applications within specific designations around critical flood risk areas or flood zone areas.

The Chair of the Council, Councillor Eleanor Rylance, firstly paid tribute to Members of the Strategic Planning Committee for their attendance and contribution during the very long meetings over the past six months in order to achieve the new government's housing targets. She highlighted that development was needed for our natural population growth with a need to focus on delivering genuine affordable housing in our towns and villages so that the younger population can afford to move out and start their adult life close to their families and without them being 'ghettoized' into certain areas giving Cranbrook as an example. She drew Committee's attention to the infrastructure and asked that Members recognise that this has historically been slow in coming forward and should be delivered contemporaneously with any development.

The Committee considered the report that sought approval of the Regulation 19 consultation of the Local Plan. The Assistant Director – Planning Strategy and Development Management advised it was hoped that 'stage 1' of the consultation would start in January 2025, but this was dependent on the government's imminent changes to the National Planning Policy Framework and its impact on planning policy and housing numbers. The 'stage 2' consultation to consider the new town masterplan would start in May 2025 and both collated consultations would be submitted to the Planning Inspector in the Autumn 2025, followed by the Inspector's Public Hearings in late 2025/early 2026 with the adoption in late 2026/early 2027.

The Committee's attention was drawn to the housing numbers and trajectory graph which helped Members to understand how the Council would get to a five-year housing land supply at the point of the adoption of the Plan.

The Committee's attention was also drawn to the changes that had been made to some local plan chapters as detailed in the report. This was to ensure greater consistency of approach throughout the document and to address matters on potential development allocation sites that had been agreed by Committee at previous meetings.

These sites included:

- Budl_01 – land south of Bedlands Lane and west of Dark Lane, Budleigh Salterton.
- Honi_18 – land at Kings Road, Honiton.
- Otto_02 – land adjacent to the North Star, Otterton

The Chair invited Members to comment on each chapter.

Chapter 1 Introduction

- Update the map to change East Devon AONB to National Landscapes.

Chapter 2 The Vision

- Clarification was sought on the description ‘modest sensitivity’ in paragraph 1.6.

Chapter 3 The Spatial Strategy

- Page 25 – West Hill total housing requirement numbers are incorrect and should be less than 60.
- Page 25 – Feniton numbers are incorrect.
- The Assistant Director – Planning Strategy and Development Management advised that the numbers would be revisited to ensure they were correct.
- The wording for Strategic Policy SP01 (b) does not follow East Devon’s vision. In response the Assistant Director – Planning Strategy and Development Management advised that additional wording could be inserted to make it clearer that it refers to ‘existing settlements’.
- Strategic Policy SP07 – the wording needs to be amended to address how are we going to engage with infrastructure providers to deliver in a timelier manner to avoid the same mistakes as at Cranbrook.

Members attention was drawn to a proposed new policy on phased developments and the Chair invited comments:

- There is a need to be specific about cycleways and multi-use trails with an agreement from Highways about what they should be named.
- Reference was made about ransom strips, and it was questioned whether the wording of the policy would deliver the outcomes the council sought.
- The policy should direct developers from the outset and should hold developers to account. The policy needs to be broken down and reformatted to make it easier to read.
- Clarification was sought about whether the Committee would be able to see the revised wording before it went out for consultation. In response the Committee were advised that it would depend on the government’s publication of the new NPPF and if there was time the revised new policy would be brought back to Committee in the new year before the Regulation 19 went out for consultation.

Chapter 4 Development at the West End

- Strategic Policy WS01 – clarification was sought about why the policy did not detail the different types of affordable housing for the new town. The Assistant Director – Planning Strategy and Development Management advised the mix of tenure types of housing was set out in the policies in the housing chapter.
- It was suggested to set a high target of 70% mixed tenure to achieve our affordable housing needs earlier.
- It was suggested that as the new town may have a different requirement of affordable housing it would be better to change the figure to XX as it is still to be determined. The Assistant Director – Planning Strategy and Development

Management advised he was happy to change to XX and that it would be determined through the second phase of the Regulation 19 consultation.

- Strategic Policy WS02 – clarification was sought about whether the Committee were happy with the proposed density of the new town. In response it was advised the masterplan would set out specific areas of density which would be followed by the planning applications to determine the natural flow of density.
- Population figures are missing from the report.
- A suggestion was proposed to produce a map of the West End to define the area. Committee were advised that clarity of the West End had been provided via text instead of a map as this would create challenges to try and define the boundaries.

Members attention was drawn to a proposed further amendment to Policy WS01, and the Chair invited comments:

- Mistakes have been learned from the experience from Cranbrook. This is a good step moving forward with the new town.
- Although the Stewardship Statement is well worded it does not however go far enough to explain what it will control. Stronger words are needed to ensure that East Devon District Council will control what is built and when it will be built.
- It was suggested that the wording for b) was too restrictive and narrow and should be broadened to include commercial spaces etc. In response the Assistant Director – Planning Strategy and Development Management explained that it was left deliberately broad to include community spaces such as town centre spaces and employment spaces and questioned whether being too precise in the wording would start to exclude these types of spaces but advised that he was happy to look at the wording if the Committee wished.
- Reference was made to the Stewardship Statement and the need to ensure that there is suitable wording to make sure it remains in public ownership and should be managed by the newly formed town council. The Assistant Director – Planning Strategy and Development Management advised that suitable wording could be added to the explanatory text that would explain about the council's aspirations about what model it would like to see.

Chapter 5 Development in the towns and villages

Members considered the following two allocations that officers had raised concerns about:

Budl_01 Land south of Bedlands Land and west of Dark Lane

Committee were reminded that as Budleigh Salterton had taken a disproportionately low number of houses Committee had resolved to allocate up to 50 houses on the north eastern corner of this site with delegated authority to the Assistant Director – Planning Strategy and Development Management in consultation with the Chair to determine the boundary. Following discussions with the developers it has now been proposed for development of 53 houses across 3 portions of the site which officers feel has a disproportionately high landscape impact and would impact the National Landscape and Green Wedge and therefore does not justify development and the recommendation is to not proceed with the site allocation.

RESOLVED:

To not allocate land at Budl_01 for the reasons set out in the report, notwithstanding the previous resolution to make an allocation with the details delegated to the Assistant Director – Planning Strategy and Development Management and the Chair of Strategic Planning Committee.

Otto_02 Land adjacent to the North Star

Committee were reminded that as the site was within a flood zone it would need to go through a stage 2 strategic flood risk assessment which would cost over £10,000 and delay the Local Plan process so the recommendation is to not proceed with the site allocation. Committee were advised that in principle as the site was within the settlement boundary of Otterton it could still come forward as a planning application.

RESOLVED:

To not allocate Otto_02 in light of the need for additional work to demonstrate the nature and extent of flood risk at the site noting that it has already been agreed for inclusion within the settlement boundary.

Comments on chapter 5 included:

- The wording about the location of the school in Strategic Policy SD27 Development at Tipton St John is incorrect. Officers advised the wording would be amended.
- The plan for Strategic Policy SD04 Ottery St Mary and its future development – Otry_09 Land at Thorne Farm is incorrect as still shows shading for just housing development. The plan should show a mixed-use site (education and housing).
- The wording for Strategic Policy SD01 Exmouth and its future development – Exmo_20 Land at St Johns does not mention the Pebblebed Heaths or the 400m exclusion zone which needs to be included. Officers agreed that a sentence would be added so that any allocation would need to comply.
- 0.1 hectare of employment land in Brcl_09 has been removed from Strategy Policy SD07 Development in Broadclyst. Officers advised this was an error and that it would be included.

The Chair welcomed everyone to the afternoon session and invited the public that had registered to speak on chapters 6 to 15 to address the Committee.

Thomas Shillitoe addressed the Committee about the proposed development immediately adjacent to the Pebblebed Heaths which was a SAC and SPA referring to chapter 13 Our Outstanding Biodiversity and Geodiversity. He referred to Policies PB01 Habitats Regulations Assessments Protection of Internationally and Nationally important wildlife sites, PB03 Protection of irreplaceable habitats and important features and PB04 Habitats Regulations Assessment raising concerns that recreational impacts were already having a detrimental impact on ground nesting birds and there was a need to demonstrate that the development proposed cannot be located on alternative sites that would cause less harm or that suitable compensation strategies were put in place.

Councillor Chris Burhop, Ward Member for Newton Poppleford & Harpford reminded Committee of the Strategic Planning Committee meeting on 22 November 2024 where the Newton Poppleford settlement boundary was considered and Committee had resolved to delegate authority to the Assistant Director – Planning Strategy and Development Management and the Chair of Strategic Planning to incorporate more of the western side. Councillor Burhop explained that the village centre and village facilities were all on the eastern side of the village and by incorporating land on the western side he explained that this would not be accessible to the centre of the village as it did not have any safe footpaths. He addressed the possibility of a footpath being created for the proposed allocations Newt_04 and Newt_05 did not have a footpath but emphasised this may or may not happen. Although he concurred with officers' recommendations for the two site allocations, he raised concerns that for any reason these two developments did not go ahead these development sites on this side of the village would be inaccessible

and therefore asked Committee to repropose the original submission to go forward into the Regulation 19 consultation.

During discussions some Members concurred that unless the footpath was installed the western side of the village would be unsafe and there was nothing to confirm at this stage that the footpath would happen. It was suggested that a condition could be imposed to ensure that no development could take place until there was a suitable footpath.

Following legal advice from the Planning Solicitor the Chair explained that the Constitution on page 118, Part 4, paragraph 13.1 states that 'A motion or amendment to rescind a previous decision made at a meeting of the council within the past six months cannot be moved unless the notice of motion is signed by at least 15 Members'.

During discussion it was then questioned whether Part 4, paragraph 13.1 of the Constitution related to Full Council decisions, rather than Strategic Planning Committee. The Planning Solicitor advised that the Rules of Procedure apply to all meetings of Committees as set out at the beginning of Part 4 of the Constitution on page 109 which states that 'Rules 4 to 26 (except where clearly inappropriate – for example Standing Order 18.1) shall apply to meetings of Committees. The word 'Committee' includes Cabinet, the Overview and Scrutiny Committees and all the bodies referred to in Article 8 of this Constitution' which includes Strategic Planning Committee.

The Planning Solicitor also advised in relation to Article 15 of the Constitution that a motion to suspend the Rules of Procedure could not be moved without notice unless at least one half of the whole number of Councillors entitled to attend the Committee were in attendance. As more than half of Committee were present, the Planning Solicitor advised that it would be possible to suspend the Constitution but questioned whether such a suspension would be proportionate taking account of the purposes of the Constitution set out in Article 1.

Having considered the legal advice Councillor Jess Bailey proposed to suspend the constitution, seconded by Councillor Dan Ledger and proposed a motion to rescind the previous resolution and to include the original boundary as proposed by officers to not include Newt_04 and Newt_05 due to road safety issues.

A vote took place and the proposal was not approved by the Committee.

Chapter 6 Mitigating Climate Change

- Why will there not be solar panels on all the roofs of new houses. In response Committee were notified that it was due to viability and following advice from SWEED it was advised to follow the route of being PV ready which would achieve the best outcomes and help achieve zero carbon.

Chapter 7 Adapting to Climate Change

No comments.

Chapter 8 Meeting Housing Needs

- The Council should be much stricter on developers providing affordable housing and to include a mixed tenure.
- 70% of mixed tenure is possible.
- There is a need to increase the number of council owned properties to improve our own housing stock.

- Need to address specific housing needs and the number of bedrooms. It was advised that the local housing needs assessment had shown that 75% of the district was in need of 3-4 bedrooms and therefore the Committee had agreed it was better to have a policy that referred to an appropriate mix of housing based on evidence.
- Why is there a suggestion for less affordable housing in Axminster? It was advised that the viability work had shown that the development values were lower and therefore it would not be viable.

Chapter 9 Supporting the Economy and Town Centres

- Policy SE08 Local shops and services is not a strong policy and does not make sense. It was suggested that the current Local Plan policy E14 was a stronger policy and a positive statement as it protected our villages shops which should be protected.
- Clarification was sought on Policy SE02 Employment development in the countryside and whether this applies to new employment sites. Committee were advised this would not be encouraged as they would be unsustainable.
- Clarification was sought about whether Policy SE02 would want to encourage intensive farming. Committee were advised the policy was aimed at other small businesses in the countryside and not agricultural businesses.
- Clarification was sought about the expansion of an existing rural business and when does it become too big?

Chapter 10 High Quality Design

No comments

Chapter 11 Sustainable Transport and Communications

No comments

Chapter 12 Our Outstanding Landscape

- Policy OL11 Development on High Quality Agricultural Land – this policy is weaker than the current policy and needs to be better.

Councillor Ben Ingham proposed, and Councillor Geoff Jung seconded to extend the Green Wedge for Exmouth to Lympstone Green Wedge down south of Summer Lane towards the Exmouth Estuary which will enable the National Trust land to be in a Green Wedge and up Hulham Road towards the Pebblebed Heaths. Councillor Geoff Jung also proposed to include the playing fields at Courtlands.

A vote took place and the proposal was not approved by the Committee.

Chapter 13 Our Outstanding Biodiversity and Geodiversity

No comments.

Chapter 14 Open Space and Sports and Recreation

No comments

Chapter 15 Our Outstanding Historic Environment

No comments

Chapter 16 Community Facilities

No comments.

RESOLVED:

1. That the publication draft of the Local Plan as appended to this report with the addition of the proposed text to cover stewardship arrangements as part of the Strategic Policy WS01 and the proposed additional policy on phased development be approved with delegated authority for the Assistant Director – Planning Strategy and Development Management in consultation with the Chair of Strategic Planning, to make adjustments to tidy up and refine local plan text wording to ensure consistency of approach through the plan, edit down overlong text and correct typographical errors.
2. That delegated authority be given to the Assistant Director – Planning Strategy and Development Management in consultation with the Chair of Strategic Planning to produce and finalise the Policies Map in accordance with Members resolutions on allocations and designated area boundaries, that will also form part of the consultation, noting policy boundary matters and changes referenced in this report.
3. To consult on the Regulation 19 version of the Local Plan as appended (subjected to amendments agreed under Resolution 1 above) with delegated authority to the Assistant Director – Planning Strategy and Development Management in consultation with the Chair of Strategic Planning to agree when consultation starts having regard to the requirements of the newly published NPPF.

Attendance List

Councillors present:

B Bailey
J Bailey
K Blakey
C Brown
B Collins
P Fernley
M Howe (Vice-Chair)
B Ingham
G Jung
D Ledger
Y Levine
T Olive (Chair)

Councillors also present (for some or all the meeting)

C Burhop
R Collins
P Faithfull
E Rylance

Officers in attendance:

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

Councillor apologies:

O Davey
P Hayward

H Parr

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Strategic Planning Committee held at Council Chamber, Blackdown House, Honiton on 4 February 2025

Attendance list at end of document

The meeting started at 10.00 am and ended at 12.35 pm

250 Minutes of the previous meeting

The minutes of the previous meetings held on 29 October 2024 and 11 December 2024 were confirmed as true records.

251 Declarations of interest

Minute 256. East Devon Local Plan – approval for Regulation 19 Consultation 2025. 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 allocation Exmo_20.

252 Public speaking

Four members of the public and two Ward Members had registered to speak on Minute 256 – East Devon Local Plan approval for Regulation 19 Consultation 2025. All addressing issues relating to the proposed allocation Exmo_20.

The first speaker, Chrissy Howick referred to the proposed access from the A379 and said that this would have disastrous results as it had at least five treacherous turnings out onto this road and adding even more cars would cause havoc. She pleaded with the Committee to reconsider the site explaining that the proximity of this development would be very close to the Pebblebed Heaths and would cause immense light and noise pollution and have a detrimental impact to the wildlife. Mrs Howick highlighted that the site had not received adequate time allocation or representation from relevant local or national bodies to consider the site nor had Members visited the site to consider this impact and urged Members to reconsider this unsuitable site.

Councillor Melanie Martin, Ward Member for Budleigh and Raleigh had grave concerns about the site and could not understand why the access from the B3179 was being considered especially as it was a very winding rural road with a speed limit of 60mph with no paths or safe crossing places. She raised concerns about the SSSI advising that it provided a habitat for wildlife which would be significantly disturbed by the street lighting and advised that she would watch with interest to see how the Council aimed to protect the dark landscape of the SSSI and install a safe vehicular access into the site.

Thomas Shillitoe advised that because of the proximity of this site to Budleigh Salterton this could no longer be referred to as an Exmouth site which went against the settlement hierarchy. He referred to the Habitat Regulation Assessment and highlighted two concerns, the water quality for the Axe Valley, which was already restricting development and the air quality for the East Devon Heaths which would be significantly increased by the proposed access point on the B3179. He advised that the Exmo_20 allocation was contrary to Policy PB4 where development will not be permitted where there is potential for increased vehicle numbers adversely affecting the Pebblebed Heaths applying a

precautionary approach and this should be rigorously assessed before the Local Plan is submitted for examination.

Councillor Horn, representing Budleigh Salterton Town Council, requested for the Town Council to be included in any decision making for the proposed allocation Exmo_20 as its main access to the development was only 2.1 miles from Budleigh Salterton compared to 4.2 miles from Exmouth. He advised that together with the proposed increase in housing numbers and the proposed access onto the B3179 would certainly add pressure on local infrastructure and services and he questioned the employment opportunities for these residents.

John Hamill referred to the meeting on 3 September 2024 when the Committee went against officer recommendation and allocated Exmo_20. As a consequence, officers advised that further work was required to ascertain the viability of the site including engagement with DCC Highways and in today's report DCC Highways have advised that the only way was from the B3179, the already dangerous and congested road. This has opened up a series of risks, the first is the environmental risk due to the proximity to the Pebblebed Heaths in which Natural England have not yet been properly consulted. The second is the financial risk to the Council and developers as the cost to upgrade the B3179 through Ting Tong, Hulham Junction and onto Woodbury would be in the millions. The third is the political risk as if this site is not found viable the Council will fail its housing obligations that is required by government.

Mr Hamill urged the Committee to reject Exmo_20 and to revisit the sites that should have been included in the Local Plan.

A statement was read out on behalf of Councillor Charlotte Fitzgerald, Ward Member for Budleigh and Raleigh raising concerns with the B3179, the main road to the northwest which skirts the Bicton and Dalditch Commons in her ward.

The statement addressed the following concerns:

- the access point which would be on a dangerous stretch of road with no pedestrian access,
- the B3179 forms the border of the Pebblebed Heaths SSSI which has the highest level of protections of all designations.
- Building a major access point right beside the SSSI, and potentially laying down car parks and sports pitches in the space occupying the 400m development buffer, which would all no doubt require lights, was likely to damage it.

Councillor Fitzgerald felt taken by surprise by the late allocation of the site which she believed was an unintended consequence of rushing to allocate sites at the very end of the process. She advised she would do her best to help the Council mitigate adverse effects to nature and address the clear road safety issues posed by the site as the Council moves forward.

253 **Matters of urgency**

There were no matters of urgency.

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

There were no confidential or exempt items.

255 **Changes arising from the new National Planning Policy Framework (NPPF)**

The Committee considered the report which sought to provide Members with a more detailed understanding of the new National Planning Policy Framework (NPPF) which the government published on 12 December 2024.

The report identified two significant key changes. The first change affected the housing numbers which would now require the Council to deliver 1,188 homes per year compared to the previous figure of 1,146 homes. It would also need to be within 80% of that figure resulting in the Council needing to plan for 950 homes per year compared to the previous figure of 946 homes per year.

The second change affected the transitional arrangements and Members noted that in order to take advantage of the longer transitional period the Council would need to publish the Regulation 19 version of the Local Plan on or before 12 March 2025 and submit for examination within 18 months of the publication of the new NPPF.

The Assistant Director – Planning Strategy and Development Management explained about some potential consequences in which the Council had a requirement to demonstrate a five-year housing land supply which also must include a 5% buffer. Members noted that the Council's housing land supply figure had significantly fallen to 2.97 years which would now require bringing back the tilted balance when considering planning applications. He also explained that from 1 July 2026 the Council would also be required to demonstrate a six-year housing land supply after the Local Plan had been adopted.

The Assistant Director – Planning Strategy and Development Management referred to the updated five-year supply calculations tables on page 37 of the report and advised Committee that these tables had been presented to Planning Committee on 17 December 2024 as an update to the annual monitoring report.

Further changes as a consequence of the new NPPF include:

- Affordable Housing
The government have removed the requirement for at least 10% of the total number of homes on major sites to be delivered as affordable homes and that 25% be delivered as First Homes.
- Planning Application Fees
The fee for householder planning applications is to be increased from £258 to £528 with the intention to bring forward measures in the Planning and Infrastructure Bill to enable local fee setting for planning applications.

Questions and debate included:

- In response to a question about how to achieve a six-year housing land supply the Chair explained that although the new Local Plan would help achieve this it was also necessary to approve more planning applications.
- Clarification was sought about whether the Land Use Framework Consultation published by DEFRA would have an impact on the Local Plan. The Assistant Director – Planning Strategy and Development Management advised that the Local Plan would not be affected.
- Reference was made to the Local Character and Design Coding chapter and support was expressed for the removal of the word 'beautiful' as it was difficult to

classify what was beautiful as this was too subjective. The Assistant Director – Planning Strategy and Development Management emphasised the need to resurrect the District Design Guide which would give greater guidance in terms of what we think is important about local character.

- Clarification was sought on the affect of deleting the word 'local character' in the Local Character and Design Coding chapter. It was advised this referred to the historic character of the area and was particularly relevant when considering high-density developments.
- A concern was raised that as the Council was struggling to meet the housing land supply this would make the Council dependent upon developers coming forward with planning applications which would put them in the driver's seat of the housing market.
- Clarification was sought on the reference to affordable homes on page 38 of the report and whether councils still had an option to deliver First Homes. In response the Assistant Director – Planning Strategy and Development Management explained that although the obligation to deliver First Homes had been removed, they could still be delivered as a form of affordable housing.
- Councillor Jung expressed his concern about achieving a six-year housing land supply and that the government should be challenged about this decision as the Council would be reliant on an unpredictable housing market in order to achieve this target. The Assistant Director – Planning Strategy and Development Management advised he was happy to draft a letter but emphasised that the Council along with other councils had made comments to government in the past without success.

The following motion was proposed by Councillor Geoff Jung and seconded by Councillor Paula Fernley.

'That a letter of complaint should be sent to the government expressing the Council's concerns on achieving a six-year housing land supply.'

RESOLVED:

1. That the changes made in the new NPPF and the implications for the Council and production of the new Local Plan be noted.
2. That the updated five-year housing land supply position be noted and that the revised summary tables be published on the Council's website and used to inform decision making on planning applications.
3. That the Assistant Director – Planning Strategy and Development Management draft a letter to Government in consultation with the Chair, addressing the Council's concerns about achieving a six-year housing land supply.

256 East Devon Local Plan - approval for Regulation 19 Consultation 2025

The Committee considered the report that sought approval of the final version of the East Devon Local Plan Regulation 19 Consultation that had considered the changes expressed by Members from the meeting on 11 December 2024.

The Assistant Director – Planning Strategy and Development Management drew Members attention to the two appendices explaining that appendix 1 was the clean version and appendix 2 contained the tracked changes.

In the report Members attention was drawn to two hyperlinks, the first leading to an interactive map and the second leading to PDF versions of maps of the towns and

villages within the settlement hierarchy. Members also noted an update to the second new community by the removal of the boundary of the Clyst Valley Regional Park as this would be considered through the New Community Masterplan.

The Assistant Director – Planning Strategy and Development Management also updated Members about a change to the housing provision following the new NPPF which now required the Council to plan for at least 950 new homes per year. He advised the Committee that this had slightly reduced the headroom in the housing numbers but that a 9.8% headroom was still included with a stepped housing trajectory that showed an annual target of 850 dwellings per year from 2020/21 to 2031/32 and 1,070 dwellings per year from 2032/33 onwards.

Members were reminded that it was a two-phase Regulation 19 Consultation and that the Consultation for the New Community Masterplan was due to start in Spring 2025 as detailed in paragraph 5.2 of the report.

The Assistant Director – Planning Strategy and Development Management referred to chapter 6 of the report drawing Members attention to the evidence library available on the website which included assessments such as the viability assessment and habitat regulations assessment, although Members noted that work was still ongoing in relation to air pollution and the Pebblebed Heaths. Members also noted there were outstanding evidence documents which included:

- Greater Exeter Transport Study which was continuing to progress and would be ready for the second phase of the Consultation.
- Infrastructure Delivery Plan which would be brought to Committee post Consultation.
- Water Cycle Study.

The Assistant Director – Planning Strategy and Development Management referred to the public speakers and in response to the concerns raised about site allocation Exmo_20 and the access onto the B3179 he advised following further discussions with Devon County Council Highways additional wording had been added in order to provide clarity of these issues and to highlight that mitigation was required. However, the primary access was always to be from the B3179 and Members were made aware of this when deciding to allocate the site.

Members were advised that anyone wishing to comment about the emerging Local Plan can do so by using the engagement platform 'Commonplace' which will be available on the website from week commencing Monday, 10 February 2025. In addition, Members were advised that all Town and Parish Councils have been invited to attend a webinar Thursday evening to answer any questions about the consultation and to give help and support during their neighbourhood planning process.

Comments, questions and debate included:

- A big thank you was expressed to the Chair, Vice Chair, Officers and Committee Members for the amount of time, effort, speed and professionalism shown in order to get this the Regulation 19 Consultation stage.
- A concern was raised about how the public would be aware of the Local Plan Consultation if they don't follow social media. The Chair advised that along with social media the Council would be writing to all the town and parish councils, press releases would be issued and it would be included in residents' newsletters in order to engage with a lot of people.

- A member of the Committee did not support going out to Consultation without having sight of all the evidence-based documents. It was questioned whether the Consultation would be legally sound without these documents and for all documents to be published at the same time. The Assistant Director – Planning Strategy and Development Management acknowledged that not all the final versions of the evidence documents had been seen and reassured Members that these documents did not contain any surprises and if Members wished they could be brought to Committee on 4 March but highlighted this could lead to time constraints with the March deadline.
- Unhappy to see that a West End line had been drawn in the Local Plan. It was agreed that this should be removed.
- Clarification was sought on the limited timetable if the Consultation was delayed. The Assistant Director – Planning Strategy and Development Management explained that the first phase of the Consultation and the second phase would need to run straight after each other which would not be ideal as the Council could come under criticism for running the second phase into the summer period and holidays.
- Support was expressed to keep to the original timescales and to publish the first phase of the Consultation on 10 February.
- Disappointment expressed for the words 'moving towards net zero carbon' on page 429. It should read we want net zero carbon development.
- Support expressed for the tabled detailed on page 431.
- Page 429 (C) 'temperature discomfort' – this is confusing. Does it mean global warming?
- Disappointment expressed for (A) on page 429 – to meet energy efficiency requirements set out in the building regulation Future Homes Standard (HSS) 2025. In response the Chair referred to some Press reports about Future Homes Standard and expressed the need for the Council to look at opportunities to improve on this policy. In response the Assistant Director – Planning Strategy and Development Management explained that following a Written Ministerial Statement local authorities could not adopt standards higher than the Future Homes Standard but reassured Members other conditions had been put in place such as future proofing for the fitting of solar panels to make it easier for people to fit solar panels.
- Clarification sought on the gypsy and traveller sites east of the M5. It was advised there were five fixed sites and up to 10 sites to be located at the New Community.
- Clarification sought on the provision for wind power. The Assistant Director – Planning Strategy and Development Management advised that due to the district's topography and wind speeds there was limited need for a policy but advised that suitable wording could be added into Policy CC03 about the need for small scale wind farms.

The recommendations were proposed by Councillor Bethany Collins and seconded by Councillor Yehudi Levine.

10 Committee Members voted in support, Councillor Jess Bailey voted against, and Councillor Helen Parr abstained from the vote.

RESOLVED:

1. That the publication draft of the Local Plan as appended to this report be approved with delegated authority for the Assistant Director – Planning Strategy and Development Management, in consultation with the Chair, to make final minor

adjustments to tidy up and refine local plan text wording to ensure consistency of approach through the plan, align formatting and correct typographical errors.

2. That Strategic Planning Committee agreed to consult on the Regulation 19 version of the Local Plan as appended (subject to amendments agreed under recommendation 1 to run for six weeks, to commence in the week starting 10 February 2025.

257 **Exeter Local Plan - Regulation 19 Consultation - proposed response from East Devon District Council**

The Committee considered the report that summarised the information detailed in Exeter's Local Plan Regulation 19 Consultation and East Devon District Council's proposed response objecting to the Plan in respect of failing to provide sufficient and appropriate levels of employment land as identified in the Greater Exeter Economic Development Needs Assessment (EDNA) and how the Plan seeks to address delivery of infrastructure to serve sites north of Topsham.

Comments from Members included:

- What are the consequences for this Council – does this put more pressure on this Council to provide more employment land in our draft Local Plan? In response the Assistant Director – Planning Strategy and Development Management reassured Members that East Devon's Local Plan had identified a higher provision of employment land through the New Community but emphasised that there was added pressure to meet Exeter's employment needs which could take up valuable land in the district which might be needed in the future for housing or employment.
- Reference to Policy TI1 and clarification sought about an allocation of land alongside this site. In response the Assistant Director – Planning Strategy and Development Management reassured Members that these points would be addressed at its examination.

RESOLVED:

Whilst welcoming the Exeter Local Plan and noting the general high quality of content, Strategic Planning Committee raise objections, as set out in this committee report, to fail to make available sufficient land for employment provision and secure delivery of the proposed Topsham Infrastructure Delivery Framework.

258 **Self-build and custom housebuilding update and monitoring report 2023-2024**

The Committee considered the Assistant Director – Planning Strategy and Development Management's report that set out the legal and national policy changes with regards to the custom and self-build plots (CSB) that came into effect at the end of 2023/start of 2024. The report also outlined the latest monitoring report that showed the Council was meeting its minimum legal requirement seeing 15 plots from October 2023 to October 2024 monitoring period.

RESOLVED:

1. That the draft monitoring report for use in planning decisions (both planning policy and development management) and agree its publication on the Council's website be endorsed.
2. That it be noted that during the latest monitoring period (31/10/23 to 30/10/24) 11 individuals were added to the self-build register (8 to part 1 and 3 to part 2)

generating a need to permission 8 plots suitable for self-build between 31/10/24 and 30/10/27.

3. That the demand for self-build plots indicated on the register be noted and taken into account in our planning, housing, regeneration and estate functions.

259 **New Planning Policy - Local Development Scheme**

The Committee considered the report that set out a programme and timetable for production of future planning policy documents. Members noted the main change from the previous version is that the first stage Regulation 19 Consultation would now start in February 2025 rather than January 2025.

RECOMMENDATION TO COUNCIL:

That Strategic Planning Committee recommend that the proposed new Local Development Scheme, as appended to this report as Appendix 1, should be endorsed and should take effect immediately following approval.

Attendance List

Councillors present:

B Bailey
J Bailey
K Blakey
B Collins
O Davey
P Fernley
P Hayward
M Howe (Vice-Chair)
G Jung
Y Levine
T Olive (Chair)
H Parr

Councillors also present (for some or all the meeting)

A Bailey
I Barlow
R Collins
P Faithfull
M Martin

Officers in attendance:

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

Councillor apologies:

C Brown
B Ingham

Chairman

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Leisure Strategy Delivery Forum held at Online via Zoom app on 14 January 2025

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.19 pm

18 Minutes of the previous meeting held on 11 November 2024

The minutes of the previous meeting held on 11 November 2024 were noted as a true and accurate record.

19 Declarations of interest

There were no declarations of interest.

20 Public Speaking

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

21 Matters of urgency

There were three matters of urgency (minutes 25-27 refer).

22 Confidential/exempt item(s)

There was one confidential/exempt item (minute 27 refers).

23 LED Facilities and Activities report November - December 2024

The LED Director of Delivery introduced this report which provided an update on the activities of LED including operational delivery, customer engagement, facilities projects, health and safety, and community projects.

Discussion and clarification included the following points:

- Members thanked the LED Director of Delivery for the very good report and commented positively on the range of activities and LED's strong work in deepening community engagement around health and mental wellbeing.
- An ongoing issue had been identified with parking at Honiton Leisure Centre particularly when matches were taking place on the adjacent pitches. LED staff had observed inconsiderate and dangerous parking and there had been increased cancellations as well as complaints from users of the Leisure Centre who were unable to park and were therefore missing sessions which they had paid for. The Assistant Director – Place, Assets & Commercialisation responded that he and the leadership team had been aware of the issues and following discussion, had decided in summer 2024 that it was not appropriate to intervene by introducing charging and parking enforcement; however, due to evidence recently provided by LED, the matter would be reviewed again in the coming weeks, to consider how the issues can be addressed.
- One Member had been approached by users of Exmouth Leisure Centre who were unhappy that the men's changing facilities for the swimming pool had been closed or unavailable for use. The LED Director of Delivery stated that he would look into the

reasons for this and respond outside of the meeting but the fact that he was unaware, would indicate that any closure had been very temporary.

- A Member asked about the nature and success of a project at Cranbrook Education Campus led by LED. The LED Director of Delivery would enquire with the relevant team and provide a response outside of the meeting.
- In response to a Member's question, Cllr Fernley stated that she was aware that yoga sessions provided free in Cranbrook had been popular and were well attended. It was her understanding that the funding was for a 12-month fixed term and no contingency was currently in place for when the funding expired.
- Responding to a question about health referrals, The LED Director of Delivery stated that where they were not funded by the referring body, access to sessions and facilities was offered at a reduced rate to make them accessible and break down barriers. The onus was then on LED to make the experience a positive one with encouraging results, such that referred individuals felt confident to engage and might consider enrolling with LED as a full member.
- A Member raised concern that some sessions which LED members had been accessing had been replaced with HYROX sessions not included in the cost of their membership meaning that, in effect, affected members were being asked to pay twice. The LED Director of Delivery stated that LED had responded to an identified demand for HYROX and had hoped that it would encourage additional people to engage and join the facility, but there was a cost to becoming HYROX affiliated. He would explore with the relevant team the impact on existing LED members, and report back.

24 **LED KPI Dashboard November 2024**

The Forum received and noted key details of the performance of LED Community Leisure for November 2024.

25 **Leisure Strategy Action Plan Update**

The Senior Leisure Officer introduced this report which provided the latest update on the Leisure Strategy Action Plan.

The report highlighted that many of the actions identified within the Action Plan had been completed or were in progress. Some of the timescales required adjustment due to the strategic review of leisure service delivery currently taking place, this being a more detailed piece of work than originally intended when the Action Plan was written in 2022.

Discussion and clarification included the following points:

- Members were pleased that the Senior Leisure Officer was now in post to progress the actions set out in the Plan, noting that the Council had not had a dedicated resource for leisure for a considerable number of years.
- The Chair asked for a specific update report to the next Forum meeting covering progress with the Cranbrook Leisure Centre proposals.
- The Chair asked that timescales in the Action Plan were updated in order that Officers and Members could see where there were actions which were at risk of not being completed by 2027.
- Members asked to be updated after discussions had taken place regarding the future of Wellbeing Exeter post-April 2025, since it was understood the people involved would no longer be in post after the end of March.

26 **Playing Pitch Audit and Strategy Update**

The Senior Leisure Officer introduced this report which provided an outline of the Playing Pitch Audit (PPA) currently taking place led by leisure consultants, Strategic Leisure.

The PPA would underpin an updated Playing Pitch Strategy (PPS). The report also included the vision and objectives that would be recommended within the proposed PPS from 2025.

Discussion and clarification included the following points:

- The evidence from the Audit should be available by the end of March 2025 and would inform the later stages of the consultation on the Local Plan.
- Officers were asked to review the equalities impact of the Strategy to ensure that careful consideration was given to groups which it might disproportionately impact.
- Members commented on the difficulty around managing demand, expectation, cost, and the requirements of the Local Plan, as well as the demands of central government around house building targets. Members were committed, however, to ensuring that playing pitches were delivered for towns in the long term.

The meeting then went into private session.

27 **Review of Leisure Provision - Funding and Management Agreement with LED Community Leisure**

The Assistant Director – Place, Assets and Commercialisation introduced this report which provided an update on progress made against project milestones.

Members discussed the report and relevant considerations, at length.

The Forum:

1. noted the progress that had been made against the project milestones; and
2. asked officers to take advice concerning the issues which had been discussed and report back to the next Forum meeting.

Attendance List **Councillors present:**

P Arnott
K Bloxham
M Goodman
S Hawkins (Chair)
P Hayward
N Hookway
J Loudoun
S Smith
A Teye

Councillors also present (for some or all the meeting)

C Brown
R Collins
P Fernley
R Jefferies
G Jung
M Rixson

Officers in attendance:

Mike O'Mahony, Senior Leisure Officer
Tim Child, Assistant Director Place, Assets & Commercialisation

Sarah James, Democratic Services Officer
Andrew Wood, Director of Place
Wendy Harris, Democratic Services Officer

LED Leisure representatives in attendance:

Olly Swayne, LED CEO
Richard Purchase, Chair of LED Board
Matt Wright, LED Director of Delivery

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Licensing and Enforcement Committee held at Council Chamber, Blackdown House, Honiton on 5 February 2025

Attendance list at end of document

The meeting started at 10.04 am and ended at 11.15 am

It was noted that, with the agreement of the Chair and the Committee, the meeting could not be live-streamed to YouTube due to an issue with the internet in the Council building.

18 Minutes of the previous meeting held on 13th November 2024

The minutes of the previous meeting held on 13th November 2024 were agreed and signed as a true record.

19 Declarations of interest

There were no declarations of interest.

20 Public Speaking

There were no members of the public registered to speak.

21 Matters of urgency

There were no matters of urgency.

22 Confidential/exempt item(s)

There were no confidential / exempt items.

23 Committee update report - Licensing Act 2003, Gambling Act 2005, Taxis and General Licensing

The Licensing Manager presented the report which provided an update on the activities of the Licensing Service under the Licensing Act 2003, Gambling Act 2005, Taxi legislation and general licensing, including street trading and pavement licences during the last quarter reporting period. Key points which were highlighted included:

- During the reporting period, under the Licensing Act 2003, 184 applications had been processed, 14 personal licences had been issued and 12 premises of interest had been visited.
- One application to vary a premises licence had been received with representations and considered at a hearing on 29 January 2025. A further application would be considered at a hearing convened for 12 February 2025.
- There had been a significant increase in the number of Temporary Event Notices for various local shows and events during the reporting period.
- The Home Office public consultation on 'Alcohol in licensed pavement areas' was still in process of analysing data received.
- The Licensing Act 2003 Statement of Licensing Policy 2021-2026 was due for review and a revised policy would be brought to the Committee later in the year.
- Work was on-going to draft a Devon wide policy on pavement licensing.

- Under the Gambling Act 2005, requirements were brought in for smaller operators to conduct test purchasing alongside an amended good practice code to implement Think 25 approaches to age verification. This was a move from Think 21 to Think 25.
- During the reporting period there had been a slight drop in Hackney Carriage driver and vehicle licences and a slight rise in private hire drivers and vehicles.
- Three entries to the National Register of Revocations, Refusals and Suspensions had been made.
- Three referrals to the Sub Committee had been made during the reporting period.
- Drivers not completing the mandatory safeguarding training during the agreed timescales would be referred to the Sub Committee.
- An online survey had been launched regarding the proposed changes to the Hackney Carriage fare setting procedure.
- Officers continue to attend meetings of the East Devon Taxi Association, when invited.
- Regarding the VAT treatment of private hire vehicles, at the time of writing the report, legal opinion was that private hire operators outside of London should not be required to charge VAT.
- 26 street trading consents were currently in operation.
- A full time Licensing Officer had gone on maternity leave and the position had not yet been filled.
- Refresher training for Committee members had been held in November 2024.

The Licensing Manager would circulate an article regarding VAT treatment of private hire vehicles and the link to the refresher training following the meeting.

Discussion and responses to questions from Members included the following points:

- The decrease in taxi driver and vehicle licences could be due to a variety of factors.
- A premises licence does not automatically include a pavement licence. Where an outside area is not immediately attached to a premises, a separate licence would be required.
- All new drivers have one year in which to complete the mandatory safeguarding training. At the time of the meeting, approximately 12 – 15 drivers had not completed the training, although some had not yet reached the deadline for completion. Licences would not be renewed if a driver had not completed the training.
- Betting premises were not required to inform the Council how often they undertake test purchasing. Large operators had compliance teams in place to undertake regular testing. Testing of smaller operators was led by the Police and Trading Standards using persons over 18. Currently there were no small independent betting operators in East Devon.
- Unlicensed family entertainment centres were open to any age. Higher paying machines, not available for children under 18, had to be sited in a separate designated area.

The Chair thanked the Licensing Manager for the report.

The Committee agreed to note the update report.

24 **Hackney carriage fare setting procedure update**

The Committee received a progress update report following the resolution at the meeting held on 13 November 2024 to authorise a review of the procedure used to calculate hackney carriage fares in the district.

A ten week consultation with the taxi trade had been launched to collect average figures for annual mileage and running costs for inclusion in the draft procedure.

An online survey had been published on 7 January 2025 and link sent to all taxi operators on 8 January. The survey asked respondents whether they agreed with the estimated average figures or if there were any omissions.

A taxi trade liaison meeting had been held on 15 January 2025 at Blackdown House, to which all members of the East Devon taxi trade had been invited. 9 members of the trade had attended, with 5 sending apologies.

To date, no responses from the 120 licence holders in the district had been received. The consultation remained open until 18 March 2025.

Licensing Officers would send further reminders to the taxi trade before the close of the consultation.

It was hoped to bring a draft procedure to the Committee meeting on 2 April 2025, although the timescale was tight.

The Chair asked Members who had any contact with the taxi trade to encourage them to participate as their information was vital to understanding operating costs.

Discussion and responses to questions from Members included the following points:

- It was difficult to quantify how many responses from the taxi trade would make the fare setting procedure viable. The estimated draft figures were based on East Devon data rather than Guildford figures. If there was no input from the taxi trade, the Committee could proceed to agree the methodology. It was noted that the Guildford consultation had received a poor response and the Judicial Review had concluded that the Guildford taxi trade had chosen not to respond to the opportunities to consult.
- The East Devon Taxi Association was open to all drivers in the district, although the majority of the 10-15 drivers who usually attend were from Exmouth.
- The Taxi Trade Liaison meeting had been held at Blackdown House as this was located more centrally in the district and considered to be a neutral location.
- If the Guildford fare setting procedure was adopted, an annual review would be undertaken with a less detailed survey to capture any variations to the costs involved.
- It was noted that there would be many variabilities in the costs across the district and a second consultation on the draft procedure, including all estimated figures, would be a vital part of the process towards implementing the final procedure.
- Paper copies of the current survey would be available and drivers would also be able to access assistance to complete the survey in person if required.

The Chair thanked Officers for the considerable work involved in setting up the consultation for the review of the fare setting procedure.

The Committee agreed to note the contents of the update report.

Attendance List

Councillors present:

I Barlow
K Bloxham (Vice-Chair)
M Chapman
O Davey
T Dumper
S Gazzard
J Heath

R Jefferies
Y Levine
C Nicholas
S Westerman
J Whibley (Chair)

Councillors also present (for some or all the meeting)

R Collins

Officers in attendance:

Sarah Jenkins, Democratic Services Officer
Phillippa Norsworthy, Licensing Manager
Giles Salter, Solicitor
Emily Westlake, Licensing Officer

Councillor apologies:

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Licensing and Enforcement Sub Committee held at Tale Room, Blackdown House, Honiton on 11 December 2024

Attendance list at end of document

The meeting started at 9.35 am and ended at 11.30 am

18 Minutes of the previous meeting held on 6 November 2024

The minutes of the previous meeting held on 6 November 2024 were approved and signed as a true record.

19 Declarations of interest

There were no declarations of interest.

20 Matters of urgency

There were no matters of urgency.

21 Confidential/exempt items

There were three items which officers recommended should be dealt with in Part B at minute numbers 23, 24 and 25.

22 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 these items in private session (Part B).

23 Hackney carriage driver suitability

The purpose of the item was to determine whether the person named in the report is a fit and proper person to be licensed as a Hackney carriage driver in line with legislative and policy requirements.

The Chair introduced the members of the Sub Committee and the officers in attendance.

The applicant was in attendance.

The Legal Advisor, Giles Salter, outlined the procedure to be followed.

The Licensing Officer, Lee Staples, presented the report and outlined the background to the application and the reasons as to why it had come before the Sub Committee.

In response to a question from the Sub Committee, the Licensing Officer advised that officers had supported the applicant in trying to obtain the documentation as required under the Council's Hackney Carriage and Private Hire Licensing Policy.

The applicant had no questions for the Licensing Officer.

The applicant confirmed that they had nothing to add to their application and then answered questions from the Sub Committee.

The Chair thanked the applicant for attending and advised that the Sub Committee would retire to make its decision which would be notified in writing within five working days.

The applicant left the meeting.

24 **Private hire driver suitability**

The purpose of the item was to determine whether the person named in the report is a fit and proper person to be licensed as a private hire driver in line with legislative and policy requirements.

The Chair introduced the members of the Sub Committee and the officers in attendance.

The applicant, accompanied by a support person, was in attendance.

The Legal Advisor, Giles Salter, outlined the procedure to be followed.

The Licensing Officer, Lee Staples, presented the report and outlined the reasons why the application had been brought to the Sub Committee.

The Licensing Officer answered questions from members of the Sub Committee.

The applicant had no questions for the Licensing Officer.

The applicant addressed the Sub Committee and answered members' questions.

The Chair thanked the applicant for attending and advised that the Sub Committee would retire to make its decision which would be notified in writing within five working days.

The applicant and the support person left the meeting.

25 **Application for consent to street trade**

The purpose of the item was to determine an application for consent to street trade following receipt of valid representations during the period for consultation which had not been withdrawn.

The Chair introduced the members of the Sub Committee and the officers in attendance.

The applicant was in attendance.

The Legal Advisor, Giles Salter, outlined the procedure to be followed.

The Licensing Officer, Lee Staples, presented the report and outlined the key points regarding the relevant legislation and the Council's Street Trading Policy.

The Licensing Officer answered members' questions regarding the relevant definitions in the Street Trading Policy.

Members were made aware of issues encountered by applicants using the Council's online street trading consent application process.

The applicant addressed the Sub Committee and highlighted key issues from their application.

There were no further questions from members.

The Chair thanked the applicant for attending and advised that the Sub Committee would retire to make its decision which would be notified in writing within five working days.

The applicant left the meeting.

Attendance List

Councillors present:

O Davey
R Jefferies
J Whibley (Chair)

Councillors also present (for some or all the meeting)

S Westerman

Officers in attendance:

Sarah Jenkins, Democratic Services Officer
Phillippa Norsworthy, Licensing Manager
Giles Salter, Solicitor
Lee Staples, Licensing Officer
Rebecca Heal, Solicitor
Shannon Manning, Licensing Officer

Councillor apologies:

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Licensing and Enforcement Sub Committee held at Tale Room, Blackdown House, Honiton on 29 January 2025

Attendance list at end of document

The meeting started at 9.30 am and ended at 10.41 am

26 Minutes of the previous meeting held on 11 December 2024

The minutes of the previous meeting held on 11 December 2024 were agreed and signed as a true record.

27 Declarations of interest

There were no declarations of interest.

28 Matters of urgency

There were no matters of urgency.

29 Confidential/exempt items

There were no confidential / exempt items.

30 To consider an application for the variation of a premises licence for the premises known as Heydays at Unit 1 Sideshore, Queens Drive, Exmouth EX82GD

The meeting was a hearing under the Licensing Act 2003.

The Chair introduced the members of the Sub Committee and the Officers present.

The Sub Committee's Legal Advisor, Giles Salter, outlined the procedure for the meeting.

The Sub Committee considered the application for the variation of a premises licence to also permit the sale of alcohol for consumption OFF the premises at Heydays, Unit 1 Sideshore, Queen's Drive, Exmouth EX8 2GD.

The applicant, present and entitled to make representations, was Sam Beaton, accompanied by Andrew Biggs, on behalf of Exe Exe Exe Limited.

Also present, and entitled to make representations, were Cllr Graham Deasy, on behalf of Exmouth Town Council, Martin Heslop and Jenny Heslop.

The Licensing Officer summarised the application and stated that there had been no update since the report was written.

In response to a question from Members, the Licensing Officer stated that licensing conditions which the committee could consider were set out in Appendix J to the report. She added that as part of the Licensing Policy, applicants were provided with a Pool of

Conditions to guide them on suitable conditions which they could consider, to mitigate any risk that might occur as a result of their licensable activities.

There were no questions for the Licensing Officer from the applicant or the interested parties.

The applicant made the case for the application and highlighted the following points:

- Heydeys was a high-end bakery and lifestyle shop where it was intended that patrons could purchase a bottle of local wine or craft beer as a gift or to take home with them.
- In addition to Heydeys, the applicant operated two businesses in Dorset and there had been no issues as a result of their off sales.
- There was no intention to sell alcohol in open containers.
- Concerns were acknowledged around overconsumption of alcohol on the beach but it was noted that alcohol was on sale already at a small supermarket on the seafront, at a price which was more attractive to younger people. The applicant was not marketing themselves for this clientele, but to middle-class consumers.

In response to questions from Members, the applicant confirmed that they had been in business for 3-4 years, initially opening a restaurant in Lyme Regis, and growing organically into their current lifestyle and bakery business. They stated that it had been important to have car parking available so that locals could drop in for food and a bottle of something, to take home. The applicant reiterated that there were no plans to sell alcohol in open containers.

In response to a question from the interested party, Cllr Graham Deasy, on behalf of Exmouth Town Council, the Legal Advisor explained that the Public Spaces Protection Order (PSPO) in the area did not establish a blanket ban on the sale or consumption of alcohol, but gave the police and authorised officers of the Council the powers to remove alcohol in open containers and issue fixed penalty notices in the event of antisocial behaviour associated with the consumption of intoxicating substances.

In response to questions from the interested party, Martin Heslop, the applicant advised the following:

- If the variation was granted, they did not believe there would be a significant increase in the consumption of alcohol in the public area outside of their premises or on the beach, or that their intended clientele was likely to cause problems.
- Projections for alcohol sales were around £200-250 per week.
- The applicant knew their business model and their market and would not downgrade their business by changing their objectives in the future to sell alcohol cheaply to a mass market.
- Bins were provided by the business and the Council for the disposal of rubbish, and the applicant was confident that most people were responsible with their rubbish.
- It was not considered appropriate to offer any conditions at the point of application, without first knowing what the reaction to the application would be.

The interested party, Cllr Graham Deasy, on behalf of Exmouth Town Council, put their case and advised that their concerns were as follows:

- To protect the seafront area from antisocial or rowdy behaviour which people could find intimidating. There was a history of alcohol-related disturbances which were few and far between, perhaps due to the scarcity of alcohol sales points on the seafront.
- In the interests of public safety, to protect people from the risks associated with entering the water after consumption of alcohol.
- Rubbish which became buried in the sand could create a hazard to beach users and it was suggested to add labelling to the products around responsible disposal.

In response, the applicant stated that there had been restaurants selling alcohol from the premises historically with clients potentially then going onto the beach, before Heydeys were there. Heydeys biggest draw was families, particularly mums and children, and the sale of alcohol would be during the daytime only and not into the evening. The applicant added that they routinely integrated themselves into local communities, signing up to beach cleans and offering free coffee to beach cleaners.

Speaking also for Jenny Heslop, the interested party, Martin Heslop, put their case and advised that their main concerns were as follows:

- The variation, if granted, would raise the risks of greater alcohol consumption in the area and associated problems in relation to the licensing objectives.
- The variation would create a greater risk of glass containers being taken onto the public areas and the beach. Mr Heslop stated that conditions set out in the existing premises licence demonstrated that the sub-committee that granted that licence had in mind the dangers of glass.

In response to Mr Heslop's statement, the Licensing Officer clarified that the condition in the premises licence which referred to no glass bottles except for wine and champagne, was added by the applicant or the responsible authorities, and not by the sub-committee.

In response to questions from Members, Mr Heslop stated that he had no evidence of increased antisocial behaviour or issues from glass on the beach since Mickeys or other restaurants had been open at Sideshore, but Exmouth Town Council had outlined incidents on the beach which had required police attendance. Most incidents had occurred in the early evening or at nighttime.

Responding to Mr Heslop's statement, the applicant stated that having spoken with Mickeys and Michael Caines, he understood that the licensing condition concerning glass was added due to the risks from the winds on the seafront shattering the glass containers.

In response to a question from Mr Deasy, the Licensing Officer outlined the procedure for the monitoring of licensed premises.

The applicant declined to make a closing statement.

The Chair thanked everyone for attending and advised that the decision would be notified in writing within five working days.

Attendance List

Councillors present:

K Bloxham (Chair)

J Heath

R Jefferies (Vice-Chair)

Councillors also present (for some or all the meeting)

S Westerman (Reserve)

Officers in attendance:

Lesley Barber, Licensing Officer

Giles Salter, Solicitor

Sarah James, Democratic Services Officer

Zoe Jones, Licensing Officer

Chair:

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Personnel Committee held at Council Chamber, Blackdown House, Honiton on 14 January 2025

Attendance list at end of document

The meeting started at 10.06 am and ended at 11.12 am

9 Minutes of the previous meeting

The minutes of the previous meeting held on the 13th June 2024 were confirmed as a true record.

10 Declarations of interest

None.

11 Public speaking

None.

12 Matters of urgency

None.

13 Confidential/exempt item(s)

None.

14 Pay Policy Statement

The committee are required under the Constitution to consider and make recommendation to Council on the Pay Policy Statement, required for review on an annual basis.

The statement had been reviewed but no changes in wording to the previous year (other than the year the statement related to) were required.

The committee were also updated on the 2024/25 national pay negotiations that had now completed and been implemented.

RECOMMENDED to Council that the Pay Policy Statement 2025/26 be adopted.

15 HR Policy updates

The HR policy review report sought approval for a new Probation Policy, and approval for revised Notice Provisions and Use of Temporary Workers and Volunteers policy.

Probation Policy

Current arrangements were not covered by a formal policy. The policy before the committee set out:

- That all employees (regardless of continuous local government service) should be subject to a probationary period;
- Expected government changes on employment rights are likely to include a statutory probationary period and the policy will be amended as and when such legislation is updated.

Notice provisions

The minimum notice period that employees are required to give during a probationary period in the current provisions does not match the National Joint Council (LJC) Conditions of Service. The provisions were therefore presented for approval with changes to match (minimum being one month) and other wider provisions updated following review.

Use of Temporary Workers Policy

Review of the policy had resulted in changes put forward to the committee for approval, covering:

- Clarification on the checks required;
- Minimum expectations for managers and temporary workers in respect to compliance with data protection, health and safety, equality, diversity and inclusion, whistleblowing and safeguarding policies and procedures;
- Additional service specific policy and training requirements.

Volunteers Policy

Review of the existing policy included recommendations from a recent audit. The changes included:

- Greater clarity on volunteering supervisor's responsibilities;
- Mandatory training and policy awareness for volunteers;
- Additional documentation that provides a checklist for supervisors, engagement letter template and guidance in production.

The committee were updated on the response from UNISON who considered the proposals at a recent Staff Joint Forum, and were content with the changes put forward.

Further work with updating Managers on the changes will take place following approval by the committee.

RESOLVED

1. **That the Probation Policy be approved;**
2. **That changes to minimum notice periods be approved;**
3. **That the revised Use of Temporary Workers and Volunteers policy be approved.**

16

People Data

The committee received the regular update on key people data up to Data highlighted included:

- Implemented structural changes including the fourth directorate of Place;
- Headcount had increased from 552 in April 2024 to 566 by end of October 2024, within budget;
- Market supplement numbers had also increased as expected and previously reported to the committee, due to failed attempts to recruit to specific posts;
- Vacancies were at 32 compared to 44 in April 2024; in comparison to headcount, there had been a decrease from 7.97% to 5.65% in October 2024 with a decrease in the number of days to fill posts down to an average of 61.85 days;
- Sickness levels were still high, but leaving out long term sickness data, the short term sickness levels had reduced.

The committee discussed the positive aspects of the data provided. The Corporate Lead for HR and her team were thanked for the work which had directly impacted on the data and resulted in improvements.

Concern was voiced for the impact on staff as the devolution agenda progressed. The committee would still be able to keep a watching brief on the people data as a standing item on the committee's agenda; the Chief Executive also assured the committee that business continued as usual to deliver to the District's residents, and the vast majority of those roles would still be required in any new unitary authority.

The committee noted the data update.

17 **Driving at Work Policy**

The report set out for the committee outlined amendments to the Driving at Work Policy in order to meet safety requirements. The policy was first put in place in 2017 and is regularly reviewed to meet updated legal requirements and current operational procedures. The key changes were highlighted to the committee, including:

- Fleet vehicles
- Driver conduct
- Fitness to drive
- Alcohol and drugs
- Smoking and vaping
- Mobile phones and electronic devices
- Actions following a road traffic accident
- Journey planning
- Risk assessment

The committee offered some minor changes for clarify to the policy, including:

- Additional working in relation to mobile phone use when safely parked includes "with ignition off";
- "make or take calls" to clarify when mobile is being used in hand rather than hands free in the vehicle.

The committee also asked for clarification on the preferred fuel provider which was not available at the meeting.

RESOLVED that the updated Driving at Work Policy be approved.

18 **Grow Our Own Update - verbal update**

Gemma Roberts, HR Operations Service Manager, updated the committee on the work under the Grow Our Own initiative.

In the period April to December 2024, the highlights were 20 apprentices, 1 graduate and 4 work experience individuals, with more detail set out to the committee.

Plans for 2025 covered:

- Finalising bid for salary funding from the dedicated Grow Our Own budget;
- Corporate Work Experience Programme Planning for Summer 2025;
- Development of promotional material;
- Supported Internship aimed at assisting a young person with learning disabilities to develop skills and confidence to gain employment;

- Work in partnership with the Deaf Academy to offer meaningful work experience;
- Engage with Devon County Council's Local Offer for Care Experienced Young People.

The committee expressed their appreciation for the work undertaken to date and the planned work for the coming year. In response to a question, it was confirmed that contact was made with all secondary schools in the district in respect of the offer from the service. It was also confirmed that the LGA had a long established scheme for promoting some local government roles in finance to university graduates. The service could look at other specialist areas to specifically promote to undergraduates.

The committee noted the report.

19 **Appreciation for departing Corporate Lead - HR and Payroll**

The Chair and Committee voiced their appreciation and thanks for the work of Jo Fellows, who was now departing the role.

The Vice Chair spoke on her stability and sensibility during the last few years, and outlined some of the many achievements she had been directly involved in. These included the recruitment for four directors and two CEOs; as well as the pay award arrangements that had put the Council on a competitive advantage to recruit; and the work with apprentices.

The committee showed their appreciation with a round of applause.

Attendance List

Councillors present:

E Rylance (Chair)
J Loudoun (Vice-Chair)
P Arnott
K Blakey
T Dumper
P Hayward
T McCollum

Officers in attendance:

Matthew Blythe, Assistant Director Environmental Health
Jeremy Pritchard, Principal Environmental Health & Safety Officer
Agnieszka Grzegorzczak
Gemma Roberts
Joanna Fellows, Corporate Lead - HR and Payroll
Tracy Hendren, Chief Executive
Debbie Meakin, Democratic Services Officer
Melanie Wellman, Director of Governance (Monitoring Officer)

Councillor apologies:

A Bailey
B Bailey
J Brown
N Hookway
M Martin

E Wragg

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 10 December 2024

Attendance list at end of document

The meeting started at 10.00 am and ended at 11.05 am

11 Minutes of the previous meeting held on 9 September 2024

The minutes of the previous meeting held on 9 September 2024 were noted as a true and accurate record.

12 Declarations of interest

Cllr N Hookway – Minutes 16-17; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr O Davey – Minutes 16-17; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr M Hall – Minutes 16-17; Affects Non-Registerable Interest: Member of Exmouth Town Council.

13 Public speaking

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

Mrs Ann Membery commented on the Exmouth Placemaking Plan Delivery Strategy Chart and offered views on public consultation and the ideas set out within the plan, challenging whether the money spent on consultancy was justified. She expressed concern at the time it was taking for the Council to go through due process before changes were made to the town and seafront. Mrs Membery further remarked that details of the UK Shared Prosperity Fund (UKSPF) Feasibility Studies should be made public and added that developments to the Queen Drive Space should include all-weather attractions, affordable to all members of the public.

The Chair thanked Mrs Membery for her contribution and responded that public consultations had taken place, the results from which could be republished. He reiterated that the Council must follow due legal process as recommended by Officers, and summarised the implications for the Council if it failed to do so. The Chair further outlined how the UKSPF was being spent, and expressed that he was supportive of the aspiration for affordable amenities on the seafront, for all residents and visitors to enjoy.

14 Matters of urgency

There were no matters of urgency.

15 Confidential/exempt items

There was one confidential/exempt item (minute 17 refers).

16 **Exmouth Placemaking Plan Update**

The Corporate Lead – Major Projects and Programmes presented this report which updated members in regard to the work on the Placemaking Plan and the strategy to adoption, along with an overview of the current status in regard to the Queen's Drive Space and Beach Gardens.

The report was noted.

The meeting went into private session.

17 **Exmouth Phase 2 Seawall alignment and Stuart Lines Winch House Relocation**

The Engineering Projects Manager introduced this item and asked members to consider the report and provide feedback.

In discussion at length, members asked direct questions and offered views and feedback on the content of the report.

The Engineering Projects Manager also outlined plans to replace some sets of steps on the seafront, and members discussed the most feasible and affordable options.

Attendance List

Councillors present:

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

Councillors also present (for some or all the meeting)

I Barlow
G Jung

Officers in attendance:

Marie Ainsworth, Place & Prosperity Officer
Tom Buxton-Smith, Engineering Projects Manager
Tim Child, Assistant Director Place, Assets & Commercialisation
Ed Freeman, Assistant Director Planning Strategy and Development Management
Naomi Harnett, Corporate Lead (Interim) – Major Projects & Programmes
Sarah Jenkins, Democratic Services Officer
Anne Mountjoy, Growth Point Communications Officer
Sarah James, Democratic Services Officer
Rachel Papworth, Interim Project Manager
Katie Webb, Property Lawyer
Andrew Wood, Director of Place

Also in attendance (for some of the meeting)

Olly Swayne, LED CEO

Councillor apologies:
T Dumper

Chair:

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Placemaking in Exmouth Town and Seafront Group held at Online via Zoom app on 10 February 2025

Attendance list at end of document

The meeting started at 9.38 am and ended at 10.28 am

18 Declarations of interest

Cllr N Hookway – Minute 22; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr O Davey – Minutes 22; Affects Non-Registerable Interest: Member of Exmouth Town Council.

Cllr T Dumper – Minute 22; Affects Non-Registerable Interest: Member of Exmouth Town Council and Chair of the Local Transport Partnership in Exmouth.

19 Public speaking

One Member of the public, Mrs Ann Membery, had registered to speak at the meeting. The Chair read out a summary of the statement provided by Mrs Membery in which she had expressed concern that the Placemaking in Exmouth Town and Seafront (PETS) Group did not engage more with the public and did not use Commonplace engagement, as other EDDC committees do.

The Chair responded that the PETS Group was open and transparent and had engaged extensively with the public. The Group would use Commonplace when it was necessary to do so.

20 Matters of urgency

There was one matter of urgency (minute 22 refers).

21 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 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).

22 Investment/Placemaking Opportunity in Exmouth

The Assistant Director – Place, Assets & Commercialisation presented this report which set out a proposal for an investment opportunity in Exmouth consistent with the wider Placemaking strategy for the town. He outlined the rationale for the proposal and the risks around not progressing with it at this time.

Members discussed relevant considerations at length and asked direct questions.

Following the discussion, members voted in favour of the recommendations to Cabinet set out within the report.

Attendance List

Councillors present:

P Arnott (Vice-Chair)
A Bailey
O Davey
T Dumper
A Hall
P Hayward
N Hookway (Chair)
T Olive
G Deasy (Exmouth Town Council)

Councillors also present (for some or all the meeting)

C Nicholas

Officers in attendance:

Tim Child, Assistant Director Place, Assets & Commercialisation
Naomi Harnett, Corporate Lead (Interim) – Major Projects & Programmes
Sarah Jenkins, Democratic Services Officer
Sarah James, Democratic Services Officer
Andrew Wood, Director of Place
Anne Mountjoy, Growth Point Communications Officer
Doug Stanton, Project Manager Estates
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)

Councillor apologies:

M Hall
J Whibley (Exmouth Town Council)

Chair:

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cranbrook Placemaking Group held at Conference Room, Younghayes Centre, Cranbrook on 18 November 2024

Attendance list at end of document

The meeting started at 9.30 am and ended at 10.31 am

20 Minutes of the previous meeting held on 16 September 2024

The minutes of the previous meeting of the Cranbrook Placemaking Group held on 16 September 2024 were agreed.

21 Apologies

Apologies received from Councillor Kevin Blakey and Sam Hawkins.

22 Declarations of Interest

None.

23 Public speaking

None.

24 Matters of urgency

None.

25 Confidential / exempt items

None.

26 Cranbrook Town Centre

The Group received a report confirming that the Strategic Planning Committee had endorsed the Cranbrook Town Centre Masterplan at their meeting on 29 October 2024.

It was noted that the masterplan ensured there was a coordinated approach to the delivery of the public buildings in the town centre and that individual projects were managed as part of an overarching programme.

It was acknowledged that having a coordinated approach to the delivery of additional development in the town centre was important for the vitality and vibrancy of the town and to ensure the right facilities were brought forward to support the growing community.

The Group received an update and noted the following:

- Work to transfer Parcel TC2 progressing.
- Health provision – location identified
- Sport facility – successful funding bid from Sport England

The Group recognised the importance of the governance arrangements for the masterplan and it was noted that the Group would receive details of how East Devon District Council and Devon County Council would work together on the masterplan with an update being presented to the next meeting in January 2025.

RESOLVED:

1. That the Cranbrook Placemaking Group note the endorsement of the Town Centre Masterplan by the Strategic Planning Committee
2. That the Cranbrook Placemaking Group note the establishment of a programme to provide coordination and oversight of individual town centre projects.

27 **Cranbox**

The Group received a verbal update and during consideration the following was noted:

- Dedicated EDDC resources now in place
- Funding – draft agreement in preparation

RESOLVED:

That the update on Cranbox was noted.

28 **Cranbrook public transport and movement**

The Group received a verbal update on the Cranbrook public transport and movement and during consideration noted the following:

- Timing for improved public transport links and parking
- Priority for cyclists and pedestrians minimising facilities for car usage
- Route expansion to railway station

The Group agreed to invite a representative from Devon County Council to submit a report to a future meeting setting out the priorities for public transport, cycling and pedestrians including route viability for Cranbrook.

RESOLVED:

1. That the update was noted.
2. To invite a representative from Devon County Council to submit a report setting out the priorities for public transport, cycling and pedestrians including route viability for Cranbrook.

29 **Forward Plan**

The Group considered the Forward Plan covering the period up to June 2025.

RESOLVED:

That the Cranbrook Placemaking Group Forward Plan was noted.

30 **Implementation Plan**

The Group received the Implementation Plan which set out the progress on a number of key actions and noted the update.

RESOLVED:

That the Implementation Plan was noted.

31 **Consortium Completions Programme**

The Group received a verbal update on the Consortium Completions Programme and requested that a representative from the Consortium was invited to the next Group meeting to discuss timescales for their activity.

RESOLVED:

1. That the Consortium Completions Programme was noted.
2. That a representative from the Consortium was invited to the next meeting to discuss timescales for their activity.

Attendance List

Councillors present:

K Bloxham
T Olive
H Gent (DCC)

Councillors also present (for some or all the meeting)

A Bailey
B Bailey

Officers in attendance:

Thea Billeter, Cranbrook New Community Manager
Ed Freeman, Assistant Director Planning Strategy and Development Management
Naomi Harnett, Corporate Lead (Interim) – Major Projects & Programmes
Andrew Melhuish, Democratic Services Manager

Councillor apologies:

K Blakey
S Hawkins

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cranbrook Placemaking Group held at Conference Room, Younghayes Centre, Cranbrook on 20 January 2025

Attendance list at end of document

The meeting started at 9.35 am and ended at 11.57 am

32 Minutes of the previous meeting held on 18 November 2024

The minutes of the previous meeting of the Cranbrook Placemaking Group held on 18 November 2024 were agreed.

33 Declarations of Interest

There were no declarations of interest.

34 Public speaking

There were two members of the public present. Sarah Thorne from Inspiring Connection South West CSC and Vicky Harris from Wellbeing Exeter & Cranbrook wished to speak at Minute 38 – Move More Cranbrook and Sports England Placemaking Partnership.

35 Matters of urgency

There were no matters of urgency.

36 Confidential/exempt items

There was one matter dealt with in this way recorded at Minute 43.

37 Discussion with Cranbrook New Community Partners

The Chair welcomed everyone to the meeting and invited Fran Walker, Associate Director at Brookbanks (Project Managers for the East Devon New Community Partners) to address the following issues that had been raised by the Group.

Landscaping for the Ingram Sports Pitches

The Consortium have now appointed a contractor to undertake the planting which will include planting at the south west boundary of the road up to the pitches and also the centre of the car park island. Cranbrook Town Council will be advised when the date has been confirmed which is hoped to be in March 2025.

The Town Council Clerk sought clarification on the outstanding legal costs for the sports pitches. The Associate Director advised that communications were still ongoing with Groundfix about seeking the retention payments.

Playparks

All the locations that needed connections for water and electricity have now been located with several connections needing road crossings. Water drawings were still being chased from South West Water.

Councillor Bloxham raised concerns about the location plans that did not identify the specific locations and made a request for a more precise zoomed out map that clearly identified each location. The Associate Director at Brookbanks confirmed this would be provided tomorrow.

Councillor Bloxham also raised concerns about the continued lack of communication at the monthly partners meetings and emphasised the need for the right level of people to attend to actually get things done. The Associate Director at Brookbanks confirmed that she would be attending the next partners meeting and would also ensure that a Director would attend as well.

Skatepark

Conversations were still ongoing with South West Water over the confusion to where their water main was located on the footpath. A PAS 128 survey has been completed which did show a water main and a further meeting has been arranged to discuss its connection.

The electric plan has been received from GTC which would be shared with the group after the meeting. The rights to enter the footpath will be confirmed after the payment has been received.

Basin 2c

The contractor tenders have now been received with a preferred contractor has been suggested to the Consortium. The works should commence the second week of April but this would be depend on the water levels. If they are too high the work would not be able to start. The work programme and the appointment of the contractor would be provided after the meeting.

Councillor Bloxham raised concerns about disruption to the parcel of land in Stone Barton as well as the school traffic. The Associate Director at Brookbanks advised that the works to Basin 2c would go over the town centre parcel to avoid construction traffic going past the school.

Damage to Country Park

The Associate Director apologised for the damaged caused by **Terror Firmer- is this correct spelling** when they entered onto the land. A site visit had taken place last Friday to rectify this damage. The Group noted that further damage to the same area had been caused by LiveWest who had ignored an email advising not to enter the site. The Associate Director at Brookbanks confirmed that the damage would be sorted before the transfer of TC1.

Land Transfers

It was confirmed that Clark Willmott was progressing four transfers of public open spaces. These were Littlemead, Rush Meadow Road junction, Yonder Acre Way and the Tillhouse Farm location boundary.

The Town Council Clerk raised concerns that there were still large areas of land that still needed to be transferred. In response the Associate Director at Brookbanks advised that meetings were taking place but it was difficult to obtain the information. To help understand what has been transferred it was agreed that both Fran and the Town Council would compile a spreadsheet of what has been done so far to see if information matched.

Boundary of Tillhouse Farm

??

Build return data

The New Community Manager acknowledged receipt of the completion data but highlighted the lack of starts data. A request was made for the starts of the outstanding Taylor Wimpey plots or Persimmon Ingrams.

MLR uplift works

The Consortium have advised that a start date cannot be given until planning permissions have been granted for the town centre as money is required beforehand to do these works.

In response the New Community Manager advised that she understood from previous discussions the reason given was due to the supply of heating and hot water to the additional town centre housing which has now been sorted and now this different reason means they do not want to spend the money. These works were consented in 2022/23 and the programme of works showed that it would start in Summer 2023 and completed in September 2024. It still has not happened.

The Associate Director at Brookbanks advised that about changes to TC1 and TC2 and the need for drop services and waiting for technical approval from Highways which were also the reason the delays.

The New Community Manager expressed her disappointment and concerns with the delay as there were still no safe crossing for school children. She also raised concerns about the pavement that did not go to the edge of the boundary which was not acceptable especially as the Council was about to take transfer of TC2 and the impending delivery of Cranbox and highlighted the pavement does not go to the edge of the boundary which was not acceptable.

Although the Chair sympathised that it was the Associate Director at Brookbanks first meeting with the group he expressed disappointment with her colleagues that this had not been done even though they have known about this since 2021 and urged the Associate Director to speak to her colleagues for a commitment.

The Associate Director advised she would speak to the Consortium at their meeting on Wednesday.

The Group noted the summary of delays with Cranbrook Town Centre S106 objections and the Principal Planning Officer (DCC) emphasised the need to transfer the Extra Care Land to Devon County Council as soon as possible. The Associate Director acknowledged this and explained about the issues with Live West and the red line plan. The Associate Director confirmed she would catch up with Adam Burrage after the meeting.

38 **Move More Cranbrook and Sport England Place Partnership**

The Partnership Programme Manager gave a brief overview of the report explaining about a national programme run by Sport England to provide funding to help tackle physical inactivity across Exeter and Cranbrook which brought together strategy organisations to form the Move More Cranbrook Group.

Representation of the Move More Cranbrook includes:

- Live & Move (Place Partnership Team for Exeter & Cranbrook)
- East Devon District Council
- Cranbrook Town Council
- LED Leisure
- Cranbrook Education Campus
- Livewest
- Wellbeing Cranbrook
- Public Health Devon
- Active Devon

The latest Sport England bid to extend the funding to 2028 had been successful which will now see £2.3m over the next three years with Cranbrook seeing £200k up to March 2028 to help continue to tackle physical inactivity and improve active lifestyles in Cranbrook.

The Group were advised from 1 April 2025 there was a need to look for a new local delivery partner to continue the delivery of the Move More Cranbrook and it was suggested that in order to strengthen the governance East Devon District Council should take the lead to maintain the long-term sustainability of the steering group.

The Group noted that although there was funding available there was a need for additional funding to help sustain two part-time Cranbrook posts. These posts were previously hosted by Exeter Community Initiatives.

Public speaker, Sharon Thorne from Connections South West CSC and Vicky Harris, Wellbeing Exeter & Cranbrook explained to the Group the reason for their attendance was to flag the urgency for the need to consider funding for the part-time funded Wellbeing Cranbrook post and the funded part-time Cranbrook Community Builder post that were ending at the end of March 2025 which were both essential for the wellbeing of Cranbrook residents.

The Director of Place highlighted that a workshop was needed to agree how these roles would be hosted and to understand the funding for this year and next year.

Questions raised by the Group included:

- How much out of the £6m - £7m funding received was directly spent on Cranbrook the **Officer***who was this?** advised circa £300k was spent.
- What qualifications did the host require? The advice received included key elements such as being local, have its own governance, connection with the charity commission or body and have experience in community development and health and wellbeing.
- There was a need for a tendering exercise as local groups may be interested and should be explored.
- It was noted that Broadclyst Parish Council had taken on a Community Connector
- It was confirmed that the financial contribution that the future host was expected to fund was to be £200k with an expectation for local resources to support the Sport England funding.

The Chair proposed that Officers should arrange a meeting at the earliest opportunity with core members of the steering group.

RESOLVED:

Officers to set up a meeting at the earliest opportunity with core members of the steering group to:

- set out the position of the funding shortfall for this financial year and for the next three years;
- consider the options on how the roles should be hosted and,
- accelerate any procurement requirements.

39 **Public Transport and London Road**

The Group received a report on the present position to Cranbrook's public transport which was served primarily by Stagecoach Service 4 operating 7 days a week providing a direct link from Cranbrook to Honiton Road, Heavitree, Exeter City Centre, Exeter St Davids Station and Exeter University. The report also included the Railway Service operating on an hourly service with aspirations to increase this to half hourly services but this would be dependent on significant national Government investment to deliver sections between Honiton and Exeter.

As part of Devon County Council's plans for future development of public transport the Group noted that they would be installing intelligent traffic control through Heavitree and an extended peak bus lane operation system to improve bus journey time reliability. Cranbrook would also benefit from the introduction of electric buses later this year.

The Group noted that as development grows in Cranbrook DCC's present vision would see the bus service frequency increase to every 10 minutes which would allow alternate journeys to operate via Bluehayes and operate a loop around Cobdens and the Grange developments.

Questions included:

- Clarification was sought about public transport connectivity and it was questioned why the bus service did not go to the railway station even when there is a bus stop there. In response *** advised it would require an additional bus as the rail service is hourly.
- Concerns raised about train delays and having a bus stop would allow an alternative mode of travel to avoid being stranded. In response it was suggested that the proposed plan was to split the bus service when Treasbeare is developed which would allow the bus route to the railway station.
- A suggestion was made to have a less frequent bus route that will also service the station.

RESOLVED:

DCC to consider the impact of the bus service to allow it to deviate to the railway station and to update at the next meeting.

Further questions included:

- Clarification was sought on the timescale for the 30 minutes rail service. The Group discussed the two options that SWR & GWR were considering:
 - Whimple Rail Loop which would be astronomically costly, or
 - a single loop offering a shuttle option between Cranbrook and Whimple which would be the cheaper option.
- The existing bus service does not give encouragement to people to use public transport as there is no direct route to Sidmouth, Exmouth and other areas. People prefer to use their cars for these journeys.

- Clarification was sought on whether there was enough demand in Cranbrook to provide a direct route to Marsh Barton. Although a direct answer could not be given the advice received pointed to the demand was not there at present.

40 **Implementation Plan**

The Group received the Implementation Plan which set out the progress and noted the updates taking into account the out-of-date town council items.

Councillor Kim Bloxham, Cranbrook Ward Member suggested there was a requirement to commence discussions on the delivery of the town council offices as the current offices were now at full capacity. The Principal Planning Officer (DCC) acknowledged the request and advised contact would be made with the Cranbrook Town Clerk next week to discuss further.

The Cranbrook Town Clerk requested an update on the Community Governance Review. The Chair advised he would write to the Chief Executive on behalf the Cranbrook Ward Members and Cranbrook Town Council to express its urgency.

RESOLVED:

1. The Community Governance Review to become a standard item on the agenda.
2. The Chair to write to the Chief Executive on behalf of Cranbrook Town Council about the urgency of the Community Governance Review.

41 **Forward Plan**

The Group received the Forward Plan that set out covering the period up to September 2025.

RESOLVED:

That the Forward Plan was noted and to include the Community Governance Review and serving the railway station as additional items.

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

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).

43 **Cranbox**

The Group received a report on the Cranbox project which had been developed by East Devon District Council in partnership with Cranbrook Town Council to deliver new commercial floorspace within Cranbrook Town Centre by using grant funding from the Devon & Torbay Net Zero Capital Programme.

The Corporate Lead – Major Projects and Programmes updated the Group on the issues that had arisen and asked the Group to consider the proposed approach to enable the scheme to move forward.

RESOLVED:

That the issues with the Cranbox project was noted and the proposed approach to move forward with the scheme be supported.

Attendance List

Councillors present:

K Blakey
K Bloxham
T Olive

Councillors also present (for some or all the meeting)

Officers in attendance:

Thea Billeter, Cranbrook New Community Manager
Naomi Harnett, Corporate Lead (Interim) – Major Projects & Programmes
Wendy Harris, Democratic Services Officer
Andrew Wood, Director of Place

Councillor apologies:

S Hawkins

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Standards Committee held at Council Chamber, Blackdown House, Honiton on 16 January 2025

Attendance list at end of document

The meeting started at 10.00 am and ended at 12.46 pm

27 Minutes of the previous meeting

The minutes of the previous meeting of the 11 April 2024 were agreed subject to:

- Inclusion of attendance of the Independent Persons, Representatives and Town and Parish Representatives;
- Clarification on the resolutions for minute 24 on the Member/Officer protocol that results in resolution 1 reading as:
 - To note the comments raised by the Standards Committee on the Member/Officer protocol to the Constitution Working Group to review the document before they make their recommendations to Council.

28 Declarations of interest

Minute 35

Councillors Jess Bailey; Iain Chubb; Stuart Hughes; Other Registerable Interest: Member of Devon County Council.

29 Public speaking

There were no members of the public registered to speak.

30 Matters of urgency

There were no matters of urgency.

31 Confidential/exempt item(s)

There were no confidential or exempt items.

32 Resolving Complaints before they escalate

The Monitoring Officer gave the committee the presentation recently put to a meeting of DALC.

The presentation covered:

- Importance of ethical standards in public life;
- Role of the Monitoring Officer in addressing complaints;
- The limitations of the Monitoring Officer role;
- How District Councillors and Town/Parish Councils can help.

The Chair suggested that the presentation be included in the regular newsletter sent to Town and Parish Councils.

Discussion included:

- Merits of mediation becoming a mandatory requirement as with many civil cases and discussion around willingness of participants to undertake;
- Enforcing the undertaking of mandatory training on the code of conduct was difficult and relies upon a formal complaint being submitted;
- The suggestion that “swearing office” should be required and the fact that this was not part of the standard template when taking up office after election, although it was something that East Devon District Council included.

The committee noted the presentation.

33 **Government Consultation on Changes to the Standards Regime**

The report outlined the suggested response, on behalf of the Council, to the recent government consultation titled “Strengthening the Standards and Conduct Framework for Local Authorities in England”. The consultation sought to obtain views on reforms aimed at enhancing the effectiveness and fairness of the standards system.

The aspects for reform included:

- Reintroduction of suspension powers;
- Disqualification for repeat offenders;
- Right of appeal;
- National appeals body;
- Mandatory minimum code of conduct;
- Interim suspension powers;
- Empowering victims.

The report included the suggested response from the Monitoring Officer, subject to discussion with the committee.

Debate included:

- Mixed response to the need for national appeals body; some views expressed a support for such a body to exist as a clear separation from the local authority, others that another body may add to confusion and mislead expectation on what they could action, as well having the risk of being bureaucratic;
- Interim suspension powers needed clear criteria and appropriate safeguards, but would be required if there was an immediate danger to others; the suggestion was made to add in any free text box available in the consultation that such criteria and safeguards would be required. The overall aim was for improvement in behaviour after a suspension and not to view it as a punishment. Any action that would involve police action, such as assault, should be an immediate suspension to protect the public;
- Concern that the issue of potential suspension may discourage volunteers to stand at town and parish level;
- Defining that any withheld allowances would be paid if there was no finding of a breach of the Code of Conduct;
- That allegations should not be published as no findings of fact, but outcomes of investigations and hearings should be, as they are now;
- Mixed view on the inclusion of voting right of independent persons and representatives, and the role of Vice Chair. Some felt a voting right would be beneficial for balance. Detail on procedure would need careful planning in scenarios whereby only a small number of elected councillors were present, or if an independent Vice Chair had to act as Chair;

- The six month limit suggested in some questions should be a limit, not a target.

The discussion and suggestions to be considered by the Monitoring Officer, and would be incorporated into the final response to the consultation.

RESOLVED that delegated authority be given to the Monitoring Officer, in consultation with the Chair and Vice Chair of the Standards Committee, to reframe the consultation response in light of discussion and submit before the February deadline.

34 **Code of Conduct Complaint Update**

The report set out an update on Code of Conduct complaints received and progress made for the period of September 2024 to January 2025.

This included the conclusion of two historic complaints, and capturing enquiries that had been made which did not lead to a formal complaint for member's consideration. The Monitoring Officer advised the committee that this did not capture all enquiries made ad hoc in person to her or her Deputy.

The report showed a positive move in resolving complaints and a small refinement to the report template was suggested, namely adjusting the text size to make it easier to read, and the addition of a column that listed if the complaint related to a Member or Other.

The committee noted the update.

35 **Applications for dispensations**

The committee had previously met informally, prior to an Extraordinary Council Meeting on 9 January 2025, to discuss dispensations for Members that also held County Council seats, or were employed by another District or County Council in Devon, to enable them to take part in matters relating to devolution and/or local government reorganisation. Whilst the Monitoring Officer, with emergency powers to do so, had granted the dispensations on 9 January 2025, the report was presented to formally ratify these with the Committee.

Those Members of Standards Committee that also held a seat on Devon County Council ("dual-hatters") left the meeting for this item.

In response to a question, the committee were advised that the dispensation would be kept under review as more about local government reorganisation was known, so that if required those sat on Town or Parish Councils may also be considered.

Noted and supported:

1. **the granting of dispensations to the dual-hatted County and District Council Members, outlined in the report, to enable them to discuss and vote on any such matter relating to devolution or local government reorganisation in Devon. Such dispensations to take effect from 9 January 2025;**
2. **the granting of dispensations to District Council Members who are employed by, or a spouse/partner of an employee of another District or County Council in Devon, to enable them to discuss and vote on any such**

matter relating to devolution or local government reorganisation in Devon. Such dispensations to take effect from 9 January 2025;

- 3. that the dispensations were approved on the basis that granting the dispensations is in the interests of persons living in the authority's area;**
- 4. that the dispensations were granted until the next District Council elections;**
- 5. Following consultation with the Chair as required by the constitution, the Committee supported the Monitoring Officer having made the decision in accordance with the urgency powers set out in the officer Scheme of Delegation.**

36 Standards Committee - Independent Members of the Committee and Independent Person appointments

The report set out options for the independent and town/parish representative roles that would expire in May 2025. Delegated authority was sought to undertake recruitment in time to fill those roles for the next civic term.

The Chair invited comment from the Independent Persons, Independent Representatives, and Town and Parish Representatives present. Those comments included:

- Good practice to refresh membership to retain independence;
- Consider, in light of the devolution agenda, it was in the Council's best interests to use resource to recruit and suggested an extension for at least a year until more on the devolution agenda was known.

The Chair made clear the value of the contributions made by the Independent Persons, Independent Representatives, and Town and Parish Representatives present during their time on the committee, and expressed her gratitude and appreciation for their service.

The Independent Persons, Independent Representatives, and Town and Parish Representatives left the meeting for the debate on this item.

Discussion by the committee included:

- High value placed on the current membership and their contributions;
- Ability to extend further their tenure, in light of limited life of the District Council;
- Support for undertaking a recruitment exercise to refresh and keep to good practice;
- Invitation to apply could be made to the existing position holders.

A proposal, as set out in the report, was made, seconded and voted on.

RESOLVED

- 1. That the recruitment process be approved and the timescale for recruitment noted;**
- 2. Delegated authority be given to the Monitoring Officer in consultation with the Chair of the Standards Committee to agree the recruitment documentation;**
- 3. That an interview panel of 3 members from the committee, to include the Chair or Vice Chair, be approved.**

Councillor Jess Bailey voted against the proposal and asked for her vote to be recorded in the minutes.

Attendance List

Councillors present:

E Rylance (Chair)
J Bailey
I Chubb
T Dumper
S Hughes
J Loudoun

Independent Persons

D Kuh
P Coulter

Independent Representatives

R Wood
M Goscomb
K Bryant

Town and Parish Representatives

P Stott
S Sexton

Officers in attendance:

Debbie Meakin, Democratic Services Officer
Melanie Wellman, Director of Governance (Monitoring Officer)

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Audit and Governance Committee held at Council Chamber, Blackdown House on 27 November 2024

Attendance list at end of document

The meeting started at 10.35 am and ended at 2.22 pm

24 Minutes of the previous meeting

The minutes of the Audit and Governance Committee held on 19 September 2024 were confirmed as a true record.

The Chair raised some matters arising from the minutes. In response, the Director for Finance outlined to the committee that regular meetings between SWAP and ELT on the rolling audit plan were being set up; and that a report would come before the committee in due course relating to the Risk Management Project.

25 Declarations on interest

None.

26 Public speaking

None.

27 Matters of urgency

There were none.

28 Confidential/exempt item(s)

There was one item dealt with in this way, recorded at Minute 41.

29 Internal Audit Charter and Mandate

Connor McLaughlin Nester from SWAP informed the Committee that the Global Institute of Internal Auditors had recently reviewed the Global Internal Audit Standards, which set out the requirements for internal audit practice. The new Standards take effect on 9 January 2025. The updated Global Internal Audit Standards requires chief audit executives to develop and maintain an Internal Audit Charter. The Internal Audit Charter must set out the internal audit function's:

- Purpose;
- Commitment to adhere to the Global Internal Audit Standards;
- Mandate, including the scope and types of services to be provided, and the organisation's responsibilities and expectations regarding management's support of the internal audit function; and
- Organisational position and reporting relationships.

The Internal Audit Charter and Mandate should be approved by the board that oversees the internal audit function. At East Devon District Council, this board was the Audit and Governance Committee. Ahead of the new Standards coming into effect, SWAP had

prepared a new Internal Audit Charter and Mandate for the Committee to consider and approve.

Discussion by the Committee included:

- Outlining the differences between this Audit Charter and Mandate and that of the previous year would be helpful as part of the planned training for the committee;
- Internal audit function was also audited every five years.

RESOLVED:

That the Internal Audit Charter and Mandate for 2024/25 be approved.

30 **Internal Audit Progress report**

The Internal Audit Activity Progress Report – November 2024 was presented.

Discussion included:

- Comparison of position with other local authorities;
- SWAP were comfortable that they could complete delivery in year as planned;
- Consider presenting information, if a low number of actions, in number format rather than as a percentage;
- Delivery had a degree of flexibility in order to manage any urgent requests for additional work;
- Looking for assurance that both the number of actions and those that had been outstanding for considerable time would be closely monitored by the ELT and that sufficient resource was available for those actions to be completed.

A number of actions related to the Housing Electrical Safety audit. The Chair proposed that the actions were regularly reported to the Housing Review Board until those actions were completed.

RECOMMENDED to the Housing Review Board that the SWAP actions identified for Electrical Safety are regularly monitored by the Board until completion.

RESOLVED:

That the progress made in delivery of the 2024/25 Internal Audit Plan as at the start of November and the findings reported be noted.

31 **DRAFT Disclaimers of opinion due to Backstop 2021-22 and 2022-23**

Jackson Murray from Grant Thornton discussed the Council's conclusion of the audits for 2021/22 and 2022/23 and the application of the local authority backstop.

On 5th September 2024 the government published draft Accounts and Audit (Amendment) Regulations 2024. These Regulations set a publication date for financial statements up to and including 2022/23 by 13 December 2024. The new National Audit Office Code which was expected to be approved by Parliament towards the end of October 2024, also requires that auditors should issue their audit report in time for the relevant authority to publish its accounts by the specified date in those Regulations. Where audit work was not concluded, this would result in either a qualification or disclaimer of opinion.

Grant Thornton stated it would not be possible for them to complete the council's audits for 2021/22 and 2022/23 by the statutory backstop date. They proposed to issue a disclaimer of their audit opinion for these years.

The Director for Finance confirmed that he had raised issues with Grant Thornton in regard to quality and assurance, as well as the PSAA on the fees levied for 2021/22.

RESOLVED:

That the draft Disclaimers of Opinion due to the backstop for 2021-22 and 2022-23 be noted.

32 Statement of Accounts (Final) 2021/22 and 2022/23

The Finance Manager presented the council's Statement of Accounts for 2021/22 and 2022/23 for approval. Members were asked to note the letters of representation to Grant Thornton in respect of the financial statements for 2021/22 and 2022/23.

The Chair praised the achievement on the increase in the reserves.

RESOLVED:

To adopt the 2021/22 and 2022/23 Statement of Accounts and delegated authority was given to the Chair of the Audit & Governance Committee and the Director of Finance (S151 Officer) to sign when all matters concluded. That the letters of representation be approved and signed by the Chair of the Audit & Governance Committee and the Director of Finance (S151 Officer).

33 Interim Auditors Annual Value for Money report 2023/24

Peter Barber from Grant Thornton presented the Interim Auditors Annual Value for Money report 2023/24. He reminded the committee of the types of recommendations that they provided to the authority, and the summary position.

The two key recommendations in the report were:

- The Council needs to review all assumptions and models used in developing the 2024/25 budget to ensure it has an accurate and robust base budget. The Council also needs to update and agree a sustainable HRA business plan as a matter of urgency and ensure that prudent levels of HRA reserves are maintained over the medium term by mitigating the impact of annual deficits on reserves. The plan should reflect the maintenance requirements of the housing stock condition survey, decarbonisation programme and other financial pressures;
- The Council should ensure that the annual draft accounts, together with associated working papers, are published in accordance with the national timescale. The Council should refresh the MTFP and HRA business plan once the 2023/24 opinion audit has been completed so that those decisions can be made based on externally validated outturn positions.

In response to comments from Members, the Director of Finance reminded the committee that the regular reporting, including on the level of maintenance spend, had been made at both Housing Review Board and at Cabinet through the outturn report. He assured the committee that the revised budget reported was still on target and closely monitored.

He also outlined the national shortage of qualified accountants and the challenges in completing the final accounts.

The committee discussed the benefits of an annual report for monitoring purposes, considering if a quarterly report circulated to the Committee would be a more robust approach.

RESOLVED:

1. That the Interim Auditors Annual Value for Money report 2023/24 be noted;
2. That a value for money quarterly update be circulated to the Committee from the next financial year 2025/26.

34 Financial Monitoring report 2024/25 - Month 5 August

The Finance Manager's report was presented to Cabinet on 2nd October 2024. The report was presented to the Audit & Governance Committee to inform the Committee of the financial position for month 5 August 2024 and to note any recommendations to Council.

RESOLVED:

That the Financial Monitoring month 5 (August) 2024 position and the recommendations to Cabinet on 2nd October 2024 be noted.

35 Delivery Plan for Corporate Fraud, Corruption and Compliance Strategy

The Assistant Director – Revenues, Benefits, Corporate Customer Services, Fraud & Compliance presented the Delivery Plan for Corporate Fraud, Corruption and Compliance Strategy. The report covered:

- the delivery plan which sits under the Fraud, Corruption and Compliance Strategy 2024-2028 that was approved at the Audit and Governance meeting in March 2024.
- the delivery plan would be reviewed and updated on an annual basis to take account of new or emerging risks along with legislative & technical changes.
- an interim update on the work being undertaken during 2024/25.

RESOLVED:

1. For the delivery plan as part of the Corporate Fraud and Compliance Strategy for 2024-2028 which will be reviewed and reported on annually be approved.
2. For delegated authority to be given to the Assistant Director responsible for Fraud and Compliance to update the delivery plan during the year to take account of changes in legislation, new and emerging fraud risks or auditors recommendations which will be done in consultation with the Director of Finance and Director of Governance.

36 Self - assessment of good practice against CIPFA's Position Statement: Audit Committees in Local Authorities and Police 2022

The Director of Finance report explained that recent training held for Audit and Governance Members considered CIPFA's (Chartered Institute of Public Finance and Accountancy) Position Statement on Audit Committees in Local Authorities and Police 2022.

This represented CIPFA's view on the audit committee practice and principles that local government bodies in the UK should adopt. The Statement sets out the purpose, model, core functions and expected membership of the audit committee. It was expected that all local government bodies should make their best efforts to adopt the principles, aiming for

effective audit committee arrangements. This would enable those bodies to meet their statutory responsibilities for governance and internal control arrangements, financial management, financial reporting, and internal audit. The guidance was supported by the Ministry of Housing, Communities and Local Government and the Home Office.

The Director of Finance confirmed that interviews for independent members for the Committee were due to take place in December.

The committee considered other improvements to make, including:

- an annual report to Council on their work to raise awareness;
- outlining work undertaken when presenting minutes to Council;
- using the Member Bulletin to provide updates

RESOLVED:

To endorse the draft Self-Assessment of good practice, include an annual report to Council on the work of the committee, and use opportunities through presenting minutes and the Member bulletin to promote the work of the committee.

37 Partnership Policy report

The Management Information Officer's report introduced a refreshed Partnership Policy that set out how the council would manage and track its' partnerships.

Consistency on the risk levels would be checked and updated in the policy as appropriate, in response to a query on using four levels of risk rather than three.

RESOLVED:

That the refreshed version of the Partnership Policy be considered and approved for adoption.

38 Annual Government Statement 2023/24

The Director of Finance presented the Annual Governance Statement (AGS) published as part of the Council's Annual Statement of Accounts and is reviewed and approved annually by the Audit and Governance Committee when approving the Accounts. It was then, on the same day, signed off by the Council's Leader and Chief Executive.

The latest statement has been included in the draft 2023/24 Accounts and published as draft subject to final approval in concluding the Accounts in January 2025 by this Committee. In reviewing best practice and picking up on a recommendation from the Peer Review it was considered that more emphasis should be placed on reviewing the AGS including tracking the progress of any actions contained in it.

The AGS statement outlined the process to produce the Statement and those individuals who had contributed and helped feed into the document to date. It was now coming to Committee for consideration. The final statement would be presented in the usual manner as part of the Accounts.

The committee discussed other areas that could be included in the Governance Statement, including reference to the contract with LED Leisure.

RESOLVED:

To endorse the Draft Annual Governance Statement, subject to the inclusion of reference to LED.

39 **Audit and Governance Forward Plan**

Audit and Governance Committee Forward Plan items to be considered at the next committee included:

- Risk Policy update
- Strata update on limited assurance and business continuity and backups
- 'Time for change' - External Auditor updates

The scheduled training would also take place prior to the meeting, with a new January date to be confirmed with the committee.

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

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).

41 **Internal Audit Review of Housing Procurement**

The SWAP report provided Members with the outcome of a requested Internal Audit review of the Remit Zero cylo boiler scheme, also known as Project Phoenix. Cabinet requested this review following a report presented to them in March 2024. The report outlines Internal Audit's findings following interviews with officers and review of available evidence. It also included the subsequent action plan agreed with the council's Executive Leadership Team.

RECOMMENDED to Cabinet

that the report be considered by Cabinet at a future meeting, under Part B conditions.

RESOLVED:

That the findings of this review and support of the delivery to the agreed action plan be noted.

Attendance List
Councillors present:

I Barlow
C Brown
C Burhop (Chair)
R Collins
C Fitzgerald
M Goodman
Y Levine

Councillors also present (for some or all the meeting)

P Arnott

Officers in attendance:

Jo Avery, Management Information Officer

Peter Barber, GT

Simon Davey, Director of Finance

Lisa Fryer, SWAP

Tracy Hendren, Chief Executive

Libby Jarrett, Assistant Director Revenues, Benefits, Corporate Customer Access, Fraud & Compliance

Debbie Meakin, Democratic Services Officer

Jackson Murray, GT

Connor McLaughlin Nester, SWAP

Catrin Stark (virtual attendance)

John Symes, Finance Manager

Melanie Wellman, Director of Governance (Monitoring Officer)

Councillor apologies:

K Bloxham

O Davey

J Whibley

Chair

Date:

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Audit and Governance Committee held at Council Chamber, Blackdown House on 27 January 2025

Attendance list at end of document

The meeting started at 2.37 pm and ended at 4.15 pm

42 Minutes of the previous meeting

The minutes of the Audit and Governance Committee held on 27 November 2024 were confirmed as a true record.

43 Declarations on interest

None given.

44 Public speaking

There were no members of the public wishing to speak.

45 Matters of urgency

None.

46 Confidential/exempt item(s)

None.

47 Risk project update

The Management Information Officer gave an update to the current work on the project to review and update the risk register and risk management processes. The project linked in with the project to implement a new performance and risks system Inphase, which would change the way risks were recorded and reported. The Directors and Assistant Directors had participated in workshops to scrutinise what each directorate did and to identify their risks as well as risks operationally.

The Chair asked that there be an update at the July's audit committee to how the new performance and risks system was doing and a high-level review of what it was intended for and any key risks.

RESOLVED:

1. That the update on the risk project be noted.
2. That the provided strategic risks update be noted.

48 Strata update on Backup & Business Continuity following DAP presentation - verbal

Robin Barlow, Security Manager for Strata spoke on concerns on cyber-attacks . Back-ups were the undertaken to provide a recovery of the data in the event of an attack. They allowed the council to function if a problem arose with the council's IT systems, as well

as having business continuity and IT recovery plans in place. IT systems were backed up at least nightly with multiple copies being saved on various data storage systems and retained over a time schedule.

The Security Manager also provided a comment on recent Distributed Denial of Service attacks seen against many UK councils' websites and the risk-based approach being adopted to mitigate against these by the Council. There was also a comment on the business continuity considerations when moving IT systems to the cloud, whilst having data also help locally in the Council data centre.

49 **Financial Monitoring report 2024/25 - Month 6 September**

The following report was presented to Cabinet on 27 November 2024. The report was now presented to Audit & Governance Committee to inform the Committee of the financial position for month 6 September 2024 and to note any recommendations to Council.

There was discussion to why the report was not up to date. It was highlighted that the report was received quarterly to Cabinet before coming to the following Audit and Governance Committee. The Finance Manager in response gave a verbal update to the Month 9 report being presented at the next Cabinet.

RESOLVED:

To note the Financial Monitoring month 6 (September) 2024 position and the recommendations to Cabinet on 27 November 2024.

50 **Verbal update on 2023/24 Accounts Audit - Director of Finance and Grant Thornton**

The Director of Finance and Peter Barber from Grant Thornton gave a verbal update to the progress of the 2023/24 Accounts Audit. Both were disappointed that they had not come to a point of being able to complete the audit of accounts. 2023/2024 was always going to be a challenge due to the previous two years having been backstopped hence further work being undertaken in 2023/24 increasing the workload. Grant Thornton agreed to a review session with the Finance Team to understand what changes needed to be made on both sides to be in a better position for the 2024/25 accounts audit. The Director of Finance stated the 2023/24 account was going to be a backstop opinion, he was disappointed that a qualified opinion would be at least another year. He stated that previous years had had interim audits which had merit to spreading out the workload for requests from Grant Thornton and going forward the Director of Finance would welcome this to be the case. Grant Thornton agreed to conveying the working papers requirements to the council to assist the audit approach in a timely manner.

Discussions included the following:

- Audit areas of higher risk need to be a priority
- Member appreciation and thanks to the Finance team and Grant Thornton for working together under these circumstances
- The need to work on an audit timetable in order the Committee to assist in the process
- The need to inform to Full Council of this situation

In answer to the question to what was the position of the council not having a completed audit, Peter Barber from Grant Thornton stated that accounts were fundamental to the

transparency and accountability of the council as an organisation. The importance for a clean opinion for decision-makers that the financial position was true and fair was crucial.

There was to be an extraordinary meeting of the Audit and Governance Committee on the 20th February 2025 to receive the summary report of the 2023/24 Accounts.

The Chair thanked Peter Barber for joining the meeting and providing a update to the position of the 2023/24 accounts audit.

51 **Discussion on SWAP Audit Plan 2025/26 - verbal**

The Chair stated that SWAP were in process of getting 2025/26 plan together and reminded the Committee that they had been asked to contribute to any further suggestions to be added to their forward plan.

52 **Audit and Governance Forward Plan**

Audit and Governance Committee Forward Plan items to be considered at the next committee included:

- Annual Audit Plan 2024/25 and Review of Internal Audit Charter
- Internal Audit Plan Progress
- Internal Audit Progress Report
- Auditor's Annual Report
- Audit Committee update
- Audit Accounts 2024/25 update
- Partnership Review 2024
- Accounting Policies Approval

Attendance List

Councillors present:

I Barlow
K Bloxham
C Brown
C Burhop (Chair)
O Davey (Vice-Chair)
C Fitzgerald
M Goodman
Y Levine

Councillors also present (for some or all the meeting)

S Hawkins

Officers in attendance:

Amanda Coombes, Democratic Services Officer
Jo Avery, Management Information Officer
Robin Barlow, Compliance and Security Manager - Strata
Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
John Symes, Finance Manager
Melanie Wellman, Director of Governance (Monitoring Officer)

Peter Barber, Grant Thornton

Chair

Date:

Report to: Council

Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Pay Policy Statement 2025/26

Report summary:

This report sets out the Personnel Committee recommendation to Council arising from their consideration of a report on the Pay Policy Statement 2025/2026 at their meeting on 14 January 2025.

Note: The references in this report to Paper A relate to the relevant report considered by the Personnel Committee with 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 adopts the Pay Policy Statement 2025/26.

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, Corporate Lead Democratic Services & Scrutiny
(andrew.melhuish@eastdevon.gov.uk)

Report to: **Personnel Committee**

Date of Meeting 14th January 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Pay Policy Statement 2025/26

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 2025/26.

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](#).

Link to Council Plan

Priorities (check which apply)

- ☐ A supported and engaged community
 - ☐ Carbon neutrality and ecological recovery
 - ☐ Resilient economy that supports local business
 - ☒ Financially secure and improving quality of services
-

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 2025/26, with the amendments from the previous year shown in red. There are no proposed changes (other than the change of date).
 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 5.7:1, which remains within the Council's agreed 10:1 maximum ratio and is above the previous year's figure of 4.4:1.
 4. In line with Government guidance, the Pay Policy Statement is published on the Council's website once agreed.
 5. On a separate, but related issue, the 2024/25 national pay negotiations have now been completed with agreement reached on pay awards for all staff of c2.5%. Agreement was reached in October and the Council arranged payment in the November pay run, backdated to 1st April 2024.
-

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 2025 - March 2026)

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: Cabinet

Date of Meeting 8 January 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Outcome of Corporate Peer Challenge Review

Report summary:

The Local Government Association (LGA) were commissioned by East Devon Council to conduct a Corporate Peer Challenge ("CPC") following a Motion at Full Council in July 2023.

The Peer Challenge was conducted in February 2024 and an action plan and timetable address those recommendations was presented to members July 2024.

The Peer Challenge Team returned on 28 November 2024 and this report presents to Members the conclusions reached by the Peer Team when reviewing the progress that has been made.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

To recommend to Council that they note the report and positive conclusions of the LGA.

Reason for recommendation:

To support and maintain ongoing improvement at the Council.

Officer: Melanie Wellman, Director of Governance 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

The proposal to develop and prepare an action plan will assess any equality implications arising.

Climate change Low Impact

Risk: Low Risk; The recommendations in the CPC will ensure that the Council has the arrangements in place to support and maintain ongoing improvement at the Council.

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

1. The Local Government Association (LGA) were commissioned by East Devon Council to conduct a Corporate Peer Challenge (“CPC”) following a Motion at Full Council in July 2023.
2. The CPC took place in early February 2024. The Peer Challenge team spent three days onsite at East Devon District Council, during which they:
 - Gathered information and views from more than 30 meetings, in addition to further research and reading.
 - Spoke to almost 150 people including a range of council staff together with members and external stakeholders.
3. The review focused on five key themes:
 - 1. Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
 - 2. Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
 - 3. Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
 - 4. Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
 - 5. Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?
4. The LGA issued their report in late February 2024. The report included nine key recommendations under the following headings:
 - **Recruitment of a Chief Executive**
 - **Consideration of Cabinet working arrangements**
 - **Invest in councillor and officer development**
 - **Streamline the actions in new Council Plan**
 - **Resist the temptation to undertake further external reviews**

- **Develop a programme of external engagement and make outwardly focused work a priority for the new Chief Executive**
 - **Consider using councillor and officer ambassadors**
 - **Review visibility with housing tenants**
 - **Provide direction for leisure and culture provision**
5. An action plan was presented to Cabinet in June 2024 and then to Council in July 2024. A copy is attached at Appendix B.
6. On 28 November 2024 the Peer Challenge team returned to East Devon to review our progress in relation to each of these Recommendations. During that visit they received a presentation from the senior leadership team and Portfolio Holders. They also had focus groups with the opposition Leaders, managers and staff.
7. We had really positive verbal feedback from the LGA team following the review including mention of the need for us to ensure that we have sufficient confidential rooms and member rooms.
8. In December 2024 they submitted their review findings to the Council and a copy is attached at Appendix C to this report. The Peer team commented that:-

Of the CPC's nine recommendations, the council's RAG rated action plan reports that 89 per cent of actions are completed or progressed and 11 per cent (equivalent to one recommendation) has been paused.

The peer team were pleased to note how much progress had been made by the council since the corporate peer challenge had taken place just nine months earlier. It was clear from the RAG rated action plan and from the presentation received by the peer team on site, that EDDC has made significant progress which was a positive reflection of the hard work that has been undertaken by the council. EDDC has embraced improvement, and this is evidenced in the action plan which includes not only the key recommendations made by the peer team but also includes progress against additional comments and suggestions that were mentioned in the CPC feedback report.

The full conclusions are outlined in the report at Appendix C.

Financial implications:

No direct financial implications arise from the report; however, resource implications may follow from the development of the action plan.

Legal implications:

There are no substantive legal issues to be added to this report

Appendix B – Peer Challenge Action Plan

Appendix C – Peer Challenge Progress Report – December 2024

LGA Corporate Peer Challenge

East Devon District Council

6 – 8 February 2024

Feedback report



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4. Feedback 9

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1. Executive summary

East Devon District Council (EDDC) is an ambitious council that is keen to make a positive difference to residents' lives and the environment in East Devon. Officers working at the council describe that they are working in a progressive and forward thinking environment. Officers have shown great resilience during the challenges of recent years which have been the subject of public reporting. The council's political leadership changed in 2019 after 45 years of Conservative administrations and the chief executive retired in October 2023 after 21 years in the role. This significant level of change impacted the council both politically and operationally and for some time the council suffered a lack of direction.

The council is working hard to address the challenges and has made clear progress on its journey of improvement. After a period of transition at senior officer level there is now a sense of stability, in no small part arising from how well the three interim chief executives, appointed in September 2023, have worked together. However, capacity at that senior level is limited at the moment and a permanent chief executive is needed to provide vision and direction to the staff and to support the leader and members with a strategic perspective.

The council's Cabinet work collaboratively and strive to improve themselves and the council. They may benefit from reviewing their working arrangements, for example by establishing regular workshop style sessions with senior management to inform early strategy and policy development; the senior management team will benefit from this too. Other suggestions include having informal Cabinet meetings to review draft reports and ensure all the necessary information is available to inform decisions that will be made in public; enhancing the forward plan of future decisions; empowering portfolio holders to present reports at Cabinet and ensuring that they are held to account at scrutiny. Measures and actions such as these will enable the Cabinet to work even more effectively as a cohesive team and with senior management.

The council has recently undertaken a great deal of work around improving governance and this needs to be both continued but also seen through, so the benefits are fully realised. Importantly, the peer team observed that councillor/officer relationships were positive, which was not always the case.

The council should invest in further councillor and officer development, for example, a review of the councillor induction programme that addresses learning and development needs throughout the term of the council, and political awareness training for officers would ensure newly elected councillors and officers understand their different roles and responsibilities.

A refresh of scrutiny training would help to ensure that discussions at those meetings are focused and both Overview and Scrutiny Committees and the Housing Review Board are adding value.

EDDC shows some strong performance in certain key areas which are referenced later in this report. Therefore, now is a great opportunity for the councillors and management team to move above and beyond the internal matters that have occupied the council's time and enhance its reputation further. The council is now at a point where it needs to raise its profile externally at a county and regional level and be part of wider debates around devolution and regional place shaping. The leader is currently the chair of the Devon Districts Forum, and this provides a platform to build on, particularly with the recent announcement of the Devon and Torbay Devolution Deal.

It will be important for the new chief executive, once in post, to develop a programme of external engagement to build on partnership working which will help to enhance the council's external reputation.

EDDC is currently consulting on a new council plan. The peer team has seen a draft of the council plan and would recommend that the number of actions supporting the themes is streamlined to ensure that delivery of the priorities are achievable within the resources available.

Developing the council's narrative once that new council plan is approved will broadcast the aims and priorities of the council across the district, county and sub region. Considering the use of councillor and officer ambassadors as part of telling the story will help to address any legacy reputation issues.

The council has 4,300 tenanted properties. There are challenges with the Housing Service and whilst a great deal of work has been undertaken to address the issues arising from staff capacity, stock condition, complaints and repair requests, more needs to be done to improve tenant engagement, contract management and performance in dealing with repairs.

Building on the work that is already ongoing by further engaging with tenants to clearly establish what they would find valuable, should help improve the service that is received and relationship between tenants and the council.

Whilst the council has a robust approach to financial planning and an excellent track record of financial management, there are some areas that could present a financial risk. The financial viability of the Housing Revenue Account and ability to address the stock condition issues of properties is a risk.

A further risk is the provision of leisure and culture. The council should identify specific principles for the provision of these services that include timescale and budget parameters so that decisions can be made to ensure future service delivery is financially sustainable.

EDDC has undertaken a comprehensive programme of external reviews prior to this corporate peer challenge taking place. This demonstrates a clear desire for continuous improvement and the council has clearly taken on board the various feedback that has resulted in a number of recommendations for EDDC to take account of. The peer team recommendation is that an action plan is produced and included as part of the next Annual Governance Statement that consolidates the actions arising and has councillor oversight for monitoring of delivery.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1 Recruitment of a Chief Executive

Progress the plans to recruit a Chief Executive and ensure sufficient capacity at director level to support the leader and councillors with strategic vision and provide vision and direction to staff.

2.2 Consideration of Cabinet working arrangements

Consider and explore options to enhance Cabinet working arrangements, for example: making space for strategic workshop sessions with senior management, so that the Cabinet can work even more effectively.

2.3 Invest in councillor and officer development

Invest in an ongoing programme of councillor development and training and political awareness training for staff to ensure wider understanding of the roles and responsibilities of councillors and officers respectively.

2.4 Streamline the actions in your new Council Plan

As the council's new Council Plan is developing, further prioritise the number of actions that sit under the four themes in the new Council Plan to and delegate to and empower staff within the organisation to deliver those actions across the life of the plan.

2.5 Resist the temptation to undertake further external reviews

Consolidate the learning and recommendations from the reviews the council has undertaken and focus on addressing the actions arising from the various reports. Continue to build on governance improvements systematically reviewing all elements of the council's governance and implementing improvements where necessary.

2.6 Develop a programme of external engagement and make outwardly focused work a priority for the new Chief Executive

Develop external engagement with partners and stakeholders for example, undertake work with town and parish councils to include planning matters and host a regular Developer and Agents Forum that includes officers and the portfolio lead for planning. The new Chief Executive should prioritise work on an external focus and profile for the council; external partners are waiting to work with you at a district, county and regional level.

2.7 Consider using councillor and officer ambassadors

Consider using councillor and officer ambassadors to address reputation management and assist with ‘myth busting’. Sense check where the council is now and where it wants to be.

2.8 Review visibility with housing tenants

Whilst ensuring greater visibility with housing tenants is underway, ensure that engagement with them is effective and meaningful to sense check what they would find valuable to support the relationship between housing tenants and the council, and simultaneously address performance.

2.9 Provide direction for leisure and culture provision

Identify specific principles for leisure and culture provision that include timescale and budget parameters to ensure a financially sustainable model of service delivery.

3. Summary of the peer challenge approach

3.1 The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Councillor Mike Every – Liberal Democrat Member Peer, Deputy Leader Cotswold District Council
- Councillor Colin Noble – Conservative Member Peer, Suffolk County Council
- Kath Marriott – Lead Peer, Chief Executive Rushcliffe Borough Council
- Stephen Capes – Director of Regeneration and Policy, Derbyshire Dales District Council
- Heather Wills – Principal Advisor (Finance and Governance), Local Government Association
- Kathryn Trant – Peer Challenge Manager, Local Government Association

3.2 Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

3.3 The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent three days onsite at East Devon District Council, during which they:

- Gathered information and views from more than 30 meetings, in addition to further research and reading.
- Spoke to almost 150 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4. Feedback

4.1 Local priorities and outcomes

EDDC adopted a council plan in 2021 with a vision for the following three years to make a positive difference to residents' lives and the environment in East Devon.

A new council plan is now in development following consultation with councillors, officers, stakeholders and residents. The priorities are clear and work well. They continue the three themes from the previous plan, in short, 'Better Homes and Communities for all', 'A Greener East Devon' and 'A Resilient Economy bringing Prosperity to the district'. There is an additional theme included in the new council plan around the 'Delivery of Quality Services'. Traditionally EDDC has been one of the better performing and more outwardly-looking councils in Devon and the addition of this theme confirms the council's ambition to overcome the more recent challenges and return to being a top performing council.

A draft of the plan was shared with the peer team. It currently includes 52 actions and 100 measures. This number will be difficult to manage effectively, and the peer team recommend that the actions and measures should be streamlined based on deliverability and priority, or at least profiled over the four years of the plan.

EDDC has a strong economic development strategy and a team of officers delivering that strategy who are highly respected. A quote from one stakeholder was *"I feel very listened to – the business support offer is right up there compared to other local authorities I've worked with. No hesitation"*. The council has good levels of engagement with local businesses and has supported excellent regional level growth sites within the Exeter and East Devon Enterprise Zone (EEDEZ). The council has worked in collaboration with partners to enable growth ambitions and to drive clean growth and create jobs and a skilled workforce for the future. A brand strategy for EEDEZ has been developed and agreed that sets the purpose of the EEDEZ "To provide a world class, low carbon environment for business successes". This makes clear the ambition for the zone and has attracted businesses with a similar ethos.

EDDC is establishing a corporate green team which will include senior representatives from each of the council's services. This is a good approach to embedding climate change work across the council and ensuring that climate change priorities are included as specific areas of development in all service plans.

The peer team saw practical examples of the council tackling climate change in the district, for example the drive for clean growth at EEDEZ, the visit to the depot to see the treatment of recycling material, and the district generally appeared extremely clean and tidy which is a credit to frontline operatives.

EDDC has excellent recycling rates and low levels of residual waste as evidenced by the [LG Inform](#) report. The LG Inform data and performance information system is hosted by the Local Government Association on behalf of the sector and, using the most recently available data, shows that EDDC, when compared to other councils in its Chartered Institute of Public Finance and Accountancy (CIPFA) 'family' grouping of other similar authorities, has the lowest levels of residual waste at 255.7kg per household against a mean of 428.8kg and best recycling rates at 59.5% of waste collected against a mean of 43.07%. These figures represent one of the core strengths of EDDC that has been embedded over a number of years.

Cranbrook is a new community being developed in East Devon. 3,200 homes have so far been delivered and there are further phases of the development to be constructed. EDDC has reviewed its approach to the delivery of Cranbrook and taken the lessons learnt, for example infrastructure needing to be in place and more community engagement and will apply them into the planning and delivery of a second new community in the district.

Despite a great deal of work taking place over the last few months, there are challenges within the Housing service in terms of staffing levels and capacity, repairs performance, the complaints procedure and poor stock condition of the properties. EDDC has 4,300 tenanted properties. A stock condition survey of all properties is almost complete and whilst the survey is part of a project to support making the properties more energy efficient, it will also identify stock condition issues and in time should reduce repeated repair requests. Feedback from some tenants suggests that a higher profile from members and officers would be welcome. The peer team recognise that significant engagement work has been undertaken but would recommend

engaging with residents who are keen to help to sense check what support they would welcome in strengthening the relationship between tenants and the council. Ensuring effective engagement, listening and responding to tenants as well as involving them in solutions. The sentiment expressed was that *“they are the council’s houses, but our homes”*.

Once the stock condition survey is complete, a realistic and costed programme of housing improvements will be required and will need to be built into the Housing Revenue Account once the information is available.

Council Plan priorities and actions feed into service plan objectives and then flow into team and individual objectives known as the Performance Excellence Reviews (PER). This ensures a ‘golden thread’ from council priorities through service plans to individual staff through their objectives.

Performance management is currently managed within teams and reviewed quarterly by the Corporate Performance and Project Management Team and reported to the Senior Leadership Team (SLT) and Scrutiny Committee. The council may wish to consider an overarching corporate approach at senior level to performance management with a clear formalised process so that SLT and Cabinet can quickly see and manage corporate performance and therefore respond to emerging issues that may be impacting service delivery, for example monthly performance clinics with a dashboard of indicators. Corporate oversight on a regular basis of delivery of significant programmes and projects (defined in terms of risk as well as scale) should be included to enable corporate management of projects and identification of risks that could impact on delivery.

The council’s approach to equality, diversity and inclusion is a work in progress and whilst it is too early to judge its effectiveness, the impact of work so far is positive. Examples of work include the equality impact assessment template has been updated, the policy will be reviewed in 2024 with councillor and officer training planned, and work is taking place to identify and build relationships with groups to support and inform community engagement work. A corporate lead for the work has been identified.

4.2 Organisational and place leadership

The Anti-Poverty work is a great example of EDDC leading a partnership – the council is rightly proud of this work and should consider showcasing it more widely on the national stage. It involves the council working in collaboration with partners to support residents in helping to address root causes of poverty. Through collaborative working the council can help residents access all the services available to them whilst also supporting them to learn how they can access the support themselves. This has only become possible through building strong working relationships with partners across the business and voluntary sector.

EDDC also works in partnership with service providers such as SUEZ who provide recycling and waste services, LED Community Leisure Ltd who provide leisure centre services and Strata Service Solutions who provide ICT to EDDC and two neighbouring councils.

Partners are impressed by the openness and willingness to collaborate that was demonstrated by EDDC. This is a clear example of partnership working that could put EDDC back on the regional stage. The council's partners would like to see EDDC step forward and show regional leadership on priorities that are important to it.

One of the stakeholders commented *“Stuffed full of environmental gems is East Devon like a string of pearls – the only thing holding us back is working together”*.

There have been some challenges with partnership working too, for example with Devon County Council (DCC) and Exmouth on the masterplan work. It appeared the previous masterplan was not sufficiently consulted on to secure full public and partner support and funding. However, the council has undertaken significant regeneration work linked to its land holdings along the Exmouth seafront. It will be a positive step to see this work continue with an overarching vision in place.

EDDC should continue to develop the relationships with town and parish councils, of which there are 69 in total. The council recognises this need and already has plans in place to address this such as holding workshops in the summer of 2024, particularly around planning and s106 spend. There is a clear opportunity to strengthen the relationships through proactive and consistent engagement mechanisms and by consulting on sensitive issues such as the Local Plan as a matter of course.

The Leader of EDDC should have the confidence to undertake his role given the trust placed in him by his fellow cabinet colleagues. He is perceived by neighbouring councils as becoming more 'statesmanlike', both as Leader of council and as the current chair of the Devon Districts Forum. Once the new chief executive is in place, they will need to represent the district strategically alongside the Leader to raise the profile and reputation of the council. This will address the more recent perception that EDDC has become more inward facing and will help to rebuild the external reputation of the council and further develop a network of partners.

The new senior management team at EDDC includes a number of Assistant Directors. This team works well together and shows great commitment to the council and the district. The talent at this level could be harnessed to lead on corporate project work and managing cross cutting themes of work, for example on Equality, Diversity and Inclusion, on Performance Management, on the Green Team, on adopting a customer centric approach. This would ensure corporate oversight and perhaps offer the opportunity for other officers to become involved in work themes of particular interest to them.

There have been media reports about bullying at EDDC but the peer team did not find this to be the culture and staff said positively that they didn't recognise this portrayal of EDDC. Internally the council is seen as 'progressive' and 'forward thinking'. There is a sense from officers and councillors of a desire to move forwards and stop focusing on the recent challenges, the council has turned a corner and a positive direction of travel is now set. EDDC should consider developing staff ambassadors to counteract some of the negative press about EDDC as a workplace. An example could be to build on the recruitment video that is already on the EDDC website where officers speak so positively about the benefits of working for the council.

EDDC has a good external communications strategy. The council uses extensive external communication methods including e-newsletters, residents' newsletters which are delivered three times a year, an App and engagement through social media which is monitored and responded to allowing for real time communication. The council recently consulted on the new council plan and is aiming to provide an evaluation of the responses received, if and how the council plan is altered in line with feedback. This will demonstrate the council's intention to engage rather than communicate so that residents can be confident that the council is listening and proactively seeking views.

In terms of internal communications, staff are well informed and comfortable that they have the opportunity to have their voices heard at staff awareness sessions and briefings. A councillors' newsletter has recently been developed and joins the impressive range of internal communications that the council has adopted.

4.3 Governance and culture

The council has invited a number of reviews to take place which clearly demonstrates a desire for continuous improvement following a period of transition. The Centre for Governance and Scrutiny (CfGS), the Planning Advisory Service (PAS), Investors in People (IiP) and Grant Thornton in their Value for Money Auditors Report have all recently provided recommendations to EDDC prior to the LGA corporate peer challenge taking place.

There is now an opportunity for senior officers and councillors to take key outstanding points from the reviews listed above and include them in the annual review of the council's controls and governance. This review ensures wider understanding of areas where ongoing improvement is required and so that the council's Annual Governance Statement fully reflects both areas for improvement and actions the council will take to address them. The peer team recommends that the Audit and Governance committee monitors delivery of the Annual Governance Statement action plan in addition to reviewing the draft statement prior to its approval.

EDDC has already undertaken, and has a number of actions underway, to improve governance arrangements at the council, including:

- A refreshed Senior Leadership Team allowing a full cascade of information to all staff and full engagement of all senior officers in decision making.
- A weekly meeting between the interim chief executives and the Leader and Deputy Leader providing a two way communication channel which is constructive and supportive.
- Action to revise the template for decision-making reports to support officers to ensure that councillors receive all appropriate information and advice.
- The setting up of a 'Constitution Member Working Group' to work on the wholesale review of the constitution.

- The updating and approval of a new risk policy and consideration of the council's risk appetite.

The council should continue to build on its work to update its risk management approach and ensure that Cabinet are sighted on the council's strategic risks. Further areas for consideration include ensuring that service and strategic risks are reviewed in a timely way to respond to changing circumstances.

Councillor/officer relationships are largely positive and productive. A councillor/officer protocol is in place and will be reviewed after the corporate peer challenge has taken place. It will be important that this protocol is a constant reference once the new chief executive is in place to ensure the head of paid service role is clearly and widely understood, as well as roles of senior councillors.

The peer team recommend investment in an ongoing programme of councillor development and officer training to ensure understanding of the different roles and responsibilities in addition to ensuring that councillors are equipped to perform all of their roles and are kept updated on new developments. Officers may benefit from political awareness training to ensure wider understanding of the different roles for councillors and officers. Councillors will benefit from a refresh of scrutiny training to ensure discussions at their respective committees are focused and adding value, coordinated with implementation of actions arising from the Scrutiny Improvement Review. The council should continue to use the resources available such as the South West Audit Committee Chairs Forum and the LGA Leadership offer.

Outcomes from motions to council are not reported back to councillors. Similarly, recommendations from the scrutiny committees are not tracked to show their impact. The council should develop a tracking reporting mechanism so that the loop is closed on outstanding actions and motions. This will allow councillors to see the impact of actions recommended and motions debated and passed. A summary of this could be included in an annual report to full council.

The Cabinet works collaboratively. However, the peer team recommend that the Cabinet consider their working arrangements as there are opportunities available to them that could make them work even more effectively together. Examples include informal workshops with ELT to sense check areas of work, empower portfolio holders to present their reports to Cabinet and developing a clear forward plan. All of these

options will support the Cabinet in working together in a cohesive way to lead EDDC. EDDC is not unusual in reporting challenges with timetabling of formal council meetings, and a number of councillors reported issues with the timing of meetings. It will be important to understand if there is a related impact on meeting attendance. This is a topic that could perhaps be explored by a councillor working group, if the council felt it would be helpful to do so.

4.4 Financial planning and management

EDDC has an excellent financial track record and has successfully managed the General Fund budget in recent years without recourse to use of reserves. The council has developed a Financial Sustainability Model (FSM) which is a process that undertakes reviews to ensure value for money, drives efficiencies to see what savings can be achieved and forms an evidence base that the council has done what it can. The FSM and savings plans to balance future budgets should be part of the budget and budget monitoring reports to decision making bodies and to scrutiny, to provide clarity and detail to aid early decision making and should include 'big ticket' items as well as service efficiencies.

The council has a robust approach to financial planning. Its Medium Term Financial Plan covers a period of 10 years, updated each autumn, and it provides a sound basis for setting the following year's budget. The council ensures that the council plan objectives are aligned to the budget so that resources are linked.

The MTFP includes a significant challenge in 2026/27 if there is a rebasing of business rates as the council has benefitted greatly from retained business rates. The challenge for the council will be the extent to which the FSM by itself will be sufficient to bridge any budget gap that arises as a result of rebasing of business rates. The revenue budget should be modelled for 2026/27 onwards, using a variety of scenarios regarding the potential impact of business rates revaluation and other risks, and this modelling will help to inform decisions as planning activity during the next year will be key.

The council's overall financial monitoring is reported quarterly to Cabinet, but performance monitoring is not being reported to Cabinet. EDDC should ensure that both budget monitoring and performance monitoring is done regularly at the right level.

The council may wish to review how the budget is scrutinised as it was reflected to the peer team that service plans were more of a focus than the budget itself as part of the preparation for budget setting for 2024/25. Cross party budget workshops are a mechanism used by many councils to ensure the focus of budget discussions remains high level and strategic.

The council could benefit from taking the opportunity to review the work programme and effectiveness of the Audit and Governance Committee, informed by CIPFA guidance, indeed it is recommended good practice to do so. By reviewing its work programme against its terms of reference (and by ensuring that its terms of reference match CIPFA guidance as part of the constitution review) it can ensure its annual work programme covers the right bases.

Notwithstanding the robust approach to financial planning, there are a number of areas that represent a financial risk to the council. These include:

- The waste and recycling contract – a large overspend is forecast
- Housing stock – the financial impact of the stock condition survey
- Leisure

In respect of leisure, the council needs a clear strategy that sets out a plan of delivery with key principles. Questions for the council to ask include: What leisure and culture provision does EDDC need/can afford? What is the timescale for decision making to ensure a financially sustainable solution?

The council should consider better developing and defining its portfolio of leisure and culture as not every site needs all services. Conduct benchmarking and visit other authorities to inform the exploration for sustainable delivery models. These will need to balance opportunities (such as health and decarbonisation agendas) with threats (such as the costs of maintaining ageing leisure facilities).

The risks arising from the financial impact of the stock condition survey will be known once the survey is complete and can then be built into the ongoing budget. Until then, the council is exposed so needs to expedite this work. Building into the existing budget may not be easy and looking outwards for examples of good practice may help to address the challenge.

The waste and recycling contract risks relate to the large overspend forecast for 2023/24 and the significant additional funding in the draft budget for 2024/25. It is unclear whether the additional funding will be sufficient given the level of overspend and this will need to be closely monitored.

4.5 Capacity for improvement

The three interim chief executives were appointed in September 2023 after the retirement of the previous chief executive. Under their guidance and direction there is a sense of stability across the council, and they should be applauded for the way they have worked together. They have used staff awareness sessions to make sure the workforce feel engaged and valued.

However, a permanent chief executive is needed and the plans for recruitment into this role should be progressed to ensure sufficient capacity at director level to support the leader and Cabinet to provide strategic vision and direction and provide direction to staff and oversight of delivery. Officers are looking forward to feeling more settled once the new chief executive is in post and there is a sense of anticipation that the new chief executive will provide more direction to staff.

Currently, the split of services is across the three interim chief executives. Whilst it will be a decision for the new chief executive once in post, it will be helpful to get staff and resources into the right place and take the opportunity to ensure an appropriate distribution of services and responsibilities across the roles.

Some services had workforce capacity issues that were impacting on service delivery, for example the peer team heard of capacity issues in finance, housing and planning. The workforce problems in finance and housing are being addressed, but capacity in planning is a national issue and harder to solve. The measures set out below as part of the wider measures to address recruitment challenges will help.

The council is working closely with Strata, its ICT partner on Transformation, ensuring there is a customer focus as the programme progresses. There is a clear direction of travel for the digital by default project. Resources are not limitless, but the Council now has a prioritisation process so that urgent ICT and transformation projects are progressed first.

The council has introduced a workforce plan, and this is currently being revised. The plan will be used to inform the council's future people strategy and priorities and will be an effective tool in allowing managers to identify workforce needs and gaps and how to address them.

EDDC has employed a number of effective measures to address recruitment challenges. During 2021 and 2022 the council undertook a Reward Review to address recruitment challenges. Alongside a wider pay review the council has implemented the Real Living Wage as part of the proposals which aligns to the Poverty Reduction Strategy. Further actions to address recruitment challenges include the 'Grow our Own' plans and to support this the council has become a member of the South West Apprenticeship Ambassador network which promotes apprenticeships to other employers. EDDC currently has 17 apprenticeships which is impressive.

The council introduced a Personnel Committee to oversee workforce matters and monitor vacancies to give councillors oversight of capacity and resource issues. The peer team would question whether this committee will be necessary once the new chief executive is in post as workforce matters will be their responsibility.

EDDC has an impressive range of internal engagement. Officers report good levels of engagement and communication including welcome meetings, staff awareness sessions, an apprentice lunch and star awards. There is a wellbeing offer that is positive and welcomed by staff, 'Happy, Healthy, Here', which offers a wide range of support and initiatives to staff.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a progress review within twelve months of the CPC, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report.

In the meantime, Paul Clarke, Principal Adviser for South West, is the main contact between your authority and the Local Government Association. Paul is available to discuss any further support the council requires. paul.clarke@local.gov.uk.

| Directorate | ID | Recommendations | Actions | Timeframe | Director / Lead officer | Current status | Current status update |
|-------------|-------|---|---|---|---|--|---|
| CEO | PC-1 | Recruitment of a Chief Executive Progress the plans to recruit a Chief Executive and ensure sufficient capacity at director level to support the leader and councillors with strategic vision and provide vision and direction to staff. | Recruit a new Chief Executive | Jun-24 | CEO | Complete | New CEO recruited and starting in post 1st June 2024 |
| | | | Revise director structure to ensure capacity and look at the broader structures within the senior leadership team. | Jun-24 | CEO | Complete | New director structure agreed by full council. New directors agreed by full council are now in post. Work has started on a broader review of directorate structures. |
| CEO | PC-1a | A councillor/officer protocol is in place and will be reviewed after the corporate peer challenge has taken place. It will be important that this protocol is a constant reference once the new chief executive is in place to ensure the head of paid service role is clearly and widely understood, as well as roles of senior councillors. | Review of councillor/officer protocol | 24-Oct | Director of Governance | In progress | Draft Protocol prepared and considered by Member Constitution Working Group. Standards Committee have also considered it and asked for a further report on 18 July 2024. This report has been completed and reported back to the Standards Committee in October 2024. Comments are being fed back to the Constitution Working Group on the 11th November 2024 and the final document to be presented to a future Full Council meeting. |
| CEO | PC-1b | The new senior management team at EDDC includes a number of Assistant Directors. This team works well together and shows great commitment to the council and the district. The talent at this level could be harnessed to lead on corporate project work and managing cross cutting themes of work, for example on Equality, Diversity and Inclusion, on Performance Management, on the Green Team, on adopting a customer centric approach. This would ensure corporate oversight and perhaps offer the opportunity for other officers to become involved in work themes of particular interest to them. | Senior Leadership Team review of structure and responsibilities and undertake any recruitment required following this review. | Dec-24 | CEO | In progress | Director recruitment is completed. Wider structure considerations under review, initial analysis of current skill gaps and areas of risk have been identified further work required to address these areas within the finacial envelope. |
| | | | Agree development plan for SLT as a team and individually | Feb-25 | CEO | in progress | SLT (as is) have already undertaken some development, including piloting the Emergenetics psychometric tool in liaison with the LGA, which helped team members to understand their thinking and behaviour styles as individuals and a team. This will be built on further once the revised permanent SLT arrangements are confirmed. |
| | | | Identify opportunities for cross-cutting working which aligns with SLT structure, responsibilities and development plan | Mar-25 | CEO | Initial action complete ongoing review | Oversight and lead for corporate themes and project to be determined and monitored through project management board moving forward. We have already started some of this work in areas such as leisure, culture and housing. Further defining the relationship between ELT and SLT can work together such as on the customer charter project. |
| Governance | PC-2 | Consideration of Cabinet working arrangements Consider and explore options to enhance Cabinet working arrangements, for example: making space for strategic workshop sessions with senior management, so that the Cabinet can work even more effectively. | Workshops already being developed, leisure underway, culture set up, housing working through different workshops | Sep-24 | Director of Governance | Complete | Weekly meetings between ELT and the Leader/Deputy Leader/PFH have already been put in place and monthly Cabinet briefings have been set up. In addition workshops to cover specific topics are already underway including leisure, culture and housing. |
| Governance | PC-2a | The peer team recommend that the Cabinet consider their working arrangements as there are opportunities available to them that could make them work even more effectively together. Examples include informal workshops with ELT to sense check areas of work, empower portfolio holders to present their reports to Cabinet and developing a clear forward plan. | Director of Governance to take a paper to Cabinet briefing. Cabinet to take ownership of this work and undertake to have a workshop before the autumn to explore this. | Sep-24 | Director of Governance | Complete | Developed the forward plan and monthly informal workshops with ELT taking place. Some Portfolio Holders already presenting reports and further work to be done on this at the November cabinet briefing. |
| Finance | PC-2b | The peer team recommends that the Audit and Governance committee monitors delivery of the Annual Governance Statement (AGS) action plan in addition to reviewing the draft statement prior to its approval. | A&G approve the AGS currently, monitoring of actions will be introduced going forward | Sep-24 | Director of Finance | Complete | Draft 2023/24 statement is in preparation, once adopted actions will be monitored through reports to A&G committee. AGS will being going to the November A&G committee meeting. |
| Finance | PC-2c | The council could benefit from taking the opportunity to review the work programme and effectiveness of the Audit and Governance Committee, informed by CIPFA guidance, indeed it is recommended good practice to do so. By reviewing its work programme against its terms of reference (and by ensuring that its terms of reference match CIPFA guidance as part of the constitution review) it can ensure its annual work programme covers the right bases. | A number of good practice improvements have recently been introduced : Independent reps to be advertised in June/July 24, training programme to be presented to July 24 committee based on skills questionnaire matrix. Other best practice against the guidance will reviewed to determine other actions required, to be reported to Sept A&G. | 1st stage Jul 24 (training schedule & reps), 2nd stage Sept 24 (identification of other best practice requirements) | Director of Finance | In progress | November A&G committee will receive a report on the CIPFA best practice and our current position with recommendations for improvements. This will lead to changes in the work programme moving forward. Interviews for the independent reps will be taking place on the 12 December. Training programme has been agreed and is being rolled out with the second session being held on the 21 November. In addition self assement of CIFA's best practice being presented on the 21st November with key improvement recommendations. |
| Governance | PC-2d | EDDC is not unusual in reporting challenges with timetabling of formal council meetings, and a number of councillors reported issues with the timing of meetings. It will be important to understand if there is a related impact on meeting attendance. This is a topic that could perhaps be explored by a councillor working group, if the council felt it would be helpful to do so. | To broaden out this action to include the number of panels and meetings - Scrutiny to review. Democratic Service will look at starting to draft the calendar of meetings earlier in the year. | Sep-24 | Director of Governance | In progress | The Member Development Working Group will be considering this in October 2024 and a survey as to the timings of meetings will follow. We will engage with Ministry of Housing, Communities and Local Government over its intention to introduce hybride meetings. |
| Governance | PC-3 | Invest in councillor and officer development Invest in an ongoing programme of councillor development and training and political awareness training for staff to ensure wider understanding of the roles and responsibilities of councillors and officers respectively. | Political awareness training for officers and members to be scoped and commissioned, with the aim of delivering in autumn/winter 2024. | Feb-25 | Corporate Lead for HR and Democratic Services Manager | In progress | Member development working group meeting in October to produce a programme of councillor development. We have also secured training from the Centre for Public Scrutiny for Scrutiny work planning which will be rolled out before Christmas. A&G committee have also agreed a training programme which is part way through delivery. Political Awareness Training to form part of the programme of councillor development. |

| Directorate | ID | Recommendations | Actions | Timeframe | Director / Lead officer | Current status | Current status update |
|------------------|-------|---|--|-----------|--|----------------|--|
| Finance | PC-4 | Streamline the actions in your new Council Plan As the council’s new Council Plan is developing, further prioritise the number of actions that sit under the four themes in the new Council Plan to and delegate to and empower staff within the organisation to deliver those actions across the life of the plan. | Reviewed and the actions streamlined in the council plan. Recognise that this needs to be reviewed with Cabinet regularly so that we continue to streamline and prioritise. Reporting on progress to come to cabinet regularly. | Apr-24 | Director of Finance | Complete | Council plan actions were reviewed and challenged prior to submission to full council for agreement and sign off for 2024. We will ensure that this is a live document and reviewed regularly to ensure that the actions and measures are reviewed and updated accordingly. |
| Finance | PC-5 | Resist the temptation to undertake further external reviews Consolidate the learning and recommendations from the reviews the council has undertaken and focus on addressing the actions arising from the various reports. Continue to build on governance improvements systematically reviewing all elements of the council’s governance and implementing improvements where necessary. | Actions from review are collated into one spreadsheet for review. | May-24 | Director of Finance | Complete | Action and measures sheet has been developed and versions for each Director has been shared to help them track required actions. |
| | | | Actions are monitored through the year using the final agreed performance / project software. Directors to report / brief cabinet on progress or issues. | Apr-25 | Director of Finance | In progress | Actions are being monitored and will be loaded onto our new Corporate Performance Software which has now been procured. |
| Governance | PC-5a | EDDC has undertaken a comprehensive programme of external reviews prior to this corporate peer challenge taking place. This demonstrates a clear desire for continuous improvement and the council has clearly taken on board the various feedback that has resulted in a number of recommendations for EDDC to take account of. The peer team recommendation is that an action plan is produced and included as part of the next Annual Governance Statement that consolidates the actions arising and has councillor oversight for monitoring of delivery. | Outcomes are collated for the Annual Governance statement for Cabinet and A&G oversight. | 24-Sep | Director of Governance and Director of Finance | Complete | There are many actions identified through external reviews with a large part not relevant to the AGS. Areas specifically related to Governance and of a threshold relevant to the AGS will be included and monitored through the Audit & Governance Committee. Other actions identified will be monitored through reporting to Cabinet. |
| CEO & Governance | PC-6 | Develop a programme of external engagement and make outwardly focused work a priority for the new Chief Executive Develop external engagement with partners and stakeholders for example, undertake work with town and parish councils to include planning matters and host a regular Developer and Agents Forum that includes officers and the portfolio lead for planning. The new Chief Executive should prioritise work on an external focus and profile for the council; external partners are waiting to work with you at a district, county and regional level. | Chief Executive development programme and part of corporate communications plan. Need to diarise our first Town and Parish event and ensure we have regular events/meetings moving forwards. Undertake a review of contacts for our Town and Parishes to ensure they are up to date. | 24-Oct | CEO and Corporate Lead for Communication, Digital Services and Engagement/Direct or of Place | In progress | Work started on the Engagement Strategy and key stakeholders have been identified. We have not yet held our first Town and Parish event but this will be a priority for our newly appointed Communitcations Manager. We have however been working with our external staekholders and some good examples currently are the Water Summit, Devolution and Anti Poverty project. In February we will be hosting a Voluntary Sector thank you event at Blackdown House with a wide range of VCSE organisations being invited to attend. New CEO has stared to form relationships with key partners such as Devon Chief Executives, Chair of SWW and attending first LGA conference. We have continued to holding our Agents Forums with one in June and on due to happen in November. |
| Governance | PC-7 | Consider using councillor and officer ambassadors Consider using councillor and officer ambassadors to address reputation management and assist with ‘myth busting’. Sense check where the council is now and where it wants to be. | Link to employer brand for office ambassadors. Link to cultural work and communications and engagement plan which has been developed to support the appointment of the new CEO. Look to ensure that our use of terminology of champions/ambassadors is consistent. | Dec-24 | Corporate Leads For HR and Communication, Digital Services and Engagement | On hold | Some of this work has been on hold through the summer due to staff absence of the project lead, however work to progress our culture of openness and transparency has been moving forward and we will be holding staff awarness sessions through the autumn. |
| Governance | PC-7a | The council introduced a Personnel Committee to oversee workforce matters and monitor vacancies to give councillors oversight of capacity and resource issues. The peer team would question whether this committee will be necessary once the new chief executive is in post as workforce matters will be their responsibility. | In light of all of the other steps being taken to improve our performance reporting to members and the appointment of the new Chief Executive, the Cabinet to consider whether this Committee is still necessary moving forward. | Sep-24 | Director of Governance | In progress | December Cabinet briefing to consider this recommendation. |
| Housing | PC-8 | Review visibility with housing tenants Whilst ensuring greater visibility with housing tenants is underway, ensure that engagement with them is effective and meaningful to sense check what they would find valuable to support the relationship between housing tenants and the council, and simultaneously address performance. | Regulator engagement, housing comms calendar, surveys, HRB updates and guidance. Tenant Panels set up. Plans for Getting to know you surveys, Transactional Surveys and tenant events. | Sep-24 | Director of Housing and Health | In progress | Discussion held at HRB regarding the recruitment process and requirements of tenant members, and an active recruitment campaign took place, resulting in the very recent recommendation to appt of two tenants to the HRB. Their appt will be proposed at the next HRB on Nov. 7th. We have also expanded the membership of Councillors to the HRB by two to ensure there is greater member focus and attention. “Getting to Know You Survey” – initial plans were proposed to carry out a survey across all of our tenants in the coming year, ensuring that the data we hold for them is up to date and full. The indicative costs of outsourcing this work resulted in it being on hold, however, a working group have now been created to look for lower cost solutions as the need for this work is still valid. The survey would mean that we would have better insight into the demographics of our tenant base and able to tailor our services to better meet their needs. This is a vital piece of work in many ways but will specifically develop understanding in areas such as overcrowding or under-occupancy etc. Transactional Surveys with our tenants, particularly in relation to repairs, are underway in addition to our now quarterly TSM gathering enables us to react in a more agile way to live issues. Results from the repairs surveying are positive and demonstrate that 97% customers are happy with their repairs when completed. Tenant Event – happened on 22nd August; all tenants were invited to a family friendly event with opportunity for tenants to talk with a wide variety of partner agencies, Cllrs, Officers and one another about how we can improve services. The event was well attended and the team are planning next years events with the tenant representative group. |
| Place | PC-9 | Provide direction for leisure and culture provision Identify specific principles for leisure and culture provision that include timescale and budget parameters to ensure a financially sustainable model of service delivery. | Workshops already underway. Will culminate in a report to ensure a financially sustainable delivery model is in place. | 24-Dec | Director of Place | In progress | A total of six workshops have now been held which have helped to ensure a comprehensive examination of the issues associated with future leisure service delivery. A final workshop is scheduled which will then lead to a report to Cabinet. The parameters for a review of culture provision are currently being scoped. |

| Directorate | ID | Recommendations | Actions | Timeframe | Director / Lead officer | Current status | Current status update |
|------------------------|--------|---|---|--|---|----------------|---|
| Place | PC-9a | The council should consider better developing and defining its portfolio of leisure and culture as not every site needs all services. Conduct benchmarking and visit other authorities to inform the exploration for sustainable delivery models. These will need to balance opportunities (such as health and decarbonisation agendas) with threats (such as the costs of maintaining ageing leisure facilities). | Workshops underway in terms of framing options for leisure delivery going forward. Will culminate in a report to Cabinet so that these options can be considered formally. Same approach will also be adopted in relation to cultural provision. | 24-Dec | Director of Place | In progress | Workshops are progressing as above. The culture review is also currently being scoped. |
| Governance | PC- 10 | Performance Monitoring The council may wish to consider an overarching corporate approach at senior level to performance management with a clear formalised process so that SLT and Cabinet can quickly see and manage corporate performance and therefore respond to emerging issues that may be impacting service delivery, for example monthly performance clinics with a dashboard of indicators. | Work with Strata to develop proposals for the implementation of a new performance/project/risk system to replace SPAR.net to improve reporting function of corporate objectives and PIs, linking to complaints and Cllrs/MP corporate systems and outcomes. After the election look at our communications channels and set out how we will communicate with our local MP's | Jun-24 | Director of Governance | In progress | Cabinet agreed the budget for this new software and the procurement process has been completed with a successful provider being awarded the contract to supply us with a new corporate performance and risk system including modules supporting project and policy management. The timetable for implementation for the system has been agreed and the project is now underway. New process for dealing with complaints from MP's has been put in place. |
| | | | Develop an implementation plan for agreed changes. | Jul-24 | Director of Governance | In progress | Timeline for implementation has been agreed and is being worked through with the software provider. |
| | | | New system if agreed to be implemented. | Nov-24 | Director of Governance | In progress | System agreed and the timetable for implementation for the software has been agreed and the project is now underway. |
| Governance and Finance | PC-10a | EDDC should ensure that both budget monitoring and performance monitoring is done regularly at the right level. | Review reports timetable and suggest new reporting methods for ELT, SLT, Cabinet, Scrutiny and any other committees, report back on budget manager and senior officer budget meetings timetable and approach. Refreshing and reviewing the approach to budget monitoring meetings going forward. | Nov-24 | Directors of Finance and Governance | In progress | Performance and finance report monitoring being reviewed as part of the project to implement a new performance system. Report considered at ELT for reporting and service planning changes. Next performance report going to 27 November Cabinet which will include a timetable for future reporting. A new performance framework will be developed alongside the introduction of the new system. |
| Governance and Finance | PC-10b | Corporate oversight on a regular basis of delivery of significant programmes and projects (defined in terms of risk as well as scale) should be included to enable corporate management of projects and identification of risks that could impact on delivery. | Currently monitored through BSCAP - Improvements in corporate recording and reporting to be determined this could either follow Strata's new process following Microsoft Project and using PowerBI or be part of new performance management system. | Initial assessment Dec 24 | Directors of Finance and Governance | In progress | Ongoing project and programme management is include as part of the new Corporate Performance Software implementation with a project manager module being included as part of our purchased package. |
| Governance | PC-10c | Outcomes from motions to council are not reported back to councillors. Similarly, recommendations from the scrutiny committees are not tracked to show their impact. The council should develop a tracking reporting mechanism so that the loop is closed on outstanding actions and motions. This will allow councillors to see the impact of actions recommended and motions debated and passed. A summary of this could be included in an annual report to full council. | Investigate how this can be monitored and reported on, including implementation of all motions on new corporate system. | Dec-24 | Director of Governance | In progress | Different solutions are being looked at including MOD.Gov and also being included in the requirements for a new performance system. In the meantime a spreadsheet is being used to monitor motions and other key decisions. The review into the new performance system should happen by December 2024. |
| Governance and Finance | PC-11 | Risk Management The council should continue to build on its work to update its risk management approach and ensure that Cabinet are sighted on the council's strategic risks. | Engage with external Risk Management providers Gallagher Bassett to provide audit and support training. Monitoring reports to Cabinet from Sept 24. | Sep-24 | Directors of Finance and Governance | In progress | Risk review work with Gallagher Bassett (GB) still ongoing. Risk Health Check report completed by GB and risk workshops with Directorates held on the 2and and 3rd October 2024. Corporate Risk Workshop to be facilitated by GB on the 21st November and outcome to be reported to Cabinet and A&G committees at the start of 2025. |
| Finance | PC-12 | Finance The revenue budget should be modelled for 2026/27 onwards, using a variety of scenarios regarding the potential impact of business rates revaluation and other risks, and this modelling will help to inform decisions as planning activity during the next year will be key. | Adopted Financial Plan identifies the activity for Summer of 2024. | Cabinet Workshop May 2025 | Director of Finance | Complete | All reviewed and now encompassed in the latest financial plan was considered by Cabinet on the 30 October 2024. Cabinet workshops in April / May 2025 once government funding review has taken place. |
| Finance | PC-12a | The council may wish to review how the budget is scrutinised as it was reflected to the peer team that service plans were more of a focus than the budget itself as part of the preparation for budget setting for 2024/25. Cross party budget workshops are a mechanism used by many councils to ensure the focus of budget discussions remains high level and strategic. | It is intended that Service Plans will be prepared and presented to members for consideration earlier and budgets then to be considered in January meetings. | Service Plan in Oct/Nov 24; Budgets in January 25 | Director of Finance | Complete | New service planning process in place this year which has as seen a switch to Directorate Plans. These plans are going to a joint Overview and Scrutiny Committee on 10th December leaving the January meeting free to consider budgets only. |
| Finance | PC-12b | Notwithstanding the robust approach to financial planning, there are a number of areas that represent a financial risk to the council. These include: <ul style="list-style-type: none">• The waste and recycling contract – a large overspend is forecast• Housing stock – the financial impact of the stock condition survey• Leisure | These risks are being managed in the following way; Recycling & Waste Contract - ongoing oversight and regular monitoring of performance through financial monitoring reports and the recycling and waste board. Consideration also being given to future direction of travel and models of delivery. Leisure - Ongoing monitoring of performance through the Leisure Strategy Forum., a series of workshops underway to consider future leisure provision. Current review ongoing for Housing including STS and planned maintenance short, medium and long delivery programme - including options appraisal and financial modelling. | Ongoing | Directors of Finance, Housing and Place | In progress | All of the areas identified are currently subject to detailed reviews with good progress being made. |

LGA Corporate Peer Challenge – Progress Review

East Devon District Council

Corporate Peer Challenge – 6-8 February 2024

Progress Review – 28 November 2024

Feedback



Corporate Peer Challenge



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1. Introduction

East Devon District Council (EDDC) undertook an LGA Corporate Peer Challenge (CPC) during 6 – 8 February 2024 and promptly published the [full report](#) and an [action plan](#).

The Progress Review is an integral part of the Corporate Peer Challenge process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG rated CPC Action Plan.
- Consider peer's reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs.
- Discuss any early impact or learning from the progress made to date.

The LGA would like to thank EDDC for their commitment to sector led improvement. This Progress Review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach

The Progress Review at EDDC took place onsite on 28 November 2024.

The Progress Review focussed on each of the key recommendations from the Corporate Peer Challenge which took place 6 – 8 February 2024.

For this Progress Review, the following members of the original CPC team were involved:

- Kath Marriott, lead peer, Chief Executive Rushcliffe Borough Council
- Mike Every, member peer, Deputy Leader, Cotswold District Council
- Kathryn Trant, peer challenge manager, Local Government Association

3. Progress Review - Feedback

Of the CPC's nine recommendations, the council's RAG rated action plan reports that 89 per cent of actions are completed or progressed and 11 per cent (equivalent to one recommendation) has been paused.

The peer team were pleased to note how much progress had been made by the council since the corporate peer challenge had taken place just nine months earlier. It was clear from the RAG rated action plan and from the presentation received by the peer team on site, that EDDC has made significant progress which was a positive reflection of the hard work that has been undertaken by the council. EDDC has embraced improvement, and this is evidenced in the action plan which includes not only the key recommendations made by the peer team but also includes progress against additional comments and suggestions that were mentioned in the CPC feedback report.

For the purpose of this progress review report, the peer team focused on the nine formal recommendations which are set out below, along with the peer team comments.

Recommendation 1: Recruitment of a Chief Executive

'Progress the plans to recruit a Chief Executive and ensure sufficient capacity at director level to support the leader and councillors with strategic vision and provide vision and direction to staff'.

Recruitment of a permanent Chief Executive has been achieved, and this was followed by recruitment into director level posts so that the executive leadership team (ELT) is now at full strength. This has addressed the capacity issues that were previously providing a challenge. The Chief Executive referenced positive external support and mentoring and the peer team view is that the opportunities to benefit from this support should be taken advantage of by all members of ELT.

Recommendation 2: Consideration of Cabinet working arrangements

'Consider and explore options for Cabinet working arrangements, for example, making space for strategic workshop sessions with senior management so that the

Cabinet can work even more effectively’.

The peer team commend the council for good progress with this recommendation. Good working relationships between Portfolio Holders and directors/assistant directors is evident and demonstrates mutual trust. Most Portfolio Holders are now presenting reports at cabinet which helps to reinforce the line between strategic direction and operational delivery.

Recommendation 3: Invest in councillor and officer development

‘Invest in an ongoing programme of councillor development and training and political awareness training for staff to ensure wider understanding of the roles and responsibilities of councillors and officers respectively’.

Progress has been made to address this recommendation and work is ongoing. Audit and Scrutiny development sessions for councillors have been positively received and a working group of councillors will produce a programme of councillor development.

Political awareness training will be delivered to staff. This is important because newer members of staff may not fully understand how a council works or the range of services it provides.

Work is planned on a review of broader staff development and development of role profiles in line with job families. This will help to identify any single points of failure and therefore build resilience.

Whilst there has been progress on internal communication and visibility of senior managers, the peer team would encourage ELT to ensure consistency of communication across the directorates so that the same message is heard organisation wide. This will be appreciated by staff and will help them to feel valued by the council. Take the opportunity to raise visibility of councillors by considering a photo board in reception and at the depots so that staff know names and faces.

Recommendation 4: Streamline the actions in your new council plan

‘As the council’s new council plan is developing, further prioritise the number of actions that sit under the four themes in the new council plan and delegate and

empower staff within the organisation to deliver those actions across the life of the plan’.

The council plan is ambitious, and the peer team recognise that the actions to deliver the plan have been streamlined and prioritised to achieve this recommendation. It is positive to hear that over the life of the council plan, cabinet will regularly review and prioritise the actions.

There is an opportunity now for involving staff in service planning at all levels of the organisation as the ‘golden thread’ runs from the council plan through individual directorate and service plans.

Recommendation 5: Resist the temptation to undertake further external reviews

‘Consolidate the learning and recommendations from the reviews the council has undertaken and focus on addressing the actions arising from the various reports. Continue to build on governance improvements systematically reviewing all elements of the council’s governance and implementing improvements where necessary’.

The peer team recognise that the council has worked on embedding the recommendations from external reviews and that actions are regularly monitored, and progress tracked, either through the Annual Governance Statement or by reporting to cabinet, whichever is appropriate.

In time, the peer team suggest that the council sense checks to ensure due diligence is proportionate on all things such as ensuring the appropriate delegations are in place should a quick decision need to be made.

Recommendation 6: Develop a programme of external engagement and make outwardly focused work a priority for the new Chief Executive

‘Develop external engagement with partners and stakeholders for example, undertake work with town and parish councils to include planning matters and host a regular Developer and Agents Forum that includes officers and the portfolio lead for planning. The new Chief Executive should prioritise work on an external focus and profile for the council; external partners are waiting to work with you at a district, county and regional level’.

The peer team heard of excellent progress with this recommendation such as the Water Summit, the Devolution and Anti-Poverty project, and plans for a town and parish council event and a voluntary sector thank you event.

The peer team would suggest that responsibility for external engagement does not sit only with the Chief Executive but that the wider team of directors help so that diary clashes are mitigated and resilience is brought to the leadership group. The same message applies to the wider cabinet in supporting the leader and deputy leader.

Recommendation 7: Consider using councillor and officer ambassadors

‘Consider using councillor and officer ambassadors to address reputation management and assist with ‘myth busting’. Sense check where the council is now and where it wants to be’.

The peer team heard that progress against this recommendation is paused, however, there is an opportunity for all managers to be involved in internal communications. Staff reflected to the peer team on a recent all staff session which was well received, and they are keen for the next one. Perhaps sharing how often they will take place will help to manage expectations along with outlining how internal communications will operate such as using videos for example.

Recommendation 8: Review visibility with housing tenants

‘Whilst ensuring greater visibility with housing tenants is underway, ensure that engagement with them is effective and meaningful to sense check what they would find valuable to support the relationship between housing tenants and the council, and simultaneously address performance’.

The peer team heard of a number of examples of work undertaken to achieve this recommendation. These include appointing tenants to the housing review board, plans for a ‘getting to know you survey’ to ensure data held is up to date, transactional surveys to assess customer satisfaction with repairs and a tenant event held in August 2024.

The peer team recommend ensuring that relevant financial information is robust, and the council is able to make decisions where needed.

Recommendation 9: Provide direction for leisure and culture provision

‘Identify some specific principles for leisure and culture provision that include timescale and budget parameters to ensure a financially sustainable model of service delivery’.

The peer team heard how the council was committed to this work and that workshops had taken place to consider options and challenge the status quo. Leisure services can generate income which would enable you to utilise funding elsewhere. Think about leisure and culture services as a district wide portfolio rather than duplicating activities as the new town leisure centre is developed. The work with consultants will help to identify ways to make provision of leisure services cost and tax efficient, and the council may wish to talk to other councils too about identifying opportunities.

4. Final thoughts and next steps

The LGA would like to thank East Devon District Council for undertaking an LGA CPC Progress Review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Paul Clarke (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and their e-mail address is paul.clarke@local.gov.uk

Report to: **Council**

Date of Meeting 26th February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Devolution and Local Government Reorganisation

Report summary:

This report provides an update on proposals relating to devolution and local government reorganisation. This follows the publication of the English Devolution White Paper on the 16th December 2024. This was the subject of a report considered by Cabinet on the 8th January and then full Council on the 9th January. This report sets out the key options in relation to the potential configuration of both strategic and principal authorities. It also highlights the next steps in developing proposals and the associated timeline.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That Council notes the contents of this report and receives an additional report setting out the proposed interim plan.

Reason for recommendation:

To ensure that Council is fully engaged in the development of the local government reorganisation proposals.

Officer: Andy Wood, Director of Place, email andy.wood@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

A full equalities impact assessment will need to be undertaken alongside the development of wider proposals for local government reorganisation.

Climate change Low Impact

Risk: High Risk; The future shape and form of local government structures will be a key determinant of how funds and powers flow from central government which will ultimately impact how services are delivered to residents.

Links to background information [English Devolution White Paper - GOV.UK](#) [Devolution and local government reorganisation frequently asked questions](#) | [Local Government Association](#) [Minister of State for Local Government and English Devolution invitation to Devon Leaders 05/02/25](#)

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
 - ☒ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☒ Financially secure and improving quality of services
-

1. Background and context

1.1 The English Devolution White Paper was published on the 16th December 2024. This committed to a devolution by default approach with an explicit preference for expanding the mayoral model. This was allied to a policy of local government reorganisation which would see an end to the current two tier system of District and County Council and instead the creation of Principal and Strategic Authorities with guideline populations of 500k and 1.5m people respectively.

1.2 The publication of the White Paper was the trigger for a series of extraordinary Council meetings being convened across Devon during the first full week in January. There was a pressing deadline of the 10th January to request to delay the planned May 2025 County Council elections, which could only come from the County Council, and to submit an expression of interest to be become part of the Devolution Priority Programme. The latter was for areas that wished to move forward at pace with the establishment of a Mayoral Strategic Authority with a view to holding inaugural mayoral elections in May 2026.

2. Current Position

2.1 The publication of the White Paper prompted an intense period of activity. Alongside the County Council requesting the postponement of the May elections, one of 16 County areas nationally, a number of options as to how future Principal and Strategies Authorities could be configured have emerged. These are summarised below;

Principal Authority

- 1) Single Unitary
- 2) Two Unitaries e.g. East/West or North/South
- 3) Expanded Plymouth Unitary
- 4) New Exeter Unitary

Strategic Authority

- 1) Devon & Torbay Combined County Authority (default)
- 2) Devon, Plymouth & Torbay Mayoral Combined Authority
- 3) Peninsular Mayoral Combined Authority
- Including Cornwall
- 4) Expanded Heart of Wessex Mayoral Combined Authority
- Dorset, Somerset, Wiltshire, Bournemouth/Christchurch/Poole

2.2 The White Paper sets out an expectation that consensus will be reached between partners in particular areas as to how best to proceed. It is also clear that Ministers will have powers to direct if this does not prove possible.

2.3 There were a series of events on the 5th February that are pertinent to how proposals can now move forward. In order these events were;

- Confirmation that the Devon & Torbay Combined County Authority had come in to being. Looking forward this will become the Foundation Strategic Authority
- A statement from the Secretary of State setting out which areas had been successful in their application to delay the scheduled May County Council elections. This did not include Devon. Confirmation was also given as to those areas who had been accepted on to the Devolution Priority Programme. This did not include any areas in the wider South West region.
- The receipt of a further letter from the Minister of State for Local Government and English Devolution including a formal invitation to submit proposals for a single tier of local government. This included additional detail on the timetable for submitting both Interim Plans (21st March) and final proposals (28th November) together with the criteria by which these would be assessed. This letter is available through the background links to this report and the requirements regarding interim plans are included at Appendix A below.

2.4 Together the announcement and correspondence helped provide much needed clarification on key aspects of a fast moving agenda.

3. Assessment

3.1 It is clear that there is currently a complex landscape of potentially competing options across the wider Devon area. Considerable work is ongoing to engage all partners to work through the various options and to try reach consensus. It is important to consider the arrangements for both Principal and Strategic Authorities in this respect. The lack of consensus in relation to how a Mayoral Combined Authority could be established has seemingly prevented an expression of interest being submitted to become part of the Devolution Priority Programme. This could see Devon becoming disadvantaged relative to other areas which may be able to access the type of additional powers and funding only available to Mayoral Combined Authorities.

3.2 The confirmation that the May County Council election will proceed also sets the timetable for local government reorganisation with the expectation that new unitary councils would come in to being at the beginning of April 2028 as opposed to a year earlier. The latest Ministerial letter sets out an expectation that local partners will work together collaboratively and proactively such that, ideally, there is alignment behind a single proposal. There is though recognition that this may not be possible in all areas.

3.3 Even though the date that new unitary councils will be established is still over three years in to the future, the initial deadline for submitting interim plans is very challenging. There is considerable work required to address the criteria set out at Appendix A which will demand close working across the Devon Districts together with other Councils and alongside wider engagement with stakeholders. This process will need to continue through to the development and submission of final proposals by the 28th November deadline. Beyond that it is expected that there will be public consultation on the proposals between January and April 2026 and then the necessary legislation will be prepared and laid.

3.4 A further report will come to Council to consider the interim plan before this is submitted to national government. This will require an extraordinary meeting of Council to be scheduled, the timing of which will need to be coordinated with the other Devon Districts.

4. Conclusion

4.1 Proposals around devolution and local government reorganisation are evolving at a fast pace. Considerable time and effort is being invested in exploring the different options with a view to trying to reach consensus. The next stage will be for members to consider a report on the interim plan.

Financial implications:

There are no direct financial implications from the recommendations in this report

Legal implications:

The legal issues are dealt with in the body of the report.

Appendix A

Interim plans

An interim plan should be provided to Government on or before 21 March 2025. This should set out your progress on developing proposals in line with the criteria and guidance. The level of detail that is possible at this stage may vary from place to place but the expectation is that one interim plan is jointly submitted by all councils in the area. It may be the case that the interim plan describes more than one potential proposal for your area, if there is more than one option under consideration. The interim plan should:

- a. identify any barriers or challenges where further clarity or support would be helpful.
- b. identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.
- c. include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.
- d. include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.
- e. include early views on how new structures will support devolution ambitions.
- f. include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.
- g. set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.
- h. set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.

Report to: Council



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

EDDC Culture Strategy 2022-2031 support

Report summary:

This report sets out the Cabinet recommendation to Council arising from their consideration of a report on the EDDC Culture Strategy 2022 - 2031 at their meeting on 8 January 2025.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet with 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 Cabinet recommends to Council that an additional budget of £15,000 is provided from the Council's General Fund Revenue account to fund the recommendations to provide additional funding of £10,000 to Screen Devon and additional funding of £5,000 to Villages in Action as set out in recommendations 1 and 2 (set out in the Cabinet report on 8 January 2025).

Reason for recommendation:

By continuing to financially support these two organisations EDDC is progressing in the delivery of the [East Devon Cultural Strategy](#).

Officer: Andrew Melhuish, Corporate Lead Democratic Services & Scrutiny
(andrew.melhuish@eastdevon.gov.uk)

Report to: **Cabinet**

Date of Meeting 8 January 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



EDDC Culture Strategy 2022-2031 support

Report summary:

Since the creation and adoption of the Council's Culture Strategy 2022-2031 a significant amount of progress has happened with the appointment of the Council's Cultural Producer to drive the Strategy's 10-year Delivery Plan forward. The setting up of the Arts Culture East Devon (ACED) network has now attracted over 200 local cultural and creative organisations across the district that is helping to drive community engagement, social capital, pathways for young creatives, engaging in Placemaking schemes and boosting the local economies of our towns and rural areas. This has been supplemented with the funding received from the UK SPF and our cultural programme which has enabled an acceleration of many of our priority areas in the Culture Strategy. The UK SPF has also helped to set up the Creative East Devon Fund which is a competitive application process open to all the District's local creative and cultural organisations within the ACED network to develop and grow their work.

The UK SPF has also supported the initial development of Screen Devon and its business plan for establishing opportunities for inward investment from the film industry into the county. However the uncertainty surrounding the future of the UK SPF and the Council's role in shaping its delivery programmes including culture has meant the critical "lifeline" of seed funding into many grassroots creative and cultural organisations as well as supporting new initiatives such as Screen Devon that have the potential to boost East Devon's local economy are now in jeopardy. The UK SPF has created significant momentum for much of the cultural activities supported by the Council and provided important match funding for new initiatives and programmes bringing in important funding leverage from outside the Council.

The Council Plan has identified the value and importance of its cultural programmes and events within its current Council Plan and how it can help to shape areas such as place making, enable community cohesion and support our local economies with job creation and apprenticeships into the creative and arts sector.

Is the proposed decision in accordance with:

Budget Yes ☐ No ☒

Policy Framework Yes ☒ No ☐

Recommendation:

That Cabinet resolves:

1. To approve the support of the Screen Devon scheme and its supporting Key Performance Indicators by granting additional funding of £10,000 for the 2025/26 financial year as set out in the report;
2. To approve the support of the Villages in Action programme and its supporting Key Performance Indicators by granting additional funding of £5,000 (in addition to the existing

annual contribution of £10,000) for the 2025/26 financial year to support the recruitment of a new Network Lead in East Devon.

3. That Cabinet recommends to Council that an additional budget of £15,000 is provided from the Council's General Fund Revenue account to fund the recommendations to provide additional funding of £10,000 to Screen Devon and additional funding of £5,000 to Villages in Action as set out in recommendations 1 and 2.

Reason for recommendation:

By continuing to financially support these two organisations EDDC is progressing in the delivery of the [East Devon Cultural Strategy](#), in particular:

- Strengthening and Supporting 'the-people-that-do'
- Cultural Tourism
- Creative Enterprise and Skills
- Connectivity
- Cultural Leadership

Supporting these two organisations will help us reach our strategy goals. These are that by 2031:

1. East Devon's cultural offer is perceived by residents as high quality, interesting, fun, relevant, accessible and well-promoted
2. Residents who have taken part in cultural activity feel that their health, happiness and wellbeing have improved as a result
3. Children and young people across the district feel they have ample opportunities to take part in cultural and creative activities
4. More people work in the cultural and creative industries in East Devon, backed up by more training, skills and pathways to employment
5. Cultural organisations, artists and creative businesses feel connected, resilient and creatively ambitious (professional and voluntary sectors)
6. Investment into arts, museums and heritage through earned income, grants, sponsorship and philanthropy has increased
7. The number and diversity of visitors, audiences and participants in culture and creative activity in East Devon has increased
8. Culture is helping to tackle the climate emergency

Officer: Sarah Elghady, Cultural Producer Sarah.Elghady@eastdevon.gov.uk; Charlie Plowden, Assistant Director – Countryside & Leisure, CPlowden@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; The uncertainty of the future of the UK SPF has meant that a number of programmes of activity such as the cultural programme are potentially unlikely now to continue beyond the final year of 2024/25. The funding that has been received over the last three years has been crucial to support the delivery of multiple priority outputs and outcomes from the Council's Culture Strategy 2022-2031.

Links to background information [East Devon Cultural Strategy](#) ; [The Advantage of Establishing a Regional Screen Agency for Devon - Research Report Salas 2023-1116 \(eastdevon.gov.uk\)](#); [ACED Directory](#);

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
 - ☐ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☐ Financially secure and improving quality of services
-

Report in full

1. Screen Devon scheme 2025/26

1.1 Screen Devon emerged out of a two year research project at Exeter University to promote the region's capabilities and develop the local screen industry. It's goals are to improve Devon's prosperity potential, raise the profile of Devon's talent, culture and landscapes, and to ensure that growth was equitably distributed and fair.

1.2 Screen agencies are ordinarily governmental organisations, but this is difficult in Devon due to the number of local authorities in the region and the scale that a screen agency needs to work to. Screen Devon is independent and able to work easily across boundaries to the benefit of all.

1.3 At the Council's Arts and Culture Forum meeting in November 2024 the following points were discussed:

- The estimated market capture of UK productions.
- The South West is the largest English region but only had one film and TV studio, located in Bristol.
- Public service broadcasters are required to base more TV productions in the regions.
- East Devon would benefit from productions based in other Devon local authorities and vice versa, based on the average travel time radius of an hour, which is what is looked at for locations to shoot around a base.
- There is a lot of talent in film making in Devon.
- Eight areas of action:
 - Profile building.
 - Economy.
 - Jobs.
 - Education.
 - Champion screen culture.
 - Sustainability and equality.
 - Research.

- Future facing.

1.4 Initial funding would be from other Devon district councils (6 out of 10 have committed so far), Devon County Council, Exeter Culture, Plymouth Culture and the University of Exeter.

1.5 A request was made for a £10,000 contribution from East Devon DC towards the £72,000 core funding for 2025/26. Screen Devon is a five to ten year project that would take time to build capacity, profile and reputation. It would help to make sure that East Devon benefitted from the national growth of the film and TV sector. It was reported that medium budget feature film would spend £66,000 per day in a local region. The Forum noted that Screen Cornwall figures revealed that film and TV production was worth £5m to the local economy.

1.6 The Forum agreed that Screen Devon was an excellent idea and a fantastic opportunity for the area. It would help to keep creative people in Devon. Tourism in the area would also benefit as well as local employment and arts education.

1.7 The contribution of £10,000 from East Devon DC this year from the UK SPF has been put towards the hire of a General Manager and Officer, who will begin in January 2025.

1.8 Screen Devon – KPIs (2025 – 2026)

KPI 1: Screen Devon will offer one training or skills development workshop for up to **10 people** seeking pathways into the creative Industries, in East Devon.

KPI 2: Screen Devon will host one in-person networking event for Cultural organisations, artists and creative businesses based in East Devon with the opportunity to access 1-to-1 mentoring from industry experts: up to **5 mentoring sessions and 25 attendees**.

KPI 3: Screen Devon will deliver a session to demystify Green Film production and help understand industry-standard Green Policies. **1 workshop for 8 people**

1.9 These goals align with the cultural strategy by ensuring cultural organisations, artists and creative businesses feel connected, resilient and creatively ambitious, it also addresses the goal of more people working in the cultural and creative industries in East Devon, backed up by more training, skills and pathways to employment as well as increasing the number and diversity of visitors, audiences and participants in culture and creative activity in East Devon.

2 Villages in Action (ViA) programme

2.1 Villages in Action (ViA) was established in 2001 to bring live performance, arts and cultural events to rural communities across Devon. For over two decades ViA have worked alongside communities to grow opportunities for Devon's towns and villages to host a whole range of excellent creative work – across dance, theatre, music, circus, spoken word, poetry, visual arts and more.

2.2 Since 2021, ViA have embarked on a new journey – to shift the way they think about rural touring in Devon. With their network of promoters and co-curators, they are reimagining the way communities create and welcome new work and the people who make it.

2.3 Through their [Agri]Culture model, ViA aim to strengthen the voice of our towns and villages in both hosting and creating work that reflects our changing communities and the wider world. At its heart, this model is about making work together, and making work happen together. Participatory activities, artist residencies and creative skills opportunities run alongside invitations to host and

see visiting performances. ViA's aim is that, over time, this culturally driven action-network will grow meaningful social & cultural capital within rural communities.

2.4 Villages in Action (ViA) is seeking an uplift of £5,000 to the annual contribution from the Council which is currently £10,000 (an amount that has remained the same since 2010) to support the recruitment of a [Agri] Culture Network Lead in East Devon.

2.5 The aims of this role:

- To galvanise the East Devon network - to act as a local support for new promoters and members of the network, offering on the ground support for first-time events, risk assessment and other event management training.
- To represent Villages in Action at co-creation meetings with partners, wider networking events, meeting representatives from other organisations to better collaborate, plan and co-design shared projects with a focus on community-based asset development.
- To offer paid employment opportunities, and a chance to grow the team in line with our longer-term ambitions to grow the East Devon hub of Villages in Action.

2.6 Engagement details:

- 24 days a year (April 2025- March 2026)
- £5000/year based on £120-£175/day freelance rate + expenses for travel and expenses

2.7 Villages in Action - KPIs (2025/26)

KPI 1: To develop 2 new strategic partnerships with at least 4 new East Devon based organisations, with a minimum of 2 collaborative funding bid submissions for shared project work.

- This addresses the East Devon Cultural Strategy goal to increase investment into arts, museums and heritage through earned income, grants, sponsorship and philanthropy as well ensuring cultural organisations, artists and creative businesses feel connected, resilient and creatively ambitious.

KPI 2: To provide 2 new paid freelance opportunities for East Devon residents for the network in East Devon, and direct Continuing Professional Development for up to 15 East Devon based volunteers in Event Management, Risk Assessment, Impact and Evaluation and Artist Support.

- This addresses the East Devon Cultural Strategy goal of more people working in the cultural and creative industries in East Devon, backed up by more training, skills and pathways to employment.

2.8 The opportunity to help support and scale up the level of rural touring programmes across East Devon through ViA with a modest investment is based on a proven track record of delivery and a robust framework of review and evaluation that is presented to the Council's Arts & Culture Forum on an annual basis to ensure it is achieving the desired outcomes and KPIs.

Financial implications:

The 25/26 draft budget is being prepared and presented and explains the significant challenges upon the general fund in year to maintain a balanced budget and also explains the remaining uncertainties with regards to central government assistance at this time. Although the additional funding of £15k being requested here is not overly material in this regard, these financial pressures should be considered when approving any additional budget that has not already been included within the 25/26 budget papers and then be compared with the potential benefits/merits that each project will bring to the council or region.

Legal implications:

Legal time will be needed to prepare and complete grant funding agreements for the two projects. There are no substantive legal issues to be added to this report

Report to: **Council**

Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Cranbrook Community Governance Review

Report summary:

Cranbrook Town Council has made a request that the Council undertake a community governance review in accordance with the Local Government and Public Involvement in Health Act 2007 to revise the parish boundary of Cranbrook to properly reflect the planned expansion of the town.

Under section 82 of the Local Government and Public Involvement in Health Act 2007 the Council has the discretionary power to undertake the review.

This report seeks Council authorisation to carry out the review.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

1. That the Council undertake a Community Governance Review of the current Cranbrook Town Council area with a view to establishing whether expansion of the current town boundaries is considered to be appropriate.
2. That the Terms of Reference be agreed, including the timetable and arrangements for public consultation.
3. That delegated authority be given to the Monitoring Officer to make amendments to the Terms of Reference as are necessary and appropriate;
4. That the Council notify Devon County Council that a review is to be undertaken, and provide them with a copy of the Terms of Reference for the Review.
5. Note that further reports will be brought to Council in order that decisions may be made in respect of draft proposals and final recommendations of the Review.

Reason for recommendation:

Reason for recommendations:

1. The Cranbrook area has undergone and continues to undergo significant development and expansion in relation to housing and related development and infrastructure which extend into the area of neighbouring parishes. It is therefore appropriate to review the current governance of the area to ensure it is fit for purpose, reflects local identities and the interests of the community, and facilitates effective and convenient local government.

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; It is essential that a robust process is put in place to undertake this review, in compliance with the Local Government and Public Involvement in Health Act 2007

Links to background information None.

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
- ☐ Carbon neutrality and ecological recovery
- ☐ Resilient economy that supports local business
- ☐ Financially secure and improving quality of services

Report in full

1. Introduction to Community Governance Reviews

- 1.1 A Community Governance Review (“CGR”) is a review of the whole or part of a district. The principle legislation under which the Council has power to undertake CGR is the Local Government and Public Involvement in Health Act 2007 (“the 2007 Act”).
- 1.2 Under the 2007 Act a CGR must make recommendations in relation to:
 - (a) Whether a new parish or any new parishes should be constituted (and if so the name of the new parish; whether the new parish should have a parish council; and whether or not the new parish should have one of the alternative styles);
 - (b) Whether existing parishes should or should not be abolished or whether the area of existing parishes should be altered (including recommendations as to whether or not the name of a parish should be changed; if there is no parish council whether

the parish should have a council; and if there is a parish council, whether or not the parish should continue to have a council); and

- (c) What the electoral arrangements for new or existing parishes, which are to have parish council, should be.

1.3 Under the 2007 Act a CGR may make recommendations:

- (a) In relation to whether or not grouping or de-grouping provision should be made (which must include recommendations as to what changes (if any) should be made to the electoral arrangements that apply to a council affected); and
- (b) To the Local Government Boundary Commission as to what related alteration (if any) should be made to the boundaries of the electoral areas of the Council.

1.4 Under the 2007 Act, the Council must:

- (a) Determine and publish Terms of Reference for the review which specify the area under review, set out the matters on which a review is to focus, and be appropriate to local people and their circumstances, and reflect the specific needs of their communities.
- (b) Consult the local government electors for the area under review; and any other person or body which appears to the Council to have an interest in the review.
- (c) Have regard to the need to secure that community governance within the area under review reflects the identities and interests of the community in that area; and is effective and convenient.
- (d) In deciding what recommendations to make, take into account any other arrangements (apart from those relating to parishes and their institutions) that have already been made, or that could be made, for the purposes of community representation or community engagement in respect of the area under review.
- (e) Take into account any representations received in connection with the review.
- (f) As soon as practical after making any recommendations, publish the recommendations; and take such steps as it considers sufficient to secure that persons who may be interested in the review are informed of those recommendations.

1.5 In undertaking a review, the Council is required to have regard to any guidance issued by the Secretary of State or the Local Government Boundary Commission. The current joint Secretary of State and Local Government Boundary Commission guidance was published in March 2010 ("the Guidance") and can be accessed at the following address:

<https://www.gov.uk/government/publications/community-governance-reviews-guidance>

1.6 There have been amendments to the 2007 Act since the Guidance was published, which are not reflected in the Guidance.

1.7 The Guidance states (among other things) that in undertaking a review, the Council should take into account the impact of community governance arrangements on community cohesion; and the size, population and boundaries of a local community or parish.

1.8 Once approved, a review normally involves the following stages:

- (1) Setting terms of reference of the review;
- (2) Publicising the terms of reference;
- (3) Undertaking consultations with the local government electors for the area and any other person or body (including relevant Parish Councils) who appear to have an interest in the review;
- (4) Considering representations;
- (5) Preparing and publishing draft proposals;
- (6) Undertaking consultation on the draft proposals;
- (7) Considering representations; and
- (8) Determining and publishing any recommendations.

1.9 Where a review makes recommendations as to change, the Council has the power to make a reorganisation order. This can be made at any time following a review, however for financial and administrative purposes, the order should take effect on 1 April following the date on which it is made.

1.10 Where a petition or application for review (as defined in the 2007 Act) is received by the Council, the review must be concluded within 12 months starting with the day on which the Council receives the petition or application. Where no petition or application is received, the Council is able to commence a review where it considers it appropriate to do so, which may be in consequence of a request to undertake such a review.

2. Background and New Request for Review

2.1 In 2021 the Council received a request from Cranbrook Town Council to undertake a community governance review. Cranbrook was an area experiencing significant development and the Town Council wanted to have the current boundaries assessed in anticipation of the planned expansion areas coming forward for housing and related development which extend into neighbouring parishes.

2.2 Terms of reference were prepared along with a proposed timeline, and authority to proceed with the review was sought on 3 March 2021. A copy of the report can be found here:

<https://democracy.eastdevon.gov.uk/documents/g1506/Public%20reports%20pack%2003rd-Mar-2021%2018.00%20Cabinet.pdf?T=10>

2.3 After commencing the review, it then became clear that carrying out the community governance review at that time was premature pending the adoption of the Cranbrook Plan. Subsequently a decision was made to discontinue the review on 3rd November 2021. A copy of the report can be found here:

[\(Public Pack\)Agenda Document for Cabinet, 03/11/2021 18:00 \(eastdevon.gov.uk\)](#)

2.4 At its meeting on 16 December 2024 the Cranbrook Town Council, having reviewed the content of its previous request, resolved to make a new request for review to the Council in the same terms. A copy of the request is attached at Appendix 1 of this report.

- 2.5 The Council has discretion as to whether to commence a review as requested. A copy of the proposed Terms of Reference which might be adopted should the Council determine to undertake a review, is attached at Appendix 2 of this report for consideration by members of Council.

Financial implications:

Council have approved budget provision for this work.

Legal implications:

The legal implications are set out in the body of the report.

Email received from Cranbrook Town Council – 06/01/2025

Further to the email exchange below dated October 2022, Cranbrook Town Council resolved at a full Council meeting on 16 December 2024 to reaffirm its 2022 request for a community governance review and to write to the Chief Executive of East Devon District Council again to request that a community governance review be conducted to revise the parish boundary of Cranbrook to properly reflect the planned expansion of the town.

I look forward to hearing from you, hopefully with a positive response.

Thank you,

Best regards,

East Devon District Council

LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007

COMMUNITY GOVERNANCE REVIEW – CRANBROOK PARISH

TERMS OF REFERENCE

A review under the Local Government and Public Involvement in Health Act 2007

INTRODUCTION

Setting the Context

The Local Government and Public Involvement in Health Act 2007 (“the 2007 Act”) authorises a principal council to conduct a Community Governance Review (CGR) of the whole or part of its area. Reviews can be triggered by local people presenting a petition or by application from a parish council which is designated as a neighbourhood forum. The principal council can also determine to undertake a review of its own accord at any time.

East Devon District Council (“the Council”) has resolved to undertake a CGR of the Cranbrook Parish following a request from the Cranbrook Town Council.

In undertaking the review the Council will comply with the legislative and procedural requirements of the 2007 Act and will have regard to Guidance on Community Governance Reviews issued under section 100 of the Local Government and Public Involvement in Health Act 2007 by the Secretary of State and the Local Government Boundary Commission.

The Council has drawn up and now publishes this Terms of Reference document. This document lays out the aims of the review and the legislation that guides it.

These Terms of Reference will be published by placing a copy on public deposit at the offices of East Devon District Council, Blackdown House, Honiton and on the Council’s website at www.eastdevon.gov.uk

What is a Community Governance Review (CGR)?

A CGR is an opportunity to review and make any necessary recommendations as to changes to community governance within a specific area. This might be appropriate where there have been changes in the population, or in consequence of specific or local new issues. The aim of a CGR is to ensure that appropriate community engagement, local democracy, and effective and convenient delivery of local services, are in place.

A CGR is a review of the whole or part of the district to consider one or more of the following:

- Creating, merging, altering or abolishing parishes;
- The naming of parishes and the style of new parishes;
- The electoral arrangements for parishes (the ordinary year of election; council size; the number of councillors to be elected to the council; and parish warding); and
- Grouping parishes under a common parish council or de-grouping parishes.

The Council has a duty to consult local government electors for the area under review and any other person or body which appears to have an interest in the review, and to take account of any representations received in connection with the review. The Council must also have regard to the need to secure that community governance within the area under review will be:

- Reflective of the identities and interests of the community in that area; and
- Effective and convenient.

Cranbrook Terms of Reference

In deciding what recommendations to make, the council must take into account any other arrangements (apart from those relating to parishes) that have already been made, or that could be made, for the purposes of community representation or community engagement in respect of the area under review. In doing so the CGR is required to take into account:

- The impact of community governance arrangements on community cohesion; and
- The size, population and boundaries of a local community or parish.

Who undertakes the review?

As the principal authority the Council is responsible for undertaking any CGR within its electoral area. The Council will approve the final recommendations.

Once the final recommendations are approved, the Council will consider whether a Reorganisation Order should be made.

Where a Reorganisation Order is made, it will normally come into effect on 1 April following the date on which the Order is made.

CONSULTATION

In coming to its recommendations the Council will take account of the views of local people. The 2007 Act requires the Council to consult the local government electors for the area under review and any other person or body who appears to have an interest in the review and to take the representations that are received into account.

The Council intends to consult with all households and interested parties in the area inviting initial submissions, and then seeking views on the resulting draft proposals.

The Council will also identify any other person or body who it feels may have an interest in the review and write to them inviting them to submit their views at both stages of consultation.

The Council will also be pleased to receive comments from any other person or body that wishes to make representations; any such person that makes representations during the initial invitation to submit proposals will be invited to make comments in respect of the draft proposals.

As required by Section 79(3) of the 2007 Act, the Council will notify Devon County Council that a review is to be undertaken, provide them with a copy of the Terms of Reference for the review, and will consult them on the matters under review.

The Council will publish all decisions taken in the review and the reasons for taking those decisions and will work towards the Government's aim that "Community Governance Reviews should be conducted transparently so that local people and other stakeholders who may have an interest are made aware of the outcome of the decisions taken on them and the reasons behind these decisions."

The Council will take appropriate steps to publish the outcome of the review, including on its website at www.eastdevon.gov.uk

A timetable for the review

The following is the indicative review timetable:

| Action | Timetable |
|--|------------------------------|
| Compiling Terms of Reference | February 2025 |
| Terms of Reference report to Council | February 2025 |
| Council approves Terms of Reference | February 2025 |
| Publication of approved Terms of Reference | February 2025 |
| Stage one – Invite consultation submissions | March 2025 – June 2025 |
| Stage two – Consideration of submissions received and draft proposals prepared | July 2025 |
| Stage three – Draft proposals are published and consultation on proposals undertaken | August 2025 – October 2025 |
| Stage four – Consideration of submissions received and final proposals prepared | November 2025 – January 2026 |
| Preparation of Recommendations and approval by Full Council | February 2026 |
| Publication of Recommendations | February 2026 |

Consideration will then be given to a Reorganisation Order to implement any recommendations for change. Should a Reorganisation Order be made, this will normally take effect on 1 April following the making of the Order, and will be publicised in accordance with the 2007 Act.

PARISH AREAS

Introduction

The legislation requires that the Council must have regard to the need to secure that community governance within the area under review:

- Reflects the identities and interests of the community in that area;
- Is effective and convenient; and
- Takes into account any other arrangements that have already been made or could be made for the purposes of community representation or community engagement in the area.

Parishes

The Council is keen to ensure that electors should be able to identify clearly with the parish in which they are resident because it considers that this sense of identity and community lends strength and legitimacy to the parish structure, creates a common interest in parish affairs, encourages participation in elections to the parish council, leads to representative and accountable government, engenders visionary leadership, and generates a strong, inclusive community with a sense of civic values, responsibility and pride.

The request made by Cranbrook Town Council, which sets out the changes to community governance that the Town Council consider appropriate, is appended to these Terms of Reference.

District Warding and County Division Boundaries

The Local Government Boundary Commission is responsible for deciding whether any alterations to the boundaries of District Wards or County Divisions are required. Should the recommendations arising from

the review require any such alterations, the Local Government Boundary Commission will require evidence that the Council has consulted on any such recommendations. If the need for changes becomes apparent during the course of this review the Council will endeavour to incorporate them within the consultation at the earliest opportunity.

REORGANISATION OF COMMUNITY GOVERNANCE ORDERS AND COMMENCEMENT

The process will be completed when the Council publishes its recommendations. The Council may then determine to make a Reorganisation Order.

Where an Order is made, it will contain a map showing in general outline the area affected by the Order.

Copies of any Order, and the document(s) which set out the reasons for the decisions the Council has taken, together with maps to illustrate each recommendation at a scale that will not normally be smaller than 1:10,000, will be deposited at the Councils offices and posted on its website.

Two copies of the Order will be sent to both the Secretary of State, and the Local Government Boundary Commission.

CONSEQUENTIAL MATTERS

The Council notes that a Reorganisation Order may cover any consequential matters that appear to the Council to be necessary or proper to give effect to the Order. These may include:

- The transfer and management or custody of property;
- The setting of precepts for new parishes;
- Provision with respect to the transfer of any functions, property, rights and liabilities;
- Provision for the transfer of staff, compensation for loss of office, pensions and other staffing matters.

In these matters the Council will be guided by the 2007 Act and the Regulations that have been issued under it.

In particular the Council notes that Regulations regarding the transfer of property, rights and liabilities require that any apportionments shall use the population of the area as estimated by the Proper Officer of the Council as an appropriate proportion. Furthermore, the Council notes that the Regulations regarding the establishment of a precept for a new parish require the Council to calculate the first anticipated precept for a newly constituted parish council and for the amount of that precept to be included in the Reorganisation Order.

HOW TO CONTACT US

Should you wish to submit a written representation regarding this review please address this to:

TBC

East Devon District Council

Blackdown House

Border Road

Heathpark Industrial Estate

Honiton

EX14 1EJ

Alternatively your representation can be e-mailed to: TBC

DATE OF PUBLICATION OF THESE TERMS OF REFERENCE

Date of Publication: [DATE]

Report to: Council

Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



New Planning Policy – Local Development Scheme

Report summary:

This report sets out the Strategic Planning Committee recommendation to Council arising from their consideration of a report on the New Planning Policy – Local Development Scheme at their meeting on 4 February 2025.

Note: The references in this report to Paper A relate to the relevant report considered by the Strategic Planning Committee with 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 Strategic Planning Committee recommend that the proposed new Local Development Scheme, as appended to this report as Appendix 1, should be endorsed and should take effect immediately following approval.

Reason for recommendation:

To ensure the Council has an up-to-date Local Development Scheme.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Report to: **Strategic Planning Committee**



Date of Meeting: 4 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

New planning policy – Local Development Scheme

Report summary:

The Local Development Scheme (LDS) sets out a programme and timetable for production of future planning policy documents. The previous LDS dates from late 2024, but in response to communication from the Ministry of Housing, Communities Local Government, dated 13 December 2024, an update is required. This report introduces the proposed new LDS, summarises key content and provides more information on plan production considerations.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That Strategic Planning Committee recommend to Council that the proposed new Local Development Scheme, as appended to this report as Appendix 1, should be endorsed and take effect immediately following approval.

Reason for recommendation:

To ensure the Council has an up to date Local Development Scheme.

Officer: Ed Freeman – Assistant Director, Planning Strategy and Development Management,
e-mail – efreeman@eastdevon.gov.uk, Tel 01395 517519

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; The direct risk is low. But a new LDS related to the issue of local plan production for which there are wider substantive risks.

Links to background information

Links to background documents are contained in the body of this report.

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 There is a requirement for planning authorities to have an up-to-date Local Development Scheme (LDS). The LDS is programme planning document setting out timetables for plan making work.
- 1.2 The new proposed LDS forms a future work programme for the Planning Policy team at the Council and is appended to this committee report. The new LDS lists key policy documents that are proposed to be produced by the Planning Policy team or in which the policy team is partnering in production. The LDS also provides an overview of and advises on relevant planning policy work undertaken by outside partners, to include Devon County Council, in respect of waste and minerals plans and local communities in respect of Neighbourhood Plan making.
- 1.3 The reasons for this new LDS, noting the last one was approved in late 2024, is because the Ministry of Housing, Communities and Local Government advised on the 13 December 2024 [Chief Planner's newsletter December 2024 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk) that:

“Updated Timetables for Local Plan Preparation In light of the changes to the NPPF, the Deputy Prime Minister has asked that all local planning authorities produce an updated Local Development Scheme (LDS) within 12 weeks of the publication of the NPPF, i.e. by no later than 6 March 2025. The updated LDS should include clear, realistic, and specific dates for consultation and submission of the local plan. We ask that once updated, the LDS is made publicly available, and a copy is sent to the Ministry”
- 1.4 The main change from the previous version of the LDS is that the first stage Regulation 19 consultation will now start in February 2025 rather than January.

We are required to report to government that we have updated the LDS and hence bringing this report to committee now.

Financial implications:

There are no direct financial implications identified in this report.

Legal implications:

The legal implications are set out within the report (002533/4 February 2025/DH).

East Devon Local Development Scheme – February 2025

The work programme for planning policy production in East Devon



East Devon – an outstanding place

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1 Introduction

- 1.1 This East Devon District Council Local Development Scheme (LDS) sets out a programme and timetable for production of future planning policy documents by the Council.
- 1.2 East Devon District Council has resolved that this new LDS should take effect from **date to be inserted once confirmed**. This LDS covers the time period from February 2025 through to the end of 2026, it is envisaged however that it will be revised and superseded before this end date.

2 The stages in Development Plan Document preparation

- 2.1 Development Plan Documents (DPDs) sit at the top of the hierarchy of District Council planning policy documents, on adoption they form part of what is defined as the Development Plan. The term 'local plan' is often used interchangeably with DPD and the Council has an adopted plan (which is a DPD) called the 'East Devon Local Plan'.
- 2.2 DPDs are of fundamental importance in respect of informing prospective developers of the types of development and locations for development that are likely to be appropriate and they are the key policy documents used in determining planning applications. DPDs also inform communities, infrastructure and service providers and other council and wider service providers of development proposals. There are specific legally defined procedural steps that need to be complied with by the Council in order to produce a DPD, some of these are referred to in this LDS, however for a more complete picture see: The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended), noting that future changes may be made: <http://www.legislation.gov.uk/uksi/2012/767/contents>
- 2.3 In this LDS we set out dates for undertaking key stages in production of DPD. The stages we report on are summarised below:
- Issues Consultation – this is the starting point where comments on general issues and plan scope are sought. At this stage of plan making potential options and alternatives for development may be identified.
 - Draft plan – this is where a draft version of the plan or some other consultation document or documents are produced and feedback is sought.
 - Publication – this is the plan that the Council intend to submit for examination. The plan is made available and formal objections and other responses are sought from at this stage. Anyone can comment.

- Submission – the publication plan, the evidence supporting the plan and the formal responses to the plan are submitted to the government who appoint an independent inspector to consider the soundness of the plan. The examination of a plan, carried out by a Planning Inspector, starts at plan submission.
- Inspector's Hearings – as part of the examination process there will typically be hearing sessions at which the Inspector will lead discussion on the contents of the plan, this helps the Inspector prepare their report.
- Adoption – the Council receive a report from the inspector and can then, assuming earlier tasks do not need to be revisited, adopt the plan.

2.4 It is stressed that the above stages are a much-simplified version of what happens in plan making, however they give an overview of plan preparation timelines. Government plan making regulations and legislation (and other guidance) should be reviewed for a complete picture of legislative processes that have to be followed.

3 The adopted East Devon Local Plan, the Villages Plan and the Cranbrook Plan

3.1 There are three existing current East Devon District Council adopted DPDs:

- The existing East Devon Local Plan, covering most policy matters across the district, was adopted on the 28 January 2016.
- An East Devon Villages Plan, adopted on 26 July 2018, has a much more narrowly defined remit of defining Built-up Area Boundaries around selected village settlements and it defines retail policy for Beer and Colyton.
- The Cranbrook Plan covers development matters at the new town and was adopted on 19 October 2022.

3.2 It should be noted that policies in local plans should be reviewed at least every five years to assess whether they need updating, and the reasons for decision should be published. A formal review of the adopted East Devon Local Plan was undertaken in 2020.

4 Future Development Plan Documents in East Devon

4.1 This LDS sets out that, from 2023 to 2026, there will be one further DPD that will be produced by the Council, summary details with dates set against key stages, are set out below. It should be noted that the dates (year and months or season/part of year) provided are based on what we currently know or best estimates, changes over time are, however, possible.

- 4.2 Future East Devon Local Plan – the expectation is that this plan will address all Development Plan matters, other than at Cranbrook, that fall to the responsibility of East Devon District Council. The following forms the timetable for production:
- Issues Consultation – completed in January 2021.
 - Draft plan – the first consultation was completed in January 2023 and there was further consultation in summer 2024.
 - Publication – Regulation 19 consultation:
 - First round - projected to start February 2025.
 - Second round – projected to start in Spring 2025.
 - Submission – Autumn 2025.
 - Inspector’s Hearings – 2025/2026.
 - Adoption – Late 2026.
- 4.3 The above timetable sets out two stages of Publication consultation. The first will be for the full local plan, all content, bar selected elements applicable to the development of and policy for the new town proposals (a second new town over and above Cranbrook). There is, in late 2024, and going into 2025, ongoing master planning work for the new town and there is also a cross-local authority transport study that is being carried out, this is focussed on assessment of transport impacts and mitigation options at around Exeter and its hinterland. These two streams of evidence will be instrumental in informing and justifying local plan policy at and for the new town. Though as they will not be concluded until Spring 2025 it is deemed appropriate to run a second round of Publication consultation in Spring 2025, specifically and majoring on new town matters.
- 4.4 The overall plan making timetable will be kept under review in the light of possible changes that may be made by Government to plan rules. These are expected to include transitional arrangements to allow existing plans to progress under existing arrangements and the timetable set out above is written in response to Government consultation proposals (but final Government regulations are yet to be determined (they may appear in late 2024 or potential 2025). Timetabling matters will be kept under review in response to potential changes from Government and particular timing and deadline rules they set out.
- 4.5 It should be noted that the intent is that the new local plan will supersede and replace in its entirety the existing local plan and also the villages Plan. The Cranbrook Plan will remain parts of the Development Plan though some parts, a limited number of policies within it, will be superseded by new local plan policies.

5 Other policy documents identified for production

- 5.1 In addition to DPDs the Council also produce a number of additional policy documents. Of greatest importance in respect of determining planning applications are Supplementary Planning Documents (SPDs). SPDs (or documents of a similar nature that under reforms to the plan making regime that may come into existence) are intended to provide more detail on the use and implementation on policies in DPDs. Procedures for producing SPDs are set out in legislation and regulations and the Council has a protocol for SPD production, see: <https://eastdevon.gov.uk/media/2443645/spd-protocol-adopted-by-spc-20-march-18.pdf>
- 5.2 SPDs need to go through two stages of consultation but they are not subject to examination and therefore their preparation is shorter and simpler than DPDs; but they do not carry the same weight in decision making.
- 5.3 The Planning Policy team of the Council may also produce further guidance and advice to support and promote development and promote wider social and environmental objectives. Such guidance will not have the formal status of an SPD but we will often look to follow similar processes in production.

6 Community Infrastructure Levy - Charging Schedule

- 6.1 In East Devon a financial charge, called a Community Infrastructure Levy (CIL), is placed on certain types of new development (most notably new housing) and monies raised are used to help pay for infrastructure that is needed to support development.
- 6.2 In order to be able to charge CIL the Council had to produce a charging schedule that is supported by financial viability assessment evidence, undertake consultation and take the work to Examination by an independent examiner. In this respect production of the CIL charging schedule follows a similar path to that for DPDs (but under separate legislation). The current charging schedule was approved in 2020 and applied from 1 February 2021. A timetable for production of a new CIL charging regime is to be established. Work is projected to start in 2025.

7 Neighbourhood Plans

- 7.1 Neighbourhood Plans are produced by local communities and in East Devon they are typically produced at the parish level. Neighbourhood Plans set out policies and proposals for development and in this respect they are similar to DPDs and they follow reasonably similar stages in production (but under separate legislation). Once adopted (the technical term is that they are made) they also form part of the Development Plan for the District and are used

alongside DPDs, SPDs and other policy documents in the determination of planning applications.

- 7.2 For more information on Neighbourhood Plans see:

<https://eastdevon.gov.uk/planning/planning-policy/neighbourhood-and-community-plans/>

8 Waste and minerals planning and Devon County Council work

- 8.1 The responsibility for waste planning and minerals planning in East Devon rests with Devon County Council; they have legal responsibility for producing plans and determining planning applications for these two matters. The County Council adopted a new Devon waste plan in 2014 and adopted a new minerals plan in 2017. For more information see:

<https://www.devon.gov.uk/planning/planning-policies/minerals-and-waste-policy>

- 8.2 The adopted waste plan and adopted minerals plan are also part of the Development Plan for East Devon.

Report to: Council



Date of Meeting 26th February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

2023/24 Statement of Accounts

Report summary:

A report was presented to Council on 16th October 2024 explaining new legislation had been introduced in response to the acknowledged position that the audit regime for local authority accounts was broken with only 1% of local authority bodies having published audited accounts.

This legislation set a statutory backstop of 13 December 2024 for the publication of audited accounts for all financial years up to and including 2022/23; on the understanding this will not be possible for most cases, and these being then deemed “disclaimed” and not audited. At this point we had two years audits outstanding and had disclaimers issued for 2021/22 and 2022/23 accounts.

Future backstop dates were also set for 2023/24 accounts, this being 28th February 2025, and for further years a similar process will apply in attempt to clear the backlog situation and bring audits up to date.

The 20th February Audit and Governance Committee received a report from the Council's auditors, Grant Thornton who are issuing a disclaimer on 2023/24 Accounts. This is disappointing with details and future actions contained in this report.

In context with the national picture Public Sector Audit Appointments (PSAA) analysis shows 43.9% of local government body accounts for 2022/23 were disclaimed due to the backstop date of 13th December, while only 1.1% of audits for 2022/23 were delivered by the original publishing date. As at the 20th December 2024 PSAA were expecting the number of disclaimed opinions for 2023/24 to be similar to the level for 2022/23.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

The Audit and Governance Committee required Council to be made aware of the position with the 2023/24 Accounts

Reason for recommendation:

The Audit & Governance Committee whilst agreeing to the position of a disclaimer to the 2023/24 Accounts it considered that Council should be aware

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: High Risk; Whilst this is a national issue the implications for members and the public is that the Council will not have audited accounts for 3 years and the implications going forward until the annual audit can cover all years presented.

Links to background information [Backstop report to Council 16 Oct 24.pdf](#)

Link to [Council Plan](#)

Priorities (check which apply)

- ☐ A supported and engaged community
- ☐ Carbon neutrality and ecological recovery
- ☐ Resilient economy that supports local business
- ☒ Financially secure and improving quality of services

1. Introduction

- 1.1 The background and context relating to the national backlog in local authorities published audited accounts and the legislation introduced around audit cut off dates was covered in a report to Council on 16th October 2024, a link to the report is contained in the background information.
- 1.2 As detailed in that report this effected this Council's 2021/22 and 2022/23. Public Sector Audit Appointments (PSAA) analysis shows 43.9% of local government body accounts for 2022/23 were disclaimed due to the backstop date of 13th December, while only 1.1% of audits for 2022/23 were delivered by the original publishing date.
- 1.3 The legislation gave cut off dates going forward for 2023/24 up to 2027/28:
 - Financial year 2023/24: 28 February 2025
 - Financial year 2024/25: 27 February 2026
 - Financial year 2025/26: 31 January 2027
 - Financial year 2026/27: 30 November 2027
 - Financial year 2027/28: 30 November 2028

- 1.4 The 20th February Audit and Governance Committee received a report from the Council's auditors, Grant Thornton who have issued a disclaimer on the 2023/24 Accounts, as the audit will not be completed by the cut off date.
- 1.5 This is disappointing, the circumstances leading to this and key learning points are covered below in the report. As at the 20th December 2024 PSAA were expecting the number of disclaimed opinions for 2023/24 to be similar to the level for 2022/23, that being 43.9% of local authorities. This is not a position we wanted to be in, and we had aimed to have the audit completed by the cut off of 28th February. An unqualified audit opinion gives independent assurance to the Council and the public.

2. The 2023/24 Audit

- 2.1 The detailed audit began in October 2024. At the Audit and Governance Committee in early January Grant Thornton were reporting that only approximately 2/3 of the audit was complete and in their view the audit would not be completed before the deadline of 28th February and the intention was to issue a disclaimer. The main reason given was slow response to their audit enquiries by the Authority not allowing them to progress as planned.

- 2.2 The main audit being focussed in such a short intense period gave the Finance Team and other parts of the Council difficulty in responding as quickly as required for the audit to progress on time. The auditors had resources allocated for this period, to complete the audit prior to Christmas and anything beyond that being a risk with their resources scheduled elsewhere. For the Finance Team there were particular issues, part known in advance, but part out of our control:

- The period of audit clashed with the preparation of the budget, every accountant is involved in working with services to prepare the budget, along with normal tasks, which in its self pushes the team beyond normal capacity with the requirement to work additional hours. The setting of the Budget and related Council Tax needs to take priority. The introduction of an audit cut off as created two key priorities with the same timing.
- Below the Finance Manager at the time we were carrying 3 vacancies out of team 9, one of the post being the Accountant post who would have led on the Audit.
- Although it is clear the Auditors were frustrated in the quality and timelessness of the authorities responses, in reviewing with the Team to understand how we can work better to meet audit requirements going forward there were frustrations on our side with the audit approach which need to be picked up.

- 2.3 Going forward there are some clear steps we need take:

- We created a new structure for the Finance Team with a Principal Accountant role, supported by a technical accountant with direct responsibility for the production and audit of the accounts and we need to ensure these roles are given the capacity to focus on this work. The Principal position is proving extremely difficult to fill and the search is ongoing.
- We are already working with the Auditors on the working paper requirements for 2024/25 and they have said they will load up their requests shortly for us pull together as the accounts are prepared rather than as list issued at audit.
- We need to request the audit to start earlier as we are creating an unnecessary 2.5 month window at a particularly busy time. The Auditors also have scarce resource, and this may prove a challenging conversation.

- In addition to the Auditors holding us to account we also need to hold them to account. We will insist on weekly meetings at Senior level to ascertain progress on the audit, be clear where we need to react quicker or better, but also to challenge any inaccuracies, misunderstandings or lack of knowledge from the auditors.

Financial implications:

There are no direct financial implications from the recommendations in this report. S151 Officer commentary – The introduction of backstop dates is understood in relation to Government attempting to bring local authorities accounts audits up to date. This is because of the audit regime being broken, but to bring in backstops alone does not fix the underlying issue of the Accounts being too complex, lack of local authority accountants and auditors and this remains the situation still giving a high number of local authorities not meeting the required deadlines of audited accounts. To introduce an arbitrary deadline for audits to be complete and then for them not to be completed beyond that date is a strange position and one that feels wrong. Additional internal audit resources will be requested to cover key areas of finance to give additional assurance to the Council.

Legal implications:

The legal issues are covered in the report.

Report to: Cabinet



Date of Meeting 5 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Treasury Management Strategy 2025/26 (incorporating Minimum Revenue Provision Policy Statement and Annual Investment Strategy) and Capital Strategy 2025/26

Report summary:

Treasury Management Strategy Statement

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.

Capital Strategy

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.

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:

- 1a. Council adopts this Treasury Management Strategy including the Prudential Indicators for 2025/26;
- 1b. Council approves the Minimum Revenue Provision Policy Statement;
- 1c. Council approves the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties
- 2a. Council adopts the Capital Strategy 2025/26 – 2028/29

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

Officer: Janet Reeves - Accountant jreeves@eastdevon.gov.uk 01404 515616; 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; The Council would fail to comply with CIPFA recommended “best practice” for treasury management.

Links to background information [Capital Strategy 2025/26](#)
[Treasury Management Strategy Statement](#)

Link to [Council Plan](#)

Priorities (check which apply)

- ☐ A supported and engaged community
- ☐ Carbon neutrality and ecological recovery
- ☐ Resilient economy that supports local business
- ☒ Financially secure and improving quality of services

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

2025/26

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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 2025/26

The strategy for 2025/26 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 (now MHCLG) Investment Guidance, DLUHC (now MHCLG) 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 training has been scheduled for late January/ February 2025. 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 Southwest 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 Southwest 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.

A formal record of the training received by officers central to the Treasury function will be maintained by the Financial Services Team. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by the Democratic Services Team.

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 2025/26 – 2027/28

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) | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| General Fund | 5,897 | 18,456 | 20,480 | 8,031 | 9,242 |
| Service loans to third parties | 43 | 26 | 17 | 17 | 10 |
| Other loans to third parties | 0 | 0 | 0 | 0 | 0 |
| Service investments | 0 | 1,240 | 0 | 0 | 0 |
| Projects for yield | 0 | 0 | 0 | 0 | 0 |
| HRA | 10,453 | 15,133 | 12,277 | 7,418 | 5,806 |
| Total Capital Expenditure | 16,393 | 34,855 | 32,774 | 15,466 | 15,058 |

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 | | | | | |
|--|----------------|-----------------|----------------|----------------|----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| Total Capital Expenditure | 16,393 | 34,855 | 32,774 | 15,466 | 15,058 |
| Capital receipts | (1,525) | (2,618) | (1,418) | (1,418) | (1,418) |
| Capital grants and other contributions | (1,936) | (7,233) | (1,534) | (1,032) | (846) |
| Direct revenue contributions | (2,618) | (983) | 0 | 0 | 0 |
| Use of earmarked reserves | (3,843) | (2,922) | (2,069) | (2,069) | (2,069) |
| Financed in year | (9,922) | (13,756) | (5,021) | (4,519) | (4,333) |
| Net financing need for the year/ (surplus receipts) | 6,471 | 21,099 | 27,753 | 10,947 | 10,725 |

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 | | | | | |
|--------------------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| General | 15,578 | 26,070 | 44,168 | 49,932 | 56,911 |
| Service loans to third parties | 3,991 | 2,695 | 2,569 | 2,409 | 1,552 |
| Other loans to third parties | 467 | 467 | 467 | 467 | 467 |
| Service investments | 0 | 1,190 | 1,183 | 1,176 | 1,169 |
| Other Investments | 2,627 | 2,593 | 2,546 | 2,498 | 2,448 |
| Projects for yield | 0 | 0 | 0 | 0 | 0 |
| CFR General Fund | 22,663 | 33,015 | 50,933 | 56,482 | 62,547 |
| CFR HRA | 87,211 | 95,999 | 104,979 | 109,100 | 111,608 |
| Total CFR | 109,874 | 129,014 | 155,912 | 165,582 | 174,155 |
| Movement in CFR | 5,725 | 19,140 | 26,898 | 9,670 | 8,573 |

| Movement in CFR represented by | | | | | |
|---|-------|---------|--------|---------|---------|
| Net financing need for the year/ (surplus receipts) | 6,471 | 21,099 | 27,753 | 10,947 | 10,725 |
| Less MRP/VRP and other financing movements* | (746) | (1,959) | (855) | (1,277) | (2,152) |

* MRP = Minimum Revenue Provision. VRP = Voluntary Revenue Provision. Other financing movements will include any PFI/ finance lease annual principal amounts

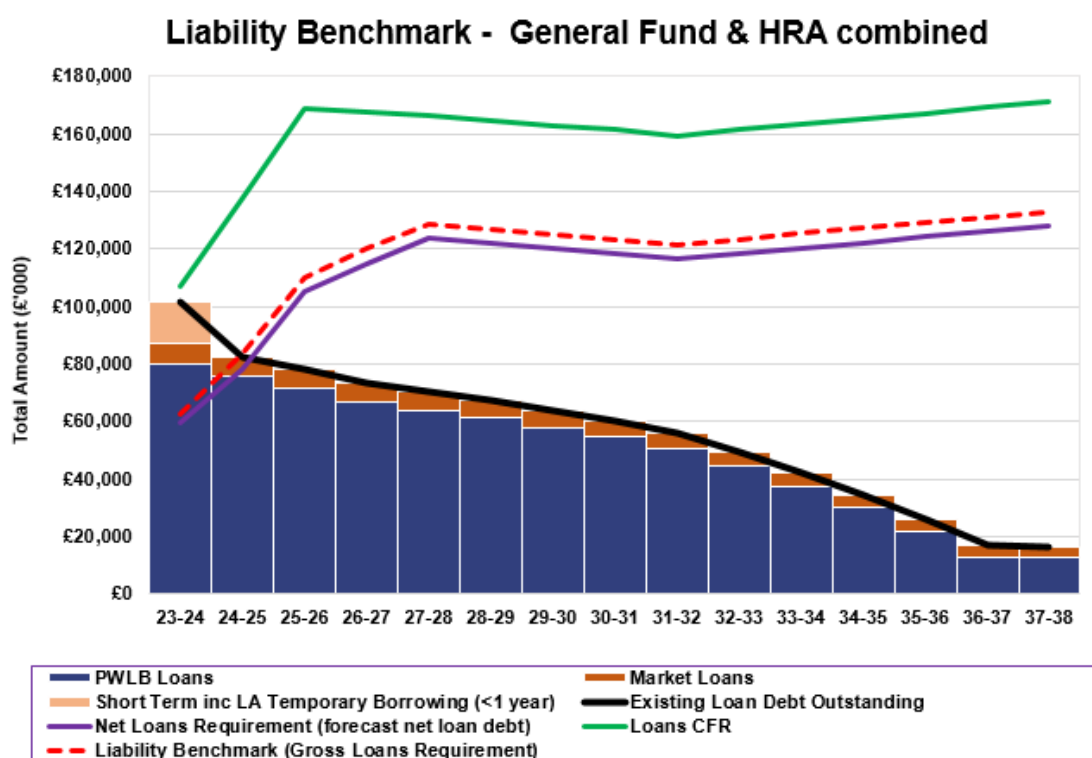
Note: Place and Prosperity capital expenditure is shown within the "general" heading above.

2.3 Liability Benchmark

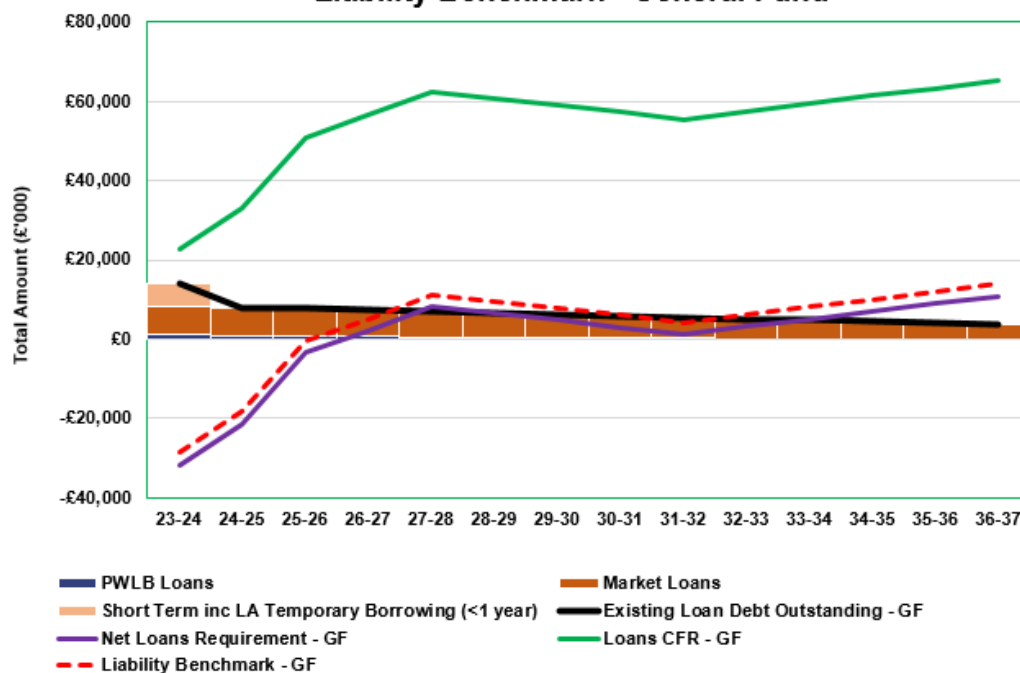
The Authority is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

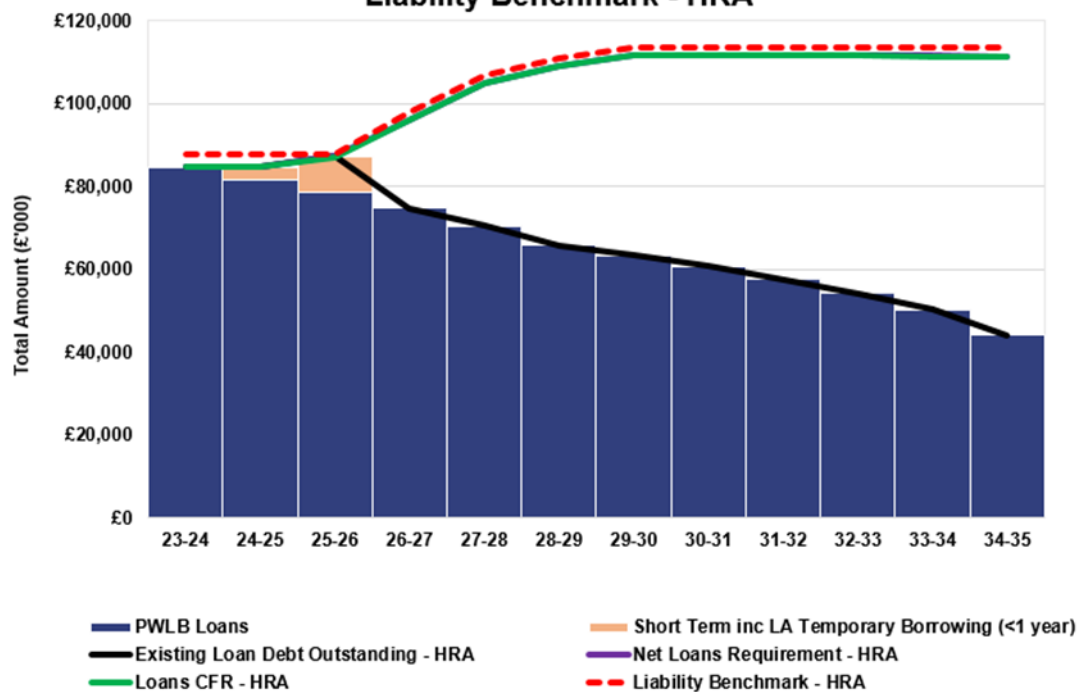
1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
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.



Liability Benchmark - General Fund



Liability Benchmark - HRA



An analysis of the above Liability Benchmark, which covers the period to 31 March 2038, is provided below:

1. On 31 March 2024, the starting point for the liability benchmark charts, the Authority had approximately £61.4m in treasury deposits. £30.94m was held in externally managed investments and £30.46m was held in, (mainly fixed term), 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, around £18.65m for the potential Heat Distribution Network project, (latter not yet included in capital spending plans), 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 may 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 including all these "temporary" cash reserves of £30.46m would give a distorted picture of the liability benchmark calculations, hence only the externally managed investments have been included, £7.076m of the temporary deposits, (the latter to offset the Heat Distribution Project loan in 4. below that is included in borrowing in the liability benchmark chart), and a further £7.6m of temporary deposits that were invested on the last working day of March 2024 as being surplus to need that day; (the latter offsetting part of the temporary short-term treasury borrowing of £13m – see 3. below).

2. Existing PWLB loan debt is shown as the blue element of the 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 few years, a HRA self-financing loan is due to mature. At year-end 31 March 2023 and 2024, PWLB loans for the HRA of £6.159m matured; it is planned to re-finance these externally via the PWLB but on 31 March 2024 they were being re-financed temporarily via short-term temporary borrowing and/or internally from the General Fund. This is included in the pink element of the bar chart.

3. At year-end 31 March 2024, a short-term temporary borrowing requirement existed. The Authority's bank current account was technically overdrawn by £1.188m 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. Following interest rates increasing dramatically in recent years, the Authority has had a policy of running down investment balances rather than taking out new long-term borrowing. However, in March 2024 the Authority borrowed £13m, temporarily short-term and pre-emptively, to bridge a potential gap between the end of March 2024 and early April 2024 when new year funding such as Council Tax, NNDR and government grant income was received. For these purposes, this temporary borrowing of £13m on 31 March 2024 has been apportioned £4.3m to the General Fund and £8.7m to the HRA, (the latter being a proxy for General Fund internal financing). This Short-term Temporary borrowing is shown as the pink bar chart.

4. On 31 March 2022, as part of assembling funds for the Heat Distribution Project, (not yet included in capital spending plans as it is still not clear if this project will proceed), a £7.076m market loan was borrowed in advance from Triple Point Heat Networks Investment Management. This relates wholly to the General Fund and is shown on the liability benchmark charts as the brown bar chart. *(Note: it had been anticipated this would be converted to a grant and treated as such hitherto, but is accepted this is, in fact, a loan).*

5. The PWLB and the temporary and market borrowing requirements together are shown as the Existing Loan Debt Outstanding, (black line).

6. The Net Loans Requirement, (purple line), shows existing and planned prudential borrowing, projected into the future, net of the treasury investments. (Note that on the HRA the Net Loans Requirement (purple line) is hidden as it follows the same trajectory as the

Loans CFR (green line), since there are no treasury investments to net against the borrowing).

7. 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 2027/28 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.

8. The Liability Benchmark or Gross Loans Requirement, (red dotted line) is the Net Loans Requirement plus a short-term liquidity allowance*. Any years where actual loans outstanding, (black line), exceed the benchmark, (red dotted line), represent an over-borrowed position. Any years where actual loans, (black line), are less than the benchmark, (red dotted line), indicate a future borrowing requirement. The overall chart shows a growing borrowing requirement in future years; much of this is due to HRA self-financing loans maturing, that then need re-financing, as well as additional unfunded HRA capital expenditure that has a borrowing need and this can be illustrated in the HRA-specific chart. However, the General-Fund-specific chart shows the Gross Loan Requirement (red dotted line) increasing sharply between 2023-24 through to 2027-28 and 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 2003 Regulations have been further amended with full effect from April 2025 to expressly provide that in determining a prudent provision local authorities cannot exclude any amount of CFR from its calculation, unless by an exception set out in statute. 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 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)**

Regulation 27(3) allows a local authority to charge MRP in the financial year following the one in which capital expenditure financed by debt was incurred.

Capital expenditure financed by borrowing in 2024/25 will not be subject to an MRP charge until 2025/26, or in the financial year following the one in which the asset becomes available for use.

The Authority will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

The Authority has determined that MRP is not required for borrowing or credit arrangements used to finance capital expenditure on housing assets and accounted for within the Housing Revenue Account (HRA) as it has determined, through its duty to charge depreciation and hold a Major Repairs Reserve, that prudent provision has been made.

MRP in respect of assets acquired under Finance Leases or PFI, (or applicable leases where a right-of use asset is on balance sheet), will be charged at an amount equal to the principal element of the annual repayment.

For capital expenditure on loans to third parties, (all of which are non-commercial), 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.

On 31 March 2024, cumulative VRP overpayments, (wholly in respect of the HRA), were £4,464,587.

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 on 31 March 2024 (excluding loans to third parties) and the position on 31 December 2024 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 | | | | |
|--|----------------------|----------------------|-----------------|----------------|
| | 31.3.24 | 31.3.24 | 31.12.24 | 31.12.24 |
| | Actual (Restated) | Actual (Restated) | Actual | Actual |
| | £000 | % | £000 | % |
| Treasury investments | | | | |
| Banks | 1,010 | 1.65% | 2,000 | 3.29% |
| Building Societies | 0 | 0.00% | 0 | 0.00% |
| Local Authorities | 21,600 | 35.17% | 8,500 | 13.98% |
| DMADF (HM Treasury) | 250 | 0.41% | 12,600 | 20.73% |
| Money Market Funds | 7,600 | 12.38% | 6,700 | 11.03% |
| Total managed in house | 30,460 | 49.61% | 29,800 | 49.03% |
| Money Market Funds** | 30,937 | 50.39% | 30,979 | 50.97% |
| Property Funds | 0 | 0.00% | 0 | 0.00% |
| Total managed externally | 30,937 | 50.39% | 30,979 | 50.97% |
| Total treasury investments | 61,397 | 100.00% | 60,779 | 100.00% |
| Treasury external borrowing | | | | |
| Building Societies - temporary borrowing | (5,000) | 5.01% | 0 | 0.00% |
| Local Authorities - temporary borrowing | (8,000) | 8.01% | 0 | 0.00% |
| Triple Point Heat Networks Investment Management | (7,076) | 7.08% | (7,076) | 8.19% |
| PWLB - long and short term borrowing | (79,829) | 79.90% | (79,309) | 91.81% |
| Total external borrowing | (99,905) | 100.00% | (86,385) | 100.00% |
| Net treasury investments/ (borrowing) | (38,508) | | (25,606) | |

* 31.3.24 restated to include £7.076m loan from Triple Point Heat Networks ** market value (Payden market value at 6.1.25)

The above treasury external borrowing at 31.3.24 excludes the temporary bank overdraft of £1.188m which is used for operational purposes and accrued interest of £0.214m.

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 | | | | | |
|--------------------------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| Borrowing at 1 April* | 97,315 | 101,307 | 128,770 | 155,843 | 165,565 |
| OLTL at 1 April* | 0 | 0 | 0 | 0 | 0 |
| External Debt at 1 April | 97,315 | 101,307 | 128,770 | 155,843 | 165,565 |
| Expected change in borrowing | 3,992 | 27,463 | 27,073 | 9,722 | 9,314 |
| Expected change in OLTL** | 0 | 0 | 0 | 0 | 0 |
| External Debt at 31 March | 101,307 | 128,770 | 155,843 | 165,565 | 174,879 |
| Capital Financing Requirement | 109,875 | 129,014 | 155,912 | 165,582 | 174,155 |
| Under/ (over) borrowing | 8,568 | 244 | 69 | 17 | (724) |

**2023-24 restated to include £7.076m loan from Triple Point Heat Networks and £2.567m temporary borrowing reallocated from General Fund to HRA. **OLTL = other long term liabilities*

Within the above figures, the level of debt relating to various activities is as follows:

| Purpose of debt | | | | | |
|---|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| Temporary borrowing: | | | | | |
| - bank overdraft | 1,188 | 2,350 | 2,350 | 2,350 | 2,350 |
| - cashflow | 6,902 | 0 | 0 | 0 | 0 |
| - late adjustment to HRA* | (2,567) | 0 | 0 | 0 | 0 |
| Capital expenditure | | | | | |
| - original | 451 | 22,512 | 40,820 | 46,776 | 53,939 |
| - late adjustment* | 7,076 | 7,076 | 6,937 | 6,660 | 6,383 |
| Finance loans to third parties | 906 | 833 | 757 | 679 | 599 |
| Projects for yield | 0 | 0 | 0 | 0 | 0 |
| | 13,956 | 32,771 | 50,864 | 56,465 | 63,271 |
| Temporary borrowing for capital expenditure: | | | | | |
| - original | 6,159 | 0 | 0 | 0 | 0 |
| - late adjustment from GF* | 2,567 | 0 | 0 | 0 | 0 |
| Capital expenditure | 78,625 | 95,999 | 104,979 | 109,100 | 111,608 |
| | 87,351 | 95,999 | 104,979 | 109,100 | 111,608 |
| External Debt at 31 March | 101,307 | 128,770 | 155,843 | 165,565 | 174,879 |
| Proportion of total debt % used to finance loans to third parties | 0.89% | 0.65% | 0.49% | 0.41% | 0.34% |

**2023-24 restated to include £7.076m loan from Triple Point Heat Networks and £2.567m temporary borrowing reallocated from General Fund to HRA.*

Note: Place and Prosperity capital expenditure is shown within the "general" heading above. HRA capital expenditure in 2023/24 includes an element of temporary borrowing.

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 | | | | | |
|-----------------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| Debt | 101,307 | 128,770 | 155,843 | 165,565 | 174,879 |
| Other long term liabilities | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| | 105,307 | 132,770 | 159,843 | 169,565 | 178,879 |

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 Overall | | | | | |
|---------------------------------|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| Debt | 101,307 | 128,770 | 155,843 | 165,565 | 174,879 |
| Headroom | 3,493 | 5,000 | 5,000 | 5,000 | 5,000 |
| Other long term liabilities | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| | 108,800 | 137,770 | 164,843 | 174,565 | 183,879 |

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, (now abolished), of £87.844m set by the Government as the authorised limit has been used until 2023/24; from 2024/25 headroom of £2.0m has been added for the HRA. This internal limit is currently:

| HRA Authorised Limit | | | | | |
|----------------------|----------------------|---------------|----------------|----------------|----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| HRA Debt | 87,351 | 95,999 | 104,979 | 109,100 | 111,608 |
| HRA headroom | 493 | 2,000 | 2,000 | 2,000 | 2,000 |
| | 87,844 | 97,999 | 106,979 | 111,100 | 113,608 |

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 in 2025 even if some rate cuts arise.

Against this background and the risks within the economic forecast, caution will be adopted with the 2025/26 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/ others. 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 has and may continue, temporarily, to delay re-financing, or may choose instead to refinance for much shorter time periods initially, whilst longer dated borrowing rates remain elevated.

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.

Note: on 31 March 2022, a £7.076m market loan was borrowed in advance from Triple Point Heat Networks Investment Management. This relates wholly to the General Fund in connection with the planned District Heat Network Project which is not yet included in capital expenditure plans as it is not clear if the project will proceed. It had been anticipated this would be converted to a grant and has been treated as such hitherto, but is now accepted that this is, in fact, a loan).

3.7 Debt rescheduling

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 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: -

- MHCLG’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 MHCLG 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 2023/24 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.) Subsequently, 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 directly with a small range of money market funds. 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 the risks are relatively balanced between Bank Rate staying higher for longer, if inflation picks up markedly through 2025 post the 30 October 2024 Budget, or it may be cut quicker than expected if the economy stagnates. The economy only grew 0.1% in Q3 2024, but the CPI measure of inflation is now markedly above the 2% target rate set by the Bank of England's Monetary Policy Committee two to three years forward.

Accordingly, 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 to fall to a low of 3.5%.

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 | Now | Previously |
|-------------------------------|-------|------------|
| 2024/25 (residual) | 4.60% | 4.25% |
| 2025/26 | 4.10% | 3.35% |
| 2026/27 | 3.70% | 3.10% |
| 2027/28 | 3.50% | 3.25% |
| 2028/29 | 3.50% | 3.25% |
| Years 6 to 10 | 3.50% | 3.25% |
| Years 10+ | 3.50% | 3.50% |

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 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 £30.979m 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.

4.6 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*).

4.7 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.

4.8 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 31.12.24) £000 |
| Pooled investment vehicles, OEICS | | | |
| Royal London Asset Management - Short Term Fixed Income | AAAf | S1 | 15,389 |
| Payden & Rygel - Sterling Reserve Fund* | AAAf | S1 | 15,590 |
| The AAAf Fund Quality Credit Rating reflects the very high credit quality of a fund, as measured by its weighted | | | |
| 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. | | | |
| * market value at 6.1.2025. | | | |

| | | |
|------------|--|-----------|
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5.1 CAPITAL PRUDENTIAL & TREASURY INDICATORS 2025/26 – 2027/28

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) | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| General Fund | 5,897 | 18,456 | 20,480 | 8,031 | 9,242 |
| Service loans to third parties | 43 | 26 | 17 | 17 | 10 |
| Other loans to third parties | 0 | 0 | 0 | 0 | 0 |
| Service investments | 0 | 1,240 | 0 | 0 | 0 |
| Projects for yield | 0 | 0 | 0 | 0 | 0 |
| HRA | 10,453 | 15,133 | 12,277 | 7,418 | 5,806 |
| Total Capital Expenditure | 16,393 | 34,855 | 32,774 | 15,466 | 15,058 |

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 | | | | | |
|--|---------|----------|----------|----------|----------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | % | % | % | % | % |
| General Fund | 2.07% | 2.76% | 7.73% | 17.45% | 18.11% |
| HRA | 22.54% | 22.97% | 24.02% | 25.88% | 26.70% |

Note that the ratio of financing costs to net revenue is climbing 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 | | | | | |
|--|---------|----------|----------|----------|----------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | % | % | % | % | % |
| Service delivery | 1.16% | 2.25% | 0.27% | 1.31% | 2.35% |
| Internally managed treasury deposits | 6.42% | 5.09% | 2.22% | 2.67% | 2.28% |
| Externally managed pooled money market funds | 6.14% | 5.22% | 5.07% | 6.08% | 5.20% |
| Investment property | 0.74% | 0.73% | 0.61% | 0.82% | 0.74% |
| 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 | | | | | |
|--|---------|----------|----------|----------|----------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual | Estimate | Estimate | Estimate | Estimate |
| | % | % | % | % | % |
| Internally managed treasury deposits | 3.10% | 2.03% | 1.07% | 0.95% | 0.88% |

c. HRA ratios

| HRA ratio of debt to revenues | | | | | |
|----------------------------------|-------------------|----------------|----------------|----------------|----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| | £000 | £000 | £000 | £000 | £000 |
| HRA debt | 87,351 | 95,999 | 104,979 | 109,100 | 111,608 |
| HRA revenues | 19,708 | 21,244 | 21,923 | 22,361 | 22,808 |
| | % | % | % | % | % |
| Ratio of debt to revenues | 443.23% | 451.89% | 478.85% | 487.90% | 489.34% |

The above indicator identifies the trend in the level of HRA debt (borrowing and other long-term obligations).

| HRA ratio of debt to revenues | | | | | |
|-------------------------------|-------------------|----------------|----------------|----------------|----------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 |
| | Actual (Restated) | Estimate | Estimate | Estimate | Estimate |
| HRA debt | £87,351,000 | £95,999,000 | £104,979,000 | £109,100,000 | £111,608,000 |
| Number of HRA properties | 4,131 | 4,128 | 4,125 | 4,122 | 4,119 |
| Debt per dwelling | £21,145 | £23,256 | £25,449 | £26,468 | £27,096 |

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 2025/26 | | | |
|--|--------------------|--------------|--------------|
| | | 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% | 25.00% |
| 10 years to 20 years | 2034/35 to 2043/44 | 0.00% | 35.00% |
| 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% | 25.00% |
| 50 years to 60 years | 2074/75 to 2083/84 | 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 2025/26 | | | |
|--|--------------------|----------------|----------------|
| | | £'000 | % |
| Under 12 months | 2024/25 | 4,233 | 2.21% |
| 12 months to 2 years | 2025/26 | 4,850 | 2.53% |
| 2 years to 5 years | 2026/27 to 2028/29 | 14,075 | 7.36% |
| 5 years to 10 years | 2029/30 to 2033/34 | 32,494 | 16.98% |
| 10 years to 20 years | 2034/35 to 2043/44 | 51,081 | 26.70% |
| 20 years to 30 years | 2044/45 to 2053/54 | 25,606 | 13.38% |
| 30 years to 40 years | 2054/55 to 2063/64 | 0 | 0.00% |
| 40 years to 50 years | 2064/65 to 2073/74 | 32,099 | 16.78% |
| 50 years to 60 years | 2074/75 to 2083/84 | 26,891 | 14.06% |
| Total | | 191,329 | 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 £30.979m 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 11 November 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

| Link Group Interest Rate View | 11.11.24 | | | | | | | | | | | | |
|-------------------------------|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Dec-24 | Mar-25 | Jun-25 | Sep-25 | Dec-25 | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 |
| BANK RATE | 4.75 | 4.50 | 4.25 | 4.00 | 4.00 | 3.75 | 3.75 | 3.75 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 |
| 3 month ave earnings | 4.70 | 4.50 | 4.30 | 4.00 | 4.00 | 4.00 | 3.80 | 3.80 | 3.80 | 3.50 | 3.50 | 3.50 | 3.50 |
| 6 month ave earnings | 4.70 | 4.40 | 4.20 | 3.90 | 3.90 | 3.90 | 3.80 | 3.80 | 3.80 | 3.50 | 3.50 | 3.50 | 3.50 |
| 12 month ave earnings | 4.70 | 4.40 | 4.20 | 3.90 | 3.90 | 3.90 | 3.80 | 3.80 | 3.80 | 3.50 | 3.50 | 3.50 | 3.50 |
| 5 yr PWLB | 5.00 | 4.90 | 4.80 | 4.60 | 4.50 | 4.50 | 4.40 | 4.30 | 4.20 | 4.10 | 4.00 | 4.00 | 3.90 |
| 10 yr PWLB | 5.30 | 5.10 | 5.00 | 4.80 | 4.80 | 4.70 | 4.50 | 4.50 | 4.40 | 4.30 | 4.20 | 4.20 | 4.10 |
| 25 yr PWLB | 5.60 | 5.50 | 5.40 | 5.30 | 5.20 | 5.10 | 5.00 | 4.90 | 4.80 | 4.70 | 4.60 | 4.50 | 4.50 |
| 50 yr PWLB | 5.40 | 5.30 | 5.20 | 5.10 | 5.00 | 4.90 | 4.80 | 4.70 | 4.60 | 4.50 | 4.40 | 4.30 | 4.30 |

Additional notes by Link on this forecast table: -

- Following the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November, we have significantly revised our central forecasts for the first time since May. In summary, our Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst our PWLB forecasts have been materially lifted to not only reflect our increased concerns around the future path of inflation, but also the increased level of Government borrowing over the term of the current Parliament.
- If we reflect on the 30 October Budget, our central case is that those policy announcements will be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be 2.7% y/y (Q4 2025) and 2.2% (Q4 2026) before dropping back in 2027 to 1.8% y/y.
- The anticipated major investment in the public sector, according to the Bank, is expected to lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.
- There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing, and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises, and a tepid GDP performance.
- Our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Policy Reports (February, May, August, and November).

- Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data in the second half of 2025. The fact that the November MPC rate cut decision saw a split vote of 8-1 confirms that there are already some concerns around inflation's stickiness, and with recent public sector wage increases beginning to funnel their way into headline average earnings data, the market will be looking very closely at those releases.
- Regarding our PWLB forecast, the short to medium part of the curve is forecast to remain elevated over the course of the next year, and the degree to which rates moderate will be tied to the arguments for further Bank Rate loosening or otherwise. The longer part of the curve will also be impacted by inflation factors, but there is also the additional concern that with other major developed economies such as the US and France looking to run large budget deficits there could be a glut of government debt issuance that investors will only agree to digest if the interest rates paid provide sufficient reward for that scenario.
- So far, we have made little mention of the US President election. Nonetheless, Donald Trump's victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts and an expansion of the current US budget deficit. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks abound in Europe, the Middle East and Asia.
- Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps).

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, but the risks to our forecasts are to the upsides. 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 11.11.24 p.m. | Target borrowing rate now (end of Q3 2026) | Target borrowing rate previously (end of Q3 2026) |
|-----------|--|--|---|
| 5 years | 5.02% | 4.30% | 3.90% |
| 10 years | 5.23% | 4.50% | 4.10% |
| 25 years | 5.66% | 4.90% | 4.40% |
| 50 years | 5.42% | 4.70% | 4.20% |

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate has been increased to 3.25% (from 3%). 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 also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

| Average earnings in each year | Now | Previously |
|-------------------------------|-------|------------|
| 2024/25 (residual) | 4.60% | 4.25% |
| 2025/26 | 4.10% | 3.35% |
| 2026/27 | 3.70% | 3.10% |
| 2027/28 | 3.50% | 3.25% |
| 2028/29 | 3.50% | 3.25% |
| Years 6 to 10 | 3.50% | 3.25% |
| Years 10+ | 3.50% | 3.50% |

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

5.3 ECONOMIC BACKGROUND (to 12th December 2024)

The third quarter of 2024 (July to September) saw:

- GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q)
- A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
- CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
- Core CPI inflation increasing from 3.3% in July to 3.6% in August;
- The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
- 10-year gilt yields falling to 4.0% in September.

Over the aforementioned period, the economy's stagnation in June and July pointed more to a mild slowdown in UK GDP growth than a sudden drop back into a recession.

However, in the interim period, to 12 December, arguably the biggest impact on the economy's performance has been the negative market sentiment in respect of the fallout from the Chancellor's Budget on 30 October.

If we reflect on the 30 October Budget, our central case is that those policy announcements will prove to be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be elevated at 2.7% y/y (Q4 2025) before dropping back to sub-2% in 2027. Nonetheless, since the Budget, the October inflation print has shown the CPI measure of inflation bouncing up to 2.3% y/y with the prospect that it will be close to 3% by the end of the year before falling back slowly through 2025. The RPI measure has also increased significantly to 3.4% y/y.

How high inflation goes will primarily be determined by several key factors. First amongst those is that the major investment in the public sector, according to the Bank of England, will lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.

There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing, and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises in the June 2025 Spending Review (pushed back from the end of March), and a tepid GDP performance.

Regarding having a sufficiently large pool of flexible and healthy workers, the initial outlook does not look bright. Research from Capital Economics has alluded to an increase of some 500,000 construction workers being needed to provide any chance of the Government hitting its target of 300,000 new homes being built in each of the next five years (234,000 net additional dwellings in England in 2022/23). But the last time such an increase was needed, and construction employment is currently at a nine-year low, it took 12 years to get there (1996 to 2008). Also note, as of October 2024, job vacancies in the construction sector were still higher than at any time in the 20 years preceding the pandemic.

Currently, it also seems likely that net inward migration is set to fall, so there is likely to be a smaller pool of migrant workers available who, in the past, have filled the requirement for construction worker demand. The Government plans to heavily promote training schemes, particularly to the one million 16- to 24-year-olds who are neither in education nor work. But it is arguable as to whether the employee shortfall can be made up from this source in the requisite time, even if more do enter the workforce.

Against, this backdrop, there may be a near-term boost to inflation caused by a wave of public sector cash chasing the same construction providers over the course of the next year or so, whilst wages remain higher than the Bank currently forecasts because of general labour shortages, including in social care where Government accepts there is a 150,000 shortfall at present.

Unemployment stands at a low 4.3% (September), whilst wages are rising at 4.3% y/y (including bonuses) and 4.8% (excluding bonuses). The Bank would ideally like to see further wage moderation to underpin any further gradual relaxing of monetary policy. Indeed, over the next six months, the market is currently only pricing in Bank Rate

reductions in February and May – which would see Bank Rate fall to 4.25% - but further cuts, thereafter, are highly likely to be even more data-dependent.

If we focus on borrowing, a term we are likely to hear throughout 2025 is “bond vigilante”. Essentially, this represents a generic term for when the market is ill at ease with the level of government borrowing and demands a higher return for holding debt issuance. In the UK, we do not need to go back too far to recall the negative market reaction to the Truss/Kwarteng budget of 2022. But long-term borrowing rates have already gradually moved back to those levels since their recent low point in the middle of September 2024. Of course, the UK is not alone in this respect. Concerns prevail as to what the size of the budget deficit will be in the US, following the election of Donald Trump as President, and in France there are on-going struggles to form a government to address a large budget deficit problem too. Throw into the mix the uncertain outcome to German elections, and there is plenty of bond investor concern to be seen.

Staying with the US, Donald Trump’s victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks continue to abound in Europe, the Middle East and Asia.

In the past month, the US Core CPI measure of inflation has indicated that inflation is still a concern (3.3% y/y, 0.3% m/m), as has the November Producer Prices Data (up 3.0 y/y v a market estimate of 2.6% y/y, 0.4% m/m v an estimate of 0.2% m/m) albeit probably insufficient to deter the FOMC from cutting US rates a further 0.25% at its December meeting. However, with Trump’s inauguration as President being held on 20 January, further rate reductions and their timing will very much be determined by his policy announcements and their implications for both inflation and Treasury issuance.

Looking at gilt movements in the first half of 2024/25, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank’s August rate cut signalled the start of its loosening cycle. More recently, however, 10 year gilt yields have spiked back up to 4.35%.

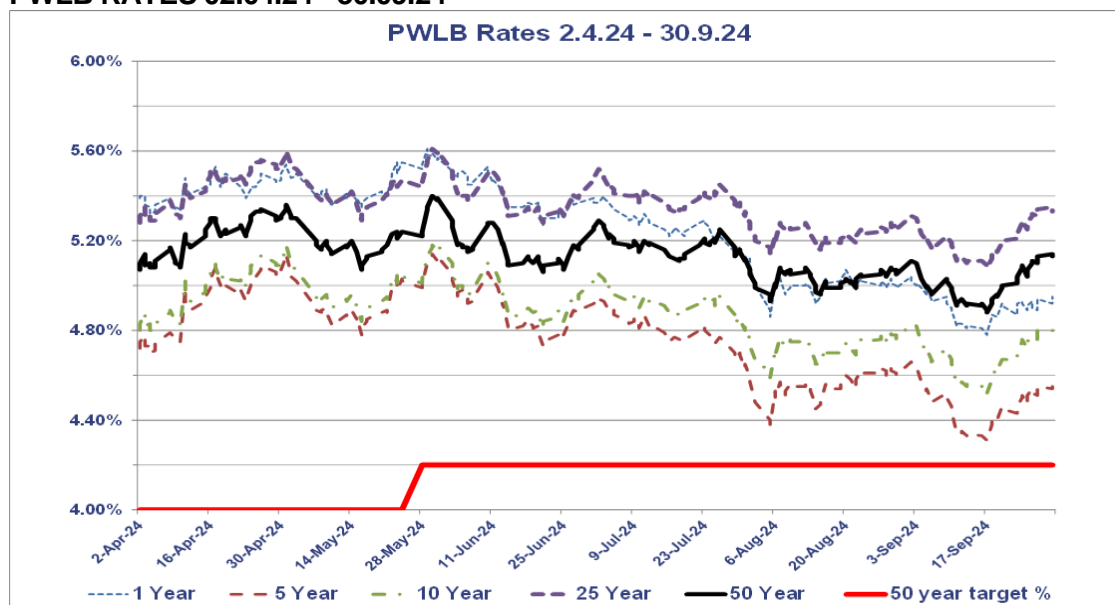
The FTSE 100 reached a peak of 8,380 in the third quarter of 2024 (currently 8,304), but its performance is firmly in the shade of the US S&P500, which has breached the 6,000 threshold on several occasions recently, delivering returns upwards of 25% y/y. The catalyst for any further rally (or not) is likely to be the breadth of AI’s impact on business growth and performance.

MPC meetings: 9 May, 20 June, 1 August, 19 September, 7 November 2024

- On 9 May, the Bank of England’s Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20th June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25bps to 5%. However, subsequent speeches from MPC members have supported Governor Bailey’s tone with its emphasis on “gradual” reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50bps cut by the Federal Open Market Committee, but this came to nothing.
- On 7 November, Bank Rate was cut by 0.25% to 4.75%. The vote was 8-1 in favour of the cut, but the language used by the Monetary Policy Committee emphasised “gradual” reductions would be the way ahead with an emphasis on the inflation and employment data releases, as well as geo-political events.

In the chart below, despite a considerable gilt market rally in mid-September, rates started and finished the six-month period under review in broadly the same position.

PWLB RATES 02.04.24 - 30.09.24



HIGH/LOW/AVERAGE PWLB RATES FOR 02.04.24 – 30.09.24

| | 1 Year | 5 Year | 10 Year | 25 Year | 50 Year |
|-------------------|------------|------------|------------|------------|------------|
| 02/04/2024 | 5.39% | 4.72% | 4.80% | 5.28% | 5.07% |
| 30/09/2024 | 4.95% | 4.55% | 4.79% | 5.33% | 5.13% |
| Low | 4.78% | 4.31% | 4.52% | 5.08% | 4.88% |
| Low date | 17/09/2024 | 17/09/2024 | 17/09/2024 | 17/09/2024 | 17/09/2024 |
| High | 5.61% | 5.14% | 5.18% | 5.61% | 5.40% |
| High date | 29/05/2024 | 01/05/2024 | 01/05/2024 | 01/05/2024 | 01/05/2024 |
| Average | 5.21% | 4.76% | 4.88% | 5.35% | 5.14% |
| Spread | 0.83% | 0.83% | 0.66% | 0.53% | 0.52% |

5.4 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The MHCLG 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

ESG issues are increasingly significant, but the Authority is aware that a consistent, 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. 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 2025/26 AS AT 31 December 2024

(Time limit 365 days unless specifically stated)

| Money Market Funds | | |
|--|--------|---------------------|
| | Rating | Max Investment £ |
| CCLA – Public Sector Deposit Fund | AAAmmf | 3,000,000 |
| Goldman Sachs Sterling Liquid Reserves Fund | AAAmmf | 3,000,000 |
| Morgan Stanley Liquidity Funds – Sterling Liquidity Fund | AAAmmf | 3,000,000 |

| UK Government Debt Management Office | |
|--|---------------------|
| | Max Investment £ |
| Debt Management Account Deposit Facility | Unlimited |

| 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 Bank plc (RFB) | AA- | F1+ | 2,000,000 |
| Lloyds Bank Corporate Markets plc (NRFB) | AA- | F1+ | 2,000,000 |
| Bank of Scotland plc (RFB) | AA- | F1+ | 2,000,000 |
| Barclays Bank UK plc (RFB) | A+ | F1 | 2,000,000 |
| Barclay Bank plc (NRFB) | A+ | F1 | 2,000,000 |
| Goldman Sachs International Bank | 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 Bank of Kuwait (International) plc | A+ | F1 | 2,000,000 |
| National Westminster Bank plc (RFB) | A+ | F1 | 2,000,000 |
| NatWest Markets plc (NRFB) | A+ | F1 | 2,000,000 |
| Santander Financial Service plc (NRFB) | A+ | F1 | 2,000,000 |
| Santander UK plc | A+ | F1 | 2,000,000 |
| Standard Chartered Bank | A+ | F1 | 2,000,000 |
| The Royal Bank of Scotland plc (RFB) | A+ | F1 | 2,000,000 |

| UK Local, Police and Fire Authorities | | | |
|---------------------------------------|--|--|------------------------|
| | | | Max Investment £ |
| UK Local, Police and Fire Authorities | | | 3,000,000 |

| 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 |
| Australia | | | |
| Australia and New Zealand Banking Group Ltd | AA- | F1+ | 2,000,000 |
| Commonwealth Bank of Australia | AA- | F1+ | 2,000,000 |
| National Australia Bank Ltd | AA- | F1+ | 2,000,000 |
| Westpac Banking Corporation | 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 |
| Netherlands | | | |
| ING Bank N.V. | 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 |
| Sweden | | | |
| Svenska Handelsbanken AB | AA- | F1+ | 2,000,000 |
| U.S.A | | | |
| Bank of America N.A. | AA | F1+ | 2,000,000 |
| Bank of New York Mellon, The | AA | F1+ | 2,000,000 |
| JPMorgan Chase Bank N.A. | AA | F1+ | 2,000,000 |
| Wells Fargo Bank N.A. | AA- | F1+ | 2,000,000 |

| Building Societies (time limit: up to 9 months). (* <i>Unrated building societies are non-specified investments</i>). | | | | |
|---|--------------------|---|-------------------------------|-----------------------|
| | | Total Assets of Building Society | Assets > £1 Billion | Max Investment |
| | | £000 | | £ |
| 1 | Nationwide | 269,363,000 | Yes | 3,000,000 |
| 2 | Yorkshire | 74,224,900 | Yes | 3,000,000 |
| 3 | Coventry | 61,725,900 | Yes | 3,000,000 |
| 4 | Skipton | 34,700,900 | Yes | 3,000,000 |
| 5 | Leeds | 28,249,100 | Yes | 3,000,000 |
| 6 | Principality | 12,309,300 | Yes | 3,000,000 |
| 7 | Newcastle* | 6,211,400 | Yes | 3,000,000 |
| 8 | West Bromwich* | 5,904,000 | Yes | 3,000,000 |
| 9 | Nottingham* | 4,481,200 | Yes | 2,000,000 |
| 10 | Cumberland* | 3,214,069 | Yes | 2,000,000 |
| 11 | National Counties* | 2,514,173 | Yes | 2,000,000 |
| 12 | Progressive* | 1,963,355 | Yes | 2,000,000 |
| 13 | Cambridge* | 1,890,826 | Yes | 2,000,000 |
| 14 | Monmouthshire* | 1,700,000 | Yes | 2,000,000 |
| 15 | Newbury* | 1,547,000 | Yes | 2,000,000 |
| 16 | Saffron* | 1,437,629 | Yes | 2,000,000 |
| 17 | Leek United* | 1,313,844 | Yes | 2,000,000 |
| 18 | Furniss* | 1,300,555 | Yes | 2,000,000 |

5.6 CURRENT PORTFOLIO POSITION

The overall treasury management portfolio on 31 March 2024 on 31 December 2024 are shown below for both borrowing and investments.

| Treasury Portfolio | | | | |
|--|----------------------|----------------------|-----------------|----------------|
| | 31.3.24 | 31.3.24 | 31.12.24 | 31.12.24 |
| | Actual (Restated) | Actual (Restated) | Actual | Actual |
| | £000 | % | £000 | % |
| Treasury investments | | | | |
| Banks | | | | |
| Bank of Scotland Fixed Term Deposit | 0 | 0.00% | 2,000 | 3.29% |
| Santander Business Reserve Account | 10 | 0.02% | 0 | 0.00% |
| Santander Business Notice Account | 1,000 | 1.63% | 0 | 0.00% |
| Building Societies | 0 | 0.00% | 0 | 0.00% |
| Local Authorities | | | | |
| Aberdeen Borough Council | 3,000 | 4.89% | 2,000 | 3.29% |
| Central Bedfordshire Council | 3,000 | 4.88% | 0 | 0.00% |
| Cheltenham Borough Council | 3,000 | 4.88% | 0 | 0.00% |
| Crawley Borough Council | 2,100 | 3.42% | 0 | 0.00% |
| Devon County Council | 3,000 | 4.88% | 0 | 0.00% |
| Eastleigh Borough Council | 2,500 | 4.07% | 0 | 0.00% |
| London Borough of Barking and Dagenham | 3,000 | 4.89% | 0 | 0.00% |
| Perth and Kinross Council | 0 | 0.00% | 1,500 | 2.47% |
| Stoke on Trent City Council | 2,000 | 3.26% | 2,000 | 3.29% |
| Surrey County Council | 0 | 0.00% | 3,000 | 4.93% |
| DMADF (HM Treasury) | 250 | 0.41% | 12,600 | 20.73% |
| Money Market Funds | | | | |
| CCLA - Public Sector Deposit Fund | 3,000 | 4.89% | 3,000 | 4.93% |
| Goldman Sachs - Sterling | | | | |
| Liquid Reserves Fund | 1,800 | 2.93% | 700 | 1.16% |
| Morgan Stanley Sterling Liquidity Fund | 2,800 | 4.56% | 3,000 | 4.94% |
| Total managed in house | 30,460 | 49.61% | 29,800 | 49.03% |
| Money Market Funds* | | | | |
| Payden Sterling Reserve Fund | 15,337 | 24.98% | 15,389 | 25.32% |
| Royal London Asset Management Short Term | 15,600 | 25.41% | 15,590 | 25.65% |
| Total managed externally | 30,937 | 50.39% | 30,979 | 50.97% |
| Total treasury investments | 61,397 | 100.00% | 60,779 | 100.00% |
| Treasury external borrowing | | | | |
| Building Societies - temporary borrowing | (5,000) | 5.01% | 0 | 0.00% |
| Local Authorities - temporary borrowing | (8,000) | 8.01% | 0 | 0.00% |
| Triple Point Heat Networks Investment Management | (7,076) | 7.08% | (7,076) | 8.19% |
| PWLB - long and short term borrowing | (79,829) | 79.90% | (79,309) | 91.81% |
| Total external borrowing | (99,905) | 100.00% | (86,385) | 100.00% |
| Net treasury investments/ (borrowing) | (38,508) | | (25,606) | |

* 31.3.24 restated to include £7.076m loan from Triple Point Heat Networks ** market value (Payden market value at 6.1.25)

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 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Treasury Management Strategy 2025/26 (incorporating Minimum Revenue Provision Policy Statement and Annual Investment Strategy) and Capital Strategy 2025/26

Report summary:

This report sets out the Cabinet recommendation to Council arising from their consideration of a report on the Treasury Management Strategy 2025/26 (incorporating Minimum Revenue Provision Policy Statement and Annual Investment Strategy) and Capital Strategy 2025/26 at their meeting on 5 February 2025.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet with 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:

- 1a. Adopts this Treasury Management Strategy including the Prudential Indicators for 2025/26;
- 1b. Approves the Minimum Revenue Provision Policy Statement;
- 1c. Approves the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties
- 2a. Adopts the Capital Strategy 2025/26 – 2028/29

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. 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: Council

Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Council Tax Reduction Scheme 2025/26

Report summary:

This report sets out the Cabinet recommendation to Council arising from their consideration of a report on the Council Tax Reduction Scheme 2025/26 at their meeting on 5 February 2025.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet with 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 Tax Reduction Scheme for working age residents is approved for 2025/26.

Reason for recommendation:

The council is required by law to decide whether to revise or replace its CTR scheme each year. The proposal is that the scheme remains unchanged from 2024/25 as the current economic climate remains difficult for those on low incomes. Leaving the scheme as it is, will ensure that those households on the lowest income and therefore falling into income band 1 would continue to receive 100% support towards their Council Tax charge.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Report to: Cabinet



Date of Meeting 8 January 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Council Tax Reduction Scheme 2025/26

Report summary:

To consider and approve the Council Tax Reduction (CTR) scheme for 2025/26 which we are recommending is not changed from the 2024/25 scheme. This is because our current scheme continues to support low-income households in the most effective way in the current economic climate.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

To recommend to Council that the Council Tax Reduction Scheme for working age residents is approved for 2025/26.

Reason for recommendation:

The council is required by law to decide whether to revise or replace its CTR scheme each year. The proposal is that the scheme remains unchanged from 2024/25 as the current economic climate remains difficult for those on low incomes. Leaving the scheme as it is, will ensure that those households on the lowest income and therefore falling into income band 1 would continue to receive 100% support towards their Council Tax charge.

Officer: Sharon Church, Benefits and Financial Resilience Manager, schurch@eastdevon.gov.uk
01395 571791

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 High Impact

An [Equalities Impact Assessment](#) has been undertaken but as we are not making any changes to our scheme the impact is neutral.

Climate change Low Impact

Risk: Low Risk;

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- ☐ A supported and engaged community
- ☐ Carbon neutrality and ecological recovery
- ☒ Resilient economy that supports local business
- ☒ Financially secure and improving quality of services

1. Background

- 1.1 Council Tax Reduction (CTR) was introduced from 1 April 2013 when it replaced the national Council Tax Benefit scheme. It is a means tested reduction/discount for council taxpayers who are on a low income.
- 1.2 Working Age applicants for CTR have a scheme that is determined by local policy whilst pension age applicants are determined by national scheme subject to prescribed legislation.
- 1.3 Every year the Council is required to review and agree the working age scheme by 11 March of the preceding financial year. Any changes made to a working age CTR scheme are subject to public consultation.
- 1.4 We have not made any changes to our CTR scheme since 1 April 2023. Out of the beneficial changes made to the scheme from April 2023 the biggest was to increase support for those in income band 1 (households on lowest income) from 85 to 100%.
- 1.5 Although we made the beneficial changes from April 2023, due to external factors such as the continued cost-of-living crisis we are aware that there are households still struggling to afford essentials and pay their Council Tax. Overall the Council Tax collection rates are showing a slight reduction compared to this time last year.

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 2023:

| Caseload | As at April 2023 | As at October 2023 | As at April 2024 | As at October 2024 | Difference between Apr 23 & Oct 24 (% rise) |
|--------------|------------------|--------------------|------------------|--------------------|---|
| Working age | 4,561 | 4,516 | 4,528 | 4,539 | -22 (-0.48%) |
| Pension age | 3,546 | 3,513 | 3,455 | 3,465 | -81 (-2.28%) |
| Total | 8,107 | 8,029 | 7,983 | 8,004 | -103 (-1.27%) |

- Our working age caseload continues to reduce albeit slower than for the financial year 2022/23. The reduction for working age households claiming CTR for 2023/24 is at 0.48% compared to a reduction of 2.10% on year ending 2023. This would continue to suggest that many low-income households are still struggling to make ends meet.
- For those households of pensionable age, the reduction in caseload had a higher percentage decrease in the periods April to October 2023 (0.93%) and October 2023 to April 2024 (1.65%) than for the period April 2024 to October 2024 where an increase in the numbers receiving CTR have started to rise. This would suggest that work on the Benefit Take up campaign encouraging pensionable age residents to apply for support is starting to have an effect.

2.3 The following table provides the caseload broken down by the four discount bands:

| Band | October 2022 | October 2023 | October 2024 | 2022 to 2023 | % Change | 2023 to 2024 | % Change |
|--------------|--------------|--------------|--------------|--------------|---------------|--------------|---------------|
| 100% | 2,423 | 2004 | 1844 | -419 | -17.29% | -579 | -23.9% |
| 80% | 1,264 | 916 | 869 | -348 | -27.53% | -395 | -31.3% |
| 55% | 623 | 1194 | 1321 | +571 | +91.65% | +698 | +112% |
| 25% | 256 | 402 | 505 | +146 | +57.03% | +249 | +97.27% |
| Total | 4,566 | 4,516 | 4,539 | -50 | -1.09% | -27 | -0.59% |

- The majority of our caseload is within Income Band 1, however this has seen a reduction of 23.9% since October 2023.
- Income Band 2 (80%) has also seen a reduction of 31.3% compared to October 2023.
- Income Bands 3 (55%) and 4 (25%) have seen increases in the numbers of households receiving CTR with 112% rise for Band 3 and 97.27% rise for band 4. These rises are likely due to the 974 residents either no longer being entitled or falling out of Income Bands 1 and 2 due to increases in income following a change in circumstances such as returning to work.

2.4 The following table shows how the caseload continues to change across the characteristics of households where there are children, someone with a disability or someone who is in employment living in the household.

| Band | Households with Children | | | Disability Benefit | | | Employed | | |
|------------------------------|--------------------------|--------------|---------------|--------------------|--------------|---------------|-------------|--------------|---------------|
| | Oct-23 | Dec-24 | % Diff | Oct-23 | Dec-24 | % Diff | Oct-23 | Dec-24 | % Diff |
| Band 1 100% | 809 | 671 | -17.06% | 989 | 906 | -8.39% | 141 | 134 | -4.96% |
| Band 2 80% | 607 | 610 | +0.5% | 402 | 405 | +0.75% | 486 | 406 | -16.46% |
| Band 3 55% | 521 | 601 | +15.36% | 531 | 645 | +21.5% | 600 | 646 | +7.67% |
| Band 4 25% | 244 | 349 | +43.00% | 101 | 145 | +43.6% | 381 | 440 | +15.5% |
| Total | 2181 | 2,231 | +2.29% | 2023 | 2,101 | +3.86% | 1608 | 1,626 | +1.12% |

Note: households can fall into more than one of the above categories

- The majority of households falling out of Income Band 1 are those where there are children resident in the household, followed by those households where there is a resident who is disabled living in the property.
- For Income Band 2 the majority of households falling into a lower band are those households where there is someone who is employed resident.

2.5 Our working age scheme continues to include an exceptional hardship fund (EHF) to help those households who still struggle to make up any shortfall in their entitlement. This allows us to provide additional support of up to 100% of the council tax charge. Cases are considered on a case-by-case basis and are dependant on the individual's needs. To date we have awarded approximately £6K under EHF which is included in the total costs of the scheme in 3.1.

3. Future Costs

3.1 The expenditure split of the scheme as at 7 October 2024 is shown in the table below.

| Claim type | Expenditure costs |
|--------------|--------------------|
| Working age | £5,165,284 |
| Pension age | £4,930,748 |
| Total | £10,096,032 |

3.2 Our working age CTR scheme allows for us to make amendments to the income band widths to take account of inflationary changes such as the annual increases in welfare benefits paid by the Department for Works and Pensions. As there will be a rise in the majority of welfare benefits of 1.7% CPI, we will be increasing our income bands to take account of this in order to minimise the number of households moving up/down a band. Where we may get instances of a small number of cases moving down a band, we can look to provide support via the Exceptional Hardship Fund which is part of the CTR scheme. They can also be supported by our Financial Resilience Team.

3.3 Costs of the 2024/25 will depend on a combination of factors that include the annual rise in Council Tax, the continued improvement in the economic recovery and the number of pensionable age residents who respond to the take up campaign.

3.4 The cost of the CTR scheme is funded through the Council Tax base, and costs are shared in proportion between the preceptors. For East Devon the CTR expenditure equates to 7% of the total cost.

4.0 Arrears

4.1 The following table gives details of those households who are receiving CTR as at 2 December 2024 against the numbers of households in arrears, further split into working and pensionable age.

| Total | | | Working Age | | | Pension Age | | |
|-------|------------|-------|-------------|------------|--------|-------------|------------|-------|
| Cases | In arrears | % | Cases | In Arrears | % | Cases | In arrears | % |
| 8030 | 683 | 8.51% | 4565 | 625 | 13.69% | 3465 | 58 | 1.67% |

- 8.51% of all CTR claims are in arrears. When comparing this against non CTR households in arrears the percentage is only 3.28%. This highlights that households on low incomes struggle more to pay Council Tax.
- 13.69% of working age residents receiving CTR are in arrears with their Council Tax accounts. In comparison to July 2022 the percentage of working age CTR cases in arrears was 19.7%, this demonstrates that our current scheme is helping to support low-income households.

4.2 The table below shows a breakdown of those cases in arrears where CTR is being received broken down into Council Tax bands.

| Band | Total CTR Cases in arrears | | | Working Age | | | Pension Age | | |
|--------------|----------------------------|----------------|--------------|-------------|------------|---------------|-------------|------------|--------------|
| | Total CTR claims | CTR households | % | Total Cases | In arrears | % | Total Cases | In arrears | % |
| A | 1877 | 156 | 8.31% | 1152 | 141 | 12.24% | 725 | 15 | 2.07% |
| B | 3072 | 270 | 8.79% | 1747 | 244 | 13.97% | 1325 | 26 | 1.96% |
| C | 2095 | 199 | 9.50% | 1272 | 190 | 14.94% | 823 | 9 | 1.09% |
| D | 618 | 50 | 8.09% | 283 | 43 | 15.19% | 335 | 7 | 2.09% |
| E | 274 | 5 | 1.82% | 83 | 5 | 6.02% | 191 | 0 | 0% |
| F | 74 | 3 | 4.05% | 22 | 2 | 9.09% | 52 | 1 | 1.92% |
| G | 20 | 0 | 0% | 14 | 0 | 0% | 6 | 0 | 0% |
| Total | 8030 | 683 | 8.51% | 4565 | 625 | 13.69% | 3457 | 58 | 1.68% |

- Working age residents make up the highest percentage of arrears compared to those of pensionable age.
- The property band with the highest level of arrears is band D for both working age and pensionable age residents.

4.3 The following table shows the level of arrears spread across the income bands for working age cases.

| Income Band | Working age cases in arrears | | |
|--------------|------------------------------|------------|---------------|
| | Total cases | in arrears | % |
| 1 | 1777 | 197 | 11.09% |
| 2 | 917 | 146 | 15.92% |
| 3 | 1373 | 205 | 14.93% |
| 4 | 498 | 77 | 15.46% |
| Total | 4565 | 625 | 13.69% |

- Households receiving CTR and falling within Income Band 1 are no longer the highest group with arrears on their accounts as in previous years. This supports that raising this income band from 85% to 100% has had a positive effect on those with the lowest incomes.
- The highest levels of arrears are those in Income Bands 2 and 4.

5.0 Summary

- 5.1 Analysis of the data over the last 12 months suggest that households are returning to employment and no longer requiring 100% support from CTR.
- 5.2 The highest level of arrears is for those in Income Bands 2 and 4 followed by Income Band 3, suggesting that even though residents have started to return to work they are still struggling to afford to pay their Council Tax charge.
- 5.3 Since July 2022 the percentage of working age CTR cases in arrears has fallen. However, CTR working age residents are more likely to fall into arrears than those that are not receiving CTR. We will be undertaking more targeted work on these arrears' cases over the next financial year and offering those households who need help support from the Financial Resilience team.

Financial implications:

The implications have been factored into the taxbase for 2025/26 and therefore the draft budget.

Legal implications:

The legal issues are covered in the body of the report and the Scheme itself.

Report to: Council



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Council Tax Resolution 2025/26

Report summary:

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2025/26.

In agreeing to the Cabinet recommendations on the Revenue and Capital Budgets 2025/26 (Minute Number 138) on the 5th February 2025 this gives the Council Tax requirement for this Council of £11,190,182 resulting in a Council Tax Band D amount of £171.78. This is an increase of £5 a year (3%), within the threshold stipulated by government before triggering a council tax referendum.

The Budget report to Cabinet on 5th February 2025 can be found here: [Agenda for Cabinet on Wednesday, 5th February, 2025, 6.00 pm - East Devon](#) this report contains links to the detailed Revenue and Capital Budget report to Cabinet on the 8th January 2025.

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 2025/26 budgets and is satisfied with the adequacy of the proposed financial reserves. **The 2025/26 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 2025/26.

Officer: Simon Davey – Director of Finance S151 sdavey@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 High Impact

Risk: Low Risk;

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)

- ☒ A supported and engaged community
 - ☒ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☒ Financially secure and improving quality of services
-

Report in full

1. East Devon District Council's Budget 2025/26

- 1.1 In agreeing to the Cabinet recommendations on the Revenue and Capital Budgets 2025/26 (Minute Number 138) on the 5th February 2025 this gives the Council Tax requirement for this Council of £11,190,182 resulting in a Council Tax Band D amount of £171.78. This is an increase of £5 a year (3%), within the threshold stipulated by government before triggering a council tax referendum.
- 1.2 The Budget report to Cabinet on 5th February 2025 can be found here: [Agenda for Cabinet on Wednesday, 5th February, 2025, 6.00 pm - East Devon](#) this report contains links to the detailed Revenue and Capital Budget report to Cabinet on the 8th January 2025.

2 Council Tax Resolution 2025/26

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 20th February and Fire on 17th February.

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

- **Town & Parish Councils**

The Town & Parish Council Precepts for 2025/26 are detailed in Schedule 1 and total £6,220,005.70. The increase in the average Band D Council Tax for Town and Parish councils is 4.27% and results in an average Band D Council Tax figure of £95.48 for 2025/26.

- **Devon County Council**

Devon County Council set their precept at £117,338,615.58. This results in a Band D Council Tax of £1,801.26. 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 £18,774,074.26. This results in a Band D Council Tax of £288.20, being a 4.99% increase on the previous year.

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

Devon & Somerset Fire & Rescue Authority set their precept at £6,819,119. This results in a Band D Council Tax of £104.68, being a 5% 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 2025/26 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 | 2024/2025 | 2025/2026 | Variation |
|--|------------------|------------------|------------------|
| | £ | £ | % |
| East Devon District Council | 166.78 | 171.78 | 3.00% |
| Parish & Town Councils (Average) | 91.57 | 95.48 | 4.27% |
| Sub Total | 258.35 | 267.26 | - |
| Devon County Council | 1,715.67* | 1,801.26* | 4.99% |
| Police and Crime Commissioner for Devon and Cornwall | 274.50 | 288.20 | 4.99% |
| Devon & Somerset Fire & Rescue Authority | 99.68 | 104.68 | 5.00% |
| TOTALS | £2,348.20 | £2,461.40 | 4.81% |

* 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 2025/26 which is derived from its Budget Requirement as recommended by Cabinet on 5th February 2025.

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 8th January 2025 Cabinet (minute reference 120 refers) calculated the Council Tax Base 2025/26.
 - (a) for the whole Council area as 65,142.52 [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 2025/26 (excluding Parish precepts) is £11,190,182.
3. That the following amounts be calculated for the year 2025/26 in accordance with Sections 30 to 36 of the Act:
 - (a) £111,883,225 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) £94,473,037 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £17,410,188 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) £267.26 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) £6,220,005.70 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) £171.78 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 2025/26 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 | £1,200.84 | £192.13 | £69.79 |
| B | £1,400.98 | £224.16 | £81.42 |
| C | £1,601.12 | £256.18 | £93.05 |
| <u>D</u> | <u>£1,801.26</u> | <u>£288.20</u> | <u>£104.68</u> |
| E | £2,201.54 | £352.24 | £127.94 |
| F | £2,601.82 | £416.29 | £151.20 |
| G | £3,002.10 | £480.33 | £174.47 |
| H | £3,602.52 | £576.40 | £209.36 |

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 2025/26 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 2025/26 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 2025/26 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 2025/26

| Parish | Parish Precept | Tax Base | Basic Parish Tax | Basic Tax Parish + EDDC | Basic Tax + DCC + Fire Authority + Police & Crime Comm D&C |
|--------------------|---------------------|-------------|---------------------|----------------------------|--|
| | £ | | £ | £ | £ |
| All Saints | 17,000.00 | 267 | 63.72 | 235.50 | 2,429.64 |
| Awliscombe | 6,500.00 | 253 | 25.67 | 197.45 | 2,391.59 |
| Axminster | 504,850.00 | 2948 | 171.24 | 343.02 | 2,537.16 |
| Axmouth | 12,909.13 | 278 | 46.41 | 218.19 | 2,412.33 |
| Aylesbeare | 16,896.00 | 267 | 63.29 | 235.07 | 2,429.21 |
| Beer | 37,818.00 | 781 | 48.42 | 220.20 | 2,414.34 |
| Bishops Clyst | 51,327.76 | 619 | 82.87 | 254.65 | 2,448.79 |
| Brampford Speke | 8,750.00 | 156 | 56.09 | 227.87 | 2,422.01 |
| Branscombe | 13,844.00 | 397 | 34.91 | 206.69 | 2,400.83 |
| Broadclyst | 463,946.00 | 2937 | 157.97 | 329.75 | 2,523.89 |
| Broadhembury | 9,063.60 | 343 | 26.43 | 198.21 | 2,392.35 |
| Buckerell | 5,525.00 | 119 | 46.27 | 218.05 | 2,412.19 |
| Budleigh Salterton | 198,000.00 | 2994 | 66.13 | 237.91 | 2,432.05 |
| Chardstock | 54,485.00 | 428 | 127.27 | 299.05 | 2,493.19 |
| Clyst Honiton | 18,000.00 | 120 | 150.50 | 322.28 | 2,516.42 |
| Clyst Hydon | 4,180.00 | 135 | 30.92 | 202.70 | 2,396.84 |
| Clyst St George | 9,985.00 | 401 | 24.90 | 196.68 | 2,390.82 |
| Clyst St Lawrence | - | 51 | 0.00 | 171.78 | 2,365.92 |
| Colaton Raleigh | 12,366.90 | 325 | 38.06 | 209.84 | 2,403.98 |
| Colyford | 21,053.82 | 444 | 47.42 | 219.20 | 2,413.34 |
| Colyton | 63,945.00 | 1084 | 58.97 | 230.75 | 2,424.89 |
| Combe Raleigh | 100.00 | 110 | 0.91 | 172.69 | 2,366.83 |
| Combpyne-Rousdon | 5,428.00 | 225 | 24.16 | 195.94 | 2,390.08 |
| Cotleigh | 3,600.00 | 109 | 33.13 | 204.91 | 2,399.05 |
| Cranbrook | 669,344.35 | 2614 | 256.03 | 427.81 | 2,621.95 |
| Dalwood | 7,700.00 | 228 | 33.82 | 205.60 | 2,399.74 |
| Dunkeswell | 37,000.00 | 625 | 59.18 | 230.96 | 2,425.10 |
| E.Budleigh/Bicton | 30,539.00 | 537 | 56.88 | 228.66 | 2,422.80 |
| Exmouth | 934,434.00 | 13732 | 68.05 | 239.83 | 2,433.97 |
| Farringdon | 10,933.00 | 159 | 68.97 | 240.75 | 2,434.89 |
| Farway | 3,250.00 | 139 | 23.39 | 195.17 | 2,389.31 |
| Feniton | 34,000.00 | 677 | 50.21 | 221.99 | 2,416.13 |
| Gittisham | 10,927.25 | 484 | 22.57 | 194.35 | 2,388.49 |
| Hawkchurch | 10,800.00 | 288 | 37.48 | 209.26 | 2,403.40 |
| Honiton | 667,545.00 | 4087 | 163.32 | 335.10 | 2,529.24 |
| Huxham | - | 47 | 0.00 | 171.78 | 2,365.92 |
| Kilminster | 24,000.00 | 409 | 58.68 | 230.46 | 2,424.60 |
| Luppitt | 14,000.00 | 231 | 60.52 | 232.30 | 2,426.44 |
| Lympstone | 56,000.00 | 969 | 57.78 | 229.56 | 2,423.70 |
| Membury | 11,070.00 | 299 | 36.98 | 208.76 | 2,402.90 |
| Monkton | 4,900.00 | 79 | 62.04 | 233.82 | 2,427.96 |
| Musbury | 12,000.00 | 262 | 45.75 | 217.53 | 2,411.67 |
| Netherexe | - | 30 | 0.00 | 171.78 | 2,365.92 |
| Newton Poppleford | 84,076.00 | 984 | 85.42 | 257.20 | 2,451.34 |
| Northleigh | 3,000.00 | 91 | 32.99 | 204.77 | 2,398.91 |
| Offwell | 9,225.00 | 190 | 48.68 | 220.46 | 2,414.60 |
| Otterton | 14,852.52 | 336 | 44.24 | 216.02 | 2,410.16 |
| Ottery St Mary | 319,330.00 | 3017 | 105.86 | 277.64 | 2,471.78 |
| Payhembury | 14,656.00 | 346 | 42.36 | 214.14 | 2,408.28 |
| Plymtree | 5,115.00 | 258 | 19.86 | 191.64 | 2,385.78 |
| Poltimore | 7,350.00 | 136 | 54.02 | 225.80 | 2,419.94 |
| Rewe | 11,700.00 | 200 | 58.43 | 230.21 | 2,424.35 |
| Rockbeare | 42,000.00 | 384 | 109.28 | 281.06 | 2,475.20 |
| Seaton | 466,748.00 | 3499 | 133.39 | 305.17 | 2,499.31 |
| Sheldon | 1,600.00 | 92 | 17.43 | 189.21 | 2,383.35 |
| Shute | 8,000.00 | 306 | 26.17 | 197.95 | 2,392.09 |
| Sidmouth | 778,015.00 | 7346 | 105.91 | 277.69 | 2,471.83 |
| Southleigh | 4,500.00 | 114 | 39.32 | 211.10 | 2,405.24 |
| Stockland | 17,984.40 | 359 | 50.07 | 221.85 | 2,415.99 |
| Stoke Canon | 11,000.00 | 247 | 44.53 | 216.31 | 2,410.45 |
| Talaton | 9,200.00 | 253 | 36.35 | 208.13 | 2,402.27 |
| Uplyme | 62,520.00 | 939 | 66.59 | 238.37 | 2,432.51 |
| Upton Pyne | 14,000.00 | 353 | 39.68 | 211.46 | 2,405.60 |
| Upton Pyne | 10,539.97 | 230 | 45.90 | 217.68 | 2,411.82 |
| West Hill | 56,875.00 | 1175 | 48.40 | 220.18 | 2,414.32 |
| Whimble | 28,443.00 | 746 | 38.11 | 209.89 | 2,404.03 |
| Widworthy | 7,500.00 | 149 | 50.35 | 222.13 | 2,416.27 |
| Woodbury | 146,080.00 | 1463 | 99.87 | 271.65 | 2,465.79 |
| Yarcombe | 7,680.00 | 243 | 31.67 | 203.45 | 2,397.59 |
| | 6,220,005.70 | | | | |

| SCHEDULE 2 2025/26 | | | | | | | | |
|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 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 | 157.00 | 183.17 | 209.33 | 235.50 | 287.83 | 340.17 | 392.50 | 471.00 |
| Awliscombe | 131.63 | 153.58 | 175.51 | 197.45 | 241.32 | 285.21 | 329.08 | 394.90 |
| Axminster | 228.68 | 266.80 | 304.90 | 343.02 | 419.24 | 495.48 | 571.70 | 686.04 |
| Axmouth | 145.46 | 169.71 | 193.94 | 218.19 | 266.67 | 315.17 | 363.65 | 436.38 |
| Aylesbeare | 156.71 | 182.84 | 208.95 | 235.07 | 287.30 | 339.55 | 391.78 | 470.14 |
| Beer | 146.80 | 171.27 | 195.73 | 220.20 | 269.13 | 318.07 | 367.00 | 440.40 |
| Bishops Clyst | 169.77 | 198.06 | 226.35 | 254.65 | 311.24 | 367.83 | 424.42 | 509.30 |
| Brampford Speke | 151.91 | 177.24 | 202.55 | 227.87 | 278.50 | 329.15 | 379.78 | 455.74 |
| Branscombe | 137.79 | 160.76 | 183.72 | 206.69 | 252.62 | 298.56 | 344.48 | 413.38 |
| Broadclyst | 219.83 | 256.48 | 293.11 | 329.75 | 403.02 | 476.31 | 549.58 | 659.50 |
| Broadhembury | 132.14 | 154.17 | 176.18 | 198.21 | 242.25 | 286.31 | 330.35 | 396.42 |
| Buckerell | 145.37 | 169.60 | 193.82 | 218.05 | 266.50 | 314.96 | 363.42 | 436.10 |
| Budleigh Salterton | 158.61 | 185.04 | 211.47 | 237.91 | 290.78 | 343.65 | 396.52 | 475.82 |
| Chardstock | 199.37 | 232.60 | 265.82 | 299.05 | 365.50 | 431.96 | 498.42 | 598.10 |
| Clyst Honiton | 214.85 | 250.67 | 286.47 | 322.28 | 393.89 | 465.52 | 537.13 | 644.56 |
| Clyst Hydon | 135.13 | 157.66 | 180.17 | 202.70 | 247.74 | 292.79 | 337.83 | 405.40 |
| Clyst St George | 131.12 | 152.98 | 174.82 | 196.68 | 240.38 | 284.10 | 327.80 | 393.36 |
| Clyst St Lawrence | 114.52 | 133.61 | 152.69 | 171.78 | 209.95 | 248.13 | 286.30 | 343.56 |
| Colaton Raleigh | 139.89 | 163.21 | 186.52 | 209.84 | 256.47 | 303.11 | 349.73 | 419.68 |
| Colyford | 146.13 | 170.49 | 194.84 | 219.20 | 267.91 | 316.63 | 365.33 | 438.40 |
| Colyton | 153.83 | 179.48 | 205.11 | 230.75 | 282.02 | 333.31 | 384.58 | 461.50 |
| Combe Raleigh | 115.13 | 134.32 | 153.50 | 172.69 | 211.06 | 249.44 | 287.82 | 345.38 |
| Combpyne-Rousdon | 130.63 | 152.40 | 174.17 | 195.94 | 239.48 | 283.03 | 326.57 | 391.88 |
| Cotleigh | 136.61 | 159.38 | 182.14 | 204.91 | 250.44 | 295.98 | 341.52 | 409.82 |
| Cranbrook | 285.21 | 332.74 | 380.27 | 427.81 | 522.88 | 617.95 | 713.02 | 855.62 |
| Dalwood | 137.07 | 159.91 | 182.75 | 205.60 | 251.29 | 296.98 | 342.67 | 411.20 |
| Dunkeswell | 153.97 | 179.64 | 205.29 | 230.96 | 282.28 | 333.61 | 384.93 | 461.92 |
| East Budleigh with Bicton | 152.44 | 177.85 | 203.25 | 228.66 | 279.47 | 330.29 | 381.10 | 457.32 |
| Exmouth | 159.89 | 186.54 | 213.18 | 239.83 | 293.12 | 346.42 | 399.72 | 479.66 |
| Farringdon | 160.50 | 187.25 | 214.00 | 240.75 | 294.25 | 347.75 | 401.25 | 481.50 |
| Farway | 130.11 | 151.80 | 173.48 | 195.17 | 238.54 | 281.92 | 325.28 | 390.34 |
| Feniton | 147.99 | 172.66 | 197.32 | 221.99 | 271.32 | 320.66 | 369.98 | 443.98 |
| Gittisham | 129.57 | 151.16 | 172.75 | 194.35 | 237.54 | 280.73 | 323.92 | 388.70 |
| Hawkchurch | 139.51 | 162.76 | 186.01 | 209.26 | 255.76 | 302.27 | 348.77 | 418.52 |
| Honiton | 223.40 | 260.64 | 297.86 | 335.10 | 409.56 | 484.04 | 558.50 | 670.20 |
| Huxham | 114.52 | 133.61 | 152.69 | 171.78 | 209.95 | 248.13 | 286.30 | 343.56 |
| Kilmington | 153.64 | 179.25 | 204.85 | 230.46 | 281.67 | 332.89 | 384.10 | 460.92 |
| Luppitt | 154.87 | 180.68 | 206.49 | 232.30 | 283.92 | 335.55 | 387.17 | 464.60 |
| Lympstone | 153.04 | 178.55 | 204.05 | 229.56 | 280.57 | 331.59 | 382.60 | 459.12 |
| Membury | 139.17 | 162.37 | 185.56 | 208.76 | 255.15 | 301.55 | 347.93 | 417.52 |
| Monkton | 155.88 | 181.86 | 207.84 | 233.82 | 285.78 | 337.74 | 389.70 | 467.64 |
| Musbury | 145.02 | 169.19 | 193.36 | 217.53 | 265.87 | 314.21 | 362.55 | 435.06 |
| Netherex | 114.52 | 133.61 | 152.69 | 171.78 | 209.95 | 248.13 | 286.30 | 343.56 |
| Newton Poppleford | 171.47 | 200.05 | 228.62 | 257.20 | 314.35 | 371.51 | 428.67 | 514.40 |
| Northleigh | 136.51 | 159.27 | 182.01 | 204.77 | 250.27 | 295.78 | 341.28 | 409.54 |
| Offwell | 146.97 | 171.47 | 195.96 | 220.46 | 269.45 | 318.45 | 367.43 | 440.92 |
| Otterton | 144.01 | 168.02 | 192.01 | 216.02 | 264.02 | 312.03 | 360.03 | 432.04 |
| Ottery St Mary | 185.09 | 215.95 | 246.79 | 277.64 | 339.33 | 401.04 | 462.73 | 555.28 |
| Payhembury | 142.76 | 166.56 | 190.34 | 214.14 | 261.72 | 309.32 | 356.90 | 428.28 |
| Plymtree | 127.76 | 149.06 | 170.34 | 191.64 | 234.22 | 276.82 | 319.40 | 383.28 |
| Poltimore | 150.53 | 175.63 | 200.71 | 225.80 | 275.97 | 326.16 | 376.33 | 451.60 |
| Rewe | 153.47 | 179.06 | 204.63 | 230.21 | 281.36 | 332.53 | 383.68 | 460.42 |
| Rockbeare | 187.37 | 218.61 | 249.83 | 281.06 | 343.51 | 405.98 | 468.43 | 562.12 |
| Seaton | 203.45 | 237.36 | 271.26 | 305.17 | 372.98 | 440.80 | 508.62 | 610.34 |
| Sheldon | 126.14 | 147.17 | 168.18 | 189.21 | 231.25 | 273.31 | 315.35 | 378.42 |
| Shute | 131.97 | 153.96 | 175.95 | 197.95 | 241.94 | 285.93 | 329.92 | 395.90 |
| Sidmouth | 185.13 | 215.98 | 246.83 | 277.69 | 339.40 | 401.11 | 462.82 | 555.38 |
| Southleigh | 140.73 | 164.19 | 187.64 | 211.10 | 258.01 | 304.93 | 351.83 | 422.20 |
| Stockland | 147.90 | 172.55 | 197.20 | 221.85 | 271.15 | 320.45 | 369.75 | 443.70 |
| Stoke Canon | 144.21 | 168.24 | 192.27 | 216.31 | 264.38 | 312.45 | 360.52 | 432.62 |
| Talaton | 138.75 | 161.88 | 185.00 | 208.13 | 254.38 | 300.64 | 346.88 | 416.26 |
| Uplyme | 158.91 | 185.40 | 211.88 | 238.37 | 291.34 | 344.32 | 397.28 | 476.74 |
| Uptontery | 140.97 | 164.47 | 187.96 | 211.46 | 258.45 | 305.45 | 352.43 | 422.92 |
| Upton Pyne | 145.12 | 169.31 | 193.49 | 217.68 | 266.05 | 314.43 | 362.80 | 435.36 |
| West Hill | 146.79 | 171.25 | 195.71 | 220.18 | 269.11 | 318.04 | 366.97 | 440.36 |
| Whimple | 139.93 | 163.25 | 186.57 | 209.89 | 256.53 | 303.18 | 349.82 | 419.78 |
| Widworthy | 148.09 | 172.77 | 197.45 | 222.13 | 271.49 | 320.86 | 370.22 | 444.26 |
| Woodbury | 181.10 | 211.29 | 241.46 | 271.65 | 332.01 | 392.39 | 452.75 | 543.30 |
| Yarcombe | 135.63 | 158.24 | 180.84 | 203.45 | 248.66 | 293.88 | 339.08 | 406.90 |

| <p style="text-align: center;">SCHEDULE 3 2025/26 EAST DEVON DISTRICT COUNCIL INCLUDING SPECIAL ITEMS, DEVON COUNTY COUNCIL, POLICE AND CRIME COMMISSIONER FOR DEVON & CORNWALL and DEVON & SOMERSET FIRE & RESCUE AUTHORITY</p> | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Parish | Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| All Saints | 1,619.76 | 1,889.73 | 2,159.68 | 2,429.64 | 2,969.55 | 3,509.48 | 4,049.40 | 4,859.28 |
| Awliscombe | 1,594.39 | 1,860.14 | 2,125.86 | 2,391.59 | 2,923.04 | 3,454.52 | 3,985.98 | 4,783.18 |
| Axminster | 1,691.44 | 1,973.36 | 2,255.25 | 2,537.16 | 3,100.96 | 3,664.79 | 4,228.60 | 5,074.32 |
| Axmouth | 1,608.22 | 1,876.27 | 2,144.29 | 2,412.33 | 2,948.39 | 3,484.48 | 4,020.55 | 4,824.66 |
| Aylesbeare | 1,619.47 | 1,889.40 | 2,159.30 | 2,429.21 | 2,969.02 | 3,508.86 | 4,048.68 | 4,858.42 |
| Beer | 1,609.56 | 1,877.83 | 2,146.08 | 2,414.34 | 2,950.85 | 3,487.38 | 4,023.90 | 4,828.68 |
| Bishops Clyst | 1,632.53 | 1,904.62 | 2,176.70 | 2,448.79 | 2,992.96 | 3,537.14 | 4,081.32 | 4,897.58 |
| Brampford Speke | 1,614.67 | 1,883.80 | 2,152.90 | 2,422.01 | 2,960.22 | 3,498.46 | 4,036.68 | 4,844.02 |
| Branscombe | 1,600.55 | 1,867.32 | 2,134.07 | 2,400.83 | 2,934.34 | 3,467.87 | 4,001.38 | 4,801.66 |
| Broadclyst | 1,682.59 | 1,963.04 | 2,243.46 | 2,523.89 | 3,084.74 | 3,645.62 | 4,206.48 | 5,047.78 |
| Broadhembury | 1,594.90 | 1,860.73 | 2,126.53 | 2,392.35 | 2,923.97 | 3,455.62 | 3,987.25 | 4,784.70 |
| Buckerell | 1,608.13 | 1,876.16 | 2,144.17 | 2,412.19 | 2,948.22 | 3,484.27 | 4,020.32 | 4,824.38 |
| Budleigh Salterton | 1,621.37 | 1,891.60 | 2,161.82 | 2,432.05 | 2,972.50 | 3,512.96 | 4,053.42 | 4,864.10 |
| Chardstock | 1,662.13 | 1,939.16 | 2,216.17 | 2,493.19 | 3,047.22 | 3,601.27 | 4,155.32 | 4,986.38 |
| Clyst Honiton | 1,677.61 | 1,957.23 | 2,236.82 | 2,516.42 | 3,075.61 | 3,634.83 | 4,194.03 | 5,032.84 |
| Clyst Hydon | 1,597.89 | 1,864.22 | 2,130.52 | 2,396.84 | 2,929.46 | 3,462.10 | 3,994.73 | 4,793.68 |
| Clyst St George | 1,593.88 | 1,859.54 | 2,125.17 | 2,390.82 | 2,922.10 | 3,453.41 | 3,984.70 | 4,781.64 |
| Clyst St Lawrence | 1,577.28 | 1,840.17 | 2,103.04 | 2,365.92 | 2,891.67 | 3,417.44 | 3,943.20 | 4,731.84 |
| Colaton Raleigh | 1,602.65 | 1,869.77 | 2,136.87 | 2,403.98 | 2,938.19 | 3,472.42 | 4,006.63 | 4,807.96 |
| Colyford | 1,608.89 | 1,877.05 | 2,145.19 | 2,413.34 | 2,949.63 | 3,485.94 | 4,022.23 | 4,826.68 |
| Colyton | 1,616.59 | 1,886.04 | 2,155.46 | 2,424.89 | 2,963.74 | 3,502.62 | 4,041.48 | 4,849.78 |
| Combe Raleigh | 1,577.89 | 1,840.88 | 2,103.85 | 2,366.83 | 2,892.78 | 3,418.75 | 3,944.72 | 4,733.66 |
| Combpyne-Rousdon | 1,593.39 | 1,858.96 | 2,124.52 | 2,390.08 | 2,921.20 | 3,452.34 | 3,983.47 | 4,780.16 |
| Cotleigh | 1,599.37 | 1,865.94 | 2,132.49 | 2,399.05 | 2,932.16 | 3,465.29 | 3,998.42 | 4,798.10 |
| Cranbrook | 1,747.97 | 2,039.30 | 2,330.62 | 2,621.95 | 3,204.60 | 3,787.26 | 4,369.92 | 5,243.90 |
| Dalwood | 1,599.83 | 1,866.47 | 2,133.10 | 2,399.74 | 2,933.01 | 3,466.29 | 3,999.57 | 4,799.48 |
| Dunkeswell | 1,616.73 | 1,886.20 | 2,155.64 | 2,425.10 | 2,964.00 | 3,502.92 | 4,041.83 | 4,850.20 |
| East Budleigh with Bicton | 1,615.20 | 1,884.41 | 2,153.60 | 2,422.80 | 2,961.19 | 3,499.60 | 4,038.00 | 4,845.60 |
| Exmouth | 1,622.65 | 1,893.10 | 2,163.53 | 2,433.97 | 2,974.84 | 3,515.73 | 4,056.62 | 4,867.94 |
| Farringdon | 1,623.26 | 1,893.81 | 2,164.35 | 2,434.89 | 2,975.97 | 3,517.06 | 4,058.15 | 4,869.78 |
| Farway | 1,592.87 | 1,858.36 | 2,123.83 | 2,389.31 | 2,920.26 | 3,451.23 | 3,982.18 | 4,778.62 |
| Feniton | 1,610.75 | 1,879.22 | 2,147.67 | 2,416.13 | 2,953.04 | 3,489.97 | 4,026.88 | 4,832.26 |
| Gittisham | 1,592.33 | 1,857.72 | 2,123.10 | 2,388.49 | 2,919.26 | 3,450.04 | 3,980.82 | 4,776.98 |
| Hawkhchurch | 1,602.27 | 1,869.32 | 2,136.36 | 2,403.40 | 2,937.48 | 3,471.58 | 4,005.67 | 4,806.80 |
| Honiton | 1,686.16 | 1,967.20 | 2,248.21 | 2,529.24 | 3,091.28 | 3,653.35 | 4,215.40 | 5,058.48 |
| Huxham | 1,577.28 | 1,840.17 | 2,103.04 | 2,365.92 | 2,891.67 | 3,417.44 | 3,943.20 | 4,731.84 |
| Kilmington | 1,616.40 | 1,885.81 | 2,155.20 | 2,424.60 | 2,963.39 | 3,502.20 | 4,041.00 | 4,849.20 |
| Luppitt | 1,617.63 | 1,887.24 | 2,156.84 | 2,426.44 | 2,965.64 | 3,504.86 | 4,044.07 | 4,852.88 |
| Lympstone | 1,615.80 | 1,885.11 | 2,154.40 | 2,423.70 | 2,962.29 | 3,500.90 | 4,039.50 | 4,847.40 |
| Membury | 1,601.93 | 1,868.93 | 2,135.91 | 2,402.90 | 2,936.87 | 3,470.86 | 4,004.83 | 4,805.80 |
| Monkton | 1,618.64 | 1,888.42 | 2,158.19 | 2,427.96 | 2,967.50 | 3,507.05 | 4,046.60 | 4,855.92 |
| Musbury | 1,607.78 | 1,875.75 | 2,143.71 | 2,411.67 | 2,947.59 | 3,483.52 | 4,019.45 | 4,823.34 |
| Netherexe | 1,577.28 | 1,840.17 | 2,103.04 | 2,365.92 | 2,891.67 | 3,417.44 | 3,943.20 | 4,731.84 |
| Newton Poppleford | 1,634.23 | 1,906.61 | 2,178.97 | 2,451.34 | 2,996.07 | 3,540.82 | 4,085.57 | 4,902.68 |
| Northleigh | 1,599.27 | 1,865.83 | 2,132.36 | 2,398.91 | 2,931.99 | 3,465.09 | 3,998.18 | 4,797.82 |
| Offwell | 1,609.73 | 1,878.03 | 2,146.31 | 2,414.60 | 2,951.17 | 3,487.76 | 4,024.33 | 4,829.20 |
| Otterton | 1,606.77 | 1,874.58 | 2,142.36 | 2,410.16 | 2,945.74 | 3,481.34 | 4,016.93 | 4,820.32 |
| Ottery St Mary | 1,647.85 | 1,922.51 | 2,197.14 | 2,471.78 | 3,021.05 | 3,570.35 | 4,119.63 | 4,943.56 |
| Payhembury | 1,605.52 | 1,873.12 | 2,140.69 | 2,408.28 | 2,943.44 | 3,478.63 | 4,013.80 | 4,816.56 |
| Plymtree | 1,590.52 | 1,855.62 | 2,120.69 | 2,385.78 | 2,915.94 | 3,446.13 | 3,976.30 | 4,771.56 |
| Poltimore | 1,613.29 | 1,882.19 | 2,151.06 | 2,419.94 | 2,957.69 | 3,495.47 | 4,033.23 | 4,839.88 |
| Rewe | 1,616.23 | 1,885.62 | 2,154.98 | 2,424.35 | 2,963.08 | 3,501.84 | 4,040.58 | 4,848.70 |
| Rockbeare | 1,650.13 | 1,925.17 | 2,200.18 | 2,475.20 | 3,025.23 | 3,575.29 | 4,125.33 | 4,950.40 |
| Seaton | 1,666.21 | 1,943.92 | 2,221.61 | 2,499.31 | 3,054.70 | 3,610.11 | 4,165.52 | 4,998.62 |
| Sheldon | 1,588.90 | 1,853.73 | 2,118.53 | 2,383.35 | 2,912.97 | 3,442.62 | 3,972.25 | 4,766.70 |
| Shute | 1,594.73 | 1,860.52 | 2,126.30 | 2,392.09 | 2,923.66 | 3,455.24 | 3,986.82 | 4,784.18 |
| Sidmouth | 1,647.89 | 1,922.54 | 2,197.18 | 2,471.83 | 3,021.12 | 3,570.42 | 4,119.72 | 4,943.66 |
| Southleigh | 1,603.49 | 1,870.75 | 2,137.99 | 2,405.24 | 2,939.73 | 3,474.24 | 4,008.73 | 4,810.48 |
| Stockland | 1,610.66 | 1,879.11 | 2,147.55 | 2,415.99 | 2,952.87 | 3,489.76 | 4,026.65 | 4,831.98 |
| Stoke Canon | 1,606.97 | 1,874.80 | 2,142.62 | 2,410.45 | 2,946.10 | 3,481.76 | 4,017.42 | 4,820.90 |
| Talaton | 1,601.51 | 1,868.44 | 2,135.35 | 2,402.27 | 2,936.10 | 3,469.95 | 4,003.78 | 4,804.54 |
| Uplyme | 1,621.67 | 1,891.96 | 2,162.23 | 2,432.51 | 2,973.06 | 3,513.63 | 4,054.18 | 4,865.02 |
| Upottery | 1,603.73 | 1,871.03 | 2,138.31 | 2,405.60 | 2,940.17 | 3,474.76 | 4,009.33 | 4,811.20 |
| Upton Pyne | 1,607.88 | 1,875.87 | 2,143.84 | 2,411.82 | 2,947.77 | 3,483.74 | 4,019.70 | 4,823.64 |
| West Hill | 1,609.55 | 1,877.81 | 2,146.06 | 2,414.32 | 2,950.83 | 3,487.35 | 4,023.87 | 4,828.64 |
| Whimble | 1,602.69 | 1,869.81 | 2,136.92 | 2,404.03 | 2,938.25 | 3,472.49 | 4,006.72 | 4,808.06 |
| Widworthy | 1,610.85 | 1,879.33 | 2,147.80 | 2,416.27 | 2,953.21 | 3,490.17 | 4,027.12 | 4,832.54 |
| Woodbury | 1,643.86 | 1,917.85 | 2,191.81 | 2,465.79 | 3,013.73 | 3,561.70 | 4,109.65 | 4,931.58 |
| Yarcombe | 1,598.39 | 1,864.80 | 2,131.19 | 2,397.59 | 2,930.38 | 3,463.19 | 3,995.98 | 4,795.18 |

Report to: Council



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Calendar of meetings 2025/2026

Report summary:

This report sets out the Cabinet recommendation to Council arising from their consideration of a report on the draft calendar of meetings for 2025/2026 at their meeting on 5 February 2025.

Note: The references in this report to Paper A relate to the relevant report considered by the Cabinet with 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 calendar of meetings timetable for 2025/2026 civic year be referred for approval to the annual meeting of the Council, subject to discussions with the Chairs of the meetings listed.

Reason for recommendation:

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.

Officer: Andrew Melhuish, Democratic Services Manager (andrew.melhuish@eastdevon.gov.uk)

Report to: Cabinet



Date of Meeting 5 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Calendar of Meetings 2025/2026

Report summary:

To consider the calendar of meetings for the Council's 2025/2026 municipal year.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

To recommend Annual Council on 14 May 2025 to approve the calendar of meetings for 2025/2026 municipal year (Appendix 1).

Reason for recommendation:

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

Officer: Andrew Melhuish, Corporate Lead Democratic Services & Scrutiny
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

Climate change Low Impact

Risk: Low Risk; By approving the Calendar of Meetings each year, the Council will avoid potential Member meeting clashes and ensure that its Constitutional requirements are provided for with the wishes of Members, wherever possible, being taken into account.

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

A draft calendar of meetings for 2025/2026 has been prepared to enable the effective consideration of Council business during the period from May 2025 to May 2026. A copy of the draft calendar of meetings is attached at appendix 1.

The Council Procedure Rules sets out the frequency of meetings and requires agreement on an annual schedule of meetings for the conduct of formal decision making within relevant statutory and procedural requirements. In setting the calendar of meetings each year the Council can ensure that these requirements are met. Adoption of a twelve-month calendar also enables for forward planning and where practicable avoids potential meeting clashes.

Financial implications:

This report is setting the calendar of meetings for the 2025/2026 municipal year and the budget for the administration of meetings is included in base budgets.

Legal implications:

The functions which are the subject of this report are matters for Council to determine.

List of meetings 2025-2026

Meetings in **orange** are not open to the public and the public can be asked to leave other meetings on specified grounds.

| 2025 | | | | | | | | | | | | | | | |
|--|-------|---------|-----|-----------|------|-----|------------|---------|-----|-----|-----------|-----|-----|------------|-----|
| 2026 | | | | | | | | | | | | | | | |
| Meeting | Day | Time | May | June | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May |
| Annual Council | Wed | 6.00pm | 14 | | | | | | | | | | | | 13 |
| Council | Wed | 6.00pm | | | 16 | | | 15 | | 10 | | 18 | | 15 | |
| Cabinet | Wed | 6.00pm | | 4 | 30 | | 3 | 1 29 | 26 | | 7 | 4 | 4 | 1 | 6 |
| Scrutiny Committee | Thu | 6.00pm | | 5 | 3 | | 4 | 2 | 6 | 4 | 29 | | 5 | 2 | |
| Overview & Scrutiny Committees joint meetings | Wed | 10.00am | | | | | | | | 3 | 14 | | | | |
| Overview Committee | Thu | 6.00pm | 29 | | 17 | | 25 | | 27 | | 22 | | 26 | | |
| Strategic Planning Committee | Tue | 10.00am | 6 | | 8 | | 2 | | 4 | | 6 | | 3 | | 5 |
| Planning Committee | Tue | 10.00am | 13 | 10 | 15 | 19 | 23 | 21 | 18 | 16 | 27 | 24 | 24 | 21 | |
| Audit & Governance Committee | Thu | 2.30pm | | | 24 | | 18 | | 20 | | 29 | | 19 | | |
| Housing Review Board | Thu | 10.00am | | | 31 | | | | 13 | | | 5 | | 30 | |
| Licensing & Enforcement Committee | Wed | 10.00am | | | 16 | | | | 12 | | | 11 | | 8 | |
| Standards Committee | Thu | 10.00am | | 19 | | | | | 27 | | 15 | | | 9 | |
| Personnel Committee | | 10.00am | | | 1 | | | 7 | | 2 | | | 31 | | |
| Asset Management Forum | Mon | 9.30am | | 16 | | | 1 | | | 1 | | | 2 | | |
| Budget Setting and Capital Allocations Panel | Thurs | 9.30am | | 12 | | | 11 | | 10 | | | | 12 | | |
| Place and Prosperity Investment Board | Wed | 5.30pm | | 18 | | | 10 | | 19 | | 21 | | 25 | | |
| Placemaking in Exmouth Town and Seafront Group | Tues | 10.00am | | 17 | | | 9 | | | 9 | | | 17 | | |
| Poverty Working Panel | Mon | 10.00am | | 23 | | | | 27 | | | | 23 | | | |
| Leisure Strategy Delivery Forum | Tue | various | | 24 6pm | | | 16 10am | | | | 13 6pm | | | 28 10am | |
| Recycling & Waste Partnership Board | Wed | 10.00am | | | 30 | | | 22 | | | 28 | | | 22 | |
| Arts & Culture Forum | Wed | 10.00am | | 18 | | | | | 26 | | | | | | |

| | | | | | | | | | | | | | | | |
|----------------------------------|-----|--------|--|---|----|---|--|---|--|---|--|---|--|----|--|
| Cranbrook Placemaking Group | Mon | 9.30am | | 9 | | 4 | | 6 | | 8 | | 2 | | 13 | |
| STRATA Joint Executive Committee | Wed | 2.30pm | | | 9 | | | | | | | | | | |
| STRATA Joint Scrutiny Committee | Wed | 2.30pm | | | 23 | | | | | | | | | | |

Public holidays May 2025 – May 2026

| | |
|---------------------------|------------------------|
| Monday 5 May 2025 | Early May bank holiday |
| Monday 26 May 2025 | Spring bank holiday |
| Monday 25 August 2025 | Summer bank holiday |
| Thursday 25 December 2025 | Christmas Day |
| Friday 26 December 2025 | Boxing Day |
| Thursday 1 January 2026 | New Year's Day |
| Friday 3 April 2026 | Good Friday |
| Monday 6 April 2026 | Easter Monday |
| Monday 4 May 2026 | Early May bank holiday |

Report to: **Council**



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Motion on Notice – Broadband in East Devon

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 at least 3 members 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 and will be listed on the agenda in the order in which notice received.

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 – Broadband in East Devon 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, Corporate Lead Democratic Services & Scrutiny
(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 motion 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: Broadband in East Devon

Proposer: Councillor Richard Jefferies

Seconded: Councillor Paul Hayward

The motion has been supported by Councillors Yehudi Levine, Cllr Duncan Mackinder, Cllr Todd Olive

Motion Received: 12 February 2025

East Devon District Council,

- A. Noting with concern issues raised by residents across East Devon regarding slow and unreliable broadband connections¹, and that some residents have been driven by poor service into arranging their own fibre optic connections²,
- B. Recognising the critical importance of broadband for accessing everyday services like emails and news outlets, using online banking and shopping facilities, and engaging with digital government services like passport applications, reporting missed bin collections or environmental health issues, or accessing pensions and benefits,
- C. Emphasising the value of decent broadband for wellbeing, including benefits for social connectivity and inclusion,³
- D. Highlighting the role of fast broadband speeds as an enabler of local economic growth³, driving productivity improvements and enabling residents of rural areas to work remotely, while also unlocking rural premises as a venue for digital businesses,
- E. Noting Devon County Council's leaving over half of premises promised new connections under the rural connectivity scheme un-covered following a decision to 'let off' broadband supplier Airband from its obligations under a 2020 contract⁴, and
- F. Recalling that this follows an appalling 2024 decision by its political leadership to divert over £7m in funding for rural broadband upgrades returned by BT to help plug its general budget

¹ cf. Midweek Herald (2023): *MP calls for Govt to tackle Devon's broadband 'not-spots'* [22 Dec]. Available at: <https://www.midweekherald.co.uk/news/24007547.mp-calls-govt-tackle-devons-broadband-not-spots/>

² cf. Daily Express (2024): *'We got quoted £115,000 to have broadband connected' - Inside Britain's internet nightmare* [18 Mar]. Available at: <https://www.express.co.uk/news/politics/1878711/Village-broadband-Devon-Michelle-Donelan>

³ cf. Department for Digital, Culture, Media & Sport (2018): *Evaluation of the Economic Impact and Public Value of the Superfast Broadband Programme*. Available at: https://assets.publishing.service.gov.uk/media/5b7a7cc640f0b6433bf8e954/Superfast_Integrated_Report.pdf

⁴ Devon County Council (2024): *Airband's full fibre broadband delivery for CDS scaled back* [31 Oct]. Available at: <https://www.devon.gov.uk/news/airbands-full-fibre-broadband-delivery-for-cds-scaled-back/>

deficit, rather than investing further in rural connectivity as sought by government and generally done by councils elsewhere⁵:

1. Requests that the Portfolio Holder for Economy and Assets:
 - a. Write to all parish and town councils to canvass for evidence and experiences of poor connectivity in East Devon, and where feasible to seek the same from East Devon's many rural businesses, and
 - b. Write to the Minister for Telecoms and East Devon's MP's to re-iterate the issue of broadband 'not-spots' in our district, and ask what actions government are taking to alleviate this critical constraint on social wellbeing and economic growth; and
2. Asks that the Leader:
 - a. Invite other authorities in Devon to participate in a joint initiative - following the successful example of the Devon Water Summit⁶ - to explore the costs of poor connectivity in the region, and to invite relevant public and industry bodies to explore how superfast fibre rollouts can be further accelerated, and
 - b. Writes to the Leader at Devon County Council, and the Programme Director of Connecting Devon & Somerset, to express this Council's disappointment at the cancellation of over half of Airband's connection obligations, and to invite them to offer an urgent briefing to this Council regarding efforts to bring superfast broadband to all of our residents, including changes made to Connecting Devon & Somerset's due diligence processes to ensure that such failures do not happen in future.

Financial implications:

To be confirmed, subject to the outcome of the consideration on the Motion on Notice.

Legal implications:

The motions on notice have 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.

⁵ ISPreview (2024): *Devon UK Use BT Broadband Gainshare to Tackle Council Deficit* [15 Jan]. Available at:

<https://www.ispreview.co.uk/index.php/2024/01/devon-uk-use-bt-broadband-gainshare-to-tackle-council-deficit.html>

⁶ An initiative of this Council, bringing together Devon's local authorities with public and research bodies to make progress on reducing sewage spills throughout the region

Report to: **Council**



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Motion on Notice – Highways

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 at least 3 members 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 and will be listed on the agenda in the order in which notice received.

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 – Highways 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, Corporate Lead Democratic Services & Scrutiny
(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 motion 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 2: Highways

Proposer: Councillor Paul Arnott

Seconded: Councillor Nick Hookway

The motion has been supported by Councillors Geoff Jung, Cllr Anne Hall, Cllr Susan Westerman, Cllr Eileen Wragg

Motion Received: 12 February 2025

East Devon District Council,

- A. Noting concern throughout Devon regarding the state of our region's roads, and the impacts of this on residents' lives¹,
- B. Recalling a significant history of issues raised with Devon Highways consultation responses on planning applications made to this authority, where residents and Ward Members cite material disagreements with Devon County Council Highways officers²,
- C. Highlighting with grave concern Devon County Council's admission that Devon's highways repair backlog is out of control, with an accumulated £200m backlog in highway maintenance and repair work continuing to grow year-on-year³,
- D. Alarmed that the County Council's response to the deteriorating state of Devon's roads is to continue with its existing – and failing – outsourced delivery model⁴, and that this decision was undertaken without meaningful consultation with communities or partner authorities
- E. Concerned that the County Council's provision for the introduction of new 20mph speed limit zones is woefully inadequate, with only six schemes approved for the 2024/25 financial year against 169 requests from Devon communities⁵, up from four granted requests against

¹ cf. Devon Live (2024): *Shocking revelation about state of Devon's roads* [21 Feb]. Available at: <https://www.devonlive.com/news/devon-news/shocking-revelation-state-devons-roads-9112928>;

Devon Live (2023): *Cyclists afraid to ride on Devon's 'shockingly bad roads'* [9 Mar]. Available at: <https://www.devonlive.com/news/devon-news/cyclists-afraid-ride-devons-shockingly-8225612>

² cf. East Devon News (2023): *Plans for 63 Ottery homes rejected for third time* [27 Oct]. Available at: <https://eastdevonnews.co.uk/2023/10/27/new-homes-ottery-st-mary/>

³ Devon County Council (2024): *Future Delivery Model for the highway Maintenance Service*. Available at: <https://democracy.devon.gov.uk/mgConvert2PDF.aspx?ID=50324>

⁴ Devon County Council (2024): *13/11/24 Cabinet – Decision Notice: Item 10*. Available at: <https://democracy.devon.gov.uk/documents/g5020/Decisions%2013th-Nov-2024%2010.30%20Cabinet.pdf?T=2>

⁵ Devon County Council (no date): *Devon 20mph Schemes*. Available at: <https://www.devon.gov.uk/roads-and-transport/parking/traffic-regulation-orders/20mphschemes/> (Accessed 11 February 2025)

105 applications made in 2022⁶, putting residents in East Devon and across the county at unnecessary risk⁷:

1. Asks that the Leader call on Devon County Council to:
 - a. Urgently review the value and efficiency of its existing outsourced highway maintenance contract,
 - b. Urgently reconsider its decision to continue with “business as usual” at the earliest possible opportunity, inviting genuine consultation with partner authorities and communities through that process;
2. Requests that the Portfolio Holder for Strategic Planning:
 - a. Invite the relevant Director at Devon County Council to attend a discussion with East Devon District Councillors to air concerns regarding Highways’ input into the planning process, and to raise these concerns with the relevant Devon County Council Scrutiny Committee following that meeting,
 - b. Invite relevant Devon Highways officers to provide a briefing for East Devon District Councillors and Town & Parish Councillors regarding how they assess planning applications and provide consultation responses, and
 - c. Following the requested briefing session, to invite East Devon District Council’s Development Management team to consult with members regarding how the information provided in Devon Highways’ responses to consultation requests could be improved to provide additional reassurance to Members and the public; and
3. Recommends that East Devon District Council’s Scrutiny Committee consider undertaking an investigation of these issues in support of and in addition to the above measures.

Financial implications:

To be confirmed, subject to the outcome of the consideration on the Motion on Notice.

Legal implications:

The motions on notice have 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.

⁶ Sidmouth Herald (2022): *Council under fire after approving only four new 20mph zones in Devon* [3 Aug]. Available at: <https://www.sidmouthherald.co.uk/news/20598015.council-fire-approving-four-new-20mph-zones-devon/>

⁷ cf. Devon Live (2022): *20mph is not about convenience, it’s about not killing a child* [27 Nov]. Available at: <https://www.devonlive.com/news/news-opinion/20mph-not-convenience-its-not-7846590>

Report to: **Council**



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Appointment of a member to the Independent Remuneration Panel and co-option of an Independent Person to the Audit and Governance Committee

Report summary:

This report outlines the appointment of a new member to the Independent Remuneration Panel, following an open recruitment process and interviews, conducted by the Chair of the Independent Remuneration Panel and the Corporate Lead Democratic Services & Scrutiny.

The report also confirms the continued appointment of three independent persons to the Independent Remuneration Panel until March 2027.

This report also outlines the appointment of an independent person to the Audit & Governance Committee, following an open recruitment process and interview, conducted by the Chair of the Audit & Governance Committee, Director of Finance and Corporate Lead Democratic Services & Scrutiny.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

That Council:

1. Approve the appointment of Charles Summers to serve on the Independent Remuneration Panel with effective until 31 March 2028.
2. Approves the continued appointment of Nigel Arnold, Ken Bryant and Andy Cockeram until 31 March 2027.
3. Approve that Robert Wood is co-opted as an Independent Person to serve on the Audit & Governance Committee effective until 31 March 2028.

Reason for recommendation:

The Independent Remuneration Panel plays a crucial role in maintaining the integrity and fairness of remuneration policies. The panel is composed of individuals with diverse expertise and experience, ensuring well-rounded and impartial advice.

The Panel is required to be appointed by the Council, although it is independent of the Council.

The appointment of a co-opted independent member to the committee ensures that the committee has an independent person with the additional knowledge and expertise to reinforce its political neutrality and independence to supporting good governance.

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

Public authorities are required to have due regard to the aims of the Public Sector Equality Duty (Equality Act 2010) when making decisions and setting policies. While there are no specific equalities implications arising from this report, the recruitment process has sought to find a variety of candidates that whilst meeting the profile, offer a variety of different backgrounds and experiences.

Climate change Low Impact

Whilst an impact assessment has not been undertaken, it is considered that there are no climate change implications associated with this report.

Risk: Low Risk; It is important that the Council maintains an Independent Remuneration Panel to provide impartial and independent advice regarding the Members' Allowance Scheme.

Links to background information None.

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
- ☒ Carbon neutrality and ecological recovery
- ☒ Resilient economy that supports local business
- ☒ Financially secure and improving quality of services

Report in full

The Local Authorities (Members' Allowances) (England) Regulations 2003 require the district council to establish and maintain an Independent Remuneration Panel, and to have regard to the recommendations of the panel before making or amending the Members' Allowance Scheme.

The panel's Terms of Reference provide that panel members are appointed for a fixed four-year period and may serve a further term of four years, subject to Full Council approval of their re-appointment. The panel's Terms of Reference also provide that the panel shall consist of a minimum of three and a maximum of five members. In that regard, Full Council will note that there is currently one unfilled position on the panel and further recruitment will be undertaken in 2025.

Following an open recruitment process in November 2024, an interview was held in December 2024 with a panel comprising the Chair of the Independent Remuneration Panel and the Corporate Lead Democratic Services & Scrutiny and Charles Summer has been selected as a suitable appointment to join the existing panel.

The existing panel comprising Nigel Arnold, Ken Bryant and Andy Cockeram have been in post since 2023 and have indicated that they will continue as panel members until 31 March 2027 at which point their term of office can either be extended or terminated.

The Audit & Governance Committee is seeking the co-option of up to two independent members to the Committee which will help to bring additional knowledge and expertise and will also reinforce its political neutrality and independence. Co-opted members to Council committees are not members of the Council itself and have no voting rights. Co-opted members would instead be consulted during committee meetings and their views taken into account by voting members of the committee.

Following a review by Sir Tony Redmond, the Chartered Institute of Public Finance and Accountability (CIPFA) recommended that “each authority’s audit committee should include at least two co-opted independent members”.

Following an open recruitment process in November 2024, an interview was held in February 2025 with a panel comprising the Chair of the Audit & Governance Committee, the Director of Finance and the Corporate Lead Democratic Services & Scrutiny and Robert Wood has been selected as suitable to be co-opted to the committee.

Financial implications:

Members of the Independent Remuneration Panel receive an annual allowance of £400 plus mileage expenses. Allowances paid to panel members are funded from the Member Allowances budget and there is already sufficient funding with that budget to support the appointment of the additional member.

Independent Members of the Audit & Governance Committee are able to claim travelling expenses for attending meetings and any claims can be funded from the Member Allowances budget.

Legal implications:

In accordance with the Local Government Act 2003 and the Local Authorities (Members’ Allowances) (England) Regulations 2003, the Council is required to appoint an Independent Remuneration Panel (IRP) to report and make recommendations on Members Allowances and this appointment supports this.

Report to: **Council**



Date of Meeting 26 February 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Outside Bodies – Devon and Torbay Combined Authority Board and South West Energy & Environment Group

Report summary:

This report seeks to add two outside bodies to the Council's list of outside bodies and appointment councillors to serve on the outside bodies.

Devon and Torbay Combined Authority Board (DTCA Board)

The DTCA Board will be responsible for making decisions about the powers and funding devolved to it from Whitehall through the devolution deal that was agreed in January 2024.

The Council is invited to nominate one representative to serve on the DTCA Board.

South West Energy & Environment Group (SWEED).

The Centre for Energy and the Environment works alongside public sector organisations in the South West under a partnership known as the South West Energy and Environment Group (SWEED). Experience, information, research and technical advice are shared between its members on energy and climate change issues.

The Council is invited to nominate two representatives to serve on SWEED.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendation:

1. That Council agree to add the Devon and Torbay Combined County Authority Board as an outside body and to appoint the Leader of Council Councillor Paul Arnott.
2. That Council agree to add the South West Energy & Environment Group (SWEED) as an outside body and to appoint the Portfolio Holder for Climate Action, Councillor Marianne Rixson and the Assistant Portfolio Holder for Coast, Country and Environment, Councillor Paula Fernley.

Reason for recommendation:

To ensure the Council is represented on the outside bodies.

Officer: Andrew Melhuish, Corporate Lead Democratic Services & Scrutiny
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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