



SOUTH EAST DEVON
HABITAT REGULATIONS
PARTNERSHIP

South East Devon Habitat Regulations Executive Committee

Financial Report

East Devon District Council

April 2023



Exeter
City Council



Teignbridge
DISTRICT COUNCIL
South Devon

Legal comment/advice:

There is no direct comment to be made in relation to this report, each and any individual issue will need to be considered as it arises.

Finance comment/advice:

The financial implications are set out in the report.

Public Document:	Yes
Exemption:	None
Review date for release	None

Recommendations

It is proposed that the Executive Committee:

- 1. Notes the update on the overall financial position including contributions received, expenditure and anticipated contributions (from signed S106 and CIL).**
- 2. Notes the expenditure against budget for the 2022-23 Annual Business Plan and reasons given for any variance.**

Equalities impact: Low

Risk: Low

This is an update, repeated annually on the current financial position of developer contributions (both collected and anticipated) for Habitat Regulations mitigation across the three partner authorities.

1. Summary

1.1 The purpose of this report is to update members of the Executive Committee on the overall financial position of developer contributions received by the partner authorities as mitigation payments towards measures identified in the South East Devon European Site Mitigation Strategy (“the Strategy”).

1.2 The report sets out details of the contributions received from inception to date and anticipated income from contributions where planning permission has been granted but the contribution has not yet been paid. Details of expenditure against the 2022/23 Annual Business Plan (ABP), as well as total expenditure to date are also provided.

1.3 Updated housing forecasts have been made available from each partner authority and are reported in Table 3. These projections have also been used to assist in outlining the indicative 5 year Delivery Plan, reported separately.

1.4 In order to maintain consistency as far as possible with the Housing and Economic Land Availability Assessment (HELAA) methodology of forecasting income, amounts expected from signed planning obligations are now included within the forecast figures.

1.5 Rather than forecasting receipt of these amounts in the immediate future, this recognises that the period between planning permission and commencement varies and assumes a steady but cautious rate of delivery over the five years of the plan. For the purposes of this report, this category of applications was treated as one potential receipt, spread according to the phasing assumed by HELAA. Analysis individually by date of planning approval would not be meaningful, as some of these applications now date back to the earliest years of the partnership/interim arrangements and have not conformed to average delivery assumptions.

1.6 There remains the risk that some approved applications in this category will be withdrawn or expire. However, all authorities agreed that once permission is commenced, it can remain live and active, with no timeframe on reaching contribution trigger dates. It is therefore deemed more prudent to assume a more phased approach, with ongoing reviews of older applications.

1.7 Forecast figures were put together using the market conditions model for calculating housing delivery rates as per the joint HELAA methodology.

1.8 Expenditure is an amalgamation of East Devon District Council financial download figures and Teignbridge information (in relation to SANGS and other relatively minor items such as accountancy and monitoring support).

1.9 Due to the differences in approach and information constraints, there are limitations on the level of analysis, for example over exactly which income streams are used to fund recharges.

Table 1. Developer contributions received (less expenditure) to 31/12/22.

Charging zone/period	Total received to 31/12/22	Total expenditure to 31/12/22	Balance to 31/12/22
SANGS	£8,664,240 ¹	-£6,826,273 ²	£1,731,944
Dawlish Warren On site	£984,576	-£387,463	£597,113
Exe Estuary On site	£873,134	-£508,592	£364,542
Pebblebed Heaths On site	£754,936	-£378,083	£376,853
EDDC CIL ³	£810,219	-£268,344	£541,875
Cranbrook agreement ⁴	£309,480	£0	£309,480
Total	£12,396,585	-£8,355,175	£4,027,830

Table 2. 5 Year forecast of income/housing delivery.

Year	Dawlish Warren	Exe Estuary	Pebblebed Heaths	SANGS	EDDC CIL	Total
23-24	£118,469	£584,775	£384,930	£1,565,618	£114,759	£2,768,551
24-25	£168,941	£421,688	£245,512	£974,088	£85,431	£1,895,660
25-26	£136,695	£260,085	£124,633	£496,000	£41,766	£1,059,179
26-27	£86,223	£257,024	£114,828	£517,984	£10,869	£986,928
27-28	£118,469	£300,959	£178,705	£690,522	£71,031	£1,359,686
Total	£628,797	£1,824,531	£1,048,608	£4,244,212	£323,856	£8,070,004

¹ Includes forward funding and internal borrowing at TDC as well as the Housing Infrastructure Fund (HIF).

² Includes future commitment to funding Dawlish Countryside Park maintenance.

³ This is the sum reserved for measures identified by EDDC as infrastructure. Therefore it can be spent as appropriate on SANGS or on site infrastructure.

⁴ This agreement was calculated using a method different to the rest of the Strategy and therefore does not neatly fit into the other categories.

1.5 Table 3, below, shows the estimated expenditure on the 2023/24 ABP and projected remaining balance at the end of each year until 2027/28.

Table 3 – Recommended on site expenditure by year and projected balance of funds as at end of each year until 2027/28.

Year	Dawlish Warren spend	Exe Estuary spend	Pebblebed Heaths spend	Infrastructure funded from CIL (Pebblebeds)	Total spend
2023-24	£70,091	£81,091	£75,591	£24,870	£255,323
2024-25	£63,090	£72,291	£67,697	£10,370	£188,314
2025-26	£69,339	£69,872	£64,778	£10,370	£192,464
2026-27⁵	£55,424	£72,511	£64,417	£10,370	£212,073
2027-28⁶	£67,018	£91,518	£76,174	£10,370	£201,514
Total	£328,943	£387,283	£348,657	£66,350	£1,049,688

Remaining balance at end 2027-28	£875,285	£1,764,481	£1,053,746	£566,771	£4,569,762⁷
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2. Expenditure against Annual Business Plans (ABP)

2.1 The continuing cross-site mitigation measures are shown in Table 5, below. The largest variances in expenditure relate to staff and warden vehicle costs. These are accounted for due to unexpectedly high staff turnover in the past year (reported separately⁸) and unexpected delays in delivery of the replacement warden vehicle (and subsequent increase in hire charges).

2.2 The variance related to staff recharges is accounted for because the data does not include the 4th quarter of the current financial year.

⁵ Funding arrangements for the Delivery Manager and Devon Loves Dogs Coordinator are currently in place until March 2025.

⁶ See (5)

⁷ Total remaining "on site" balances as at end 2027-28. Other funds (from the Cranbrook Agreement) will also remain available – see 1.9 for reporting constraints.

⁸ See 2022-23 Annual Business Plan Annual Report April 2023.

Table 4. Cross site mitigation and expenditure recommended as part of the 2022/23 ABP.

Site	Measure	Revenue budget	Expenditure (Actual)	Variance +/-
All	Staff (salary, pension, NI)	£147,018	£151,552	-£4,534 ⁹
All	Staff recharges	£18,874	£15,850	+£3,024 ¹⁰
All	Wildlife Wardens – vehicle	£2,000	£6,497	-£4,497 ¹¹
All	Patrol Boat	£7,000	£7,584	-£584 ¹²
All	Dog project vehicle	£1,875	£591	+£1,284 ¹³
All	Dog project – operational	£2,000	£832	+£1,168 ¹⁴
PBH	Visitor Access Improvements Phases 1-3	Reported when all phases complete (2024).		
Totals		£178,767	£182,906	-£4,139

2.4 Expenditure on all site specific mitigation measures either completed or initiated is shown below in Table 5.

2.5 As indicated by the “(Total) SEDESMS budget” column, the majority of these measures all have an element of ongoing funding allocated for revisions and/or maintenance in future years.

2.5 Phase 2 of the East Devon Pebblebed Heaths visitor access improvements is complete. WSP will submit a planning application for the last Phase 3 in April 2023, with works expected in summer/autumn 2023. New interpretation and signage design/manufacture is complete, with remaining signs due for installation as part of Phase 3 works. All projects continue to be invoiced according to agreed contractual schedules.

⁹Additional spend required on recruitment costs (x3), overtime to ensure continuity of staff cover and clothing/kit requirements.

¹⁰ Recharges for Delivery Manager expected at year end.

¹¹ Additional expenditure due to extended hire of rental vehicle as a result of supply chain issues slowing delivery of replacement vehicle (expected April 2023).

¹² Additional expenditure due to training – higher than anticipated due to staff turnover in team.

¹³ Increased coverage of waggy walks on Pebblebed Heaths meant that fewer journeys were made.

¹⁴ Less expenditure on materials/resources than usual as existing stock sufficient and some items such as Four Paws code reprint and dog tags for new members not yet invoiced.

Table 5. Expenditure on completed/initiated mitigation measures.

Site	Measure	Initial budget	Expenditure (Actual)	Variance +/-	(Total) SEDESMS budget	(Remaining) SEDESMS budget
Dawlish Warren	Petalwort monitoring	£1,000	£1,608 ¹⁵	-£608	£26,667	£25,059
Dawlish Warren	Translocation of petalwort	£2,000	£330	+£1,670 ¹⁶	£2,000	£1,670
Dawlish Warren	Fencing to prevent access along shore near roost on Bight.	£4,300	£5,668	-£1,368 ¹⁷	£160,000	£154,332
Dawlish Warren	Carry out audit of information boards	£13,000	£13,518	-£518 ¹⁸	£19,500	£5,982 ¹⁹
Dawlish Warren	BBQ info at local retailers	£2,000	£0	+£2,000 ²⁰	£6,000	£6,000
Dawlish Warren	Monitoring of vegetation change	£5,000	£1,355	+£3,645 ²¹	£133,333	£131,978
Exe Estuary	Codes of conduct	£11,500	£10,720	+£780	£11,500	£780
Exe Estuary	Wildlife refuge consultation	£5,000	£9,186	-£4,186	£5,000	-£4,186
Exe Estuary	Disturbance monitoring - Refuges	£27,950	£27,950	£- ²²	£30,000	£2,050
Exe Estuary	Wildlife Refuge buoy markers.	£30,000	£19,957	+£10,043	£30,000	£10,043
Exe Estuary	Update signs at public slipways	£40,000	£25,940	+£14,060 ²³	£120,000	£94,060
Exe Estuary	Update/reprint of Exe Estuary leaflets	£6,000	£- ²⁴	£-	£22,000	£22,000

¹⁵ Surveys every 3 years. Second survey complete, awaiting report – due spring 2023.

¹⁶ Initial consultant site visit paid for by SEDHRP. EA paid for report. NE funding translocation works March/April 2023.

¹⁷ Cost of timber has increased since original costs estimated in 2014.

¹⁸ See 17

¹⁹ Takes into account £11,272 spent on new signage, approved in 2017/18 annual business plan.

²⁰ “No BBQ” banner being trialled at the Warren spring.

²¹ Surveys every 3 years - second survey due spring/summer 2023.

²² 3 year study completed and reported to Committee October 2021.

²³ Economies of scale achieved in first phase. 2020-21 Annual Business Plan (July 2020) recommended savings be reinvested in other behavioural change initiatives (gazebo, website redesign – see below). This accounts for discrepancy between initial budget/expenditure/variance.

²⁴ Exe Estuary Officer undertaking this work during 2023-24.

Site	Measure	Capital cost	Expenditure (Actual)	Variance +/-	(Total) SEDESMS budget	(Remaining) SEDESMS budget
Exe Estuary	Personal aircraft code of conduct	£1,534	£- ²⁵	£-	£1,534	£1,534
Exe Estuary	Interpretation boards	£5,000	£0	+£5,000	£112,500	£112,500
Pebblebed Heaths	Dog bins	£13,480	£10,379	+£3,101 ²⁶	£273,100	£262,721
Pebblebed Heaths	Educational resources	£4,656	£4,590	+£66	£46,560	£41,970
Pebblebed Heaths	Pebblebeds Codes of conduct	£4,000	£4,000	-	£6,000	£2,000
Pebblebed Heaths	Signs directing people	£6,500	£0	+£6,500 ²⁷	£6,500	£6,500
Pebblebed Heaths	Signs related to conduct	£6,600	£0	+£6,600 ²⁸	£6,600	£6,600
Pebblebed Heaths	Path monitoring/repair	£12,000	£5,269	+£6,731 ²⁹	£95,000	£89,731
Pebblebed Heaths	Interpretation Boards	£5,000	£5000	£-	£64,800	£59,800
Pebblebed Heaths	Changes to car parks (preliminary survey)	£15,000	£15,000	£-	£15,000	£0
Pebblebed Heaths	Phase 1 Visitor Access Improvements	£484,966	£- ³⁰	+£	£500,000	£-
All	Visitor survey	£12,422	£10,570	+£1,852 ³¹	£167,000	£156,430
All	Gazebo	£3,500	£4,137	-£637 ³²	£3,500	-£637
All	Website redesign	£7,000	£6,740	+£260 ³³	£7,000	+£260
All	HMO vehicle change	£3,000	£3,452	-£452	£140,000 ³⁴	£136,548
Sub total		£732,408	£185,369	+£54,539	£2,011,094	£1,325,725

²⁵ See (23)

²⁶ Economies of scale achieved during installation, annual costs include maintenance/repair (not yet required). Awaiting invoice for 2022/23.

²⁷ Contract awarded, project due to complete summer 2023.

²⁸ See 23.

²⁹ Priority works have completed. Future audits due according to intervals.

³⁰ Multi-year and multi-phase delivery/invoicing – to avoid confusion, expenditure will be updated after all phases complete and invoiced.

³¹ Additional surveys for Pebblebed Heaths included in original budget have been paid by the Pebblebed Heaths Conservation Trust. Yet to appear in year-end accounts.

³² This accounts for two gazebos as one was damaged/lost after collision reported in 2022.

³³ New website (and monitoring dashboard) launched April 2022.

³⁴ These figures will be updated when replacement vehicle has been delivered and invoiced (summer 2024).

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East Devon District Council

April 2023

Natural England comment:

Natural England have reviewed the report and have no comment.