



SOUTH EAST DEVON
HABITAT REGULATIONS
PARTNERSHIP

South East Devon Habitat Regulations Executive Committee

Financial Report

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Legal comment/advice:

There is no direct legal comment to be made at this time, 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 CIL and signed S106).
2. Notes the potential for significant changes to anticipated contributions due to disruption to housing delivery as a result of the Covid-19 pandemic.
3. Notes the expenditure against budget for the 2019-20 Annual Business Plan and reasons given for any variance.
4. Receives a further report regarding anticipated contributions at the next meeting of the Committee.

Equalities impact: Low

Risk: Low

This is an update, repeated every 6 months, 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 2019/20 Annual Business Plan, as well as total expenditure to date are also provided.

1.3 Housing forecasts have been provided from each partner authority and are reported in Table 3. Undertaken prior to the lockdown of March 2020, they therefore do not take into account the subsequent disruption to housing delivery. It is anticipated that there will be significant changes to the forecasts but it is too early to be able to quantify this with any degree of certainty. Income projections as reported have been used to assist in outlining the indicative 5 year Delivery Plan, reported separately.

1.4 Updated housing forecasts to account for the relevant economic impacts of the Covid-19 pandemic will be important in order to understand what impacts there may be to the 5 year Delivery Plan. It is recommended that updated projections are reported at the next meeting of the Committee, alongside consideration of the likely consequences on delivery of the Strategy and a revised Plan.

Table 1. Developer contributions received (less expenditure) to date.

| Charging zone/period | Total received to date | Total expenditure to date | Balance to date |
|----------------------------------|-------------------------------|----------------------------------|------------------------|
| SANGS | £3,399,714 | -£3,485,605 | -£85,891 |
| Dawlish Warren On site | £736,825 | -£214,703 | £522,122 |
| Exe Estuary On site | £359,183 | -£278,904 | £80,279 |
| Pebblebed Heaths On site | £323,196 | -£197,811 | £125,385 |
| EDDC CIL ¹ | £351,187 | £15,000 | £336,187 |
| Cranbrook agreement ² | £222,727 | £0 | £222,727 |
| Total | £5,392,834 | -£4,192,022 | £1,200,811 |

¹ 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.

² This agreement relates to mitigation payments for the first tranche of development at Cranbrook, which was calculated using a method different to the rest of the Strategy. Therefore it does not neatly fit into the other categories used..

Table 2. Position of all developer contributions from planning consents granted but not yet received to date.

| Charging zone / project category | Position to date |
|---|-------------------------|
| Dawlish Warren on-site | £116,609 |
| Exe Estuary on-site | £152,300 |
| Pebblebed Heaths on-site | £149,900 |
| SANGS | £557,108 |
| Total | £975,917 |

Table 3 – 5 Year forecast of income/housing delivery.

| Year | Dawlish Warren | Exe Estuary | Pebblebed Heaths | SANGS | EDDC CIL |
|--------------|-----------------------|--------------------|-------------------------|-------------------|-----------------|
| 20-21 | £26,048 | £165,158 | £219,452 | £673,728 | £126,258 |
| 21-22 | £76,736 | £154,533 | £181,093 | £573,562 | £108,897 |
| 22-23 | £77,440 | £216,038 | £164,790 | £547,404 | £106,827 |
| 23-24 | £133,760 | £215,346 | £177,152 | £623,326 | £120,804 |
| 24-25 | £151,360 | £218,932 | £197,030 | £874,698 | £143,106 |
| Total | £465,344 | £970,007 | £939,517 | £3,292,718 | £605,892 |

1.5 Table 4, below, shows the estimated expenditure on the 2020/21 ABP and projected remaining balance at the end of 2024/25.

Table 4 – Recommended expenditure and projected balance of funds as at end 2024/25.

| Year | Dawlish Warren spend | Exe Estuary spend | Pebblebed Heaths spend | Total spend |
|---|-----------------------------|--------------------------|-------------------------------|--------------------|
| 2020-21 | £72,499 | £113,344 | £274,379 | £460,222 |
| 2021-22 | £49,362 | £65,249 | £222,289 | £336,900 |
| 2022-23 | £63,932 | £93,632 | £242,908 | £400,471 |
| 2023-24 | £60,040 | £74,240 | £73,516 | £207,796 |
| 2024-25 | £60,040 | £68,240 | £73,516 | £201,796 |
| Total | £305,873 | £414,705 | £886,608 | £1,607,186 |
| Remaining balance at end 2024-25 | £777,794 | £765,723 | £856,912 | £2,405,429 |

2. Expenditure against Annual Business Plans (ABP)

2.1 As shown in Table 5, there are a number of mitigation measures which are subject to delay, as reported separately³.

Table 5. Mitigation measures currently subject to delay.

| Site | Measure | Capital cost | Expenditure (Actual) | Variance +/- |
|------------------|--|----------------|----------------------|-----------------------|
| Dawlish Warren | Byelaw preventing fires and barbeques in buffer zone | £2,000 | £0 | +£2,000 ⁴ |
| Dawlish Warren | Visitor Management Plan | £12,000 | £0 | +£12,000 ⁵ |
| Dawlish Warren | Reed screening between Bight & Golf Course | £10,000 | £0 | +£10,000 ⁶ |
| Dawlish Warren | Monitoring of accretion and erosion | £1,000 | £0 | +£1,000 ⁷ |
| Sub total | | £86,500 | -£9,190 | +£77,310 |

2.2 The continuing cross-site mitigation measures are shown in Table 6, below. The largest variance in expenditure (staff and other project costs) is accounted for because the data does not include the 4th quarter of the 19-20 financial year.

Table 6. Cross site mitigation and expenditure recommended as part of the 2019/20 ABP.

| Site | Measure | Revenue budget | Expenditure (Actual) | Variance +/- |
|------|--|----------------|----------------------|-----------------------|
| All | Staff, Dog project, vehicles, boat, tax, insurance, fuel, maintenance. | £149,130 | £122,514 | +£26,616 ⁸ |

2.3 Expenditure on all site specific mitigation measures either completed or initiated is shown below in Table 7. As indicated by the “(Total) SEDESMS budget” column,

³ Annual Business Plan – Progress Report, April 2020.

⁴ Evidence gathering still underway, no recent incidents reported.

⁵ Some measures at Dawlish Warren are on hold pending further discussion with TDC and EA.

⁶ Some measures at Dawlish Warren are on hold pending further discussion with TDC and EA.

⁷ This is undertaken by the Environment Agency as part of the Beach Management Scheme until at least 2021.

⁸ Data does not include Q4 of the current financial year.

the majority of these measures all have an element of ongoing funding allocated for revisions and/or maintenance in future years.

2.4 Exe wildlife refuge disturbance monitoring is ongoing (with a pause during the lockdown in March 2020) and the South East Devon Visitor Survey had been initiated prior to the lockdown but is now on hold until further notice due to social distancing requirements. They are being invoiced according to agreed schedules as appropriate.

Table 7. 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 | £608 | £26,667 | £25,059 |
| Dawlish Warren | Carry out audit of information boards | £11,500 | £11,272 | £228 | £19,500 | £8,228 |
| Dawlish Warren | BBQ info at local retailers | £2,000 | £0 | £2,000 ⁹ | £6,000 | £6,000 |
| Dawlish Warren | Monitoring of vegetation change | £5,000 | £0 | £5,000 ¹⁰ | £133,333 | £133,333 |
| 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 | £20,000 | £11,034 | £8,966 ¹¹ | £30,000 | £18,966 |
| Exe Estuary | Wildlife Refuge buoy markers. | £5,000 | £16,387 | £11,387 | £30,000 | £13,613 |
| Exe Estuary | Update signs at public slipways | £40,000 | £16,154 | £23,846 ¹² | £120,000 | £103,846 |
| Exe Estuary | New interpretation boards | £5,000 | £0 | £5,000 ¹³ | £112,500 | £112,500 |

⁹ Design of posters completed in-house @ TDC.

¹⁰ Draft survey now complete following unavoidable delays at consultants. Not yet invoiced.

¹¹ Awaiting invoice for current year.

¹² Economies of scale achieved in procurement, further behavioural change spend recommended.

¹³ Requires further discussion with EDDC StreetScene.

| Site | Measure | Capital cost | Expenditure (Actual) | Variance +/- | (Total) SEDESMS budget | (Remaining) SEDESMS budget |
|------------------|---|-----------------|----------------------|------------------------|------------------------|----------------------------|
| Pebblebed Heaths | Dog bins | £13,480 | £4,465 | +£3,370 ¹⁴ | £273,100 | £268,635 |
| 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 ¹⁵ | £6,500 | £6,500 |
| Pebblebed Heaths | Signs related to conduct | £6,600 | £0 | +£6,600 ¹⁶ | £6,600 | £6,600 |
| Pebblebed Heaths | Path monitoring/repair | £12,000 | £5,269 | +£6,731 ¹⁷ | £95,000 | £89,731 |
| Pebblebed Heaths | Interpretation Boards | £5,000 | £510 | +£4,490 ¹⁸ | £64,800 | £64,290 |
| Pebblebed Heaths | Changes to car parks (preliminary survey) | £15,000 | £15,000 | - | £15,000 | £0 |
| All | Visitor survey | £12,422 | £1,138 | +£11,284 ¹⁹ | £167,000 | £165,862 |
| Sub total | | £185,658 | £111,333 | +£74,325 | £1,175,060 | £1,063,727 |

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¹⁴ Economies of scale achieved during installation, annual costs include maintenance/repair (not yet required). Awaiting invoice for 2019/20.

¹⁵ Integral to wider car parking strategy proposals.

¹⁶ Integral to wider car parking strategy proposals.

¹⁷ Works are ongoing according to the schedule outlined in the initial audit.

¹⁸ Preliminary design/illustration work complete, delivery dependent on outcome of Car Park Strategy.

¹⁹ Initial surveys completed and initial invoice received. Further surveys on hold due to Covid-19 social distancing guidelines.

Natural England comment:

Natural England have reviewed the report and have nothing further to add.