



**Agenda for Cabinet
Wednesday, 4th March, 2026, 6.00 pm**

Members of Cabinet

Councillors: P Arnott (Chair), S Hawkins, P Hayward, N Hookway, S Jackson, G Jung, D Ledger, J Loudoun (Vice-Chair), T Olive and R Jefferies

Venue: Council Chamber, Blackdown House, Honiton

Contact: Amanda Coombes, Democratic Services Officer;
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(or group number 01395 517546)
Tuesday, 24 February 2026

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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](#)

1 Minutes of the previous meeting (Pages 3 - 8)

2 Apologies

3 Declarations of interest

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

4 Public speaking

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

5 Matters of urgency

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

There is one late report at agenda item 14 Local Government Reorganisation - Consultation Response.

6 Confidential/exempt item(s)

To agree any items to be dealt with after the public (including the Press) have been excluded. There is one item which officers recommend should be dealt with in this way.

7 Minutes of Overview Committee held on 22 January 2026 (Pages 9 - 11)

8 Minutes of Strata Joint Executive Committee held on 28 January 2026 (Pages 12 - 14)

- 9 Minutes of Recycling and Waste Partnership Board held on 28 January 2026
(Pages 15 - 17)

Key Matters for Decision

- 10 Sidmouth and East Beach Coastal Defence Scheme - Contract above £100k
(Pages 18 - 21)
- 11 Mutual Exchange Policy (Pages 22 - 35)
- 12 Temporary Accommodation Procurement and Allocation Policy (Pages 36 - 48)

Matters for Decision

- 13 **Budget Monitoring Report - Month 10 January** (Pages 49 - 60)
- 14 **Local Government Reorganisation - Consultation Response** (Pages 61 - 62)
- 15 **Local Government (Access to Information) Act 1985 - Exclusion of Press and Public**

The Vice-Chair to move the following:

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

Part B Key Matters for Decision

- 16 Supported Accommodation (Pages 63 - 72)

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

[Decision making and equalities](#)

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EAST DEVON DISTRICT COUNCIL**Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 4 February 2026****Attendance list at end of document**

The meeting started at 6.00 pm and ended at 8.16 pm

142 Minutes of the previous meeting

The minutes of the previous meeting from Cabinet held on 7 January 2026 were agreed.

143 Declarations of interest

Min 157. Exmouth Town Hall.

Councillor Nick Hookway, Other Registerable Interest, Member of Exmouth Town Council and DCC Councillor.

Min 158. Cranbrook Leisure, Health and Wellbeing Campus - Neighbourhood Health Centre - Section 2.

Councillor Paul Hayward, Affects Non-registerable Interest, has family connections in Cranbrook as well as working for the NHS.

Min 159. Focussed Programme of Community Asset Transfers.

Councillor Paul Hayward, Affects Non-registerable Interest, Employee of local town council.

Min 159. Focussed Programme of Community Asset Transfers.

Councillor Sarah Jackson, Affects Non-registerable Interest, Member of a local town council.

144 Public speaking

There were no members of the public wishing to speak.

145 Matters of urgency

There were none.

146 Confidential/exempt item(s)

There were three items dealt with in this way recorded at Minutes 157-159.

147 Minutes of Cranbrook Placemaking Group held on 8 December 2025

Members noted the minutes of the Cranbrook Placemaking Group held on 8 December 2025.

148 Minutes of Scrutiny Committee held on 12 January 2026

Members noted the minutes of the Scrutiny Committee held on 12 January 2026.

149 Minutes of the joint budget meeting of the Scrutiny Committee and

Overview Committee held on 14 January 2026

Members noted the Minutes and approved the recommendations of the Scrutiny Committee and Overview Committee held on 14 January 2026.

Minutes 42 - 46 Draft Directorate Plans 2026 - 2028

That Cabinet approves the Directorate Plans for 2026 – 2028 for the Place, Housing & Health, Finance and Governance Directorates.

Minute 47 Draft Revenue and Capital Budgets 2026 - 2027

1. That the Play Park Consolidation Study at a cost of £20,000 be included in the budget.
2. That the Cultural Strategy Delivery at a cost of £37,500 and the Tourism Strategy Delivery at a cost of £30,000 be included in the budget.
3. That the CVC service by Devon Communities Together - £63,000 be included in the budget.
4. That the amounts of £118,000 and £34,000 to cover Streetscene operational staff pressures be included in the budget.
5. That the draft revenue and capital budgets for 2026 – 2027, including the associated fees and charges schedule, be approved.

150 **Minutes of Leisure Strategy Delivery Forum held on 13 January 2026**

Members noted the Minutes of the Leisure Strategy Delivery Forum held on 13 January 2026.

Minute 38 Leisure Project update

To note the contents of this update

151 **Minutes of Housing Review Board held on 22 January 2026**

Members noted the Minutes and approved the recommendations of the Housing Review Board held on 22 January 2026.

Minute 92 Draft Housing Revenue Account and Capital Budget report 2026-27

That the draft revenue and capital estimates as recommended by the Housing Review Board were approved.

Minute 94 Income Management Policy

That the proposed updated income management policy was approved.

Minute 95 Possession of Council Homes and Garages Policy

That Cabinet approve the proposed updated possession of council homes and garages policy was approved.

Minute 96 Mutual Exchange Policy

That Cabinet approved the updated mutual exchange policy was approved.

152 **Council Tax Reduction Scheme for 2026/27**

This report sought Members' consideration and approval of the Council Tax Reduction Scheme (CTR) for 2026/27, which recommended it remained un-changed from the 2025/26 scheme. The reason for this was that the current scheme continued to support

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low-income households who were still finding the current economic situation challenging, in the most cost-effective way.

The intention was to carry out a review of the CTR working age scheme for 2027/28 due to the removal of the two-child cap the government announced in the Autumn Budget (19 November 2025), and the need to start to consider aligning the working age scheme with neighbouring Devon authorities in readiness for Local Government Reorganisation (LGR). Any proposed changes to the scheme would be consulted on before a final draft policy was brought to Members for consideration and approval.

RESOLVED that Cabinet;

1. Fully considered the Equality Impact Assessment in relation to the scheme.

RECOMMENDED to Council:

2. that the Council Tax Reduction Scheme for working age residents is approved for 2026/27.

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 remains unchanged from 2025/26 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.

153 **Revenue and Capital Budgets 2026/27**

Cabinet initially supported the draft Revenue and Capital Budgets for 2026/27 at its meeting on 7 January 2026. A joint meeting of the Overview and Scrutiny Committees reviewed draft Directorate Plans and the draft budget on 14 January, and the Housing Review Board considered the Housing Revenue Account budget on 22 January.

The Overview and Scrutiny Committees recommended the approval of the Directorate Plans as presented and the draft 2026/27 budget with no amendments to the main budget, but a further recommendation on the inclusion of special item bids totalling £302,500. These had now been added to the draft budget in line with those recommendations. The Housing Review Board recommended no amendment to the draft Housing Revenue Account budget.

RECOMMENDED to Council;

1. To propose the Net Expenditure Revenue General Fund Budget for 2026/27 of £28.096m (including £302,500 additional special item bids identified in 2.2 of this report) requiring £1.174m to be met from the MTFP Risk Reserve.
2. A Council Tax increase is approved of £5.14 a year giving a Band D council tax of £176.92 a year for 2026/27.
3. That the Housing Revenue Account Estimates with a net budget of nil (total expenditure met by income) is approved with a 4.8% increase on Council dwellings rents.
4. That the Net Capital Budget totalling £16.779m for 2026/27 is approved

RESOLVED that Cabinet;

5. Approve the Directorate Plans

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 2026/27.

154 **Appointment of Specialist Support in Relation to Local Government Reorganisation**

Approval was sought to appoint specialist advisers in relation to supporting the development of the 'Reimagining Devon' proposals for local government reorganisations including initial preparatory work to support implementation. This work was being commissioned as part of the Council's role in providing programme management support for these proposals. The costs would be met equally between the seven District and Borough Councils promoting this option.

RESOLVED that Cabinet;

1. Approves the appointment of specialist advisers on behalf of the constituent Councils progressing the 4-5-1 model of local government reorganisation.
2. Delegates authority to the Director of Place in consultation with the Director of Governance and the Portfolio Holder for Council, Corporate and External Engagement to conclude the associated legal agreement.

REASON:

To ensure that the 4-5-1 model of local government reorganisation continued to be developed in the most robust way possible and to support initial implementation planning.

155 **Annual programme of Committee meetings 2026/2027**

To consider the calendar of meetings for the Council's 2026/2027 civic year.

RECOMMENDED to Council;

To refer the Annual Programme of committee meetings for East Devon District Council for 2026 – 2027 to the annual meeting of the Council.

RESOLVED that Cabinet;

- Agree that the Annual Council Meeting for East Devon District Council is held on Wednesday 13 May 2026 at 6.00pm.
- To acknowledge the implications set out in the report for making changes to the annual programme and to ensure such changes are kept to a minimum.

REASON:

To ensure the Council had an annual programme of meetings in order to carry out its functions. To minimise impacts on staff resources, room availability, councillor commitments and statutory requirements.

156 **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 page 7 Cabinet 29 October 2025 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).

157 **Exmouth Town Hall**

RESOLVED: that the recommendations as set out in the report were agreed.

158 **Cranbrook Leisure, Health and Wellbeing Campus - Neighbourhood Health Centre - Section 2**

RESOLVED: that the recommendations as set out in the report were agreed.

159 **Focussed Programme of Community Asset Transfers**

RESOLVED: that the amended recommendations as set out in the report were agreed.

Attendance List

Present:

Portfolio Holders

P Arnott	Leader of the Council
S Hawkins	Portfolio Holder Finance
P Hayward	Portfolio Holder Assets and Economy
N Hookway	Portfolio Holder Culture, Leisure, Sport and Tourism
S Jackson	Portfolio Holder Communications and Democracy
G Jung	Portfolio Holder Environment - Operations
D Ledger	Portfolio Holder Sustainable Homes & Communities
J Loudoun	Deputy Leader & Portfolio Holder Corporate, Council & External Engagement
T Olive	Portfolio Holder Place, Infrastructure & Strategic Planning
R Jefferies	Portfolio Holder Environment - Nature & Climate

Also present (for some or all the meeting)

Councillor Ian Barlow
Councillor Kevin Blakey
Councillor Roy Collins
Councillor Peter Faithfull
Councillor Mike Goodman
Councillor Marianne Rixson

Also present:

Officers:

Amanda Coombes, Democratic Services Officer
Melanie Wellman, Director of Governance (Monitoring Officer)
Tim Child, Assistant Director Place, Assets & Leisure
Sharon Church, Benefits Manager
Simon Davey, Director of Finance
Naomi Harnett, Corporate Lead (Interim) – Major Projects & Programmes
Tracy Hendren, Chief Executive

Catrin Stark, Director of Housing and Health
John Symes, Finance Manager
Andrew Wood, Director of Place

Chair

Date:

EAST DEVON DISTRICT COUNCIL**Minutes of the meeting of Overview Committee held at Council Chamber, Blackdown House, Honiton on 22 January 2026****Attendance list at end of document**

The meeting started at 6.00 pm and ended at 7.06 pm

53 Minutes of the previous meeting held on 30 September 2025

The minutes of the previous meeting were agreed as a true and accurate record.

54 Declarations of interest

There were none.

55 Public Speaking

No members of the public had registered to speak.

56 Matters of urgency

There were no matters of urgency.

57 Confidential/exempt item(s)

There were no confidential/exempt items.

58 Landscape Recovery Programmes in East Devon

The Assistant Director – Countryside, Environment & Ecology introduced this report which informed members of the existence and value of three Landscape Recovery Programmes in East Devon - Three Rivers (National Trust, Killerton); Luppitt Landscape Partnership (Luppitt Valley, Blackdown Hills); and Clinton Devon Estate's (Heaths to Sea, Lower Otter), which aligned with a number of Council plans and objectives.

The report provided details of the Heaths to Sea and Luppitt Projects and requested in-principle support for their objectives.

The Assistant Director introduced and welcomed Ms Beth Humphrey and Ms Kendal Archer of Clinton Devon Estates and Mr Gavin Saunders of Luppitt Landscape Partnership who delivered presentations to the Committee and answered questions.

Discussion and clarification included the following points:

- A reason for delivering landscape recovery is the hope that the activities being carried out will help to improve the health of the River Otter over the next 20 years.
- Clinton Devon Estates has committed to an Environmental Management Plan as part of their agreement with the Environment Agency, and a Ranger carries out monitoring across the Lower Otter Estuary looking at a range of species, along with ongoing monitoring through Citizen Science to ensure that the estuary is a healthy environment and habitat.
- The goal is to have a joined up landscape scale approach which would need Defra backing and funding; however, there are different sections of the project that could be

continued in isolation if Defra funding is withdrawn and other funding is sought elsewhere on a smaller scale.

- Approximately 98% of the land within the project area is owned by Clinton Devon Estates; not all of it is managed by Clinton Devon Estates and there are different management partners on the National Nature Reserve. Additionally, there are two individual land owners who are not connected to the National Nature Reserve and who are part of the project.
- One of the good features of this scheme compared with previous schemes is that Defra requires that a baseline of data is put in place in order that change can be measured over time.
- Luppitt Landscape Partnership is looking to consolidate and improve existing open access on the commons.
- Clinton Devon Estates has a dedicated website for their project – www.heathstosea.com – which is the starting point for their public engagement. They also use the Clinton Devon Estates and Pebblebed Heaths Conservation Trust social media as well as local parish newsletters and posters, to keep the public informed.

The Overview Committee noted the report and supported the nature recovery ambitions of the Heaths to Sea and Luppitt Landscape Partnership (LLP) Landscape Recovery Projects (with the caveat that where required planning and other approvals would need to be secured).

The Chair thanked the representatives of Clinton Devon Estates and Luppitt Landscape Partnership for their attendance and contribution.

59 **Work Programme 2025 - 2026**

Members received and noted the Overview Committee's Work Programme for 2025-2026. It was noted that a proposal submitted by Cllr Charlotte FitzGerald for the Committee's consideration was currently being progressed offline by officers in consultation with Cllr FitzGerald.

Attendance List

Councillors present:

B Collins
R Collins
A Hall (Chair)
M Hall
M Hartnell
Y Levine
D Mackinder

Councillors also present (for some or all the meeting)

R Jefferies
G Jung

Officers in attendance:

Sarah James, Democratic Services Officer
Charles Plowden, Assistant Director Countryside and Leisure
Anita Williams, Principal Solicitor (Deputy Monitoring Officer)
Simon Davey, Director of Finance

Councillor apologies:

- A Bailey
- B Bailey
- K Bloxham
- T Dumper
- P Fernley
- J Heath
- D Wilson

Chair:

Date:

STRATA - JOINT EXECUTIVE COMMITTEE

WEDNESDAY, 28 JANUARY 2026

Present:

Councillors Palethorpe, Bialyk and Arnott

Apologies:

None

Officers in Attendance:

Steve Mawn, Director of IT and Digital Transformation

Neil Blaney, Director of Place

Christopher Morgan, Assistant Democratic Services Officer

Suzanne Edwards, Strata Finance Manager

Andrew Hopkins, Head of Service, Digital and Data (EDDC)

These decisions will take effect from 10.00 a.m. on Wednesday 4 February unless called-in or identified as urgent in the minute

7. ELECTION OF CHAIR

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That Cllr Palethorpe be elected Chair of the Committee for 2025-2026.

8. MINUTES

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That the minutes of the previous meeting be approved as a correct record and signed by the Chair.

9. DECLARATIONS OF INTEREST

None.

10. QUESTIONS FROM THE PUBLIC UNDER PROCEDURAL RULES

None.

11. QUESTION FROM MEMBERS OF THE COUNCILS UNDER PROCEDURE RULES

None.

12. AMENDMENTS TO THE TERMS OF REFERENCE

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That the proposed changes to the Terms of Reference be approved.

13. STRATA BUSINESS PLAN AND STRATEGY

The Director of IT and Digital Transformation introduced the item to the Committee.

He spoke on the successful transformation as evidenced by the reduced calls coming into Strata, MHCLG recognition, the role of enterprise architecture, and costs.

The Committee discussed the impact of Local Government Reorganisation on Strata and budgeting.

It was proposed by Cllr Arnott, seconded by Cllr Bialyk and

RESOLVED

That the Committee recommends the Strata Business Plan to be approved by the three partner Councils.

14. STRATA BUDGET MONITORING AND PERFORMANCE REPORT

The Strata Finance Manager introduced the item to the Committee.

The Committee discussed the projected outturn of £297,000, the budget savings from the EDDC graphics team, and funding for cloud servers.

The Committee noted the report.

The meeting started at 3.30 pm and finished at 4.05 pm.

Cllr David Palethorpe
Chair

EAST DEVON DISTRICT COUNCIL**Minutes of the meeting of Recycling and Waste Partnership Board held at Online via Teams on 28 January 2026****Attendance list at end of document**

The meeting started at 10.00 am and ended at 10.45 am

52 Minutes of the previous meeting

The minutes of the meeting held on 12 November 2025 were agreed as a true record.

53 Declarations of interest

There were no declarations of interest.

54 Matters arising

There were no matters arising.

55 Green waste accounts

The accountant was welcomed to the meeting and thanked for producing the green waste accounts, which were presented to the Board. The accountant explained to the Board the accruals and forecasting process. It was noted that the service was doing well and the accrual income position was £1,186,615. Expenses were £685,682 and the predicted profit for the year was £500,933.

In response to a question about non-renewals for the green waste service the Recycling and Waste Contract Manager explained the non-renewals process, which had 3 renewal notifications over 21, 14 and 7 days, followed by a 30-day grace period once the renewal had passed. After this the green bin would be collected by SUEZ. The crews only collected what was on their devices and were very good at reporting anomalies. It was noted that the number of green bin subscriptions remained consistent despite house moves and non-renewals.

The report was noted.

56 Joint operations and contract report

The Recycling and Waste Service Manager and the SUEZ Contract Manager gave the Board a joint contract and operational update for the third quarter of 2025 – 26. The contract continued to perform very well with crews consistently completing their daily rounds. Crews responded well to increased demand, the operational planning proved effective, and service standards were maintained at a high level during one of the most challenging times of year for the service. As expected, recycling and waste tonnages increased significantly in the lead-up to and over the Christmas period, placing the expected additional pressure on the service. Resources were prioritised and managed effectively with no significant service disruption.

There had been no RIDDOR reportable injuries in 2025. Quarter three saw increased near miss reporting, and a reduction in personal injuries and road traffic accidents. In

response to a question about this it was reported that the increase in near misses reported was due to a SUEZ push on this. Near miss reporting was an important metric as it helped to drive down accidents and allowed hazards to be quickly addressed.

The number of properties in the district continued to grow, with an increase of around 550 households. Complaints remained under threshold, which was a reflection of SUEZ's efforts. Recruitment remained steady with overall staffing numbers maintained. There was still support from agency staff, who gradually converted to full time SUEZ employees. Sickness absence had improved over the last quarter (1% for November and December), with the return to work of long-term absence employees. Within the EDDC team the vacant Operations and Projects Officer role was currently being advertised, with a closing date of 1 February 2026.

Material prices remained consistent, with the exception of textiles. The Recycling and Waste Manager explained that the global second textile market was facing challenges and that the contract was not expecting a return from textiles over the next couple of months. The return was generally small so this would have a low impact on the overall material income.

Maintenance activity continued to play a key role in keeping the materials recycling facility (MRF) fully operational and managing the waste flows into the site. Overall performance remained good, with the plant continuing to function. Progress was being made on the adjacent depot lease. One half of the site was now leased and operational, with the second half expected to be completed by 1 March. Following this traffic management plans would be revised, vehicle parking relocated and necessary operational adjustments would be made to the site. These changes would be particularly important in supporting the upcoming Local Authority Trading Company (LATCo) transition.

On behalf of the Board the Chair thanked the Recycling and Waste Manager and the SUEZ Contract Manager for their report.

The report was noted.

57 **Performance framework**

The Board noted the performance report which showed performance across the contract. It highlighted eight parts of the contract that officers focused on and allowed officers to look for areas of improvement and put plans in place if necessary. The Recycling and Waste Service Manager highlighted the overall good performance and reported that the contract had never invoked a penalty.

In response to a question relating to the number of complaints received about container returns it was reported that all crews received toolbox talks and individual crews could be targeted from complaints. Agency staff were often not as diligent as crew.

The report was noted.

58 **SUEZ demobilisation updates**

The Recycling and Waste Contract Manager gave the Board a brief update on the SUEZ demobilisation. SUEZ had an experienced and dedicated demobilisation manager and continued to be constructive and helpful. Fortnightly demobilisation meetings were in

place. The key workstreams were HR, finance and IT, and various subgroups had been set up.

An important milestone in the process was the TUPE process, which had now commenced. SUEZ had five representatives. A new Managing Director of the LATCo had been appointed and was due to start in February.

The Assistant Director – Streetscene reiterated that SUEZ continued to be great partners and thanked the Contract Manager and his team. He responded in saying that SUEZ were committed to making the LATCo a success once it took the contract on. It was noted that the role of the Recycling and Waste Partnership Board was client management, reviewing performance statistics and service performance. The SUEZ demobilisation would take place through ELT, Cabinet and the Shareholder Committee. Timescales were tight but there was a fantastic team in place.

The update was noted.

59 **Additional discussion point**

The Chair of the Recycling and Waste Partnership Board thanked the crews and those involved in the service for the fantastic recovery efforts during the previous day's flooding. There were initial challenges in getting staff into the depot, but all the rounds were deployed and the crews did everything they could to collect from the properties that they could access. There were around 1000 collections not made, but recollections from these properties had been balanced out where possible. Information was on the Council's website and App messaging was used. Officers were asked to monitor social media and do communications where necessary.

Attendance List

Board Members:

Councillors present:

P Fernley
G Jung (Chair)
M Rixson
T Olive
M Goodman

Officers present:

A Hancock, Assistant Director StreetScene
L Hodges, Recycling & Waste - Service Manager

Suez present:

M Canning

Councillors also present (for some or all the meeting)

R Collins
P Faithfull

Officers in attendance:

John Hudson, Accountant
Alethea Thompson, Democratic Services Officer

Chair

Date:

Report to: **Cabinet**

Date of Meeting 4 March 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Sidmouth and East Beach Coastal Defence Scheme – Authority to award the contract

Report summary:

This report is to seek delegated authority to award the Sidmouth and East Beach Coastal Defence Scheme Two Stage Contract involving the Detailed Design, Modelling, Consenting & Statutory Consultation within Stage One, with the option to progress to Stage Two, Construction Phase thereafter.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. That Cabinet grant delegated authority to the Director of Place in consultation with the Portfolio Holder Environment Operations and Portfolio Holder Finance to award the contract to the preferred supplier.

Reason for recommendation:

1. To enable the award of contract to the preferred supplier following completion of the tender exercise. The delegation will allow the contract to be entered without a further cabinet paper, to ensure programme targets are met.

Officer: Tom Buxton-Smith tbuxton-smith@eastdevon.gov.uk 01395 571630

Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change High Impact

Information about storm intensity and sea level risk is included in the risk section below, but also relates to climate change and is the reason for this being high impact. Without improved coastal

defences. Sidmouth faces the prospect of increased frequency and magnitude of damage and flooding from coastal storms. The scheme will be designed to meet 2100 standards (sea level and climate change) as outlined in DEFRA's Flood and Coastal Erosion Risk Management Strategy to provide protection to Sidmouth from coastal erosion and flooding.

The project is also high impact from a climate perspective as the rock and concrete required and transport of the same will have a high carbon footprint.

Risk: High Risk; Sidmouth faces multiple coastal flooding and erosion mechanisms that already pose significant risk and are expected to worsen with climate change. The town has a long record of severe coastal impacts, with major events documented since the 1824 "great gale." Since 1981, at least 14 overtopping incidents have affected residential and commercial properties along the Esplanade, with the most notable modern events occurring in 2014, 2017, 2020 and 2022. These events now occur roughly every two to three years. The town is exposed to storm conditions from both the southwest and the southeast. Southwest storms are typically more damaging, but an increase in southeast storm activity in recent years has further eroded the already depleted beach and increased pressure on the seawall. Low beach levels significantly increase overtopping frequency and severity. Sidmouth's topography funnels overtopped water inland, causing ponding around York Street and Ham Car Park. Flooding in the west of the town is more contained but still affects areas such as Bedford Square and Chapel Road. Climate change is expected to amplify all of these issues by raising sea levels, increasing wave energy, and intensifying storminess. Higher baseline water levels mean that storms which previously posed limited risk will increasingly result in overtopping and flooding, particularly in the exposed eastern part of the frontage where limited shelter is provided by the existing offshore breakwaters. Overall, the town's existing defence system is already under stress, and climate change will significantly increase the frequency, severity, and impacts of coastal flooding and erosion, reinforcing the urgent need for intervention at Sidmouth.

Links to background information Sidmouth and East Beach management Plan: [Sidmouth and East Beach Management Plan and Scheme - East Devon](#) Sidmouth and East Beach Approved Outline Business Case: [Sidmouth and East Beach Outline Business Case - 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. Contract with a contractor (yet to be appointed) will exceed £100k.

- 1.1. A competitive tender has been live via our electronic portal since 23rd January 2026 for delivery of the Sidmouth and East Beach Coastal Defence Scheme Two Stage Contract. The deadline for submissions is Thursday 9th April. We will evaluate the submissions and identify the preferred supplier in April, with the view to start delivery of the stage 1 design elements mid-May 2026. The overall works have an estimated value of £21m, but split into two stages with a break clause.
- 1.2. Stage 1 is the detailed design element including modelling, consultation and the planning process, as well as production of construction drawings. The Sidmouth and East Beach

Coastal Defence Scheme has been tendered with this element being valued at around £1.8m

- 1.3. Stage 2 is the construction element. Should we wish to proceed, within the schemes financial envelope, we would be able to proceed to construction without a further tender period. Under the contract, the Council is not compelled to progress to Stage 2, and could re-tender the construction should we wish to.
- 1.4. The funding of the project has been approved as below.

Funding Source	Value
Environment Agency FDGiA funding	£17,540,000
Local Levy Funding	£500,000
East Devon District Council primary budget	£1,700,000
East Devon District Council risk budget	£500,000
East Devon District Council Housing contribution	£50,000
Devon County Council Highways	£500,000
Sidmouth Town Council	£100,000
Sidmouth Lifeboat	£100,000
CRAG	£50,000
Total	£21,040,000

- 1.5 It is worth noting that all funds identified above have conditions attached to them, however the project is currently planned to meet all those conditions.
- 1.6 Environment Agency funding is fully approved, however it is subject to programme allocation approval. This means the EA still need to allocate funding for the construction phase in their financial plan. However we have enough funding allocated to complete part 1.
- 1.7 Delegated authority is sought for the Director of Place in consultation with the relevant Portfolio Holders to award the contract to the supplier that provides best value.
- 1.8 All procurement is via an open tender to the whole market, via the Supplying the South West portal.
- 1.9 Due to the scale of the project, and its value being above threshold we have worked with Devon County Council's procurement service to ensure that the contract meets all procurement regulations.
- 1.10 Further checks on the contract have been carried out via specialist advice received from Bevan Brittan solicitors.
- 1.11 The target programme for the scheme delivery is as follows

Date and Time	Design and Construction Stage
---------------	-------------------------------

May 2026	(Stage One) Design, Modelling and Consenting Stage commences with Early Contractor Involvement
July 2027	Detailed Design Complete – issue Notice to Proceed to Stage Two
July 2027	Lead time/mobilisation
Aug 2027	(Stage Two) Construction Phase commences
Aug 2028	Construction Phase Completion

2. The Outline Business Case for the Beach Management Scheme was adopted via Cabinet in Feb 2023, the same report gave authority to start the procurement process. There has subsequently been extensive work undertaken by South West Flood and Coastal to ensure the procurement process and extensive background documentation, including the agreed scope for the project which the Advisory Group and Project Board input into, have been incorporated into the tender documents and a robust procurement undertaken.

Financial implications:

The financial details are outlined in the report, the recommendations have no effect on the financial implication to that already approved by Council.

Legal implications:

This contract has been procured with support by Devon County Council and is in compliance with Procurement legislation and the Council's Contract Procedure rules. Delegated authority to award is sought due to the tight timescales.



Report to: **Cabinet**

Date of Meeting: 4 March 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Mutual Exchange Policy

Report summary:

This report presents the Mutual Exchange Policy which has been reviewed and updated to incorporate any relevant changes in practice, outlining EDDC's approach to managing mutual exchange requests.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet approves the updated Mutual Exchange Policy.

Reason for recommendation:

The Mutual Exchange Policy has been reviewed and updated to incorporate relevant changes.

Officer: Andrew Mitchell, Housing Solutions Manager

Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk

Links to background information:

Link to [Council Plan](#)

Priorities (check which apply)

- 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

This updated Mutual Exchange Policy sets out EDDC’s approach to managing applications from tenants who wish to carry out a mutual exchange. Mutual exchanges are an additional means alongside the Devon Home Choice scheme to assist tenants wishing or needing to move to alternative properties, improving the possibility of a successful move. The need to move may be due to a change in circumstances owing to factors such as overcrowding, under-occupation, affordability or location. We are keen to promote mutual exchanges as a way of encouraging and promoting tenant mobility.

The policy was circulated for feedback to senior managers within Housing and to Legal services. Residents have been consulted through the Resident and Leaseholder Panel, following which there were no significant changes to the policy content required. It was presented to the Housing Review Board on 22nd January 2026 with agreement given to the recommendation that the Housing Review Board recommends the updated policy to Cabinet for approval.

Any amendments to the policy have been minimal and have been listed on the policy document.

Financial implications:

There are no financial implications as a result of this updated policy

Legal implications:

The legal framework is set out within the report and requires no further comment

Mutual Exchange Policy

Issue details	
Title:	Mutual Exchange Policy
Version number	Version 3.0
Officer responsible:	Housing Solutions Manager
Authorisation by:	
Authorisation date:	

History of most recent Policy Changes – Must be completed			
Date	Section	Change	Origin of change (eg change in legislation)
02.05.25	2.5.7	Fourth entry in table corrected to 'secure post 2012' from 'secure pre 2012'.	Correction
02.05.25	2.6.2	Additional line added as follows: 'These checks must be carried out as part of the mutual exchange process regardless of when the last gas and electric checks were completed'.	To provide clarity for tenants
02.05.25	2.6.5	Wording amended from 'EDDC will not withhold consent for a mutual exchange on the grounds of under-occupation unless the incoming tenant will under-occupy the property by more than one bedroom' to 'EDDC will not provide consent for a mutual exchange on the grounds of under- occupation'.	To comply with the Housing Allocation Policy
30.05.25	2.6.6	Wording amended to bring in line with the determination of bedroom need within the Devon Home Choice Policy.	Devon Home Choice Policy
30.05.25	2.6.3	Wording amended from 'This will be refunded to the tenant if the exchange does not proceed and the cancellation of the exchange is not the fault of the tenant.'	To provide clarity for tenants
30.05.25	2.7.5	Wording removed: 'Assignees moving to sheltered accommodation who had	To provide clarity for tenants

		claimed in their application that they had no need for an adapted property and who then apply for adaptations will not be considered for 12 months unless there are exceptional circumstances.'	
30.05.25	2.5.8	Additional wording to bring in line with the Domestic Abuse Act 2021.	Domestic Abuse Act 2021

1 Why has the council introduced this policy?

To explain how East Devon District Council (EDDC) will deal with mutual exchange requests.

2 What is the council's policy?

2.1 Policy objectives

2.1.1 This policy sets out EDDC's approach to dealing with tenants who wish to carry out a mutual exchange. EDDC is keen to promote mutual exchanges as a way of encouraging and promoting tenant mobility. We will do this by:

- Informing tenants of their right to exchange in the tenancy agreement and tenant handbook
- Providing an opportunity for tenants to move anywhere in the country without needing to go through the choice based lettings (CBL) system, especially where they do not/would not have a high priority for a move
- Promoting mutual exchanges as a method to enable tenants to choose a home in the area they wish to live in
- Providing advice and assistance for those carrying out an exchange
- Facilitating access to an online mutual exchange register.

2.2 Policy Aims

2.2.1 The key aims of this policy are to:

- Provide a framework to ensure that mutual exchanges are carried out efficiently and fairly in full compliance with legislation and the tenancy agreement
- Support the Government's nationwide social home swap programme to give tenants a wider choice in where they want to live
- Minimise costs to EDDC through a comprehensive inspection and approval process prior to and upon exchange taking place
- Encourage the use of mutual exchanges so EDDC will achieve the best utilisation of stock while minimising the risks of inappropriate moves.

2.3 Who the Policy Covers

2.3.1 This policy covers EDDC social housing tenants, including those on secure and flexible tenancies living in general purpose and supported housing stock.

2.3.2 The policy does not cover tenants with introductory tenancies and licenses.

2.4 Relevant Legal and Regulatory Information

2.4.1 Section 158 of the Localism Act 2011 sets out the grounds under which a mutual exchange can be refused, these are broadly the same as those set out in Schedule 3 of the Housing Act 1985. The table below shows what grounds apply under both of these Acts.

Schedule 3 of the Housing Act	Schedule 14 of the Localism Act	Grounds for Refusing a Mutual Exchange
	Ground 1	When rent lawfully due from a tenant under one of the existing tenancies has not been paid
	Ground 2	When an obligation under one of the existing tenancies has been broken or not performed
Ground 1	Ground 3	A court order for possession or a suspended possession order has been made for either property
Ground 2	Grounds 4 and 5	The Landlord has served a Notice Seeking Possession and the notice is still in force or possession proceedings have commenced
Ground 3	Ground 7	The property is substantially larger than is reasonably needed by the proposed assignee
Ground 4	Ground 8	The property is not reasonably suitable to the assignee and their household
Ground 5	Ground 9	The property is part of a building that is held for non-housing purposes or it is situated in a cemetery and was let in connection with employment with the Landlord or Local Authority or a new town corporation, housing action trust, urban development corporation or the governors of a grant aided school
Ground 6	Ground 10	The Local Landlord is a charity and the proposed assignee's occupation of the property would conflict with the object of the charity
Ground 7	Ground 11	The property has been substantially adapted for occupation by a physically disabled person and if the assignment went ahead a physically disabled person wouldn't be living there
Ground 8	Ground 12	The Landlord lets properties to people in difficult circumstances (other than merely financial circumstances) and the proposed assignee would not fulfil this criteria
Ground 9	Ground 13	The property is let to people with special needs and there is a social service or special facility nearby to the properties to assist people with these special needs and if the assignment was to go ahead no person with those special needs would be living there
Ground 10	Ground 14	The dwelling is subject of a management agreement where the management is a Housing Association of which at least half of the tenants of the dwellings are members of the association and also that the proposed assignee is not such a member and is not willing to become one
Additional ground (Housing Act 2004)	Ground 6	An injunction order under section 153 of the Housing Act 1996 or an Anti-Social Behaviour Order or a Demotion Order or a possession order under ground 2 for Secure Tenancies or ground 14 for Assured Tenancies is in force or an application for one of those is pending either against the tenant, the proposed assignee or a person who resides with either of them

2.5 Types of Exchange and Tenancies

- 2.5.1 Mutual exchanges are carried out in one of two ways:
- Through assignment
 - Through surrender and re-grant of tenancies.
- 2.5.2 Assignment is the swapping of tenancies at the same time as homes are exchanged. The incoming tenant will take on the rights and responsibilities of the tenant they have swapped with. This is used when those exchanging homes hold tenancies with a similar security of tenure.
- 2.5.3 Section 158 of the Localism Act 2011 provides that surrender and re-grant will take place where:
- at least one of the tenants who wishes to transfer has a secure or assured tenancy which commenced before 1st April 2012
 - at least one of the tenants who wishes to transfer has a secure or fixed term assured shorthold tenancy.
- 2.5.4 Surrender and re-grant does not apply where a secure or assured tenant exchanges with:
- a tenant with a fixed term tenancy of less than two years
 - an affordable rent tenant (the landlord can charge up to 80% of what it would cost if you were renting the property privately)
 - an intermediate rent tenant (tenants who pay rent levels below the normal market rent level in that area, although rents are higher than what a tenant would normally expect to pay in social housing)
 - a mortgage rescue tenant (typically where a Housing Association buys their property and rents it back to them as assured shorthold tenants).
- 2.5.5 Tenants who hold a lifetime (secure or assured) tenancy that was granted before 1st April 2012 have their security of tenure protected by law. Tenants who hold a secure or assured tenancy granted before this date therefore cannot swap tenancies (be assigned) with a fixed term or flexible tenant, though there are exceptions. This legislative protection will not apply when a lifetime tenant chooses to exchange with a fixed term tenant on an affordable rent.
- 2.5.6 Secure or assured tenancies granted after 1st April 2012 will not retain security of tenure (not protected by s158 of the Localism Act 2011) if they exchange. A mutual exchange will take place by deed of assignment. If a secure or assured tenant wants to exchange with a fixed term tenant they lose their security of tenure.
- 2.5.7 The table below sets out whether an exchange by assignment or by surrender and re-grant will take place.

Tenant 1	Tenant 2	Mutual Exchange Assignment or Surrender and Re-Grant
Secure	Secure	Deed of Assignment
Secure	Assured	Deed of Assignment
Secure pre 2012	Flexible/Fixed Term	Surrender and re-grant – each tenant gets a new tenancy with the same or similar level of security they currently have
Secure post 2012	Flexible/Fixed Term	Deed of Assignment
Flexible/Fixed	Flexible/Fixed	Surrender and re-grant – each tenant gets a new

Term	Term	tenancy with the same or similar level of security they currently have
------	------	------------------------------------------------------------------------

- 2.5.8 A secure tenancy will be granted if EDDC is satisfied that the person or a member of the person's household is or has been a victim of domestic abuse carried out by another person and the new tenancy is granted for reasons connected with that abuse.

2.6 Landlords consent to exchange

- 2.6.1 All those involved in the exchange must complete a mutual exchange application form.
- 2.6.2 Before EDDC will proceed with the exchange a payment of £50 towards the electrical check and £50 for the gas check must be paid by the tenant. These checks must be carried out as part of the mutual exchange process regardless of when the last gas and electric checks were completed.
- 2.6.3 If an application is cancelled or withdrawn refunds will be considered on a case by case basis.
- 2.6.4 Once payment has been made and all completed forms have been received EDDC will acknowledge the exchange and notify all the proposed exchange partners of the decision within 42 days.
- 2.6.5 EDDC will not provide consent for a mutual exchange on the grounds of under- occupation.
- 2.6.6 When determining bedroom need EDDC will follow the Devon Home Choice Policy.
- 2.6.7 EDDC will request a reference for the assignee from their Landlord and consent will not be given until the reference is received.

2.7 Safety checks

- 2.7.1 EDDC will carry out a number of property inspections to ensure that the property is in a good state of repair. These inspections will include the following:
- An inspection by a maintenance surveyor who will check the structure, fixtures and fittings in the property. Any changes, damage or fittings that are the tenant's responsibility and not up to EDDC standards will have to be rectified before the exchange can proceed. In these instances a second visit would be arranged for the agreed works to be signed off by the maintenance surveyor. Any problems found by this inspection that are the responsibility of EDDC will be rectified by the Council.
 - An electrical inspection.
 - An inspection by the Housing Allocations team will be carried out to determine the cleanliness of the property and garden and discuss items that are being left by the outgoing tenant for the assignee.
 - A gas check will be carried out on the day of the move with the gas being capped when the outgoing tenant moves out and re-instated and checked when the incoming tenant moves in.

- 2.7.2 Safety certificates will be provided to new residents for their own information and a copy held on the council's asset management system.
- 2.7.3 EDDC will require tenants to sign to accept liability for any non-standard alterations or installations and any items which tenants have agreed with each other to leave in the property.
- 2.7.4 Incoming tenants will be entitled to day to day repairs and included in any EDDC upgrade programme.

2.8 Exchanges without consent

- 2.8.1 If a tenant does not obtain EDDC's written consent or the application to exchange is withheld or rejected, the exchange will be unlawful. Both tenants will be in the position of:
- having no legal interest in the tenancy at the property at which they are living;
 - being liable for the rent and other obligations of their original respective tenancies; and having lost their security of tenure because they are no longer occupying their original home as their only or main home.
- 2.8.2 In these instances the available options to EDDC are to:
- Consider making the exchange legal by completing the new Tenancy Agreements or Deed of Assignment, and Licence to Assign forms retrospectively;
 - Demand that both tenants return to their original homes; or terminate the tenancies by serving a Notice To Quit (NTQ) and without prejudice Notice of Seeking Possession (NOSP) on the original homes to seek possession of the properties.

2.9 Rent Arrears

- 2.9.1 EDDC can withhold consent to a mutual exchange because a tenant has rent arrears as laid out below:
- The tenant or proposed exchange partner has a possession order outstanding against them, whether or not it has already come into force
 - The tenant or proposed exchange partner has outstanding possession proceedings against them or a NOSP is still in force.
- 2.9.2 EDDC will make it a condition of granting permission that any rent arrears need to be cleared before the exchange can proceed.

2.10 Succession

- 2.10.1 The right to succession is personal to the individual tenant and this right transfers with the tenant when they move in a mutual exchange. No new succession rights are created as a result of a mutual exchange and if the incoming tenant has previously succeeded to a tenancy no further successions would be permitted under the tenancy accepted with EDDC.
- 2.10.2 Assignment by way of mutual exchange does not count as a statutory succession.

2.11 Permission for Exchange

2.11.1 EDDC will only give permission for an exchange to take place when the consent of all other landlords involved has been obtained and all the following requirements have been met:

- A satisfactory report has been received from landlords of other tenants involved in the exchange concerning tenancy conduct including rent payments, anti-social behaviour and property condition
- The report addresses any support needed of the incoming tenant
- Agreement has been reached between landlords that the exchange may go ahead.

2.11.2 Once the agreement has been reached a letter of confirmation will be sent to all parties involved with the time and date for the completion of paperwork taking place.

2.11.3 The assignee will receive the following information:

- Tenancy agreement with confirmation of the tenancy they will be taking on
- Tenant handbook and Sheltered tenant handbook (if applicable)
- Copy of the report from the Maintenance Surveyor
- Copy of the electrical and gas reports
- Disclaimer form for items being left in the property by the outgoing tenant

3 Policy Administration

Appendices and other relevant information

N/A

Links related Policies/Strategies, Procedures and Legislation

EDDC Tenancy Policy

EDDC Housing Succession Policy

EDDC Housing Allocation Policy

Devon Home Choice Policy

Regulator of Social Housing Tenancy Standard

Data Protection

The [EDDC Data Protection Policy](#) provides further information on how we store and use personal information.

All our privacy notices can be found on the EDDC website

(<https://eastdevon.gov.uk/access-to-information/data-protection/privacy-notices/>)

Policy consultation

Resident and Leaseholder Panel 10th June 2025

Policy review

Responsible Officer: Housing Solutions Manager

Review Date: 1st April 2029

Equality Impact Assessment

Before completing this EIA please ensure you have read the EIA guidance notes and other resources, available on the [intranet](#)

Version	Mutual Exchange Policy version 3.0	Date Completed	06.01.2026
Description of what is being impact assessed			
The Mutual Exchange Policy has been reviewed and updated to incorporate relevant changes in practice, outlining EDDC's approach to managing mutual exchange requests. There are no significant changes from version 2.0 of the policy.			
Evidence			
What data/information have you used to assess how this policy/service might impact on protected groups?			
Records of tenants who have applied for mutual exchanges over the past two years have been assessed in order to see how this policy and scheme may impact on protected groups. There are no cases of negative impact and in general the availability and operation of a mutual exchange scheme contributes towards providing positive outcomes for tenants by increasing the available avenues of successfully moving on to an alternative property. Mutual exchanges provide an additional route—outside of the housing register—for tenants to move to homes that better meet their needs.			
Who have you consulted with to assess possible impact on protected groups and what have they told you? If you have not consulted other people, please explain why?			
Within the process of reviewing the Policy residents were consulted through the Resident and Leaseholder Panel meeting on 10 th June 2025. No changes were made to the content of the Policy as a result of the consultation exercise.			

Analysis of impact on protected groups				
<p>The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. The Council also has a legal duty to have due regard to armed forces personnel when carrying out healthcare, housing and education functions. Consider how this policy/service will achieve these aims. In the table below, using the evidence outlined above and your own understanding, detail what considerations and potential impacts against each of the three aims of the Public Sector Equality Duty. Based on this information, assess the likely outcome, before you have implemented any mitigation.</p>				
Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Age	<ul style="list-style-type: none"> None identified - tenants from all age groups will be able to apply for a mutual exchange subject to the conditions of the policy. 	☐	☒	☐
Disability	<ul style="list-style-type: none"> Opportunities for disabled tenants living in properties that are no longer suitable to move to an alternative property will be increased with the existence of a mutual exchange programme. 	☐	☐	☒
Gender reassignment	<ul style="list-style-type: none"> None identified - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. 	☐	☒	☐
Marriage and civil partnership	<ul style="list-style-type: none"> None identified - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. 	☐	☒	☐

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Pregnancy and maternity	<ul style="list-style-type: none"> Opportunities for tenants with changing housing needs ie larger properties/additional bedroom requirements to move to an alternative property will be increased with the existence of a mutual exchange programme. 	□	□	☒
Race and ethnicity	<ul style="list-style-type: none"> None identified - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. 	□	☒	□
Religion or belief	<ul style="list-style-type: none"> None identified - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. 	□	☒	□
Sex	<ul style="list-style-type: none"> None identified - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. 	□	☒	□
Sexual orientation	<ul style="list-style-type: none"> None identified - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. 	□	☒	□
Armed Forces (including serving personnel, families and veterans)	<ul style="list-style-type: none"> None identified in respect of mutual exchanges - tenants from all backgrounds will be able to apply for a mutual exchange subject to the conditions of the policy. Although it is noted that the Housing Allocation Policy details how additional preference is given to applicants including armed forces serving personnel, families and veterans in applying for social housing. 	□	☒	□

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Other, e.g. carers, care leavers, low income, rurality/isolation, etc.	<ul style="list-style-type: none"> Opportunities for tenants living in rural locations or in isolation to move to an alternative property will be increased with the existence of a mutual exchange programme. 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Negative outcomes action plan Where you have ascertained that there will potentially be negative outcomes, you are required to mitigate the impact of these. Please detail below the actions that you intend to take.</p>				
Action taken/to be taken	Date	Person responsible	How will it be monitored?	Action complete
N/A	Select date			<input type="checkbox"/>
<p>If negative impacts remain, please provide an explanation below.</p>				
N/A				

Completed by:	Andrew Mitchell, Housing Solutions Manager
Date:	06.01.2026
Approved by:	Andy King, Assistant Director for Housing (Regulatory Services)
Date:	06.01.2026
To be reviewed by:	Andrew Mitchell, Housing Solutions Manager
Review date:	01.04.2029

Ensure that a final copy of this impact assessment is sent to HR as per the equality impact assessment guidance.



Report to: **Cabinet**

Date of Meeting: 4 March 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Temporary Accommodation Procurement and Allocation Policy

Report summary:

This report presents the Temporary Accommodation Procurement and Allocation Policy which has been reviewed and updated to incorporate any relevant changes in practice, outlining EDDC's approach towards meeting our responsibilities to provide temporary accommodation to eligible homeless applicants.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet approves the updated Temporary Accommodation Procurement and Allocation Policy.

Reason for recommendation:

The Temporary Accommodation Procurement and Allocation Policy has been reviewed and updated to incorporate relevant changes.

Officer: Andrew Mitchell, Housing Solutions Manager

Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- 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

This updated policy sets out EDDC's approach towards procuring temporary accommodation and meeting our responsibilities to provide temporary accommodation to eligible people who are considered to be homeless and we have reason to believe priority need as required by s188 of the 1996 Housing Act.

The policy was circulated for feedback to ELT, to senior managers within Housing and also to Legal services. Residents have been consulted through the Resident and Leaseholder Panel and the Homelessness Strategy Review Group. No significant changes were made to the policy as a result of the consultation. It was presented to the Housing Review Board on 22nd January 2026 with agreement given to the recommendation that the Housing Review Board recommends the updated policy to Cabinet for approval.

Any amendments to the policy have been minimal and have been listed on the policy document.

Financial implications:

There are no financial implications as a result of this updated policy

Legal implications:

The legal framework is set out within the report and requires no further comment

Temporary Accommodation Procurement and Allocation Policy

Issue details	
Title:	Temporary Accommodation Procurement and Allocation Policy
Version number	Version 2.0
Officer responsible:	Housing Solutions Manager
Authorisation by:	
Authorisation date:	

History of most recent Policy Changes – Must be completed			
Date	Section	Change	Origin of change (eg change in legislation)
15.01.25	2.1.3	'Homelessness Strategy' amended to 'Preventing Homelessness & Rough Sleeper Strategy'	Wording
15.01.25	2.2.2	Reference to our own stock used as temporary accommodation amended from one HMO to two HMO's	Change in circumstances
15.01.25	2.2.2 and 2.5.1	References to former contract with third party formerly providing temporary accommodation (Gissage House) removed	Change in circumstances
15.01.25	2.2.2	Reference to temporary accommodation sourced via RP's (registered providers) removed	Wording
15.01.25	2.3.5	'Exceptional circumstances such as severe medical or mental health needs will always be considered by the Housing Options Manager' amended to 'Exceptional circumstances will always be considered by the Housing Options Manager'	Wording
15.01.25	2.3.7 and 2.8.1	'Clients' amended to 'applicants'	Wording
15.01.25	(was) 2.5.3	Former entry removed – was considered unnecessary – wording as follows: 'Where	Wording

		it is not possible to secure accommodation within the district, and accommodation has been secured outside of the district, we will take into account the distance of that accommodation from our district. Where accommodation which is otherwise suitable and affordable is available nearer to our district than the accommodation which has been secured, the accommodation which has been secured is not likely to be suitable unless we have a justifiable reason or the applicant has expressed a preference	
12.11.25	2.3.2	Second sentence added for clarification.	Clarification
12.11.25	2.4	Section added to clarify assistance towards applicants fleeing domestic abuse	Clarification
12.11.25	2.6.1	For EDDC owned stock wording amended from 'non secure licence agreement' to 'licence or non-secure tenancy'	Clarification
05.01.26	2.2.3	Elaboration on responsibilities towards applicants with family commitments and 16/17 year olds	Clarification

1 Why has the council introduced this policy?

It is good practice to have a written policy on the procurement and allocation of temporary accommodation, as highlighted in case law – *Nzolameso v City of Westminster* April 2015.

2 What is the council's policy?

2.1 Background

- 2.1.1 This policy sets out how we will procure temporary accommodation and how we will meet our responsibilities to provide temporary accommodation to eligible people who are considered to be homeless and we have reason to believe priority need as required by s188 of the 1996 Act.
- 2.1.2 The Council has a statutory duty to provide temporary accommodation to homeless applicants in certain circumstances as set out in legislation.
- 2.1.3 This policy should be read in conjunction with our Preventing Homelessness & Rough Sleeper Strategy.
- 2.1.4 The policy has been written taking into account current legislation and guidance and will be amended to include changes to legislation / guidance where necessary in future.

2.2 Procuring temporary accommodation

- 2.2.1 We will ensure that there is sufficient temporary accommodation available to allow us to fulfil our duties to households faced with homelessness.

2.2.2 Within the district we have:

- Accommodation in our own housing stock if suitable and available at the time of need, this includes two HMO's property specifically for use as temporary accommodation
- A list of bed and breakfast accommodation within the district that will accept referrals from us, but this is only used in an emergency when nothing else is available as it is very expensive
- Available private lets in the area.

2.2.3 We can only place applicants with family commitments in shared facility bed and breakfast accommodation for a maximum of six weeks. Therefore, we use B&B accommodation to discharge a duty to secure accommodation for applicants with family commitments only as a last resort and then only for a maximum of six weeks. Applicants with family commitments means an applicant: (a) who is pregnant, (b) with whom a pregnant woman resides or might reasonably be expected to reside or (c) with whom dependant children reside or might reasonably be expected to reside. There is no legal time limit for single people staying in bed and breakfast. Although there is a statutory order restricting the use of B&B accommodation for 16 and 17 year olds unless in an emergency.

2.2.4 We rarely place people outside the district but there are times and certain circumstances when it is necessary to do so. If necessary we can use suitable bed and breakfast accommodation outside the district.

2.3 Allocating temporary accommodation

2.3.1 We will work to prevent homelessness and keep people in their homes wherever possible or assist them to find alternative accommodation prior to them becoming homeless. Where this is not possible and people become homeless, or are already homeless, we will work together to relieve homelessness as soon as possible.

2.3.2 We will only use temporary accommodation where absolutely necessary and only for as short a period of time as possible. We will use our own properties wherever possible and will use one of the other options in the event we do not have a suitable property available.

2.3.3 All applicants will be assessed to establish the type and location of temporary accommodation which should be offered. Staff will review the options available at the time and offer the most suitable accommodation.

2.3.4 Staff will complete an assessment form for single person households and the risk assessment will be considered to ensure placements are safe and appropriate.

2.3.5 Exceptional circumstances will always be considered by the Housing Options Manager.

2.3.6 We will:

- place clients within the district if at all possible and where reasonably practicable
- consider the location of the accommodation when assessing its suitability for the client

- place clients as near to their existing support network (family, work, schools) as possible
- try to minimise disruption to children's schooling, particularly at critical points of a child's education
- use accommodation which is close to shops, public transport and other facilities wherever possible.

2.3.7 We reserve the right to move applicants between different units of temporary accommodation if necessary. We will try as much as we can to avoid moving applicants but it may at times be necessary so that we can make best use of the limited temporary accommodation we have available.

2.3.8 We keep detailed records of where people have been placed and our reasons for placing them in that particular accommodation.

2.4 Domestic Abuse

2.4.1 Support will be available for applicants fleeing domestic abuse. In instances where applicants are fleeing domestic abuse we will carry out a risk assessment and assessment of need in order to determine the safest and most appropriate temporary accommodation placement from the options available. We will source a refuge placement where this is the best option or will source accommodation out of the district where there are safety concerns.

2.5 Allocation of temporary accommodation outside of the district

2.5.1 We usually have sufficient temporary accommodation within the district but we do sometimes have to place outside the district when temporary accommodation may not be available, particularly during the holiday seasons and summer months, or where individuals have more complex needs.

2.5.2 Accommodation options within the district are limited and while we will try to place applicants with very specific needs within or as near to the district as possible, we may in some circumstances have to look further afield for suitable placements.

2.5.3 We will try to secure accommodation that is as close as possible to where the applicant was previously living. We will take into account the significance of any disruption with specific regard to employment, caring responsibilities or education of the applicant or members of their household. Where possible we will seek to retain established links with schools, doctors, social workers and other key services and support.

2.5.4 We will accommodate within our area so far as this is reasonably practicable. 'Reasonable practicability' imports a stronger duty than simply being reasonable. But if it is not reasonably practicable to accommodate within our area we will, where possible, try to place the household as close as possible to where they were previously living. There will be some cases where this does not apply. For example where there are clear benefits in placing the applicant outside of the district, because of domestic violence or to break links with negative influences within the district, and others where the applicant does not mind where he/she goes or actively wants to move out of the area.

2.6 Type of agreement

2.6.1 The type of tenancy agreement or licence used will depend on the type of temporary accommodation available:

- EDDC owned stock – non secure licence agreement
- B&B – no licence or tenancy agreement but there is a set of standard rules which must be signed and followed.

2.7 Pets

2.7.1 Pets may be allowed in some temporary accommodation at the discretion of the landlord.

2.7.2 Where applicants have pets but cannot take them to the temporary accommodation we will assist with finding and securing alternative accommodation for the pet(s). We will not pay to board any pets.

2.7.3 If there is an assistance dog (such as guide dog for the blind) then this animal will be counted as an essential part of the household and suitable temporary accommodation found.

2.8 Appeals and complaints

2.8.1 The Housing Options Manager is responsible for overseeing the placing of applicants in temporary accommodation.

2.8.2 The Housing Solutions Manager has overall responsibility for ensuring that the right people are placed in the right property on the right type of tenancy.

2.8.3 In making an offer of temporary accommodation we will have taken full consideration for the requirements of the applicant and their family. We will therefore have met our duty to the applicant and if our offer is refused we are not required to make a further offer.

2.8.4 There is no statutory right of review to our decision in terms of temporary or interim accommodation other than by a county court judicial review. However if an applicant has concerns about any adverse effect the accommodation may have on them or their family we ask that they discuss this with us.

2.8.5 The Housing Service will deal with any complaints in accordance with the East Devon District Council corporate complaints policy. For full details please contact the Complaints Officer, East Devon District Council, Blackdown House, Border Road, Heathpark Ind Estate, Honiton EX14 1EJ, email complaints@eastdevon.gov.uk or phone 01395 517528.

3 Policy Administration

Appendices and other relevant information

N/A

Links related Policies/Strategies, Procedures and Legislation

Preventing Homelessness and Rough Sleeper Strategy 2024-2028.

Data Protection

d) This policy does not relate to existing tenants. Any personal data required will not be obtained without prior consent being given

Consent for the use of personal data is obtained through the homeless application process

The [EDDC Data Protection Policy](#) provides further information on how we store and use personal information.

The following privacy notice(s) provide further information on how we will use tenant's personal data, how it is gathered, and how long we will retain this information, and what rights tenants have in relation to this.

Housing Options - Processing homeless applications

Housing Allocations - Processing Devon Home Choice applications

All our privacy notices can be found on the EDDC website

(<https://eastdevon.gov.uk/access-to-information/data-protection/privacy-notices/>)

Policy consultation

Resident and Leaseholder Panel

Homelessness Strategy Review Group

Policy review

Responsible Officer: Housing Solutions Manager

Review Date: 1st April 2029

Equality Impact Assessment

Before completing this EIA please ensure you have read the EIA guidance notes and other resources, available on the [intranet](#)



Version	Temporary Accommodation Procurement and Allocation Policy version 2.0	Date Completed	21.01.2026
Description of what is being impact assessed			
The Temporary Accommodation Procurement and Allocation Policy has been reviewed and updated to incorporate relevant changes in practice, outlining EDDC’s approach towards meeting our responsibilities to provide temporary accommodation to eligible homeless applicants.			
Evidence			
What data/information have you used to assess how this policy/service might impact on protected groups?			
Records of homeless applicants who have been provided with temporary accommodation over the past two years have been assessed in order to see how this policy and responsibility may impact on protected groups. There are no cases of homeless applicants suffering a negative impact and in general the provision of suitable temporary accommodation, and the effective management of the arrangement, contributes towards providing positive outcomes for homeless applicants by providing safety from homeless situations and enabling successful move on arrangements to alternative properties to meet their housing requirements.			
Who have you consulted with to assess possible impact on protected groups and what have they told you? If you have not consulted other people, please explain why?			
Within the process of reviewing the policy residents were consulted through the Resident and Leaseholder Panel meeting on 11 th March 2025 and the Homelessness Strategy Review Group meeting on 12 th March 2025. No significant changes were made to the content of the Policy as a result of the consultation exercises.			

Analysis of impact on protected groups				
<p>The Public Sector Equality Duty requires us to eliminate discrimination, advance equality of opportunity and foster good relations with protected groups. The Council also has a legal duty to have due regard to armed forces personnel when carrying out healthcare, housing and education functions. Consider how this policy/service will achieve these aims. In the table below, using the evidence outlined above and your own understanding, detail what considerations and potential impacts against each of the three aims of the Public Sector Equality Duty. Based on this information, assess the likely outcome, before you have implemented any mitigation.</p>				
Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Age	<ul style="list-style-type: none"> None identified – homeless applicants from all age groups aged 16 upwards will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Disability	<ul style="list-style-type: none"> Disabled homeless applicants will be assisted with suitable temporary accommodation in respect of their needs and requirements 	☐	☐	☒
Gender reassignment	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Marriage and civil partnership	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Pregnancy and maternity	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Race and ethnicity	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Religion or belief	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Sex	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Sexual orientation	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	☐	☒	☐
Armed Forces (including serving personnel, families and veterans)	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. Chapter 24 of the Homelessness Code of Guidance provides guidance on providing services to former members of the armed forces. 	☐	☒	☐

Protected group	Summary of impact	Negative outcome	Neutral outcome	Positive outcome
Other, e.g. carers, care leavers, low income, rurality/isolation, etc.	<ul style="list-style-type: none"> None identified – homeless applicants from all backgrounds will be assisted with temporary accommodation subject to the conditions of the policy. 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Negative outcomes action plan Where you have ascertained that there will potentially be negative outcomes, you are required to mitigate the impact of these. Please detail below the actions that you intend to take.</p>				
Action taken/to be taken	Date	Person responsible	How will it be monitored?	Action complete
N/A	Select date			<input type="checkbox"/>
<p>If negative impacts remain, please provide an explanation below.</p>				
<p>N/A</p>				

Completed by:	Andrew Mitchell, Housing Solutions Manager
Date:	06.01.2026
Approved by:	Emma Congerton
Date:	16.02.2026
To be reviewed by:	Andrew Mitchell, Housing Solutions Manager
Review date:	01.04.2029

Ensure that a final copy of this impact assessment is sent to HR as per the equality impact assessment guidance.

Report to: Cabinet

Date of Meeting 4 March 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Finance Report: month 10 monitoring update

Report summary:

This report gives a summary of the Council's overall financial position for 2025/26 at the end of month ten (31 January 2026).

Current monitoring indicates that:

- The General Fund Balance is currently projected to be materially in line with budget; therefore, no action is recommended for members consideration.
- The Housing Revenue Account (HRA) budget strategy follows the Sustainability plan which required the restoration of the HRA Balance to £3.1m in £250k annual increments. This is set to be achieved, with any surplus used as an additional contribution to capital to reduce borrowing and the resultant interest burden.
- Capital in both the General Fund and Housing workstreams are significantly below budget expectations resulting in slippage into 2026/27.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

The variances identified as part of the Revenue and Capital Monitoring process up to Month 10 be acknowledged

Reason for recommendation:

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

Officer: John Symes – Finance Manager, jsymes@eastdevn.gov.uk

Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational

- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information -

Link to [Council Plan](#)

Priorities (check which apply)

- 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

Introduction

The purpose of this monitoring report is to update members of Cabinet on the overall financial position of the Authority following the end of January 2026. The report considers expenditure to date and projections on year-end spend to determine if the Council will maintain its spending within budget and maintain the General Fund Balance and the Housing Revenue Account Balance at the approved levels.

The report contains the following sections:

- Section 2 General Fund Position
- Section 3 Housing Revenue Account
- Section 4 Capital Programme
- Section 5 Treasury Management

General Fund Position as at Month 10 – January 2026

It is currently anticipated for the General Fund to outturn materially in line with budget (£86k favourable position), this is a prudent calculation particularly around income areas and interest. The following tables provide analysis and commentary on both the budgetary movements in year as well as the anticipated outturn against these revised budgets. The two main reasons for the budget changes are;

- Restructure – the most material impact being the transfer of Car Parks out of the Finance Portfolio.
- Earmarked Reserves – additional use or contribution to the service's reserves as result in large part to additional external funding on significant projects.

Portfolio Budget - Net Expenditure	Including Capital Charges				Capital Charges			Excluding Capital Charges				NOTES
	2025/26 Outturn				2025/26 Outturn			2025/26 Outturn				
	Actuals	Budget	Surp/Def	%age	Actuals	Budget	Surp/Def	Actuals	Budget	Surp/Def	%age	
Corporate Business	113,226	140,281	-27,056	-19%	0	0	0	113,226	140,281	-27,056	-19%	1
Corporate Services	1,309,478	674,186	635,292	94%	0	0	0	1,309,478	674,186	635,292	94%	2
Economy And Regenrtn Portfolio	-2,228,648	-2,481,202	252,554	-10%	268,430	268,430	0	-2,497,078	-2,749,632	252,554	-9%	3
Environment Portfolio	6,792,547	6,745,297	47,251	1%	1,246,390	1,246,390	0	5,546,157	5,498,907	47,251	1%	4
Finance	2,832,554	2,801,390	31,164	1%	0	0	0	2,832,554	2,801,390	31,164	1%	5
Strategic Development & P'Ship	4,851,057	5,359,855	-508,798	-9%	0	0	0	4,851,057	5,359,855	-508,798	-9%	6
Street Scene Portfolio	16,259,590	16,144,493	115,098	-1%	2,167,650	2,167,650	0	14,091,940	13,976,843	115,098	-2%	7
Sustainable Homes & Communitie	2,552,813	2,643,603	-90,789	-3%	42,750	42,750	0	2,510,063	2,600,853	-90,789	-3%	8
Portfolio Totals	32,482,617	32,027,902	454,715	1%	3,725,220	3,725,220	0	28,757,397	28,302,682	454,715	2%	
Reversal of Capital Charges	-3,725,220	-3,725,220	0	0%	-3,725,220	-3,725,220	0	0	0	0	0%	
Portfolio Totals	28,757,397	28,302,682	454,715	2%	0	0	0	28,757,397	28,302,682	454,715	2%	

Capital Charges Variations to Budget

The Capital charges, which have 0 impact on the General Fund Balance, are currently as budgeted. This is due to the Capital charge information only being available after the year end once the asset revaluation program has been completed and the councils Fixed Asset Register is updated. The above is an estimate of depreciation, the required accounting treatment of which is a CR against the Asset (B/S), the above DR/cost to the service (CIES/MIRS), a CR in the Movement in Reserves statement (CIES/MIRS) and a DR to the Capital Adjustment Account Unusable Reserve (B/S), hence 0 impact on the General Fund Balance.

Budget Variations

The budget for the portfolios above when compared to the Budget Book for 2025/26 looks completely different. The below table compares the value provided in the budget book with the budget currently being reported with an explanation against each line as to why the variation has occurred for the material budget movements. The below shows, with Earmarked Reserves included the movements are either restructures or Budget changes v Earmarked Reserve.

Portfolio Budget - Net Expenditure	2025/26 Outturn			Variation Explanation
	Original	Revised	Variation	
Corporate Business	140,281	140,281	0	No material variations
Corporate Services	255,489	674,186	418,697	Organisational Development & IT Service's increases versus reserve plus new Governance Mgmt CC
Economy And Regenrtn Portfolio	904,248	-2,481,202	-3,385,450	RESTRUCTURE -£3.4m Car Parks Budget moved into Portfolio from Finance
Environment Portfolio	6,622,456	6,745,297	122,841	Various budget variations v reserve included Sports Centres, Arts Dev and AONB/Countryside
Finance	-862,223	2,801,390	3,663,613	Car Parks plus Financial Assistance Budget increase v Reserve
Strategic Development & P'Ship	3,760,773	5,359,855	1,599,082	Heat Distribution Project & New Community Delivery budget applied v Reserves - £1.6m total
Street Scene Portfolio	16,139,104	16,144,493	5,389	No material variations
Sustainable Homes & Communitie	2,643,602	2,643,603	1	No material variations
Portfolio Totals	29,603,730	32,027,902	2,424,172	
Cont to/(from) Earmarked Reserves	-373,455	-2,804,456	-2,431,001	
	29,230,275	29,223,446	-6,829	

Portfolio Revenue Commentary - Excluding Capital Charges

1 Corporate Business

No significant variances

2 Corporate Services

The shortfall on the National Insurance grant received from MHCLG versus the calculated budgeted impact of the percentage employers contribution increase, from 13.8% to 15% from the 6th April 2025, has resulted in a deficit of circa £0.3m which is to be charged to the General Fund balance. This is currently held centrally in the General Fund Finance adjustment/control cost centre. Also, within this cost centre are the budgeted recoverable salary costs for vacant posts across the General Fund establishment. The estimate made and included in 2025/26 was increased from the prior year by £50k to a deficit contribution of £0.45m. The £0.75m total impact has been partially offset by less material surplus variations across Corporate Services. Both of these adverse impacts will be reallocated to the services at the year end with the allocation process to be conducted monthly in 2026/27.

3 Economy And Regentn Portfolio

Car Park Income is forecast to deliver a £0.2m adverse impact in 2025/26. The quantum of the positive impact of the recent changes to winter charges versus the negative impact that the adverse weather conditions has had on volumes remains unknown and unpredictable, with the end of January year to date income showing at just under 93% of the profiled budget. The forecast used has considered internal transfers to be delivered and on budget, the remainder of the income lines have been projected forward using the average of the prior 3 months, so hopefully overly prudent. In addition, the Building control fee earning income is currently and predicted to end up lower than expectations, contributing and additional £0.1m to the deficit within the Service.

4 Environment Portfolio

There are no cost centres which are showing material variances that warrant individual comment. The portfolio as a whole is predicted to return a surplus of approximately £0.13m from savings within the Employment related accounts. This has been offset by marginal overspends in Premises costs, predominantly maintenance related, combined with the requirement for additional external support from Consultants/Contractors within supplies and services which are spread across the portfolio. There is a significant difference in the forecast value of £0.38m compared with the current year to date expenditure of £60k for Grants Payable as the material items are calculated as part of the year end close down process once all income and expenditure is known.

5 Finance

No significant variances on which to comment at the cost centre level. Government grant funding & other contributions have been estimated to outturn marginally lower than the set budget. This deficit is reduced by a small surplus across the portfolio in Employment related costs.

6 Strategic Development & P'Ship

Throughout 24/25, planning fees were considerably lower than expectations. Fee income has picked up markedly in 25/26 as volumes have increased, combined with a few larger applications that have materialised and contributed significant sums. Income from Planning Performance Agreements (PPAs) has also contributed to the significant surplus in Development Management. These project management tools have been encouraged by Central Government and are used to agree timescales, actions and resources for handling and setting out an efficient and transparent process for large scale or more complex planning applications.

7 Street Scene Portfolio

The vast majority of the underspend in Street Scene is the result of vacant posts throughout the year as recruitment and retention has been challenging at the beginning of the financial year, however, the year to date figures compared with the outturn based upon the prior month projected forward suggests a much more stable current position from a budgetary perspective. The Refuse and Recycling related cost centres are continually reviewed with the most up to date overspend prediction being a £0.35m adverse variance.

8 Sustainable Homes & Community

The surplus is primarily driven by the savings in Staffing costs within the Housing and General Health Group, notably the Technical Officer and Sampling Officer positions. The Homelessness Cost Centre is expected to achieve a significant surplus at the year end, circa £0.15m or above, however, this has not been included as a contribution to the General Fund balance as there are plans in place to reserve this amount to add to the temporary accommodation owned and utilised by the council. This is of particular importance since the conditions around the Homelessness Prevention Grant no longer allow the funding to be used on temporary accommodation as this must be funded through the Revenue Support Grant which in effect impacts the general fund balance when required. Home safeguard is under review to ensure expenditure is correctly allocated to the revenue cost centre and all digital project expenditure is included within capital.

Portfolio Totals Carried Forward	28,757,397	28,302,682	454,715
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Revenue Financing & Funding	2025/26 Outturn		
	Actuals	Budget	Surp/Def
Net Interest Income	-2,098,897	-1,837,083	-261,814
PWLB Financing Cost	20,890	341,790	-320,900
Principal Repayment Provision	684,640	684,640	0
Financing Total	-1,393,367	-810,653	-582,714
New Homes Bonus Grant	-685,037	-685,040	3
Funding Floor/Guarantee Grant	-2,097,873	-2,096,870	-1,003
EPR Grant	-1,101,000	-899,000	-202,000
Rural Services Delivery Grant	0	0	0
Revenue Support Grant	-320,251	-282,190	-38,061
Government Grant Total	-4,204,161	-3,963,100	-241,061
Business Rates Income incl Surp/Def	-8,794,157	-9,077,000	282,843
Business Rates - Movement in Reserves	0	0	0
Council Tax Income	-11,190,182	-11,190,182	0
Council Tax Surplus/Deficit	-464,120	-464,120	0
Council Tax - Movement in Reserves	0	0	0
CTAX & Business Rates Funding Total	-20,448,459	-20,731,302	282,843

Movements in Reserves	2024/25 Outturn		
	Actuals	Budget	Surp/Def
Cont to/(from) General Fund Balance	0	0	0
Cont to/(from) Earmarked Reserves	-2,804,456	-2,804,456	0
Movement in Reserves Total	-2,804,456	-2,804,456	0

General Fund Outturn	-93,046	-6,829	-86,217
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NOTES

9 Net Interest Income

The 25/26 budget included the assumption that borrowing would be required for the General Fund capital program and that the temporary loans provided to the HRA would be externalised with PWLB. This treasury decision has not been required due to the council continuing to hold the Heat Network funds, therefore income is markedly higher than anticipated. An interest payable provision has been included at the Bank of England Base rate due to the uncertainty regarding the Section 106 potential repayment implications.

10 Principal Repayment Provision

The two major impacts upon the Principal Repayment Provision in 2024/25 were both the General Fund's minimum revenue provision calculation, as well as the impact of the MIRs element of the IFRS16 Accounting change for loans. There was no budget included within the interest payable account line nor within the equal and offsetting Movement in Reserves and Capital Charges account lines, therefore the £684k is solely the Minimum Revenue Provision of the General Fund. In 24/25 the equivalent was £594k.

11 Government Grants

The small variations in the Government Grant Funding is the result of the timing of the announcement of the Final Settlement information and their allocations down to the local authority level. The budget includes the provisional settlement figures as the final announcement was made on the 3rd Feb 2025. An additional £0.2m in EPR grant is due to be received compared with the original estimate.

12 Business Rates Income

The business rates income budget of £9.077m includes the Baseline funding amount provided in the aforementioned settlement data plus an anticipated uplift for growth and the benefit of being within the Devon pool. The outturn deficit is solely due to the change in Baseline funding announced which hopefully can be mitigated by better than anticipated growth, however, adjusting for the decrease is prudent.

13 General Fund Contribution

The 24/25 budget and final accounts included a £0.5m contribution to the general fund balance. No such contribution has been included in the 25/26 budget, therefore the General fund balance is expected to remain at the 31st March 2025 level.

14 Earmarked Reserves Variations

No variations in earmarked reserves have been included as forecasts have flattened service cost centre variations where there is a fully funded scenario in place which does not impact the general fund balance.

Housing Revenue Account as at month 10 – January 2026

The Housing Revenue Account (HRA) is the ring-fenced account for providing Council housing and associated services. This is shown separately on the Income & Expenditure Statement.

The Revenue and Capital split across the Property & Asset related work streams has been reviewed in year and virements have been made, primarily moving budget and expenditure from Revenue and into Capital, with a relatively immaterial amount of budget reducing supplementary estimates.

The below table provides a comparative of the original budget figures versus the revised amounts that are included in the HRA tables that follow, plus a summarised forecast of the anticipated outturn against them for 2025/26.

HRA Predicted Outturn 2025/26	In Year Budget Variation			Forecast Outturn £'000s		
	Original	Revised	Variance	4Cast	Budget	Surp/Def
Housing Revenue Account	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
INC - Rental & Other Income	-22,666	-22,666	0	-22,873	-22,666	-207
EXP - Repairs & Maintenance	7,134	6,793	-341	6,586	6,793	-207
EXP - Supervision & Management	9,102	8,638	-464	8,492	8,638	-146
EXP - Other	1,090	1,179	89	1,253	1,179	73
EXP - Capital Charges etc.inc MIRS	2,069	2,069	0	2,069	2,069	0
FIN - Net Financing Requirement	3,272	3,272	0	4,474	3,272	1,202
HRA Balance Impact	0	-715	-715	0	-715	715
Housing Capital	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
EXP - Affordable Housing	750	750	0	1,602	750	852
EXP - Property & Asset	17,691	18,361	669	12,587	18,361	-5,774
FIN - Funding	-3,287	-3,287	0	-6,549	-3,287	-3,262
Additional Borrowing Requirement	15,154	15,824	669	7,641	15,824	-8,183

Total Revenue Summary	25/26 Outturn Forecast		
	Actuals	Budget	Surp/Def
1 Rental & Other Income	-22,873,417	-22,665,930	-207,487
2 Revenue Expenditure	17,216,339	17,496,428	-280,089
3 Financing & Movement In Reserves	5,657,078	4,454,738	1,202,340
TOTAL	0	-714,764	714,764

Brief Summary:

The 2025/26 Financial year is anticipated to outturn with a significantly lower than expected capital outlay, which has been carried forward into the 26/27 Property & Asset spending plans. The Property & Asset team has taken time to reach capacity, with all management roles now filled, ready to tackle the required future investment in the stock through a structured and well tendered approach, reducing the councils reliance on our primary contractor. Revenue is also due to contribute towards a significant overall surplus, through improved Void turnarounds increasing rental income and lower than anticipated compliance revenue expenditure demands.

Revenue Income Category	0		
	Actuals	Budget	Surp/Def
1 Gross Property Rents	-21,924,318	-21,659,900	-264,418
2 Garage Rents	-194,229	-262,800	68,571
3 Other Income	-754,870	-743,230	-11,640
TOTAL	-22,873,417	-22,665,930	-207,487

Total Capital Summary	0		
	Actuals	Budget	Surp/Def
1 Capital Expenditure in Year	14,189,585	19,110,781	-4,921,196
2 Capital Funding Sources	-6,548,609	-3,286,870	-3,261,739
2024/25 ADDITIONAL BORROWING REQUIREMENT	7,640,976	15,823,911	-8,182,935

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Revenue Expenditure Category	0		
	Actuals	Budget	Surp/Def
1 Repairs And Maintenance - General	6,171,392	5,977,514	193,878
2 Repairs And Maintenance - Special	414,341	815,700	-401,359
3 Supervision & Management	8,492,355	8,638,123	-145,768
4 Other Expenditure	1,252,511	1,179,351	73,160
5 Capital Charges & Bad Debt	885,740	885,740	0
TOTAL	17,216,339	17,496,428	-280,089

Capital Expenditure Category	0		
	Actuals	Budget	Surp/Def
1a Affordable Housing - Right to Buy Funded	0	750,000	-750,000
1b Affordable Housing - Local Authority Housing Fund	1,602,430	0	1,602,430
2 Compliance Capital Expenditure	957,355	3,000,000	-2,042,645
3 Planned Capital Programme	1,699,179	4,299,520	-2,600,341
4 Major Repairs	9,930,621	11,061,261	-1,130,640
TOTAL	14,189,585	19,110,781	-4,921,196

Financing & Movement In Reserves	0		
	Actuals	Budget	Surp/Def
1 Net Interest Cost	2,846,639	3,021,608	-174,969
2 Capital Charges - MIRs	1,183,130	1,183,130	0
3 Contribution to restore HRA Balance	250,000	250,000	0
4 Contribution to Capital Net of Other Income	1,377,309	0	1,377,309
TOTAL	5,657,078	4,454,738	1,202,340

Capital Funding Sources	0		
	Actuals	Budget	Surp/Def
1 S106/RTB Contributions - Affordable Housing	-760,497	-750,000	-10,497
2 Unringfenced Right to Buy Receipts and Capital Grants	-2,341,933	-468,000	-1,873,933
3 Major Repairs Contribution (Depreciation)	-2,068,870	-2,068,870	0
4 Additional Capital Contribution from Revenue	-1,377,309	0	-1,377,309
TOTAL	-6,548,609	-3,286,870	-3,261,739

1 Revenue Income

Dwelling income lost due to void properties is expected to be £0.14m lower than budget due to the continuing focus on turnaround efficiency. In addition, rental collection rates remain excellent contributing an additional £0.15m to the surplus. This is likely to be partially offset by a marginal shortfall in garage rental income as their refurbishment has been deprioritised while options for the garage sites are appraised.

2 Revenue Expenditure - Repairs & Maintenance

There are three key variations forecast within the Repairs and Maintenance revenue expenditure. Compliance related spend is expected to be £1.07m below budget following recruitment and procurement delays. These issues are currently being addressed to enable much greater progress next financial year. Much (but not all) of this underspend will be offset by higher than anticipated expenditure on jobs that are excluded from PPP within the Integrated Asset Management Contract (£0.73m) and on disrepair legal costs (£0.19m). Going forward the Service has invested in processes and expertise to ensure spending is targeted, controlled and provides best value and outcomes for tenants

3 Revenue Expenditure - Supervision & Management

The Housing Service has been restructured and successful recruitment to key roles has taken place over the course of the year to enable effective and impactful management that is driving change. This will lead to some overspending within the Property and Assets team is considered as an investment in the future of the service to provide greater value for money for tenants. Vacant posts and efficiency savings in Tenancy Services and Central Housing Management and Administration will more than compensate for this impact, leaving a net surplus of £0.15m.

4 Net Interest Cost

The current outturn assumption that has been made with regards to interest income is a prudent one. The contribution from the general fund for interest earned through Treasury investments on the HRA balances, being the reduced HRA Revenue Balance and the Capital Receipts Reserve from RTB sales, has been forecast as on budget. In the budget prep calculation, rates were anticipated to reduce significantly which hasn't materialised, however, it is unclear at present what the General Fund return will be once the issues mentioned above have been considered. The interest owed on the Temporary loans that the General Fund has made to the HRA has been reworked, as only £5.3m was required in additional borrowing in 24/25, with the budget calculating the interest burden from the higher expected loan of £9.2m. This has resulted in a revenue saving of £175k.

5 Revenue Contributions made in year

The interim sustainability roadmap, that was approved for the HRA while the Asset Management Strategy and long term Business plan are in development, stated that the HRA balance be restored to the original threshold of £3.1m in £0.25m instalments per annum. After this contribution the forecasted surplus on account is £1.38m. A revenue contribution to capital will be made for this amount to reduce the annual borrowing requirement and the resultant interest burden on revenue in each year going forward.

6 Affordable Housing Capital Expenditure

Acquisitions of new affordable housing in 2025/26 have been fully funded by a combination of Local Authority Housing Fund grant and Section 106 receipts. Five new build homes were purchased on Jasmine Walk within the Cranbrook estate and a further acquisition of a flat in Ottery St Mary is currently under consideration; this is likely to complete in 2026/27 if it progresses so has not been included in the outturn. No acquisitions have been or will be made with right to buy receipts in the financial year which has no knock on implications as the council has already met the spending limit to prevent repayment of receipts under the revised regulations.

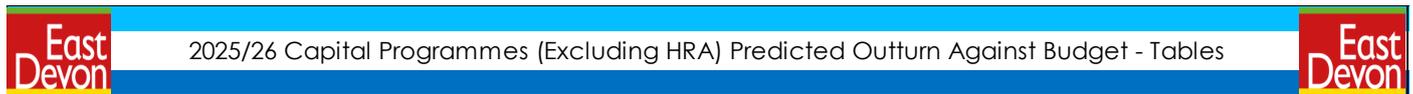
7 Capital Expenditure - Property & Assets

Although the capacity issues that drove the Capital underspend in 24/25 have now been addressed through recruitment, this has been phased throughout the year. The process of recruiting, onboarding and training of the new property and asset managers and officers has taken precedence in 25/26 in order to create a cohesive, driven team. These unavoidable delays have been exacerbated by the lengthy procurement lead times dictated by legislation, resulting in the start dates for a large number of the budgeted capital programmes and projects being rescheduled. The financial impact of this is a predicted £5.77m underspend in year to be taken as slippage, to be delivered in 26/27.

8 Capital Funding - Receipts and Grants

The budgeted affordable housing right to buy receipt funding has been replaced by the availability of Section 106 receipts which are required to be spent within a set timeframe, otherwise they can be reclaimed by the contributing developer. The additional funds required to meet the £1.6m purchase price of the Cranbrook properties has been claimed through a successful application to the Local Authority Housing Fund. The remaining variance of £1.032m is solely due to the difficulty in predicting the income from unringfenced right to buy receipts. The volume of sales in 25/26 is expected to be the highest that the council has experienced due to the change in regulation. The significant reduction in available discounts in future years has resulted in a tidal wave of applications.

General Fund Capital as at month 10 – January 2026



Capital Forecast by Portfolio & Service			25/26 Outturn £'000's		
			Forecast	Budget	Surp/Def
1 Corporate Services	Capital Comms Business System	Cap Ex	1,376,796	1,835,885	-459,089
	Capital Comms Business System	Income	0	0	0
		Net Exp	1,376,796	1,835,885	-459,089
1 Corporate Services	Capital Ict Infra And Projects	Cap Ex	507,697	935,629	-427,932
	Capital Ict Infra And Projects	Income	0	0	0
		Net Exp	507,697	935,629	-427,932
2 Community - Housing	Capital Improvements Grants	Cap Ex	1,158,960	1,249,620	-90,660
	Capital Improvements Grants	Income	-1,138,960	-1,138,960	0
		Net Exp	20,000	110,660	-90,660
3 Economy & Regeneration	Capital Corp Build And Security	Cap Ex	234,566	369,368	-134,802
	Capital Corp Build And Security	Income	0	0	0
		Net Exp	234,566	369,368	-134,802
3 Economy & Regeneration	Capital Industrial Sites	Cap Ex	86,708	93,541	-6,833
	Capital Industrial Sites	Income	0	0	0
		Net Exp	86,708	93,541	-6,833
3 Economy & Regeneration	Capital Public Halls Pavilion	Cap Ex	1,205,755	1,290,238	-84,483
	Capital Public Halls Pavilion	Income	0	0	0
		Net Exp	1,205,755	1,290,238	-84,483
3 Economy & Regeneration	Capital Regeneration Economy	Cap Ex	11,424,434	19,864,245	-8,439,811
	Capital Regeneration Economy	Income	-13,065,114	-14,915,114	1,850,000
		Net Exp	-1,640,680	4,949,131	-6,589,811
4 Environment	Capital Car Park	Cap Ex	466,161	491,161	-25,000
	Capital Car Park	Income	0	0	0
		Net Exp	466,161	491,161	-25,000
4 Environment	Capital Countryside	Cap Ex	2,135,697	4,180,697	-2,045,000
	Capital Countryside	Income	-4,090,000	-4,090,000	0
		Net Exp	-1,954,303	90,697	-2,045,000
4 Environment	Capital Spts Centres And Pool	Cap Ex	601,015	684,615	-83,600
	Capital Spts Centres And Pool	Income	-94,756	-94,756	0
		Net Exp	506,259	589,859	-83,600
5 Street Scene	Capital Beaches And Foreshores	Cap Ex	3,224,308	4,604,748	-1,380,441
	Capital Beaches And Foreshores	Income	-675,000	-675,000	0
		Net Exp	2,549,308	3,929,748	-1,380,441
5 Street Scene	Capital Cemeteries	Cap Ex	150,000	150,000	0
	Capital Cemeteries	Income	0	0	0
		Net Exp	150,000	150,000	0
5 Street Scene	Capital Flood Alleviation Sch	Cap Ex	1,642,600	1,392,668	249,932
	Capital Flood Alleviation Sch	Income	-50,000	-50,000	0
		Net Exp	1,592,600	1,342,668	249,932
5 Street Scene	Capital Parks And Pleasure Grn	Cap Ex	701,866	1,051,387	-349,521
	Capital Parks And Pleasure Grn	Income	0	0	0
		Net Exp	701,866	1,051,387	-349,521
5 Street Scene	Capital Play Equipment	Cap Ex	1,647,673	1,695,965	-48,292
	Capital Play Equipment	Income	-202,631	0	-202,631
		Net Exp	1,445,042	1,695,965	-250,923
5 Street Scene	Capital Public Conveniences	Cap Ex	5,113,881	5,113,880	1
	Capital Public Conveniences	Income	0	0	0
		Net Exp	5,113,881	5,113,880	1
5 Street Scene	Capital Refuse And Recycling	Cap Ex	1,423,426	1,423,426	0
	Capital Refuse And Recycling	Income	0	0	0
		Net Exp	1,423,426	1,423,426	0
5 Street Scene	Capital Sports Grounds	Cap Ex	109,200	109,200	0
	Capital Sports Grounds	Income	0	0	0
		Net Exp	109,200	109,200	0
5 Street Scene	Capital St Scene Cleansing	Cap Ex	124,002	124,002	0
	Capital St Scene Cleansing	Income	0	0	0
		Net Exp	124,002	124,002	0
5 Street Scene	Capital St Scene Grounds Maint	Cap Ex	692,928	692,928	0
	Capital St Scene Grounds Maint	Income	0	0	0
		Net Exp	692,928	692,928	0
6 Strategic Development	Gypsy And Traveller Sites	Cap Ex	0	500,000	-500,000
	Gypsy And Traveller Sites	Income	0	0	0
		Net Exp	0	500,000	-500,000
6 Strategic Development	Self-Build Pilot	Cap Ex	0	750,000	-750,000
	Self-Build Pilot	Income	0	0	0
		Net Exp	0	750,000	-750,000

Brief Summary:
The revised total net capital outturn against budget (after grants and contributions) for 2025/26 is forecast to be -£13m using the Q3 proposed expectations from budget managers. The current YTD Actuals, which include current commitments not yet realised, indicate that these targets may have been ambitious, however, as in prior years, unused Capital funding will be appropriately reserved, either within Capital Grants Unapplied or within bespoke Capital Earmarked Reserves, in those cases where income outweighs expenditure. Underspends or surpluses created from lower than anticipated Capital Expenditure will be carried forward, in terms of annual slippage, where the capital project remains live.

Net Cap	25/26 YTD £			25/26 Outturn £		
	YTD Actuals	Budget	YTD Surp/Def	Forecast	Budget	Surp/Def
1 Corporate Services	203,812	2,771,514	-2,567,702	1,884,493	2,771,514	-887,021
2 Community - Housing	-573,143	110,660	-683,803	20,000	110,660	-90,660
3 Economy & Regeneration	-7,225,399	6,702,278	-13,927,677	-113,651	6,702,278	-6,815,929
4 Environment	-3,804,132	1,171,717	-4,975,849	-981,883	1,171,717	-2,153,600
5 Street Scene	4,704,134	15,633,204	-10,929,070	13,902,252	15,633,204	-1,730,952
6 Strategic Development	0	1,250,000	-1,250,000	0	1,250,000	-1,250,000
NET CAP EX	-6,694,728	27,639,373	-34,334,101	14,711,211	27,639,373	-12,928,162

Cap Ex	25/26 YTD £			25/26 Outturn £		
	YTD Actuals	Budget	YTD Surp/Def	Forecast	Budget	Surp/Def
1 Corporate Services	203,812	2,771,514	-2,567,702	1,884,493	2,771,514	-887,021
2 Community - Housing	570,118	1,249,620	-679,502	1,158,960	1,249,620	-90,660
3 Economy & Regeneration	3,615,207	21,617,392	-18,002,185	12,951,463	21,617,392	-8,665,929
4 Environment	390,683	5,356,473	-4,965,790	3,202,873	5,356,473	-2,153,600
5 Street Scene	7,462,729	16,358,204	-8,895,475	14,829,883	16,358,204	-1,528,321
6 Strategic Development	0	1,250,000	-1,250,000	0	1,250,000	-1,250,000
TOTAL CAP EX	12,242,550	48,603,203	-36,360,653	34,027,672	48,603,203	-14,575,531

Cap Inc	25/26 YTD £			25/26 Outturn £		
	YTD Actuals	Budget	YTD Surp/Def	Forecast	Budget	Surp/Def
1 Corporate Services	0	0	0	0	0	0
2 Community - Housing	-1,143,261	-1,138,960	-4,301	-1,138,960	-1,138,960	0
3 Economy & Regeneration	-10,840,607	-14,915,114	4,074,508	-13,065,114	-14,915,114	1,850,000
4 Environment	-4,194,815	-4,184,756	-10,059	-4,184,756	-4,184,756	0
5 Street Scene	-2,758,595	-725,000	-2,033,595	-927,631	-725,000	-202,631
6 Strategic Development	0	0	0	0	0	0
TOTAL CAP Inc	-18,937,277	-20,963,830	2,026,553	-19,316,461	-20,963,830	1,647,369

Treasury Management

The predicted treasury management interest received position is summarised below. Please note, this only includes the interest received on Treasury Investments, not all Interest receivable and payable within the General Fund.

	Annual Budget £000	Forecast Outturn £000s	Forecast Variance £000s
Internal Investments	271 (F)	478 (F)	207 (F)
External Investments	1,224 (F)	1,250 (F)	26 (F)
	1,495 (F)	1,728 (F)	233 (F)

Detail of the treasury management portfolio is available at appendix 1.

Financial implications:

Contained in the report.

Legal implications:

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

Appendix 1: Treasury Management Portfolio

Treasury Portfolio				
	01.4.25	30.9.25	31.1.26	31.1.26
	Actual	Actual	Actual	Actual
	£000	£000	£000	%
Treasury investments				
Banks	0		0	
Lloyds call account	0	2,000	0	0.00%
Building Societies	0		0	0.00%
Local Authorities	0		0	0.00%
DMADF (HM Treasury)	5,350	10,000	26,350	39.65%
Money Market Funds				
CCLA - Public Sector Deposit Fund	3,000	3,000	3,000	4.51%
Goldman Sachs - Sterling				
Liquid Reserves Fund	3,000	3,000	3,000	4.51%
Morgan Stanley Sterling Liquidity Fund	0	3,000	3,000	4.51%
Total managed in house	11,350	21,000	35,350	53.20%
Money Market Funds				
Payden Sterling Reserve Fund (Dec)	15,399	15,450	15,487	23.31%
Royal London Asset Management Short Term Fixed Income Fund (Dec)	15,579	15,613	15,616	23.50%
Total managed externally	30,978	31,063	31,103	46.80%
Total treasury investments	42,328	52,063	66,453	100.00%
Treasury temporary external borrowing	0	-	0	0
Total external temporary borrowing	0	0	0	0
Net treasury investments/ (temporary borrowing excluding PWLB and Heat Network Loan)	42,328	52,063	66,453	

Report to: Cabinet

Date of Meeting 4 March 2026

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Local Government Reorganisation – Response to Consultation

Report summary:

This report seeks delegated authority to enable a response to the current consultation on the options for local government reorganisation in Devon to be submitted by the deadline of the 26th March. The response is being developed in conjunction with the other District Councils and will be consistent with the Council's support for the 4-5-1 plus option.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Cabinet delegates authority to the Chief Executive in consultation with the Portfolio Holder for Council, Corporate and External Engagement to develop the Council's response to the current consultation in relation to local government reorganisation and to submit this by the requisite deadline.

Reason for recommendation:

To enable the Council to respond to the current consultation on the options for local government reorganisation.

Officer: Andy Wood, Director of Place, email andy.wood@eatdevon.gov.uk

Portfolio(s) (check which apply):

- Assets and Economy
- Communications and Democracy
- Council, Corporate and External Engagement
- Culture, Leisure, Sport and Tourism
- Environment - Nature and Climate
- Environment - Operational
- Finance
- Place, Infrastructure and Strategic Planning
- Sustainable Homes and Communities

Equalities impact Low Impact

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 directly upon how services are delivered to residents. Responding to the current consultation will enable the Council's position to be conveyed.

Links to background information [Local government reorganisation in Devon, Plymouth and Torbay - GOV.UK](#) www.devonlgr.co.uk

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
-

Background and context

Cabinet has, over the past 15 months, received a series of reports in relation to proposals for local government reorganisation. This anticipates the replacement of the current two tier structure of County and District Councils with a single tier of unitary authorities. The Council confirmed its support for the 4-5-1 plus option last November. This is one of five potential options that were put forward that anticipate a variety of three or four unitary models moving forward.

Consultation

The current consultation on the five options is being conducted by the Ministry of Housing, Communities and Local Government (MHCLG). It began on the 5th February and ends on the 26th March. The relevant consultation materials are available through the background links.

In order to enable a response to this consultation to be submitted by the deadline, this report seeks delegated authority to the Chief Executive in consultation with the Portfolio Holder for Council, Corporate and External Engagement to develop and finalise this response. This will be in line with the Council's position in relation to supporting the 4-5-1 plus option and will be developed in conjunction with the other District Councils in Devon.

Next Steps

The next steps following the end of the consultation period are set out below;

- July 2026: Expected final decision from the Secretary of State.
 - Autumn 2026: Legislation (Structural Changes Order) to be enacted.
 - May 2027: Elections for the new "shadow" authorities.
 - April 1, 2028: "Vesting Day"
-

Financial implications:

There are no direct financial implications arising from this report.

Legal implications:

The legal issues are dealt with in the body of the report.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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of the Local Government Act 1972.

Document is Restricted