

West Devon Hub Committee



West Devon
Borough
Council

Title:	Agenda								
Date:	Tuesday, 16th July, 2019								
Time:	3.00 pm								
Venue:	Chamber - Kilworthy Park								
Full Members:	<p style="text-align: center;">Chairman Cllr Jory</p> <p style="text-align: center;">Vice Chairman Cllr Samuel</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Edmonds</td> <td style="width: 33%;">Cllr Moody</td> </tr> <tr> <td>Cllr Mott</td> <td>Cllr Pearce</td> </tr> <tr> <td>Cllr Leech</td> <td>Cllr Sellis</td> </tr> <tr> <td>Cllr Cheadle</td> <td></td> </tr> </table>	Cllr Edmonds	Cllr Moody	Cllr Mott	Cllr Pearce	Cllr Leech	Cllr Sellis	Cllr Cheadle	
Cllr Edmonds	Cllr Moody								
Cllr Mott	Cllr Pearce								
Cllr Leech	Cllr Sellis								
Cllr Cheadle									
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.								
Committee administrator:	Member.Services@swdevon.gov.uk								

1. Apologies for absence

2. Declarations of Interest

Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting.

If Councillors have any questions relating to predetermination, bias or interests in items on this Agenda, then please contact the Monitoring Officer in advance of the meeting.

3. Items Requiring Urgent Attention

To consider those items which, in the opinion of the Chairman, should be considered by the Meeting as matters of urgency (if any)

4. Confirmation of Minutes 1 - 4

Minutes of meeting held 4 June 2019

5. Public Questions -a period of up to 15 minutes is available to deal with issued raised by the public

6. Hub Committee Forward Plan 5 - 10

7. Action Plan for Internal Audit Report on Tavistock Hotel - Cllr Edmonds 11 - 22

8. Commercial Investment Strategy - Cllr Cheadle 23 - 44

9. Northern Outreach Service - Cllr Moody 45 - 88

10. Budget Update Report for 2020/21 -Cllr Jory 89 - 114

11. Parking Order Amendments - electrical charging and additional parking in Okehampton - Cllr Pearce 115 - 122

12. Write Off Report Q4 18/19 -Cllr Edmonds 123 - 130

13. SLT Restructure - Cllr Jory 131 - 164

14. Lead Member Update - Corporate Strategy Update - Cllr

Jory

- 15. Reports of other bodies -Overview and Scrutiny Committee 11 June 2019: To include a recommendation to Hub Committee 165 - 168**

The full report can be accessed here:

<http://mg.swdevon.gov.uk/documents/g1223/Public%20reports%20pack%2011th-Jun-2019%2014.00%20West%20Devon%20Overview%20and%20Scrutiny%20Committee.pdf?T=10>

- 16. Exclusion of Public and Press - to consider the following resolution to exclude the public and press:-**

“That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following items of business in order to avoid the likely disclosure to them of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”;

- 17. IT Procurement Update - Cllr Edmonds 169 - 184**

This document can be made available in large print, Braille, tape format, other languages or alternative format upon request. Please contact the Committee section on 01822 813664 or email darryl.white@swdevon.gov.uk

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Agenda Item 4

At a Meeting of the **HUB COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **4th** day of **JUNE, 2019** at **2.00 pm**

Present: Cllr N Jory – Chairman
Cllr L Samuel – Vice Chairman

Cllr R Cheadle	Cllr C Edmonds
Cllr A F Leech	Cllr J B Moody
Cllr C Mott	Cllr T G Pearce
Cllr D K A Sellis	

In attendance: Chief Executive
Commissioning Manager
Commissioning Manager - Waste
Head of Environment Health Practice
S151 Officer
Community Housing Officer
Specialist Democratic Services

Other Members in attendance:

Cllrs Ball, Bolton, Coulson, Crozier, Davies, Ewings, Heywood, Hipsey, Kemp, Moyse, Musgrave, Ratcliffe, Renders, Southcott, Spettigue, Wood and Yelland.

***HC 01 DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be discussed but none were made.

***HC 02 MINUTES**

The Minutes of the Hub Committee meeting held on 19 March 2019 were confirmed and signed by the Chairman as a correct record.

***HC 03 HUB COMMITTEE FORWARD PLAN**

Members were presented with the Hub Committee Forward Plan setting out items on the agenda for Hub Committee meetings for the next four months.

***HC 04 CORPORATE STRATEGY**

Members were presented with a report that reviewed the Council's progress in refining the Council's service offering under each of the Council's six corporate themes, namely: Efficient and Effective Council, communities, Enterprise, Environment, Home and Wellbeing.

The Leader introduced the report. During discussion, the Leader reinforced the importance of linking the Corporate Strategy with the Joint Local Plan and accepted that the Corporate Strategy did include overlapping areas. He asked that all Lead Members were aware of how the Joint Local Plan, a long term strategic document for the Council, impacted on their areas of responsibility.

It was then **RESOLVED** that:

1. The progress made to date on refining the Council's Corporate Strategy be acknowledged;
2. The approach as detailed in section 5.1a of the report to further embed, promote and share the Council's corporate Strategy with newly elected Members and their communities be supported; and
3. Time be set aside to review feedback from the proposed Member community engagement and establish corporate strategy targets as detailed in sections 5b and 5c of the report.

***HC 05**

MEMBER LOCALITY FUND

Members were presented with a report that outlined how a Member Locality Fund might operate, not only for the current financial year, but for the tenure of the current administration, i.e. four years.

The Lead Member for Communities introduced the report. There was a great deal of discussion on the proposal and the Commissioning Manager responded to a number of queries. Some Members were generally supportive, but were concerned that the proposal would result in the loss of the Community Project Fund. One Member proposed an alternative recommendation, which included specific reference to a review of the scheme and the continuation of the Community Project Fund. On being put to the vote the amendment was declared **CARRIED**. Members also asked that the review be timed to coincide with a review of partnership funding, but the Lead Member reminded Members that they had to deal with the proposal as set out and that partnership funding was a separate issue.

It was then **RESOLVED** that the proposed Member Locality Fund as detailed in paragraphs 4.2 and 5 of the report be approved, subject to a review in autumn of 2020 and retention of the Community Project Fund in year 2.

***HC 06**

WASTE COLLECTION FREQUENCY TRIAL

Members were presented with a report that recommended that the current recycling service was improved in October 2019 to include plastic pots, tubs, trays and printer cartridges, cardboard drinks containers and foil. It further recommended that these improvements were followed by a three weekly residual collection trial starting in November 2019 with a report being submitted to the Hub Committee in June 2020, detailing the results of the trial and future recommendations for the service.

The Lead Member for Environment introduced the report and, with the Commissioning Manager Waste, responded to questions. Members were supportive of the proposal, particularly the improvements to the recycling scheme which should help to reduce the amount of waste for disposal. In response to questions, the Commissioning Manager Waste confirmed that the Council would be learning lessons from other Devon authorities which had already commenced a three weekly residual waste collection project.

It was then **RESOLVED** that:

1. The addition of plastic pots, tubs, trays and printer cartridges, cardboard drinks containers and foil to the kerbside recycling collections with effect from October 2019 be approved, and that the cost of the collection containers is met through the Strategic Waste Earmarked Reserve;
2. The establishment of a trial of three weekly residual (black sack) collections to around 1,000 households in the Borough starting in November 2019 be approved and that the costs are met through the Strategic Earmarked Reserve; and
3. The results of the trial will inform an outcome report to the Hub Committee that will include an officer appraisal over whether or not the committee should recommend to Council that a three weekly refuse collection should be implemented for all households in the Borough from March/April 2021.

HC 07 DEVON HOUSING ASSISTANCE POLICY

Members were presented with a report that sought to update the current Housing Assistance Policy with more flexible assistance packages that would be available to a greater number of vulnerable residents.

The Lead Member for Health and Wellbeing introduced the report.

It was then **RESOLVED** that Council be **RECOMMENDED** that the existing 2018-19 Homes Assistance Policy be updated with the revised 2019-2021 Devon Housing Assistance Policy.

HC 08 COMMUNITY HOUSING DELIVERY – CAPITAL REQUIREMENTS

Members were presented with a report that set out proposals to fund construction of the first two community housing projects as outlined in the business case in exempt Appendix 1 and that the Head of Assets, in consultation with the Head of Paid Service, the s151 Officer and the Lead Member for Homes be given delegated authority to approve expenditure in accordance with the business cases.

The Lead Member for Homes introduced the report. The Community Housing Officer and s151 Officer responded to a number of questions including the following:

- Treasury Management advice would be sought on the exact structure of borrowing that would include fixed and variable lending
- Contractors would be vetted and a company employed to project manage the process
- The site at Lamerton may still come forward, work was ongoing with the Parish Council and Neighbourhood Plan groups on the site and to look at substitute sites, but an alternative site may need further funding from Homes England
- The projects needed sites to accommodate at least 12 houses to be viable, were usually exception sites that deliver 60% affordable housing and the schemes were driven by the needs of the community
- Grant funding from Homes England had started the projects. The sale of properties from the specific projects proposed would provide the funding to roll over onto new projects.

Finally, a Member asked if the developers of the projects would be required to use the Devon Building Control Partnership for Building Regulations approval. The schemes proposed were of high quality, and to use the Partnership would enable the schemes to be put forward for their annual awards, thereby generating well deserved recognition of the projects.

It was then **RESOLVED** that Council be **RECOMMENDED**:

1. To approve community housing development expenditure of up to £4.3m to build out the first two community housing schemes delivering 29 residential units as set out in the report;
2. To approve funding of up to £4.3m from a combination of internal borrowing and external borrowing (from the Public Works Loan Board);
3. That specialist treasury management and legal advice is taken on the optimum way of financing the community housing schemes and the proposals within the report; and
4. To delegate authority to Head of Assets Practice and s151 Officer to approve associated long leaseholds and disposals in consultation with the Leader of Council.

*** HC 09 LEAD MEMBER UPDATE**

Cllr Leech presented a comprehensive update to Members on the work and achievements of services within Environmental Health and Housing over the last 12 months. He agreed to circulate the update to all Members.

(The meeting terminated at 4.00 pm)

Chairman

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF HC 07 and HC08 WHICH ARE RECOMMENDATIONS TO FULL COUNCIL ON 23 JULY 2019, WILL BECOME EFFECTIVE FROM WEDNESDAY 12 JUNE, 2019 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

WEST DEVON BOROUGH COUNCIL: HUB COMMITTEE FORWARD PLAN

This is the provisional forward plan for the four months starting July 2019. It provides an indicative date for matters to be considered by the Hub Committee. Where possible, the Hub Committee will keep to the dates shown in the plan. However, it may be necessary for some items to be rescheduled and other items added.

The forward plan is published to publicise consultation dates and enable dialogue between the Hub Committee and all councillors, the public and other stakeholders. It will also assist the Council's Overview and Scrutiny Committee in planning their contribution to policy development and holding the Hub Committee to account.

The Plan is published on the Council's website (www.westdevon.gov.uk)

Members of the public are welcome to attend all meetings of the Hub Committee, which are normally held at Kilworthy Park, Tavistock, and normally start at 2.00 pm. If advance notice has been given, questions can be put to the Hub Committee at the beginning of the meeting.

The Hub Committee consists of nine Councillors. Each has responsibility for a particular area of the Council's work.

Leader – Cllr Neil Jory

Deputy Leader – Cllr Lois Samuel

Lead Member for Environment – Cllr Caroline Mott

Lead Member for Health and Wellbeing – Cllr Tony Leech

Lead Member for Enterprise – Cllr Ric Cheadle

Lead Member for Communities – Cllr Terry Pearce

Lead Member for Customer First – Cllr Jeff Moody

Lead Member for Resources and Performance – Cllr Chris Edmonds

Lead Member for Homes – Cllr Debo Sellis

Further information on the workings of the Hub Committee, including latest information on agenda items, can be obtained by contacting the Democratic Services Section by e-mail to democratic.services@westdevon.gov.uk

All items listed in this Forward Plan will be discussed in public at the relevant meeting, unless otherwise indicated

Portfolio Area	Report Title and Summary	Lead Officer/ Member	Documents to be considered in making decision	Date of Meeting	Consultees and means of consultation
Environment	Title: Coastal Concordat Purpose: To consider the Concordat agreed between WDBC and Marine Management Organisation in respect of planning matters below the mean low tide	Tom Jones	Report of the Head of Place Making Practice Coastal Concordat	Date tbc	
Customer First	Title: Northern Outreach Service Purpose of report: To make a decision on whether or not to continue with a dedicated outreach service in the Okehampton area	Nadine Trout/ Cllr Moody	Report of Commissioning Manager	16 July 2019	
Communities Page 6	Title: Parking order amendments – electrical charging and additional parking in Okehampton Purpose of report: To seek approval for amending the Off Street Parking Order	Cathy Aubertin/ Cllr Mott	Report of Environment Services Head of Practice	16 July 2019	
Enterprise	Title: Action Plan for the Internal Audit report on the Tavistock Hotel Proposal Purpose of report: To set out the action plan for the ten recommendations contained within the report to Council on 26 th March 2019 (Minute CM66)	Lisa Buckle/ Cllr Cheadle	Report of s151 Officer and previous report of Internal Audit Team	16 July 2019	
Leader – Council	Title: Restructure of SLT Purpose of report: To approve the Senior Leadership Team structure, roles and salaries and request the Chief Executive to review and implement changes to the Extended Leadership Team	Sophie Hosking & Andy Wilson/ Cllr Jory	Report of the Chief Executive , LGA Peer Review and SLT Consultation Paper responses	16 July 2019	Staff consulted via consultation paper
Enterprise	Title: Updated Commercial Property Acquisition Strategy Purpose of the report: To extend the strategy to include other areas of investment	Chris Brook/ Cllr Cheadle	Report of Head of Assets	16 July 2019	Invest to Earn Committee

Portfolio Area	Report Title and Summary	Lead Officer/ Member	Documents to be considered in making decision	Date of Meeting	Consultees and means of consultation
Resources and Performance	Title: IT Procurement Update Purpose of the report: Proposal for the approach for the ICT Procurement, including proposals for joint arrangements with South Hams District Council	Mike Ward/ Cllr Jory	Report of Head of ICT	16 July 2019	
Council	Title: Budget Update report for 2020/21 Purpose of report: To give an update on the outline financial modelling for the budget position for 2020/21, including asking Members for an early indication on the Council Tax Support Grant for 2020/21 for Town and Parish Councils	Lisa Buckle/ Cllr Jory	Report of s151 Officer	16 July 2019	
Council	Title: Write Off Report for Quarter 4 2018/2019 Purpose of report: The Council is responsible for the collection of: Housing Rents, Sundry Debts including Housing Benefit Overpayments, Council Tax and National Non-Domestic Rates. The report informs members of the debt written off for these revenue streams.	Lisa Buckle/ Cllr Edmonds	Report of s151 Officer	16 July 2019	
Leader & Enterprise	Title: Accommodation Strategy Purpose of report: To make recommendations for a future accommodation strategy	C Brook/ Cllr Jory and Cllr Cheadle	Report of Head of Assets	10 September 2019	Accommodation Strategy Working Group
Enterprise	Title: Formation of a wholly owned company	C Brook/ Cllr Cheadle	Report of Head of Assets	10 September 2019	

Portfolio Area	Report Title and Summary	Lead Officer/ Member	Documents to be considered in making decision	Date of Meeting	Consultees and means of consultation
	Purpose of Report: To consider the formation of a wholly owned company to facilitate commercial activity				
Leader	Title: Draft Corporate Strategy Delivery Plans Purpose of report: To consider the feedback gathered by Members from their community engagement	Nadine Trout/ Cllr Jory	Report of the Commissioning Manager	10 September 2019	
Communities	Title: Parking Order Amendments Purpose of report: to add a residential parking order on Okehampton to the Order	Cathy Aubertin/ Cllr Mott	Report of Environment Services Head of Practice	10 September 2019	
Environment	Title: Grounds maintenance service Purpose of report: To consider the future provision of a grounds maintenance service, and opportunities for income growth in respect of service area	Steve Mullineaux and Cathy Aubertin	Report of the Group Manager Commercial Services and Head of Environment Services Practice	10 September 2019	
Homes	Title: Homeless Strategy Year 3 Purpose of the report: To set out Year 3 of the Strategy	Issy Blake/ Cllr Sellis	Report of Head of Housing, Revenues and Benefits Practice	10 September 2019	
Council	Title: Write Off Report for Quarter 1 Purpose of report: The Council is responsible for the collection of: Housing Rents, Sundry Debts including Housing Benefit Overpayments, Council Tax and National Non-Domestic Rates. The report informs members of the debt written off for these revenue streams.	Lisa Buckle/ Cllr Edmonds	Report of s151 Officer	10 September 2019	

Portfolio Area	Report Title and Summary	Lead Officer/ Member	Documents to be considered in making decision	Date of Meeting	Consultees and means of consultation
Council	Title: Revenue Budget Monitoring Quarter 1 Purpose of report: A revenue budget monitoring report to monitor income and expenditure variations against the approved revenue budget for 2019/20, and to provide a forecast of the year end position	Pauline Henstock/ Cllr Edmonds	Report of Head of Finance Practice	10 September 2019	
Council	Title: Capital Budget Monitoring Quarter 1 Purpose of report: The report advises Members of the progress on individual schemes within the approved capital programme for 2019/20, including an assessment of their financial position	Pauline Henstock/ Cllr Edmonds	Report of Head of Finance Practice	10 September 2019	
Council	Title: Medium Term Financial Strategy for the five years 2020/21 to 2024/25 Purpose of the report: To set the strategic intention for all of the different strands of funding available to the Council. This brings together all known factors affecting the Council's financial position and its financial sustainability, to provide a long term financial forecast.	Lisa Buckle/ Cllr Jory	Report of s151 Officer	10 September 2019	
Communities/Wellbeing	Title: Partnership Funding Levels 2020/21 Purpose of the report: To review Partnership Funding Levels for 2020/21 onwards	Nadine Trout/ Cllr Pearce and Cllr Leech	Report of Commissioning Manager	10 September 2019	
Communities/Wellbeing	Title: Council Tax Reduction Scheme 2020/21 Purpose of the report: It is an annual requirement for the Council to revisit its existing council tax support scheme	Issy Blake/ Cllr Pearce & Cllr Leech	Report of Head of Housing, Revenues and Benefits Practice	10 September 2019	

Report to: **Hub Committee**

Date: **16 July 2019**

Title: **Internal Audit report – Tavistock Hotel Proposal**

Portfolio Area: **Resources & Performance – Cllr Edmonds**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: Recommendation to Council 23rd July 2019

Author: **Mrs C Bowen** Role: **Monitoring Officer**
Mrs L Buckle **S151 Officer**

Contact: **Email catherine.bowen@swdevon.gov.uk**
Email lisa.buckle@swdevon.gov.uk

Recommendation: That the Hub Committee **RECOMMENDS** to Council the contents of the Internal Audit report (Tavistock Hotel) Action Plan attached at Appendix A.

1. Executive summary

- 1.1 Council on 26th March 2019 considered a report that provided Members with the conclusions of the Devon Audit Partnership (DAP) review into the recent Tavistock Hotel Proposal (Council Minute CM66). The report had also previously been considered by the Overview and Scrutiny Committee (Minute O&S 108 refers) and the Hub Committee (Minute HC91).
- 1.2 The Devon Audit Partnership (DAP) was asked by the Chief Executive of West Devon Borough Council, to undertake a review on the basis of what lessons could be learnt following the rejection by Members to approve the funding for a proposal to develop the Abbey Rise Car Park site in Tavistock.

- 1.3 Appendix A of this report sets out the ten recommendations from the Internal Audit report (Tavistock Hotel Proposal) with the action recommended for each Recommendation together with a suggested timescale.

2. Background

2.1 Following the rejection by Members to approve the funding for a proposal to develop the Abbey Rise Car Park site in Tavistock, the Devon Audit Partnership (DAP) was asked by the Chief Executive of West Devon Borough Council, to undertake a review on the basis of what lessons could be learnt.

2.2 An audit brief was agreed with the following objectives:

- An assessment of the effectiveness of the Commercial Property Strategy, using the information and evidence that was considered as part of the business case for the Tavistock Hotel proposal and its robustness (in relation to the decision to proceed to the Hub Committee to recommend to Council for the funding to be set aside for the project as part of the Capital Programme Proposals for 2019-20) – to include outline consideration of car parking, the economy, the design and the planning considerations;
- To detail the timetable of events for reports and meetings on the decision, prior to the Hub Committee recommendation on 29th January 2019;
- To determine the level of consultation which had taken place and with whom, including other local authorities, business organisations, consultants and voluntary/specialist organisations;
- An assessment of whether due process and the correct governance procedures were followed and adhered to as part of the decision making process;
- What were the factors that led to a number of recommendations from the Hub Committee on 29th January 2019 being overturned at Full Council on 12th February 2019– not just by a majority of Councillors but by a unanimous vote;
- A high level review of the information and content on social media.

2.3 On 26th March 2019 at a meeting of the Full Council, a report was considered that provided Members with the conclusions of DAP's review into the recent Tavistock Hotel Proposal (Council Minute CM66). The report had also previously been considered by the Overview and Scrutiny Committee (Minute O&S 108 refers) and the Hub Committee (Minute HC91 refers). The link to the report is shown below.

<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=271&MIId=1326&Ver=4>

2.4 A review of relevant documentation was undertaken, including Council and Committee agendas, reports and minutes, the Commercial Property Strategy, acquisition and development proposal papers, meeting notes and a selection of email communication between Members and Members and officers. As well as the documentation above, reference was made to the Scrutiny Proposal Form dated 18th February 2019 (requesting the setting up of a Task & Finish Group to review the procedures for proposing development funded by the Council) and the Council's Constitution.

2.5 The relevant minute of the Council meeting is shown below:

Council Minute CM66

Upon being submitted to the Meeting, it was then declared to be **CARRIED** and **"RESOLVED** that:

1. the conclusions and ten recommendations contained in the Internal Audit Report (March 2019) be accepted;
2. officers of the Council, in consultation with lead Hub Committee Member, be asked to prepare an Action Plan and commence implementation of the recommendations forthwith and to submit the Plan, together with progress made to date at the Council meeting on 23 July 2019; and
3. a meeting be requested (early in the 2019/20 Municipal Year) of the Political Structures Working Group to consider in particular the use of unstarred minutes and the relationship between the Hub Committee and the Council, with a report being presented back to the Council meeting on 23 July 2019."

3. Outcomes/outputs

3.1 The Action Plan in Appendix A sets out the outcomes and outputs required to address the ten recommendations within the Internal Audit Report together with progress on actions already commenced and appropriate timescales.

4. Options available and consideration of risk

4.1 Appendix A of this report sets out the ten recommendations from the Internal Audit report (Tavistock Hotel Proposal) with the action recommended for each Recommendation and a description of the timescale involved. The Action Plan will be recommended to Council for adoption.

4.2 Council has already accepted the conclusions and ten recommendations contained in the Internal Audit Report (March 2019) – Minute Reference CM66. The Hub Committee can recommend changes to the content of the Action Plan set out in Appendix A.

5. Proposed Way Forward

5.1 It is recommended that the Action Plan set out in Appendix A for the ten recommendations from the Internal Audit report (Tavistock Hotel Proposal) is adopted.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		The Action Plan in Appendix A sets out legal and governance issues which need to be addressed, with any consequential amendments to the Constitution. There are also items within the Action Plan that need to be referred to and considered by the Political Structures Working Group.
Financial implications to include reference to value for money		There are no direct financial implications of any of the ten recommendations or actions set out in the Action Plan in Appendix A. The recommendations adopted will ensure the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources. The Council's Annual Governance Statement for 2018-19 refers to the ten recommendations from the Internal Audit report on the Tavistock Hotel Proposal.
Risk		There are no direct risk implications from the Council adopting the Action Plan and agreement to the Action Plan in Appendix A will mitigate the risks of similar issues arising with any proposed development on Council owned land in the future.
Supporting Corporate Strategy		The Internal Audit report (Tavistock Hotel) Action Plan supports the Corporate Strategy Themes of Council, Enterprise and Communities.
Comprehensive Impact Assessment Implications		
Equality and Diversity		None
Safeguarding		None
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		None

Other implications		None
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Supporting Information

Appendices:

Appendix A – Internal Audit Report – Tavistock Hotel Action Plan

Background Papers:

Hub Committee 19th March 2019 – Internal Audit Review of the Commercial Property process

Overview and Scrutiny Committee 26th March 2019 – Devon Audit Partnership report – Tavistock Hotel Proposal

Council 26th March 2019 – Internal Audit report – Tavistock Hotel proposal

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes
SLT Rep briefed/sign off	Yes
Relevant Heads of Practice sign off (draft)	Yes
Data protection issues considered	Yes
Accessibility checked	Yes

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Internal Audit Report – Tavistock Hotel Proposal - Action Plan

Recommendation	Details	Action	Timescale
1. Commercial Property Strategy	<p>The Council should consider having separate strategies for acquisitions and commercial development on Council owned land. In addition, consideration should be given as to whether the strategy should make a clear differentiation between acquisitions and development opportunities that are “In Borough” and “Out of Borough”.</p> <p>If the current Strategy remains, then a review of its current wording should be carried out to ensure that where reference is made to acquisitions, that the implications on commercial development and the process to be followed are considered and clearly set out where they differ from acquisitions (e.g. consultation with ward Members).</p>	<p>A revised Commercial Investment Strategy will be presented to the Hub Committee in July 2019. This will replace the Commercial Acquisition Strategy adopted by the Council in September 2018, and separate out the decision-making functions;</p> <ul style="list-style-type: none"> • commercial development on Council-owned land must be referred to the Hub Committee (in line with other decisions on Council acquisitions / disposals / leases not otherwise delegated to the Head of Assets Practice) • Commercial acquisitions are now the responsibility of the Invest to Earn Committee – see recommendation 6 below. <p>The Commercial Investment Strategy will divide the Strategy into Commercial Development on Council land and Commercial Acquisitions.</p>	A revised and updated Commercial Investment Strategy will be presented to the Hub Committee in July 2019.
2. Scheme of Delegation	The Head of Legal or other appropriate officer should identify and maintain a record of those schemes of delegation that are not referred to in the Council’s Constitution and have this “signposted” in the overall Scheme of Delegation within the Constitution so that they are more visible.	The Monitoring Officer has now established a system (effective from May 2019) whereby Democratic Services record decisions from the Hub Committee and Council, which delegates specific matters to officers. The record sets out the date of the decision, the Member body that made the decision, the minute reference, to whom the delegated authority has been given (and any consultees) and whether it is a time bound/project related or ongoing (in which case the Constitution will be amended accordingly). This will be published alongside the Constitution.	Completed

Recommendation	Details	Action	Timescale
3. Due Diligence Process	The Council should consider formally documenting the due diligence process that is followed by officers and external advisors and experts when taking forward a proposal to develop an asset on Council owned land. This would have similarities to the due diligence process that is used for an acquisition, but with extra due diligence checks such as consultation with ward Members. The process should outline the steps that need to be taken, the risks and issues that need to be considered, the documentation/evidence that should be completed and held and the approvals that should be sought before an application is submitted to the Local Planning Authority.	The Due Diligence Process will be set out within the revised and updated Commercial Investment Strategy presented to the Hub Committee in July 2019.	A revised and updated Commercial Investment Strategy will be presented to the Hub Committee in July 2019.
4. Access to Information	Consideration should be given to providing hyperlinks to Committee reports as part of the Full Council agenda.	This will be implemented from the July 2019 Council.	From July 2019 Council meeting
5. Unstarred Minutes	The current practice and process of “unstarred” minutes should be examined by the Political Structures Group. A possible solution could be the adoption of a process whereby, once Hub Committee minutes are published, a ‘Panel’ (to include the Chief Executive, S151 Officer and Monitoring Officer), in consultation with the Leader (as Chair of the Hub Committee) and the Mayor (as Chair of Council), decide whether any of the	This recommendation will be considered by the Political Structures Working Group at its first meeting. Part 3 of the Council Resolution requested that the Political Structures Working Group ‘ <i>consider in particular the use of unstarred minutes and the relationship between the Hub Committee and the Council, with a report being presented back to the Council meeting on 23 July 2019.</i> ’	December 2019

Recommendation	Details	Action	Timescale
	<p>Unstarred Minutes are deemed so significant that they then warrant being a standalone agenda item at the next Council meeting.</p>	<p>In light of the number of newly elected Members (almost 50%) and newly appointed Hub Committee Members (again almost 50%), officers are of the view that, to report to the Council meeting on 23 July 2019, is too early and the new Council needs to be given the opportunity to familiarise itself with the relationship between the Hub Committee and the Council before any evidence based recommendations can be made. As a result, the Monitoring Officer considers that the Hub Committee should be given the opportunity to meet on at least three separate occasions (i.e. June, July and September) before the Working Group undertakes a full review, with a report then being presented back to the Council meeting on 10 December 2019.</p>	
6. Role of Invest to Earn Group	<p>The Council should consider the following:</p> <p>a) A review of the Invest to Earn Group's Terms of Reference to ensure that they are fit for purpose when dealing with commercial development proposals, especially those within the Borough, as well as commercial acquisitions.</p> <p>b) Establishing the Group as a formal Committee listed within the Council's Constitution which is open to the public where possible, with formal agendas, papers and minutes taken. It is noted that much of the content of these papers</p>	<p>With regards to recommendations 6(a) to 6(c);</p> <p>A formal Invest to Earn Committee has been established at the May Annual Meeting and Members have been appointed to that Committee and its Terms of Reference agreed. The details can be seen in part 3(b) of the delegation scheme in the Council's Constitution. The Invest to Earn Committee is responsible for commercial acquisitions and the terms of reference include ensuring that Ward Members are briefed on proposals relevant to their ward. As a Committee, it will receive a formal agenda and reports; minutes will record the decisions made along with the supporting reasons.</p>	Completed

Recommendation	Details	Action	Timescale
	<p>would be Exempt Part II papers where the public are not able to attend for reasons of commercial confidentiality.</p> <p>c) The introduction of a formal record showing the results of evaluation of either each Member of the Group or the Group as a whole, that provides commentary that outlines the reasoning behind the decision reached.</p> <p>d) The provision of training from commercial acquisition and development experts to Members of the Invest to Earn Group and the wider Council membership, to enable the Group to challenge investment business cases and make informed decisions on future investment proposals brought forward.</p>	<p>The Minutes will include a formal record of the results of evaluation and reasoning.</p> <p>(d) The Head of Assets Practice and the S151 Officer will organise specific training for Members of the Invest to Earn Committee.</p> <p>In addition the S151 Officer will organise treasury management training for all Members.</p>	<p>From July 2019</p> <p>September 2019</p> <p>October 2019</p>
7. Briefing of Local Ward Members	<p>The Council should ensure that it complies with the Commercial Property Strategy where it states that local ward Members will be briefed before a final decision to proceed with a development or acquisition is made.</p> <p>It should be made clear how local ward Members are to be briefed and how they can share their views with the Invest to Earn Group.</p>	<p>The Invest To Earn Committee terms of reference specifically refer of the requirement to brief Members on potential acquisitions. The Constitution also states more broadly that Members will be made aware of issues affecting their ward. There has been an awareness raising with officers following the appointment of the new Council, to emphasise the importance of early dialogue with ward Members. However, a structured approach will be also be set out in the revised Commercial Investment Strategy and due diligence details.</p>	Partly completed, with revised Strategy in July 2019
8. Members' Responsibility to Stay Informed	<p>The Council should consider ways of assisting Members to stay informed where reliance is placed on Committee</p>	<p>Awareness has been raised during many of the Member Induction sessions on how to access</p>	Completed but with ongoing checks

Recommendation	Details	Action	Timescale
	<p>agendas and reports as the method of delivery of that information.</p> <p>The Council should consider the provision of “refresher” training to existing Members following the forthcoming elections in May, including the use of the iPads for accessing Committee papers.</p>	<p>information and there has been extensive training with Members on the new SurfaceGo devices.</p> <p>Member Services (Democratic Services) and the Monitoring Officer will make regular checks to ensure that Members continue to have access to all of the information that they require.</p>	
9. Informal Council	As part of the on-going review of the Council’s Constitution, the conclusions of this report should be taken into consideration as part of future review discussions, namely in connection with the running of Informal Council.	<p>The Political Structures Working Group will consider this issue and make any necessary recommendations.</p> <p>Please see the comments in Recommendation 5 above as they apply equally to this recommendation.</p>	December 2019
10. Use of Social Media	The Council should undertake a review of its use of Social Media by both officers and Members, including all relevant policies and procedures that currently exist. This could be carried out in conjunction with the intended review by Internal Audit that is included in the 2019/20 Audit Plan.	<p>The Induction Programme included a thorough session on Communications and Social Media. As part of the Member Development Programme there will be sessions on Standards which will include the use of social media.</p> <p>The Council does have a Policy in place for both employees and Members in the use of social media which was updated in 2017. Given the increase in the use of Social Media, particularly by Members, over the past couple of years, the Head of Communications COP will develop a more in-depth policy with specific examples of good / bad practice to help Members in the use of Social Media. This will be reviewed by September 2019 and circulated to all Members.</p>	September 2019

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Report to: **HUB Committee**
Date: **16 July 2019**
Title: **Commercial Investment Strategy**
Portfolio Area: **Enterprise**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**
Date next steps can be taken: **After Full Council**
23 July 2019

Author: **Chris Brook** Role: **Head Of Assets Practice**
Contact: **Email: Chris.Brook@swdevon.gov.uk**

Recommendation: That the HUB Committee RECOMMENDS to Council:

1. To approve the Commercial Investment Strategy in Appendix A.

1. Executive summary

- 1.1. Recently the Authority has prioritised tackling Climate Change by moving a motion to declare a Climate Change Emergency and targeting proactive measures to meet these challenges.
- 1.2. Opportunities exist for West Devon Borough Council to invest, off market, in "shovel ready" renewable energy generation assets (large-scale solar) which will deliver multiple benefits of
 - attractive investor return
 - directly linked to tackling climate change targets and the authority's low carbon agenda
 - providing a "hedge" against forward energy price rises
 - the opportunity to generate enhanced financial returns in the future from "bolt on" energy storage
- 1.3. The pursuit of such opportunities will require the Authority to amend its investment strategy to include the renewable energy sector.

- 1.4. Additionally, following the "Internal Audit Report – Tavistock Hotel Proposal" the strategy in Appendix A has been further amended to take account of the recommendations specific to "in area developments on Council owned land". Members are referred to the separate report on the Hub Committee agenda called 'Internal Audit Report – Tavistock Hotel Proposal'
- 1.5. The Commercial Investment Strategy in Appendix A updates and replaces the Commercial Property Strategy previously adopted by Council in September 2018.

2. Background

- 2.1. In September 2018, West Devon Borough Council (the Council) adopted a commercial investment strategy. This strategy has four core aims;
 - 2.1.1. To support regeneration and the economic activity of the Borough, the LEP area and the South West Peninsula (in that priority order)
 - 2.1.2. To enhance economic benefit & create business rates growth
 - 2.1.3. To assist with the financial sustainability of the Council as an ancillary benefit
 - 2.1.4. To help the Council continue to deliver and/or improve frontline services in line with the Council's adopted strategy & objectives.
- 2.2. This strategy is devised and adopted specifically to promote Enterprise in the Borough, a core theme of the Council. Much progress has been made delivering against this strategy and this report aims to keep the strategy as relevant and multi-objective as possible, to align it with the Council's Climate Change agenda.
- 2.3. In June 2019 UK Government implemented, by statutory instrument, an amendment to the Climate Change Act 2008 committing to net zero emissions by 2050. This legislative change will bring into effect comprehensive recommendations contained in a report published in May 2019 by the UK Committee on Climate Change, "Net Zero, the UK's Contribution to Stop Global Warming".
- 2.4. The Intergovernmental Panel on Climate Change (IPCC) and UK Committee on Climate Change reports are clear that the generation of renewable energy will need to play a significant part in reaching that target of net zero by 2050. "Net Zero The UK's Contribution to Stopping Climate Change" sets out that not only will the UK's electricity need to go from 50% low carbon sources, to 100%, but due to electrification in other sectors (such as cars), there will be a doubling in the overall electricity requirement.
- 2.5. In this context, that means the quadrupling of low carbon energy including (but not limited to) solar power, hydropower and windpower.

- 2.6. As an organisation the Council consume energy from the national grid, through a supplier the same way as anyone else. Our current approach to our electricity procurement does not give priority to low carbon sourced power ("Green Electricity"). Furthermore, for us as an organisation to have a meaningful impact on our Scope 2 emissions¹ (indirect emissions from things we can directly control) we need to draw our electricity from entirely new low carbon sources (i.e. "additionality"), rather than simply sharing in existing low carbon energy generation currently available.
- 2.7. It is feasible for low carbon electricity to be generated outside of area, but be bought and consumed in area, to the direct benefit of our Borough such that the generation source (units of power generated) is tracked and linked to consumption. This can be done through a sleeving arrangement with an energy supplier who will track and report energy generation and consumption through the Renewable Energy Guarantees of Origin (REGO) scheme administered by Ofgem. Consequently, beyond a perception of local investment being a good thing, it makes no difference whether an investment in a renewable energy generation facility is within the Borough of West Devon or another part of the UK.
- 2.8. Beyond the Authority's electricity consumption, there would be an opportunity for us to supply "partner organisations" (such as our Leisure Centres) with green power through a White Label supply arrangement.
- 2.9. Aligning our Commercial Investment Strategy with our Climate Change declaration would allow us to deliver both an attractive investment return as well as directly linking such an investment to delivering on climate change targets. The proposed amendment to the adopted strategy in Appendix A provides for this.
- 2.10. Following the "Internal Audit Report – Tavistock Hotel Proposal" the Commercial Investment Strategy in Appendix A has been further amended to take account of the recommendations to separate out and clarify the governance arrangements for commercial acquisitions and developments on Council owned land. Appendix A is in a "tracked changes" version so that the changes can be viewed and understood, a "clean" version is also available at Appendix B.
- 2.11. There is a separate report on the Hub Committee agenda called 'Internal Audit Report – Tavistock Hotel Proposal' which includes a proposed action plan on the ten recommendations made in the Internal Audit report.

¹ Scope 1 emissions are direct emissions from owned or controlled sources. **Scope 2** emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

3. Prospective Investment Opportunities

- 3.1 The large scale solar market was “kick started” in the UK through renewable energy subsidies (Renewable Obligation Certificates). The sector attracted strong pension fund grade investors due to these investments being low risk with predictable income-streams and operational costs.
- 3.2 In April 2016 Government removed subsidies, recognising over-support of the sector. This has led to a significant slowdown in solar development activity. Additionally capacity in the grid network is constrained, limiting opportunities to develop new solar facilities where there is an economic grid connection.
- 3.3 The cost of solar panels has significantly reduced which, alongside projected energy cost increases, has meant that it is economically attractive to develop unsubsidised large scale solar. An investment case is particularly attractive to Local Authority Investors, who have access to a low cost and long term borrowing facility through the Public Works Loan Board.
- 3.4 The range of benefits that such investments can bring are:
 - a. An attractive base case investment return starting at ~5.5% per annum and rising steadily to over 10% over the life of a project
 - b. An opportunity to procure electricity used by the Authority from the facility which can provide a “hedge” against forward energy price increases.
 - c. A major contribution towards meeting West Devon’s carbon reduction strategy.
 - d. Innovation in energy storage technology, integrated with smart grid management, providing an opportunity to bolt on battery storage to enhance the base case economic return at a future time.
 - e. Links to West Devon’s potential rollout of electric vehicle charge points.
 - f. A “liquid” investment asset

4. Specific Options available and consideration of risk

- 4.1 Subject to the Commercial Investment Strategy in Appendix A, West Devon will be able to take advantage of existing off market opportunities in the sector which do not exist within the Borough.
- 4.2 This presents a direct opportunity to realise the benefits set out in Section 3.
- 4.3 The risks associated with investment in Solar PV are well understood as the technology is proven. The panels themselves are warranted for 30 years (the investment life) to not drop below 80% of their original capacity over that time frame. Evidence from the oldest PV panels shows that further

degradation is broadly linear, so the panels do actually continue to have a value after 30 years.

- 4.4 The inverter technology used to scale up the power for transmission into the grid has a shorter life expectancy and as a rough rule of thumb, last half as long as panels. A replacement programme and associated cost is built into any business case to mitigate that risk.
- 4.5 Land management and rent are also agreed by contract at the time of investment so are able to be costed accurately into the business case. The "plant operation" is also outsourced and costed.
- 4.6 The remaining and most significant risk of any shovel ready² PV investment is therefore the forward energy price by which the investor realises a return.
- 4.7 Forward energy price modelling exists and would be evaluated as part of any proposed investment. Whilst modelling is never a perfect science, there are overarching global factors that all point towards future price rises such as; demand increase, a move away from "cheap and dirty" sources, instability in oil rich areas of the world, the high cost of nuclear energy in the medium term.
- 4.8 In spite of this, it is imperative that any business case uses a conservative energy unit price as part of the initial assessment, so as not to provide any unrealistic bias or expectation.
- 4.9 Any PV investment would be supported by thorough technical and legal due diligence to appropriately interrogate and quantify the risks as part of the decision making process.
- 4.10 It should be noted that where other types of renewable energy investments come forward, the risks and benefits will be considered on a case by case basis utilising the existing scheme of delegation.
- 4.11 The amendments to the Commercial Investment Strategy in line with the recommendations from the Internal Audit report on the Tavistock Hotel, will ensure that there are clearer processes and procedures in making decisions on both commercial acquisitions and developments on Council owned land.

² Shovel ready – A construction ready project with all approvals in place including planning approval.

5. Proposed Way Forward

5.1 That the HUB Committee recommend to Council the proposed revised strategy set out in Appendix A.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Previous advice on the relevant powers and appropriate vehicles for delivering these proposals has been sought from external specialist advisers and legal counsel. Legal counsel opinion has been obtained which sets out the various powers available to the Council, which supports the Council's investment strategy. Further legal advice will be sought on proposed renewable energy investments.</p> <p>The recommendations in the Internal Audit report set out legal and governance issues about acquisitions and developments which are addressed by the amendments in the attached Commercial Investment Strategy.</p>
Financial implications to include reference to value for money		Borrowing decisions will be taken prudently in line with the Council's treasury management strategy and capital strategy and by officers within that function. The Council must confirm that the borrowing required is available and is proportional to the Council's financial situation.
Risk		The risks associated with this project are set out in section 4.1 of this report.
Supporting Corporate Strategy		Enterprise & Environment
Comprehensive Impact Assessment Implications		
Equality and Diversity		N/A.
Safeguarding		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		N/A
Other implications		Positive alignment with meeting UK renewables targets and biodiversity associated with PV sites.

Supporting Information

Appendices:

Appendix A – Commercial Investment Strategy (Tracked Changes)

Appendix B – Commercial Investment Strategy (clean version with changes accepted)

Background Papers:

None

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes
SLT Rep briefed/sign off	Yes
Relevant Head of Practice sign off (draft)	Yes
Data protection issues considered	Yes
Accessibility checked	Yes

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Appendix A – WDBC Commercial Investment Strategy (tracked changes shown)

This strategy replaces the Council's Commercial Property Acquisition Strategy which was approved in September 2018. This Strategy covers both commercial development on Council-owned land and commercial acquisitions. The tracked changes show the differences/changes from the Strategy approved in September 2018.

Overall Objectives:

The Council's Commercial Investment Strategy has multiple objectives as stated below:

- To support regeneration and the economic activity of the Borough, the LEP area and the South West Peninsula (in that priority order)
- To enhance economic benefit & create business rates growth
- To assist with the financial sustainability of the Council as an ancillary benefit
- To help the Council continue to deliver and/or improve frontline services in line with the Council's adopted strategy & objectives.

Desired Outcomes:

The following outcomes are desired by the application of this strategy. Each acquisition or development opportunity will be assessed on its fit with meeting the objectives stated above and should deliver one or more of the following outcomes (benefits):

- ✓ Job creation or safeguarding
- ✓ Health & Wellbeing
- ✓ Town centre regeneration
- ✓ Tourism / Increased footfall
- ✓ Business rate growth
- ✓ Improved asset utilisation
- ✓ A minimum Net yield of 1%
- ✓ [Climate Change Mitigation](#)

This Strategy will be achieved by [developments on Council owned land and commercial acquisitions](#) ~~and developments~~ within the South West Peninsula. This will include the focussed acquisition of existing commercial property assets [including renewable energy investments](#) and the development [on Council owned land](#) of new properties which are to be let to third parties.

Risk

- The risks of acquiring property may be mitigated through the acquisition of assets with secure, long income streams, although this risk will be weighed up against the social and economic benefits of acquisitions to support commerce and trade in the Borough and the wider South West Peninsula
- Acquisitions are to be made in a careful and controlled manner, with specific analysis of risk criteria carried out in the 'due diligence' stage prior to the completion of each purchase
- The portfolio will be relatively risk-averse, targeting tenants of strong financial standing and minimum unexpired lease terms of four years at the date of acquisition. However, these criteria will be considered on a case by case basis and can be outweighed in order to meet the strategy objectives

Location:

- Wherever opportunities arise within the peninsula, in order to acquire good properties which deliver the Council's multiple objectives stated above and are deemed an acceptable risk. [Where renewable energy investments are considered, subject to further legal advice, a UK wide geographic search will apply. This shall be the least preferable option, but is included as this](#)

[Strategy recognises that due to the national grid, geography is not a barrier to investment in renewable energy directly for the Borough.](#)

Tenant mix:

- Where possible, a mix of tenants will be sought to create a balanced portfolio
- The final decision over the appropriateness of any tenant would be reviewed at the time of acquisition
- WDBC owns a significant number of commercial units already within the [Borough](#), mainly smaller units and tenants with relatively low credit ratings. This reflects the historic policy of supporting small start-ups which has proved successful and continues to be. Newer acquisitions are likely to be for larger units which may have single tenant occupancy.

Lease length:

- A minimum 4 years unexpired (mean unexpired term for multi-let properties) is preferable, however this is flexible if it helps achieve the strategy objectives
- For multi-let properties, a mix of lease expiry dates are preferred, thereby limiting void risk (unless the property is purchased with a view to re-development)
- Properties would preferably be let to sound tenants on leases with a preference for 'Full Repairing and Insuring' leases for single occupiers and through internal repair obligations and a service charge for multi-let properties. There may be overriding economic reasons to move away from this position and these will be considered on a case by case basis.

For all of the above:

The final decision over the definition of "good", "secure", "strong", "long", "careful", "controlled", "acceptable", "balanced" and "risk-averse" will be agreed between the property acquisition advisers (including legal due diligence) and the ~~Officers~~ ~~individuals~~ delegated with the responsibility to conclude the acquisition of the properties. This discretion will be based on both the risk to the capital value of the asset and its fit with the [Strategy](#) objectives.

Yield:

- The Council will only acquire properties where the running cost does not require Council subsidy. Per acquisition, a minimum net yield (an ancillary benefit) of 1.0% is to be sought, after acquisition, management, maintenance, capital repayment and funding costs. However, the Council may opt to accept a net yield return of less than 1% if the benefits of job creation or safeguarding, tourism, town centre regeneration, business rate growth or effective asset utilisation are deemed more important than a purely financial return.

Value & Cost:

- Acquisitions and development initiatives will be funded using predominantly borrowing or any other unallocated or available Council reserve or capital receipt.
- ~~• The Hub Committee and Full Council will consider the borrowing limit for the Strategy as part of the Medium Term Financial Strategy in September 2018. It is envisaged in December 2018, the Council will need to approve a revised Treasury Management Strategy which would increase the borrowing limits of the Council (depending on the recommendations from the various bodies), to facilitate implementation of this strategy. As part of this report, the Council will also include the new proportionality indicators to address the Government guidance issued in February 2018.~~
- Larger lot sizes are favoured - smaller size properties have disproportionately higher management costs and expose the Council to greater property void risks, but the economic and trade benefits of buying smaller units may outweigh this.

- Acquisition costs are forecast not to exceed 7% (Stamp Duty Land Tax (SDLT) / Legal / Agents / Due Diligence). These costs are to be contained within the overall strategy budget

Funding:

- This is to be secured on a case by case basis on the most commercially advantageous terms available predominantly through borrowing or any other unallocated or available Council reserve or capital receipt
- The Council will review from time to time the appropriate borrowing limits for commercial acquisitions and development on Council owned land.
- The term will not exceed the expected remaining life of the property, but as a rule, the Council wishes to secure borrowing over a maximum 50 year term. Capital repayments will seek to repay a minimum of 50% of the capital value of any acquired property.

Tax Implications:

- Due to the Council holding the asset, it is not anticipated that there will be any corporation tax or income tax implications from this strategy
- Some properties may be VAT elected, meaning VAT must be charged to tenants. This will be dealt with on a case by case basis and will be covered by the due diligence connected with that acquisition. The Council is able to charge and recover VAT
- Capital Gains Tax would not apply to assets sold from Council ownership. This position may change if a company were to be used to hold the acquired asset.

Exit Strategy:

- The Council is not looking to actively trade commercial property within the first 5 years of ownership of any acquired property, however this is flexible if required to meet this strategy's objectives
- If it is determined that the most prudent action is to sell an individual asset, this will be considered on a case by case basis and will be decided by the Council's Head of Paid Service and Section 151 Officer acted upon in consultation with the 'Invest to Earn' Committee Chairman and the Leader of the Council, S151 officer and Head of Paid Service
- It is proposed that all properties will be held as Council Assets. This may change if the Council were to set-up a trading company and it was found to be commercially advantageous for such a vehicle to hold the asset
- It is important to note that there would be early repayment charges if borrowing used to acquire or develop a commercial property ~~was~~ ~~ere to be~~ repaid before the end of the loan term. However, Public Works Loan Board (PWLB) lending is not secured against property, so would not inhibit the asset being traded during the loan period. An alternative asset could be purchased (& held) with any sale receipt.

Governance Arrangements:

Commercial Acquisitions & Developments

Acquisitions ~~and developments~~ must conform to the adopted ~~C~~commercial Investment property ~~Strategy~~. Any deviation from the agreed ~~S~~strategy will require Council approval.

The Invest To Earn Committee will consider and evaluate (in accordance with this Strategy) proposals for commercial acquisition of assets on a case by case basis, and will make any necessary recommendations to the Head of Paid Service and Section 151 Officer who will make a decision in consultation with the Leader of the Council and Chairman of the Invest to Earn Committee

Specialists will be commissioned to act on behalf of the Council to source suitable properties and manage the acquisition due diligence process.

~~Delegated authority to be given to the Head of Paid Service, in consultation with the S151 officer, Leader of the Council and Chair of the 'Invest to Earn' (or their deputy). Each receive one vote to proceed with purchase. In the event of a split decision, the S151 officer has the casting vote.~~

The Council will consider proportionality on a case by case basis for each acquisition as part of the decision making process, with information provided to the Invest to Earn Committee Members, the s151 officer, the Head of Paid Service and the Leader of the Council.

Before a final decision ~~is made~~ to proceed with a ~~commercial development or~~ acquisition, ~~is made, if applicable,~~ local ward members will be briefed and be able to share their views with the Invest to Earn Group Committee.

~~The 'Invest to Earn' Group Committee will determine its chair and will receive details of potential purchases from the Assets CoP. They will vote on whether to bring a potential purchase decision to the Head of Paid Service.~~

~~The same governance arrangements will be used to approve capital expenditure relating to any development projects and the subsequent granting of leases in excess of 15 years as recommended by the Assets CoP Lead, on a project by project basis.~~

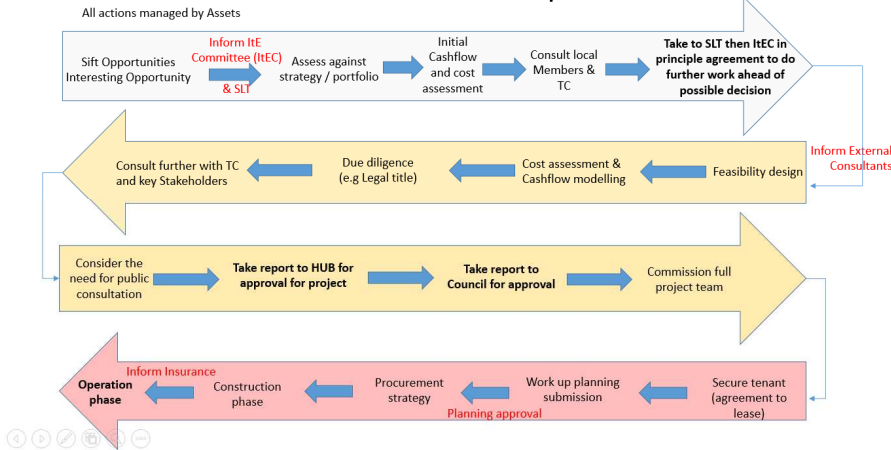
In area developments on Council owned land

~~In area de~~Development proposals on Council owned land must conform to the objectives of this ~~S~~strategy. Unlike commercial acquisitions however, they shall not benefit from the same scheme of delegation. Instead, approvals must be sought through the HUB committee and Full Council process. Decisions on in area development shall consider, as appropriate, the views of the local members and key stakeholders (Town Council / Parish Council) as one of many aspects of any projects brought forward.

The flow chart below sets out the approvals process as well as the main steps for in area development.

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Flow chart of Commercial Development



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Running / Review

If the management of the acquired or developed assets cannot be managed in-house by existing resources, it will be outsourced to property professionals. The cost of this management is to be deducted before calculating the net yield.

The Invest to Earn Group will receive regular reporting to confirm portfolio composition and performance. Regular reports will be made ing to the appropriate body on portfolio composition and performance (Invest to Earn Committee, Hub Committee and/or the Audit Committee) as required.

Disposal

Once acquired, decisions relating to the ownership of any acquired properties will be dealt with in-line with the Council's constituted Scheme of Delegation.

Disposal will be considered if the portfolio breaches the approved Sstrategy. Decisions to be made in consultation with the 'Invest to Earn Committee Chairman / Group Chair, Leader of the Council, S151 officer and Head of Paid Service.

Resources:

The work to filter, appraise and recommend investment and development opportunities will be undertaken within the Assets Head of Practice (HoP) CoP. This will be supplemented by specific consultant advice as required and associated costs built into the business case for each project. The Assets CoP has strong relationships with a number of local and national consultants who will be required to support the projects. Examples of this include (but are not limited to): CCD Properties (development specialists), Arcadis (building technical due diligence), Womble Bond Dickinson (legal due diligence) and Savills (commercial property investment advice).

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Risk assessment and due diligence

The Authority assesses the risk of loss before entering into and whilst holding property investments/property opportunities by carrying out appropriate due diligence checks and implementing mitigation measures in managing risk:

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- The tenants need to be of good financial standing (this is assessed using Dun & Bradstreet credit rating reports and annual accounts). The number of tenants e.g. sole tenant or multi tenanted will be assessed.
- The property condition such as date of construction and any imminent or significant refurbishment or modernisation requirements (forecast capital expenditure).
- How the property investment meets the Council's multiple objectives as set out in the Council's strategy e.g. economic regeneration, business growth.
- The lease must meet certain standards, such as being in a commercial popular location and have a number of years left on the lease providing a certain and contractually secure rental income stream into the future. Any break clauses will be assessed along with the number of unexpired years, bank guarantees and rent reviews.
- The location will be either within West Devon Borough Council's -boundary, the LEP area or the South West Peninsula (in that priority order), as set out in the Commercial Investment Strategy (apart from renewable energy investment which may have a wider geographic spread). The population of the catchment area, the economic vibrancy and known or anticipated market demand as well as proximity to travel infrastructure and other similar properties will be assessed.
- Rental income paid by the tenant must exceed the cost of repaying the borrowed money from the Public Works Loan Board (which is itself funded by the Government). The surplus is then an ancillary benefit which supports the Council's budget position and enables the Council to continue to provide services for local people.
- The gross and net yield are assessed against the Council's criteria.
- The prevailing interest rates for borrowing at the time.
- Debt proportionality considerations.
- The life and condition of the property is assessed by a valuer and the borrowing is taken out over the life of the asset. The amount of management and maintenance charges are assessed as well as the ease of in-house management. 10% of all rental income (or an amount as deemed prudent) is put into a Maintenance and Management Reserve to cover any longer-term maintenance issues.
- The potential for property growth in terms of both revenue and capital growth will be assessed.
- The risks are determined by the property sector e.g. office, retail, industrial, associated with specific properties and the mix of sectors within the Council's portfolio.
- Details of acquisition costs e.g. stamp duty land tax, legal costs
- The documented exit strategy for a purchase/new build.
- The legal and technical due diligence checks will also identify any specific problems such as anomalies in the title deed, restrictive use classes, indemnities, local competition, construction or refurbishment requirements.

- The Council engages the use of external advisors to assist in undertaking elements of the due diligence checks such as technical, legal, accounting, property and taxation advice.
- The Council undertakes sensitivity analysis of the interest repayments on its borrowing requirements as a percentage of its available reserves to ensure there is sufficient coverage in the event that rental income is below that forecasted. This ensures that the Council has the available reserves to enable service delivery to be maintained in the short to medium term, whilst alternative solutions are implemented.

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Appendix B – WDBC Commercial Investment Strategy (copy with tracked changes accepted)

This strategy replaces the Council’s Commercial Property Acquisition Strategy which was approved September 2018. This Strategy covers both commercial development on Council-owned land and commercial acquisitions.

Overall Objectives:

The Council’s Commercial Investment Strategy has multiple objectives as stated below:

- To support regeneration and the economic activity of the Borough, the LEP area and the South West Peninsula (in that priority order)
- To enhance economic benefit & create business rates growth
- To assist with the financial sustainability of the Council as an ancillary benefit
- To help the Council continue to deliver and/or improve frontline services in line with the Council’s adopted strategy & objectives.

Desired Outcomes:

The following outcomes are desired by the application of this strategy. Each acquisition or development opportunity will be assessed on its fit with meeting the objectives stated above and should deliver one or more of the following outcomes (benefits):

- ✓ Job creation or safeguarding
- ✓ Health & Wellbeing
- ✓ Town centre regeneration
- ✓ Tourism / Increased footfall
- ✓ Business rate growth
- ✓ Improved asset utilisation
- ✓ A minimum Net yield of 1%
- ✓ Climate Change Mitigation

This Strategy will be achieved by developments on Council owned land and commercial acquisitions within the South West Peninsula. This will include the focussed acquisition of existing commercial property assets including renewable energy investments and the development on Council owned land of new properties which are to be let to third parties.

Risk

- The risks of acquiring property may be mitigated through the acquisition of assets with secure, long income streams, although this risk will be weighed up against the social and economic benefits of acquisitions to support commerce and trade in the Borough and the wider South West Peninsula
- Acquisitions are to be made in a careful and controlled manner, with specific analysis of risk criteria carried out in the ‘due diligence’ stage prior to the completion of each purchase
- The portfolio will be relatively risk-averse, targeting tenants of strong financial standing and minimum unexpired lease terms of four years at the date of acquisition. However, these criteria will be considered on a case by case basis and can be outweighed in order to meet the strategy objectives

Location:

- Wherever opportunities arise within the peninsula, in order to acquire good properties which deliver the Council’s multiple objectives stated above and are deemed an acceptable risk. Where renewable energy investments are considered, subject to further legal advice, a UK wide geographic search will apply. This shall be the least preferable option, but is included as this

Strategy recognises that due to the national grid, geography is not a barrier to investment in renewable energy directly for the Borough.

Tenant mix:

- Where possible, a mix of tenants will be sought to create a balanced portfolio
- The final decision over the appropriateness of any tenant would be reviewed at the time of acquisition
- WDBC owns a significant number of commercial units already within the Borough, mainly smaller units and tenants with relatively low credit ratings. This reflects the historic policy of supporting small start-ups which has proved successful and continues to be. Newer acquisitions are likely to be for larger units which may have single tenant occupancy.

Lease length:

- A minimum 4 years unexpired (mean unexpired term for multi-let properties) is preferable, however this is flexible if it helps achieve the strategy objectives
- For multi-let properties, a mix of lease expiry dates are preferred, thereby limiting void risk (unless the property is purchased with a view to re-development)
- Properties would preferably be let to sound tenants on leases with a preference for 'Full Repairing and Insuring' leases for single occupiers and through internal repair obligations and a service charge for multi-let properties. There may be overriding economic reasons to move away from this position and these will be considered on a case by case basis.

For all of the above:

The final decision over the definition of "good", "secure", "strong", "long", "careful", "controlled", "acceptable", "balanced" and "risk-averse" will be agreed between the property acquisition advisers (including legal due diligence) and the Officers delegated with the responsibility to conclude the acquisition of the properties. This discretion will be based on both the risk to the capital value of the asset and its fit with the Strategy objectives.

Yield:

- The Council will only acquire properties where the running cost does not require Council subsidy. Per acquisition, a minimum net yield (an ancillary benefit) of 1.0% is to be sought, after acquisition, management, maintenance, capital repayment and funding costs. However, the Council may opt to accept a net yield return of less than 1% if the benefits of job creation or safeguarding, tourism, town centre regeneration, business rate growth or effective asset utilisation are deemed more important than a purely financial return.

Value & Cost:

- Acquisitions and development initiatives will be funded using predominantly borrowing or any other unallocated or available Council reserve or capital receipt.
- Larger lot sizes are favoured - smaller size properties have disproportionately higher management costs and expose the Council to greater property void risks, but the economic and trade benefits of buying smaller units may outweigh this.
- Acquisition costs are forecast not to exceed 7% (Stamp Duty Land Tax (SDLT) / Legal / Agents / Due Diligence). These costs are to be contained within the overall strategy budget

Funding:

- This is to be secured on a case by case basis on the most commercially advantageous terms available predominantly through borrowing or any other unallocated or available Council reserve or capital receipt

- The Council will review from time to time the appropriate borrowing limits for commercial acquisitions and development on Council owned land.
- The term will not exceed the expected remaining life of the property, but as a rule, the Council wishes to secure borrowing over a maximum 50 year term. Capital repayments will seek to repay a minimum of 50% of the capital value of any acquired property.

Tax Implications:

- Due to the Council holding the asset, it is not anticipated that there will be any corporation tax or income tax implications from this strategy
- Some properties may be VAT elected, meaning VAT must be charged to tenants. This will be dealt with on a case by case basis and will be covered by the due diligence connected with that acquisition. The Council is able to charge and recover VAT
- Capital Gains Tax would not apply to assets sold from Council ownership. This position may change if a company were to be used to hold the acquired asset.

Exit Strategy:

- The Council is not looking to actively trade commercial property within the first 5 years of ownership of any acquired property, however this is flexible if required to meet this strategy's objectives
- If it is determined that the most prudent action is to sell an individual asset, this will be considered on a case by case basis and will be decided by the Council's Head of Paid Service and Section 151 Officer in consultation with the Invest to Earn Committee Chairman and the Leader of the Council.
- It is proposed that all properties will be held as Council Assets. This may change if the Council were to set-up a trading company and it was found to be commercially advantageous for such a vehicle to hold the asset
- It is important to note that there would be early repayment charges if borrowing used to acquire or develop a commercial property was repaid before the end of the loan term. However, Public Works Loan Board (PWLB) lending is not secured against property, so would not inhibit the asset being traded during the loan period. An alternative asset could be purchased (& held) with any sale receipt.

Governance Arrangements:

Commercial Acquisitions

Acquisitions must conform to the adopted Commercial Investment Strategy. Any deviation from the agreed Strategy will require Council approval.

The Invest To Earn Committee will consider and evaluate (in accordance with this Strategy) proposals for commercial acquisition of assets on a case by case basis, and will make any necessary recommendations to the Head of Paid Service and Section 151 Officer who will make a decision in consultation with the Leader of the Council and Chairman of the Invest to Earn Committee

Specialists will be commissioned to act on behalf of the Council to source suitable properties and manage the acquisition due diligence process.

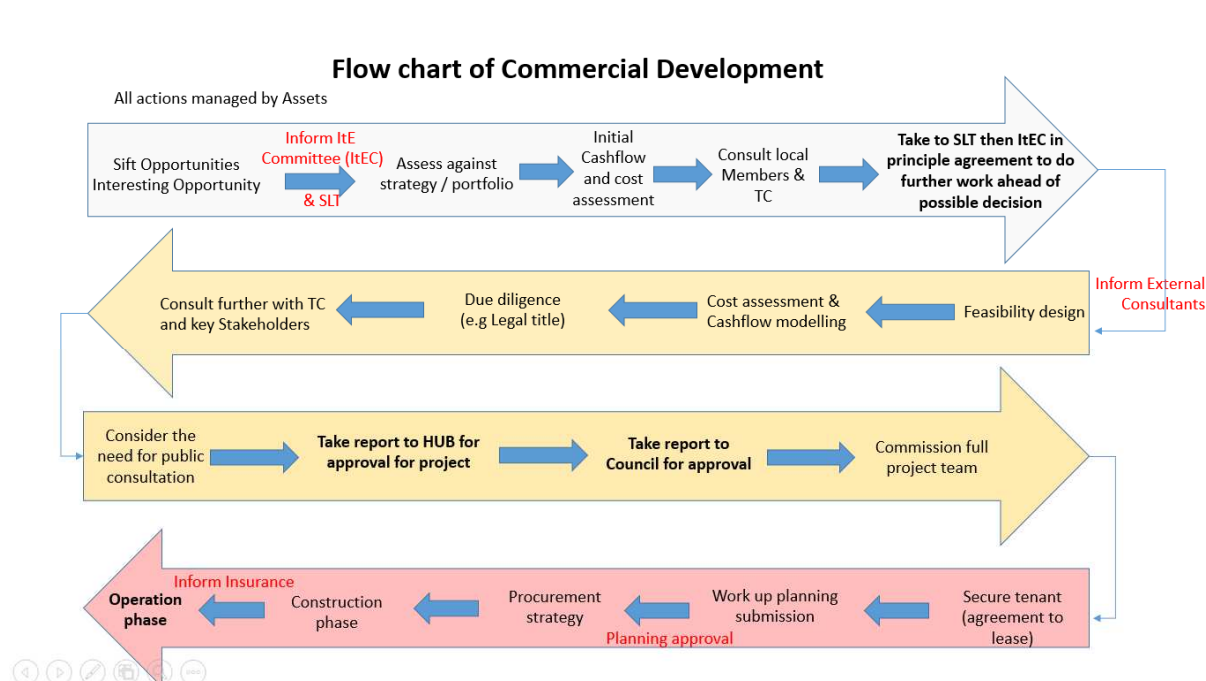
The Council will consider proportionality on a case by case basis for each acquisition as part of the decision making process, with information provided to the Invest to Earn Committee Members, the s151 officer, the Head of Paid Service and the Leader of the Council.

Before a final decision is made to proceed with a commercial acquisition local ward members will be briefed and be able to share their views with the Invest to Earn Committee.

In area developments on Council owned land

Development proposals on Council owned land must conform to the objectives of this Strategy. Unlike commercial acquisitions however, they shall not benefit from the same scheme of delegation. Instead, approvals must be sought through the HUB committee and Full Council process. Decisions on in area development shall consider, as appropriate, the views of the local members and key stakeholders (Town Council / Parish Council) as one of many aspects of any projects brought forward.

The flow chart below sets out the approvals process as well as the main steps for in area development.



Running / Review

If the management of the acquired or developed assets cannot be managed in-house by existing resources, it will be outsourced to property professionals. The cost of this management is to be deducted before calculating the net yield.

Regular reports will be made to the appropriate body on portfolio composition and performance (Invest to Earn Committee, Hub Committee and/or the Audit Committee) as required.

Disposal

Once acquired, decisions relating to the ownership of any acquired properties will be dealt with in-line with the Council’s Scheme of Delegation.

Disposal will be considered if the portfolio breaches the approved Strategy. Decisions to be made in consultation with the Invest to Earn Committee Chairman , Leader of the Council, S151 officer and Head of Paid Service.

Resources:

The work to filter, appraise and recommend investment and development opportunities will be undertaken within the Assets Head of Practice (HoP). This will be supplemented by specific consultant advice as required and associated costs built into the business case for each project. The Assets HoP has strong relationships with a number of local and national consultants who will be required to support the projects. Examples of this include (but are not limited to): CCD Properties (development specialists), Arcadis (building technical due diligence), Womble Bond Dickinson (legal due diligence) and Savills (commercial property investment advice).

Risk assessment and due diligence

The Authority assesses the risk of loss before entering into and whilst holding property investments/property opportunities by carrying out appropriate due diligence checks and implementing mitigation measures in managing risk:

- The tenants need to be of good financial standing (this is assessed using Dun & Bradstreet credit rating reports and annual accounts). The number of tenants e.g. sole tenant or multi tenanted will be assessed.
- The property condition such as date of construction and any imminent or significant refurbishment or modernisation requirements (forecast capital expenditure).
- How the property investment meets the Council's multiple objectives as set out in the Council's strategy e.g. economic regeneration, business growth.
- The lease must meet certain standards, such as being in a commercial popular location and have a number of years left on the lease providing a certain and contractually secure rental income stream into the future. Any break clauses will be assessed along with the number of unexpired years, bank guarantees and rent reviews.
- The location will be either within West Devon Borough Council's boundary, the LEP area or the South West Peninsula (in that priority order), as set out in the Commercial Investment Strategy (apart from renewable energy investment which may have a wider geographic spread). The population of the catchment area, the economic vibrancy and known or anticipated market demand as well as proximity to travel infrastructure and other similar properties will be assessed.
- Rental income paid by the tenant must exceed the cost of repaying the borrowed money from the Public Works Loan Board (which is itself funded by the Government). The surplus is then an ancillary benefit which supports the Council's budget position and enables the Council to continue to provide services for local people.
- The gross and net yield are assessed against the Council's criteria.
- The prevailing interest rates for borrowing at the time.
- Debt proportionality considerations.
- The life and condition of the property is assessed by a valuer and the borrowing is taken out over the life of the asset. The amount of management and maintenance charges are assessed as well as the ease of in-house management. 10% of all rental income (or an amount as deemed prudent) is put into a Maintenance and Management Reserve to cover any longer-term maintenance issues.
- The potential for property growth in terms of both revenue and capital growth will be assessed.

- The risks are determined by the property sector e.g. office, retail, industrial, associated with specific properties and the mix of sectors within the Council's portfolio.
- Details of acquisition costs e.g. stamp duty land tax, legal costs
- The documented exit strategy for a purchase/new build.
- The legal and technical due diligence checks will also identify any specific problems such as anomalies in the title deed, restrictive use classes, indemnities, local competition, construction or refurbishment requirements.
- The Council engages the use of external advisors to assist in undertaking elements of the due diligence checks such as technical, legal, accounting, property and taxation advice.
- The Council undertakes sensitivity analysis of the interest repayments on its borrowing requirements as a percentage of its available reserves to ensure there is sufficient coverage in the event that rental income is below that forecasted. This ensures that the Council has the available reserves to enable service delivery to be maintained in the short to medium term, whilst alternative solutions are implemented.

Report to: **Hub Committee**

Date: **16 July 2019**

Title: **Northern Outreach**

Portfolio Area: **Customer First**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **After call in period 24 July 2019**

Author: **Nadine Trout** Role: **Commissioning Manager**

Contact: Nadine.Trout@swdevon.gov.uk or **01822 813624**

RECOMMENDATION

That the Hub Committee approves the proposed future of the Northern Outreach Service as detailed in paragraph 5 of this report.

1. Executive summary

- 1.1 The purpose of this report is to consider usage of the Northern Outreach Service and how best to offer Council services in the future.
- 1.2 The report highlights that use of the Northern Outreach Service is extremely low with 41 customers using the service over a 3 month period - an average of 3 customers per week. Usage has declined by 80% when compared with the average daily usage for the same period last year.
- 1.3 Delivery of an outreach service at the Ockment Centre is costly and takes a disproportionate amount of officer time i.e. 20% of their working week to provide support to approximately 0.07% of West Devon residents.
- 1.4 Data for Kilworthy Park Reception at the Council's office in Tavistock also shows that very few West Devon residents use it as a facility.

2. Background

- 2.1 Based on evidence collated by both Members and officers, the Hub Committee on 19 March 2019 recommended to the Council that its preferred option for the Northern Outreach Service was to reduce the service to a single day per week and monitored for a three month period and a report presented back to the Hub Committee meeting on 16 July 2019 that include the results of the monitoring, along with results of the monitoring at Tavistock to enable a decision on the future provision of the service.
- 2.2 The Northern Outreach service came about due to the closure of the Council's St James Street office. Outreach was formerly provided twice weekly but due to low usage figures and in turn the relative high cost of delivery, the service was reduced to a weekly service as of April this year.
- 2.3 At present Northern Outreach is provided by the Council's Locality Engagement Officer on a weekly basis, on a Wednesday, at the Ockment Centre in Okehampton.
- 2.4 When the Northern Outreach service was first introduced the Council had two Locality Engagement Officers, it now only has one. As well as providing the Northern Outreach service the officer provides support to 31 elected Members compared to 15 Members in previous years.

3. Outcomes/outputs

- 3.1 As requested by this Committee, in March of this year, monitoring has been put in place to assess usage of both the Northern Outreach and the Council's reception facility in Tavistock. Findings from the research can be found in appendices A and B of this report. Key findings are also summarised in the paragraphs below.
- 3.2 The table below shows there were 41 users of the Northern Outreach service from April to June 2019, compared to 191 users for the same period in 2018. This equates to approximately 80% decline in use.

	April-June 2018	April-June 2019
Number of residents using the Northern Outreach Service	191	41

*The outreach operated for 2 days a week in 2018 and only 1 day a week in 2019. For the purposes of a statistically sound comparison an average daily use for 2018 has been used.

- 3.3 The significant decline in use of the Northern Outreach service can be attributed to a decrease in demand for recycling boxes. During 2018 the Council introduced its Box Clever scheme, many of the 191 users detailed above chose to visit the Northern Outreach service to collect recycling boxes. However, the new Waste and Recycling contract, which commenced in April of this year, puts the onus on the contractor to deliver all waste and recycling containers, thus negating the need for residents to collect boxes.

- 3.4 The Locality Engagement Officer has advised queries presented at the Northern Outreach Service could readily be resolved by customers online or via the phone. However, 76% of users over the past three months didn't try calling the Council and 63% didn't try looking online. Unfortunately, in the very rare instance when the Locality Engagement officer has been presented with a complex query, they have been unable to resolve it at the first point of contact. This is because the officer lacks the detailed specialist knowledge required. The officer has therefore referred the customer to a specialist colleague to give advice over the phone.
- 3.5 The data in appendices A and B show a high percentage of users of the Northern Outreach and the Tavistock Reception facility live in the town the service is provided in, with users often stating it was convenient to use the service as they were passing. However, 70% of West Devon residents do not have a face to face presence where they live. It could therefore be argued the Council is offering a service that is only of benefit to the minority of the residents it serves.

4. Options available and consideration of risk

4.1 Increase service

There is no evidence to suggest the Northern Outreach Service should increase. There has been an 80% decline in use of the service. Increasing the service would also place further demands on the Locality Engagement Officer's time and limit their ability to deliver the rest of their duties.

4.2 Maintain service at current level

Office of National Statistics data states the population of West Devon is circa 55,000. The Northern Outreach service has therefore been used by just 0.07 of West Devon residents over the past three months. The annual cost to maintain a service for one day a week in Okehampton is well in excess of £6,000.

4.3 Withdraw service

There has been very poor take up of the Northern Outreach service. Over 70% of its users over the past 3 months stated they would choose to access Council services either online or via the phone in future.

5. Proposed Way Forward

- 5.1 In light of the evidence it is recommended option 4.3 is pursued and the outreach service at the Ockment Centre is withdrawn as of 31 July 2019. And furthermore that an option appraisal on the future of Tavistock Reception be presented to this Committee in November 2019.
- 5.2 To ensure the withdrawal of the Northern Outreach service has as minimal impact as possible it is recommended the following steps are adopted:

5.3 Clear Communication

All residents, agencies based at the Ockment Centre, Okehampton Library, Okehampton Town Council and Parish Councils are advised of the withdrawal and given clear guidance on how best to contact the Council.

5.4 Vulnerable Customers

It is recognised that some customers simply are not able to engage with the Council online or over the phone. In these instances Mobile Locality Officers are on hand to assist these customers.

5.5 Improved Customer Service

The Council is unrelenting in improving its customer service ensuring it provides easy to use services as well as value for money. In late autumn 2018 the Council embarked on a 12 month Customer Satisfaction Action Plan. The focus of the plan is to ensure the Council delivers right first time services thus negating the need for customers to contact the council to report service failure. The plan to date has resulted in a reduction of 3,000 customer calls. The Council knows that providing access to service online is convenient for residents and is cost effective. In 12 months, customer transactions on the Council's website have increased by 10,000 online transactions. However, there is still work to do and the Council needs to ensure it adheres to its Customer Satisfaction Plan to make sure this happens. Full information on the Council's Customer Satisfaction Plan can be found online in the minutes of previous Hub Committee meetings.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	There are no direct legal implications to this report. The Hub Committee has a responsibility to provide Leadership to the overall activities of the Council and ensure the services the Council provides are efficient and effective.
Financial implications to include reference to value for money	Y	At present Northern Outreach is provided by the Council's Locality Engagement Officer on a weekly basis, on a Wednesday, at the Ockment Centre in Okehampton. The Northern Outreach Service is not considered the best use of Council resources because it is taking considerable officer time to service a very small cross section of West Devon residents. It therefore presents poor value for money.
Risk	N	Use of the Northern Outreach Service has been closely monitored for 15 months the

		recommendation to cease the service is therefore grounded in evidence and has been closely considered.
Supporting Corporate Strategy	Y	Council Theme – <i>Efficient and effective</i>
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	N/A
Safeguarding	Y	N/A
Community Safety, Crime and Disorder	Y	N/A
Health, Safety and Wellbeing	Y	N/A
Other implications	N	None.

Supporting Information:

Appendix A

Northern Outreach, Ockment Centre Usage April-June 2019

Appendix B

Tavistock Reception, Kilworthy Park Usage April-June 2019

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Northern Outreach Ockment Centre Survey

Data collected at each weekly session from
April-June 2019

Powered by  SurveyMonkey

41

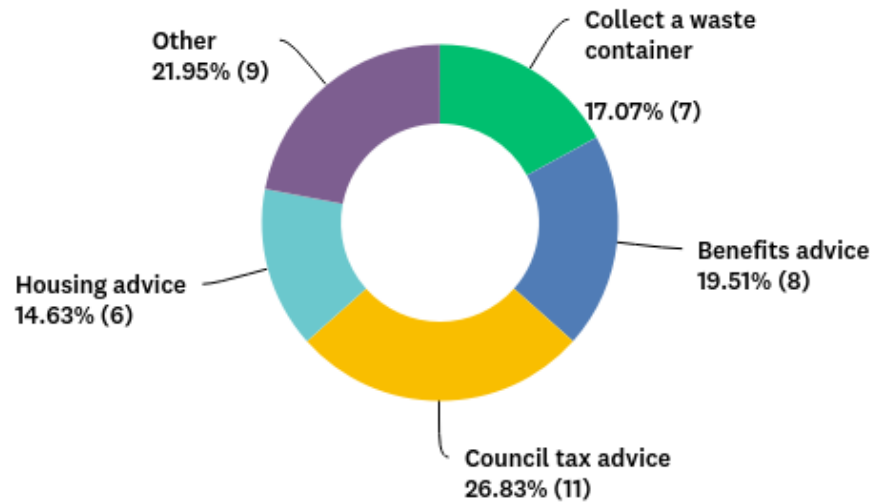
Total Responses

Date Created: Tuesday, March 26 2019

Complete Responses: 39

Q1: What is the purpose of your visit?

Answered: 41 Skipped: 0



Q1: What is the purpose of your visit?

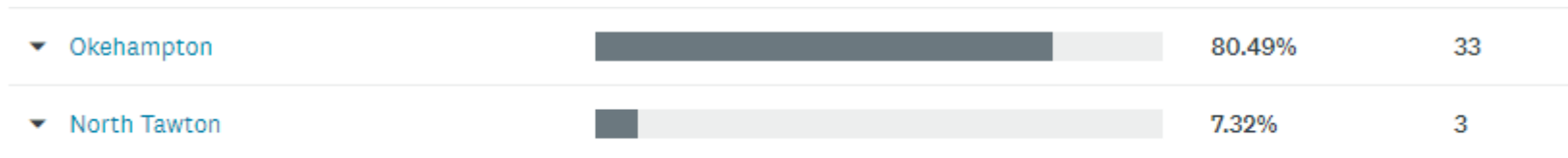
Answered: 41 Skipped: 0

ANSWER CHOICES	RESPONSES	
Collect a waste container	17.07%	7
Benefits advice	19.51%	8
Council tax advice	26.83%	11
Housing advice	14.63%	6
Planning advice	0.00%	0
Other	21.95%	9
TOTAL		41

Other (9)
Devon Home Choice
Waste enquiry
Waste assisted collection
Hand in form (3)
Rent reduction notification
Help with health and safety concerns with landlord
Check parking permit

Q2: Where do you live?

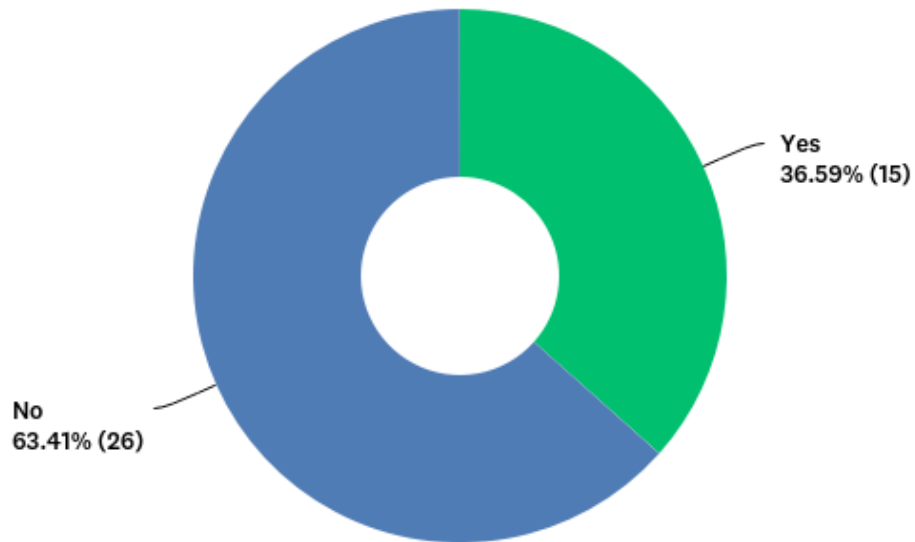
Answered: 41 Skipped: 0



Other (5)
Hatherleigh – 1
Exbourne – 2
Sourton – 1
Sampford Courtney - 1

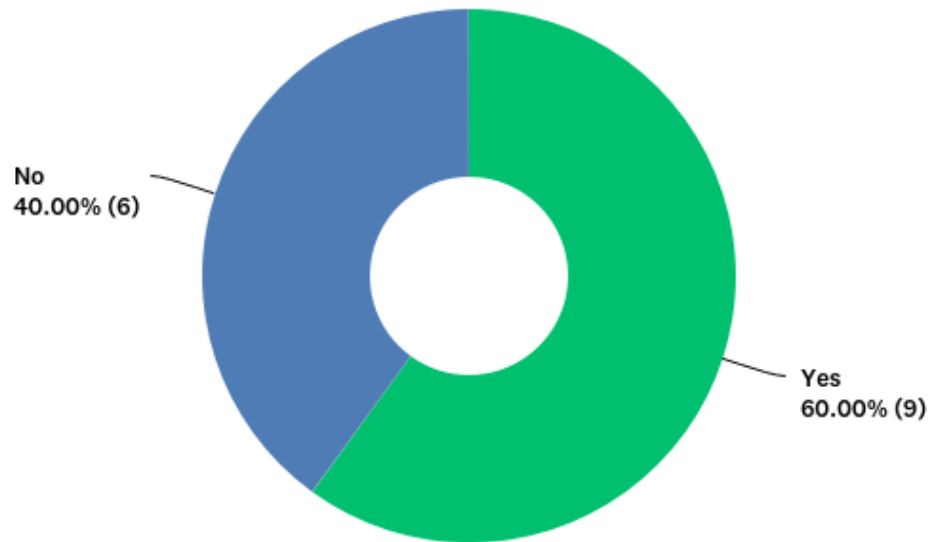
Q3: Did you try using our website to deal with your query?

Answered: 41 Skipped: 0



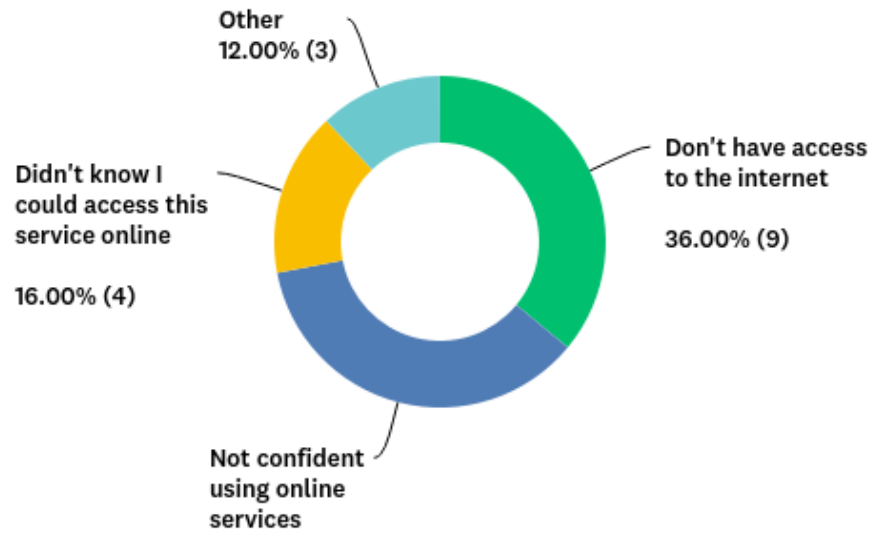
Q4: Were you able to find what you needed on our website?

Answered: 15 Skipped: 26



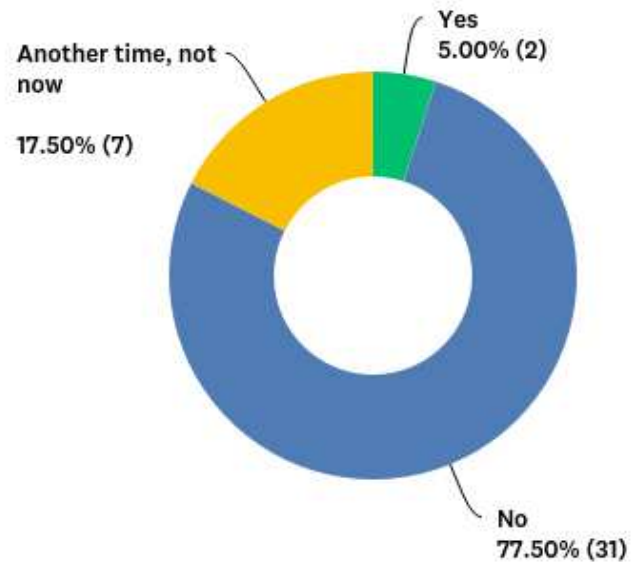
Q5: What's your reason for not trying our website?

Answered: 25 Skipped: 16



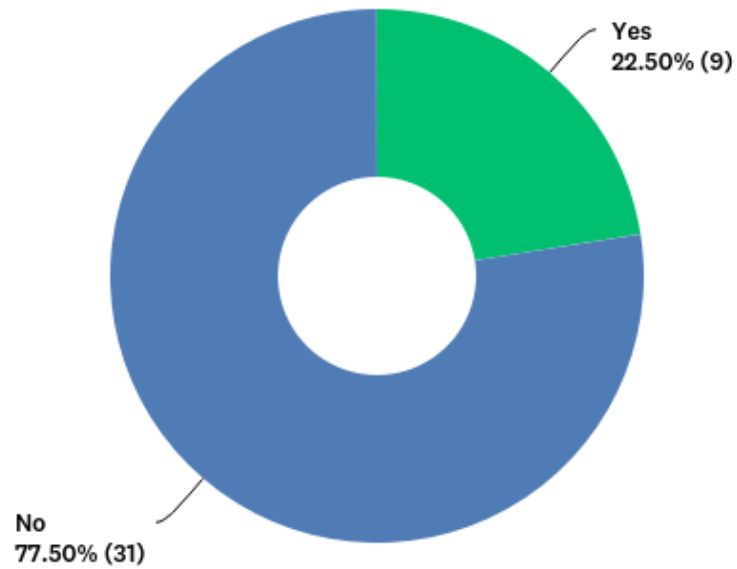
Q6: Would you like me to show you how to access our services online?

Answered: 40 Skipped: 1



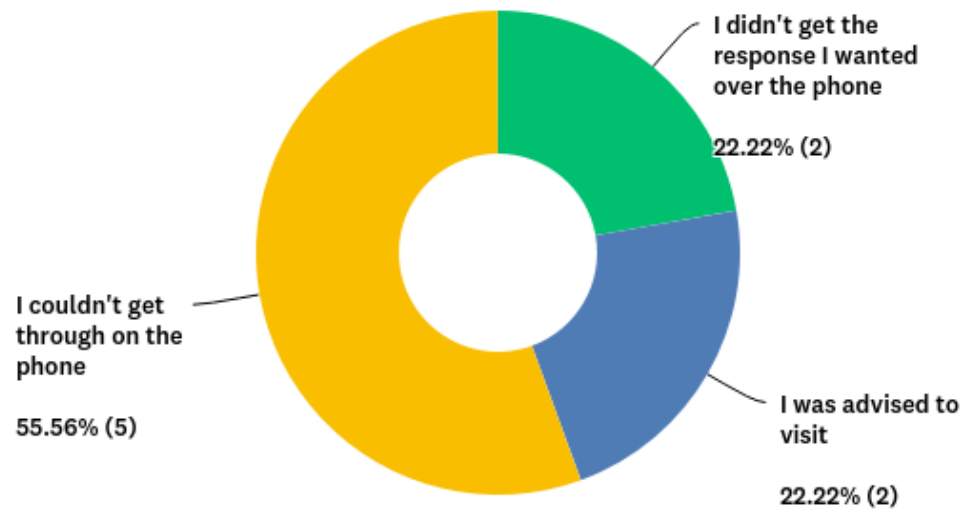
Q7: Did you try telephoning the Council?

Answered: 40 Skipped: 1



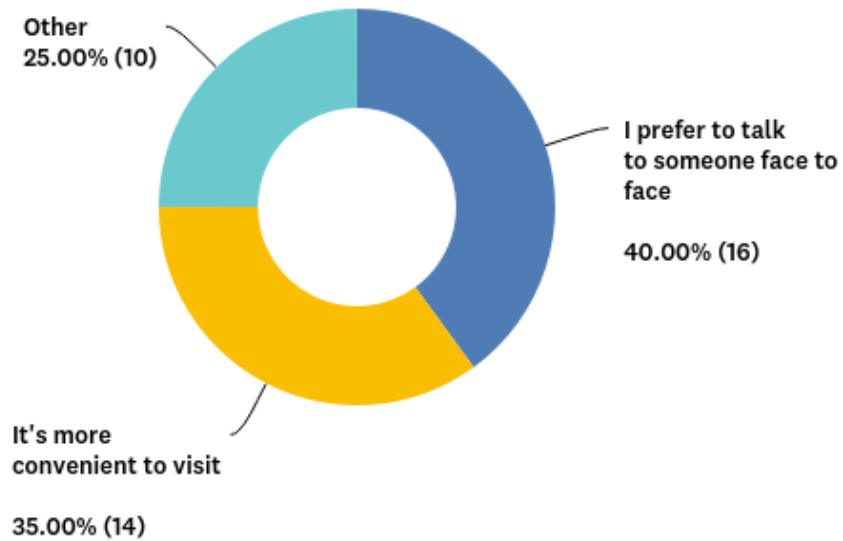
Q8: If you tried calling why are you visiting?

Answered: 9 Skipped: 32



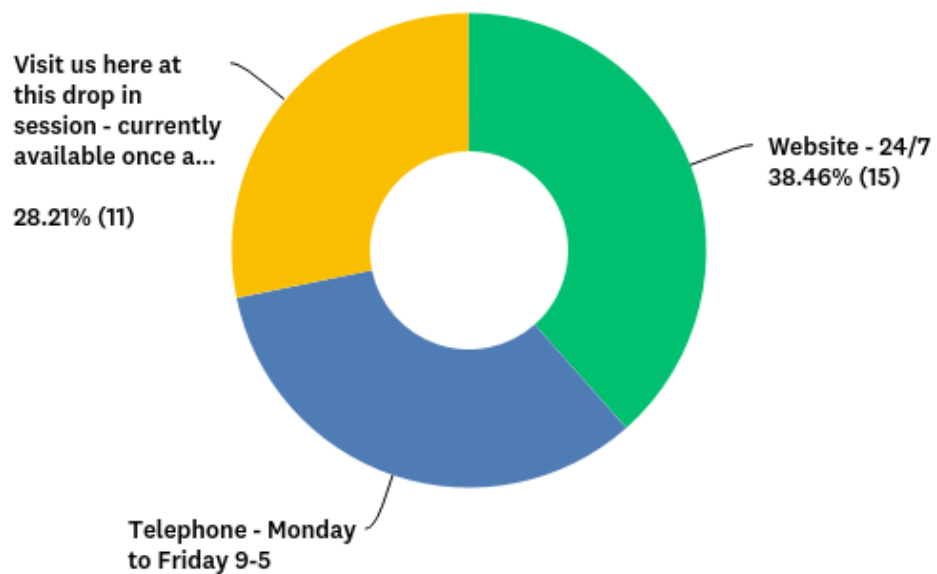
Q9: Why didn't you call the Council?

Answered: 40 Skipped: 1



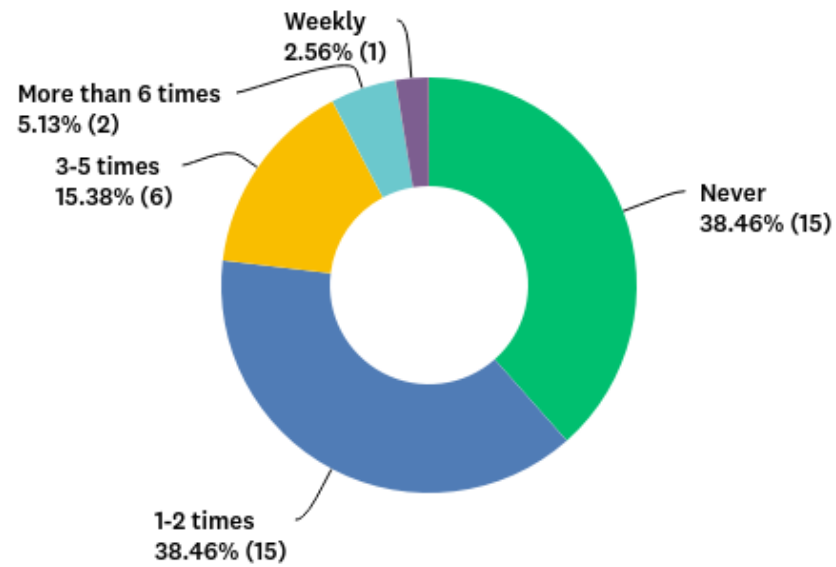
Q10: If you had to access Council services again which method would you use?

Answered: 39 Skipped: 2



Q11: And finally, apart from today, how many times have you accessed Council services here at the Ockment Centre over the past 12 months?

Answered: 39 Skipped: 2



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Tavistock Reception Kilworthy Park Survey

Data collected from 1 April to Friday 21 June 2019 during the majority of Reception opening hours

Page 00
281

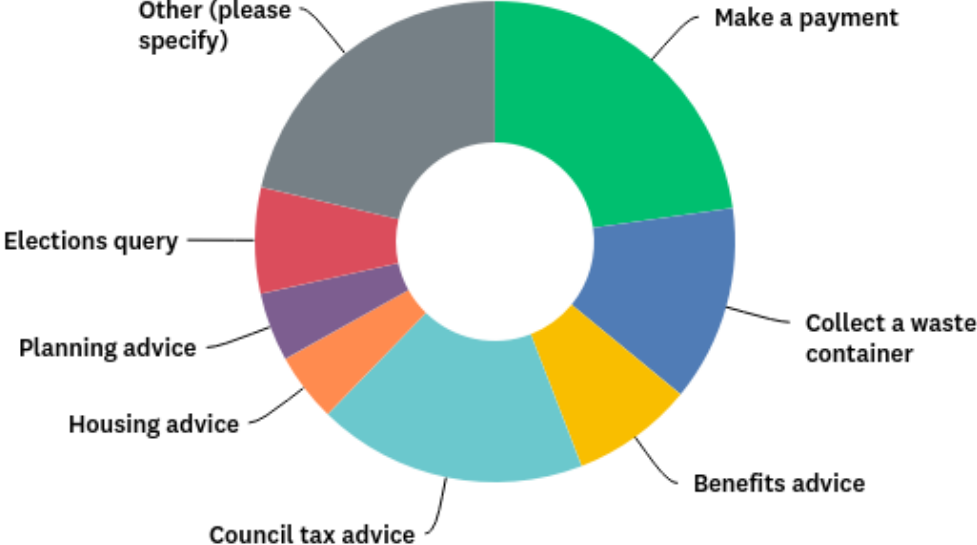
Total Responses

Date Created: Tuesday, March 26, 2019

Complete Responses: 273

Q1: What is the purpose of your visit?

Answered: 281 Skipped: 0



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Q1: What is the purpose of your visit?

Answered: 281 Skipped: 0

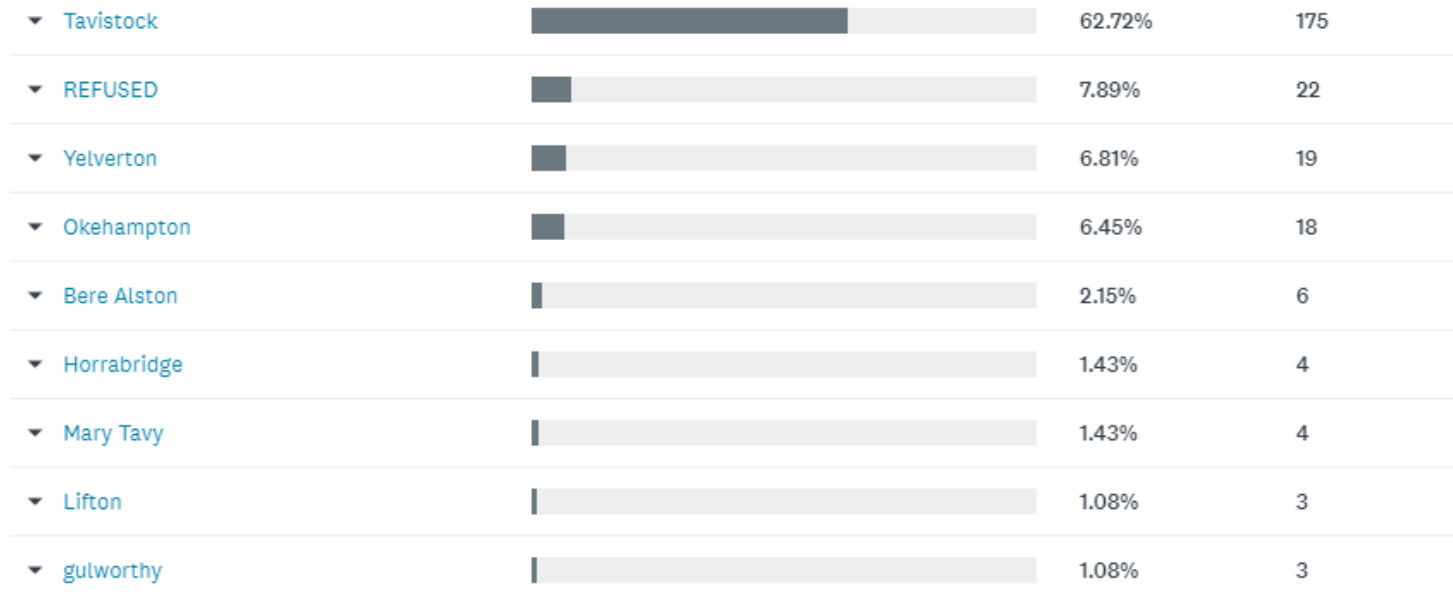
Page 68

ANSWER CHOICES	RESPONSES	
Make a payment	22.78%	64
Collect a waste container	13.17%	37
Benefits advice	8.19%	23
Council tax advice	18.15%	51
Housing advice	4.63%	13
Planning advice	4.63%	13
Attend a Council meeting	0.00%	0
Visit a third party tenant	0.00%	0
Elections query	7.12%	20
Other (please specify)	21.35%	60
TOTAL		281

The 60 Other responses included Licensing, Duty Planner Meeting, Land Charges, Building Control Advice, Bus Pass Renewal, Business Units, PCN Appeal, Road Signs. **Note 23 out of 60 refused** to give a response.

Q2: Where do you live?

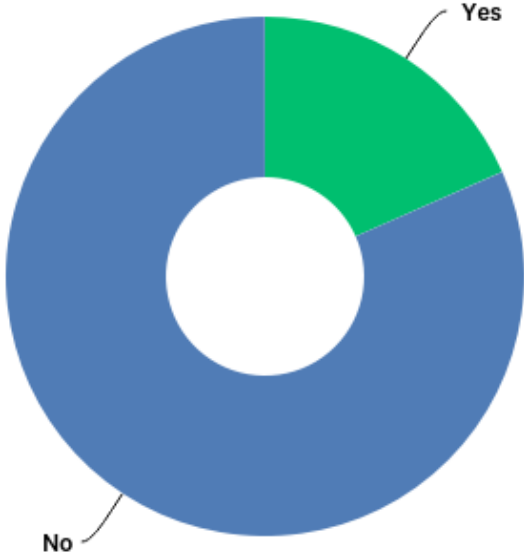
Answered: 279 Skipped: 2



The 25 Other responses included: 1 Drewsteignton, 2 Princetown, 1 Chagford, 2 Lydford, 1 Buckland Monachorum, 1 Peter Tavy, 1 Sticklepath, 2 Whitchurch, 2 Bere Ferrers, 1 Northlew, 1 Meavy, 11 out of area

Q3: Did you try using our website to deal with your query?

Answered: 277 Skipped: 4



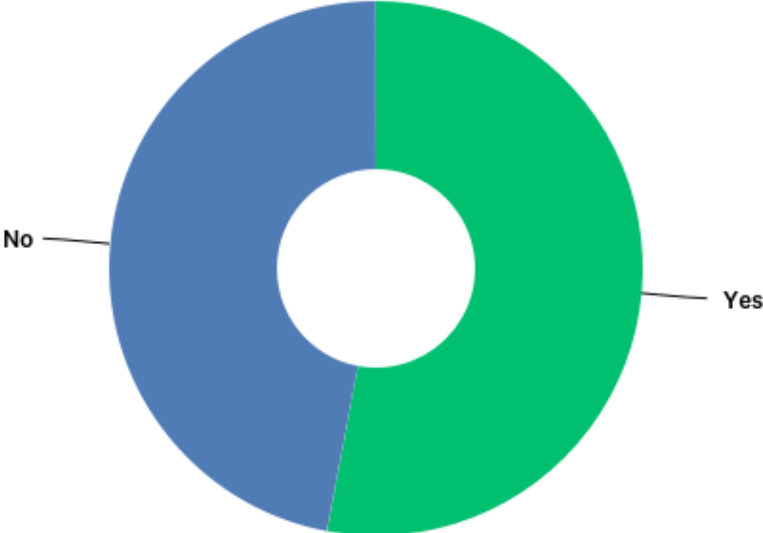
Q3: Did you try using our website to deal with your query?

Answered: 277 Skipped: 4

ANSWER CHOICES	RESPONSES	
Yes	18.41%	51
No	81.59%	226
TOTAL		277

Q4: Were you able to find what you needed on our website?

Answered: 51 Skipped: 230



Q4: Were you able to find what you needed on our website?

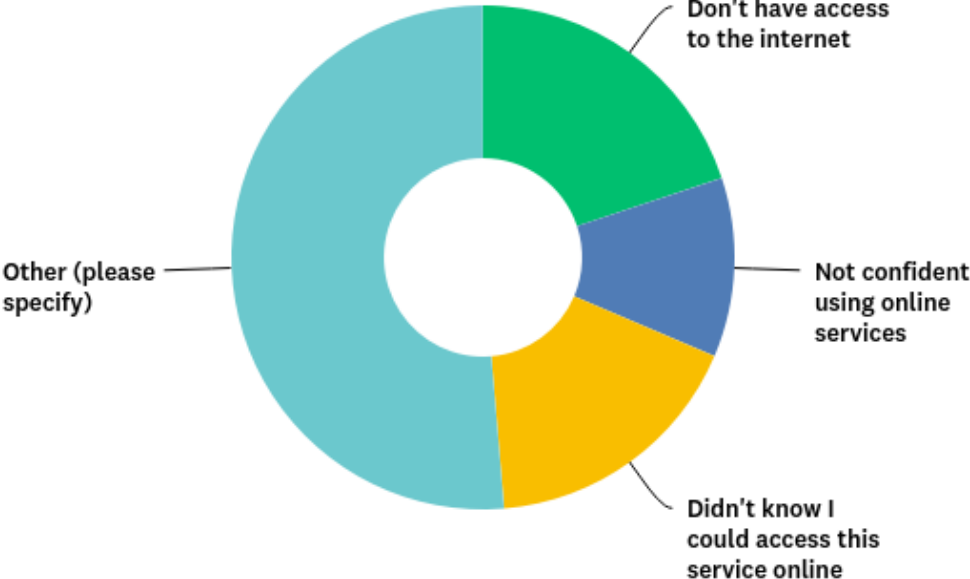
Answered: 51 Skipped: 230

ANSWER CHOICES	RESPONSES	
Yes	52.94%	27
No	47.06%	24
TOTAL		51

Q5: What's your reason for not trying our website?

Answered: 226 Skipped: 55

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Q5: What's your reason for not trying our website?

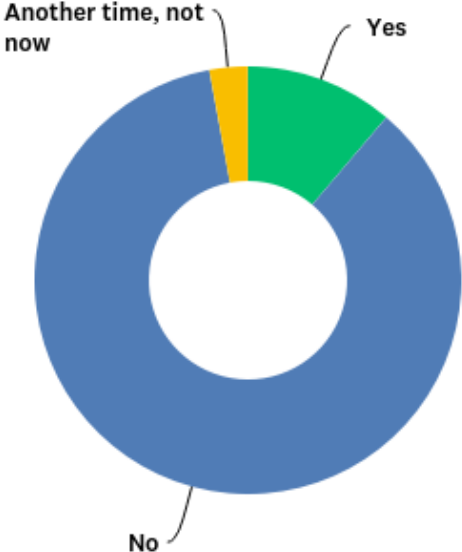
Answered: 226 Skipped: 55

ANSWER CHOICES	RESPONSES	
Don't have access to the internet	19.91%	45
Not confident using online services	11.50%	26
Didn't know I could access this service online	17.26%	39
Other (please specify)	51.33%	116
TOTAL		226

116 Other responses include: 22 refusing to say, 62 prefer to speak to someone face to face, 10 said wanted to visit office, 14 said wanted a form/documents or collect something, 8 said to hand in documents

Q6: Would you like me to show you how to access our services online?

Answered: 276 Skipped: 5



Q6: Would you like me to show you how to access our services online?

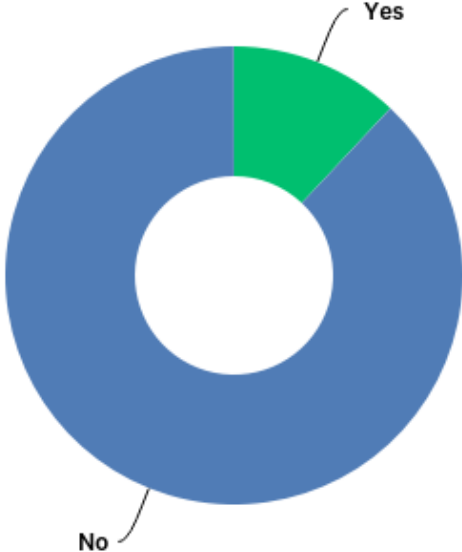
Answered: 276 Skipped: 5

ANSWER CHOICES	RESPONSES	
Yes	11.23%	31
No	85.87%	237
Another time, not now	2.90%	8
TOTAL		276

Q7: Did you try telephoning the Council?

Answered: 275 Skipped: 6

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Q7: Did you try telephoning the Council?

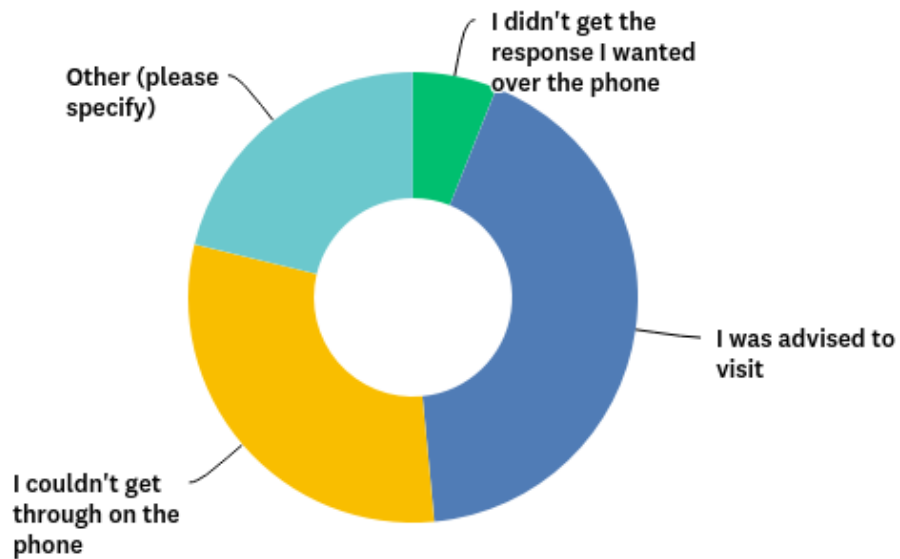
Answered: 275 Skipped: 6

ANSWER CHOICES	RESPONSES	
Yes	12.00%	33
No	88.00%	242
TOTAL		275

Q8: If you tried calling why are you visiting?

Answered: 33 Skipped: 248

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Q8: If you tried calling why are you visiting?

Answered: 33 Skipped: 248

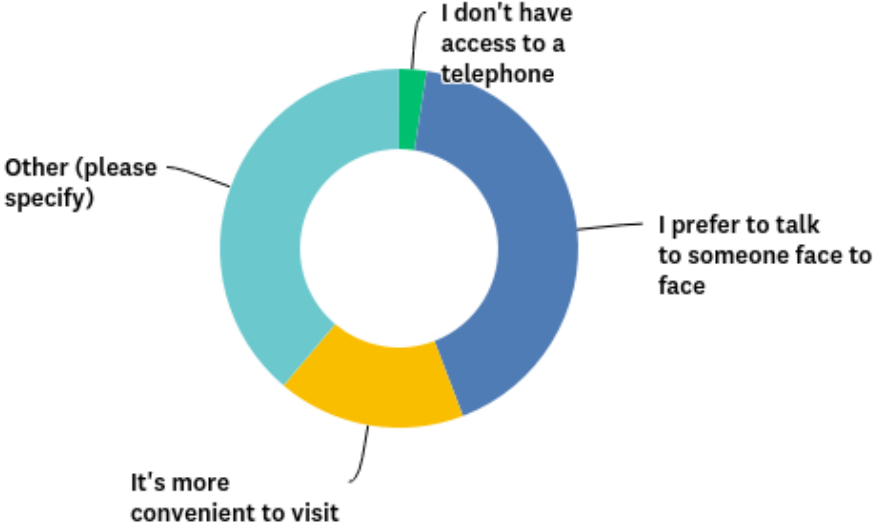
ANSWER CHOICES	RESPONSES	
I didn't get the response I wanted over the phone	6.06%	2
I was advised to visit	42.42%	14
I couldn't get through on the phone	30.30%	10
Other (please specify)	21.21%	7
TOTAL		33

7 Other responses include: 3 to collect recycling boxes, 2 to have a meeting, 2 to hand in information

Q9: Why didn't you call the Council?

Answered: 242 Skipped: 39

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Q9: Why didn't you call the Council?

Answered: 242 Skipped: 39

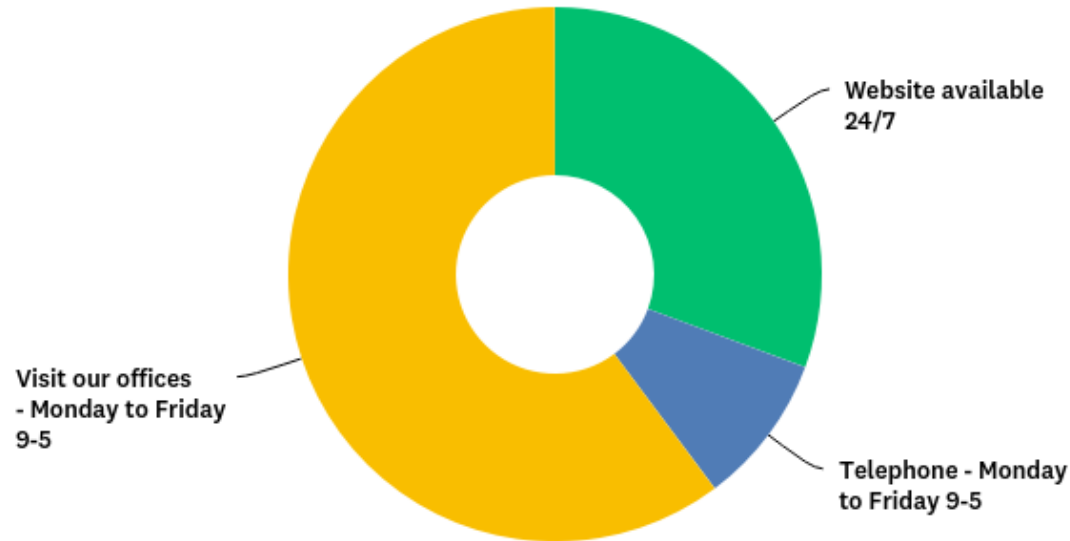
ANSWER CHOICES	RESPONSES	
I don't have access to a telephone	2.48%	6
I prefer to talk to someone face to face	41.74%	101
It's more convenient to visit	16.94%	41
Other (please specify)	38.84%	94
TOTAL		242

94 Other responses include: 22 refused to say, 54 to hand in something, to collect something 18

Q10: If you had to access Council services again which method would you use?

Answered: 274 Skipped: 7

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Q10: If you had to access Council services again which method would you use?

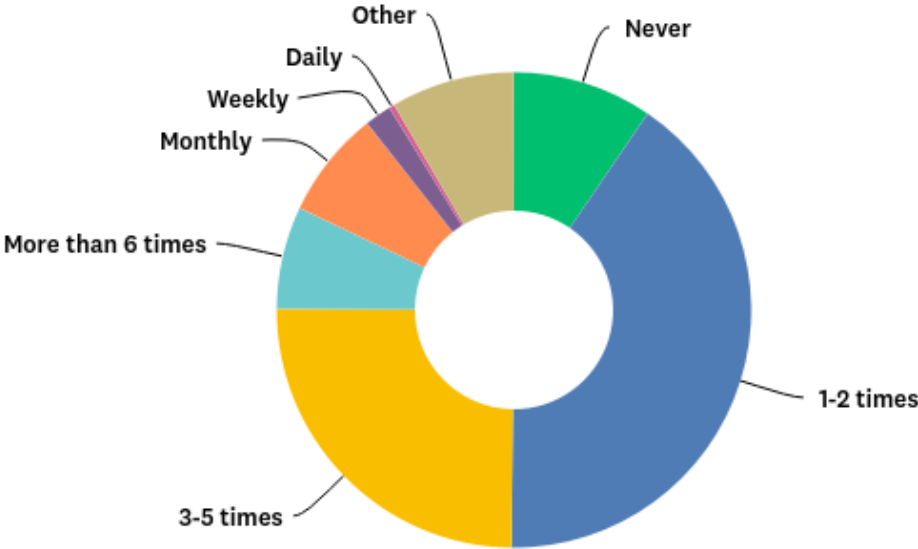
Answered: 274 Skipped: 7

ANSWER CHOICES	RESPONSES	
Website available 24/7	30.66%	84
Telephone - Monday to Friday 9-5	9.12%	25
Visit our offices - Monday to Friday 9-5	60.22%	165
TOTAL		274

Q11: And finally, apart from today, how many times have you visited our offices here at Kilworthy Park in the past 12 months?

Answered: 273 Skipped: 8

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Q11: And finally, apart from today, how many times have you visited our offices here at Kilworthy Park in the past 12 months?

Answered: 273 Skipped: 8

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ANSWER CHOICES	RESPONSES	
Never	9.52%	26
1-2 times	40.66%	111
3-5 times	24.91%	68
More than 6 times	6.96%	19
Monthly	7.33%	20
Weekly	1.83%	5
Daily	0.37%	1
Other	8.42%	23
TOTAL		273

23 Other responses were made of people refusing to answer.

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NOT FOR PUBLICATION

This report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (applies to Appendix E)

Report to: **Hub Committee**
Date: **16th July 2019**
Title: **Medium Term Financial Position for 2020/21 onwards**
Portfolio Area: **Cllr N Jory - Budget Setting Process**
Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: **Lisa Buckle** Role: **Strategic Finance Lead (S151 Officer)**
Pauline Henstock **Head of Finance Practice (Deputy S151 Officer)**

Contact: **Email: lisa.buckle@swdevon.gov.uk**
Email: pauline.henstock@swdevon.gov.uk

Recommendations:

It is recommended that the Hub Committee:

- (i) Notes the forecast budget gap for 2020/21 of £0.4 million and the position for future years.
- (ii) Notes the current options identified and timescales for closing the budget gap in 2020/21 and future years, to achieve long term financial sustainability as set out in Section 7.

- (iii) Recommends to Council that the Borough Council consults with all of the Town and Parish Councils within the Borough, on the basis that the Borough Council is 'minded to' withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1st April 2020, in line with the other Devon District Councils as set out in 4.15.
- (iv) Recommends to Council to approve a capital budget provision for remedial works to the Tavistock Viaduct as set out in Exempt Appendix E and to fund the budget provision from useable capital receipts.

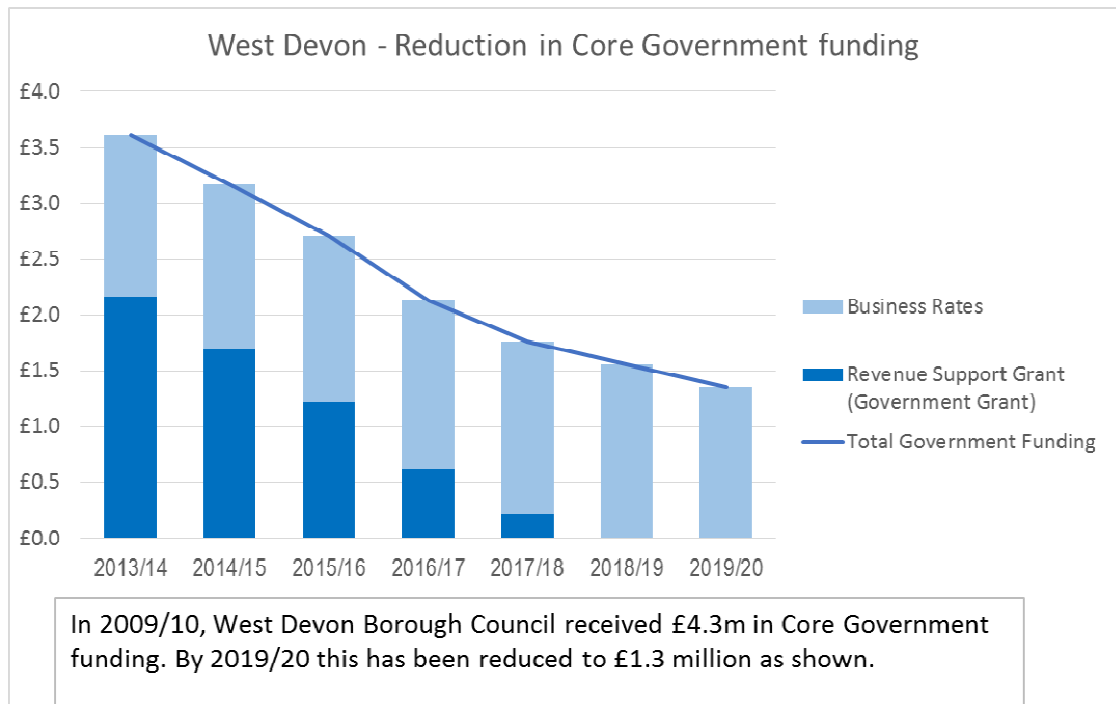
1. Executive summary

- 1.1 The Council's Medium Term Financial Strategy (MTFS) is based on a financial forecast over a rolling five year timeframe to 2024/25. The Council, along with other local authorities, has faced unprecedented reductions in Government funding since the Comprehensive Spending Review 2010. Between 2009/10 and 2020/21, the Council's Core Government funding has reduced by £3 million as shown in 2.1.
- 1.2 West Devon has continued to work in partnership with South Hams District Council which has allowed West Devon Borough Council to achieve annual savings of £2.2 million and more importantly protect all statutory front line services.
- 1.3 Between both Councils the annual shared services savings being achieved are over £6 million. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending.
- 1.4 West Devon Borough Council is currently forecasting a £0.4 million budget gap in 2020/21. It is important to note that this is a snapshot (a position statement) in July 19 and future Member decisions on the budget strategy will inform future figures within the Medium Term Financial Strategy (MTFS), which will be presented to Members at the Hub Committee meeting on 10th September 2019.
- 1.5 This is the starting point for developing a meaningful five year strategy that sets out the strategic intention for all of the different strands of funding available to the Council. The Council will then be able to rely on this to inform future decisions.

- 1.6 A Cross Party Member Working Group (Financial Stability Review Group) was set up in November 2017 with defined Terms of Reference to look at the Medium Term Financial Strategy and to further look at options for securing financial stability for the longer term. The Group regularly reports to the Hub Committee and the Overview and Scrutiny Committee. The FSRG is due to reconvene in September 2019 when the announcements on the Spending Review 2019 are envisaged to be made (see details in Section 2.4).

2 BACKGROUND AND UPDATE ON THE BUDGET 2020/21

- 2.1 Over the past four years, West Devon Borough Council has had a 38.2% reduction in Government funding. This compares against 38.8% for the average for Shire District Councils. The Council now receives **no main Government Grant (Revenue Support Grant)** – this has been reduced to zero. Core Government funding has been reduced by £3million per year since 2009/2010, as shown below.



- 2.2 Negative Revenue Support Grant (RSG) for 2019/20 of £293,000 was eliminated by the Government for one year. There has been no news on what will happen to negative RSG from 2020/21 onwards and therefore the modelling in this report has assumed negative RSG will remain for 2020/21 onwards in some form (e.g. as part of the business rates baseline reset). It is currently estimated to be £293,000 per annum which would be deducted off the Council's business rates funding and represents negative Government grant (it is effectively the Council's further predicted funding cuts). The Council would need to pay this money (£293,000) over to the Government out of its business rates income.

- 2.3 It is thought that the Council Tax Referendum limits for District Councils for 2020/21 will remain the same (the higher of £5 or 2.99%).
- 2.4 The Council is waiting an announcement from the Government on the Spending Review for 2019 (called SR2019). This is expected to be announced around September time. The Spending Review 2019 might not proceed as planned and therefore there may only be a one year Spending Review, followed by a further Spending Review in 2020. There are questions around whether the reforms around Business Rates, the Fair Funding Review and New Homes Bonus will all be delayed.

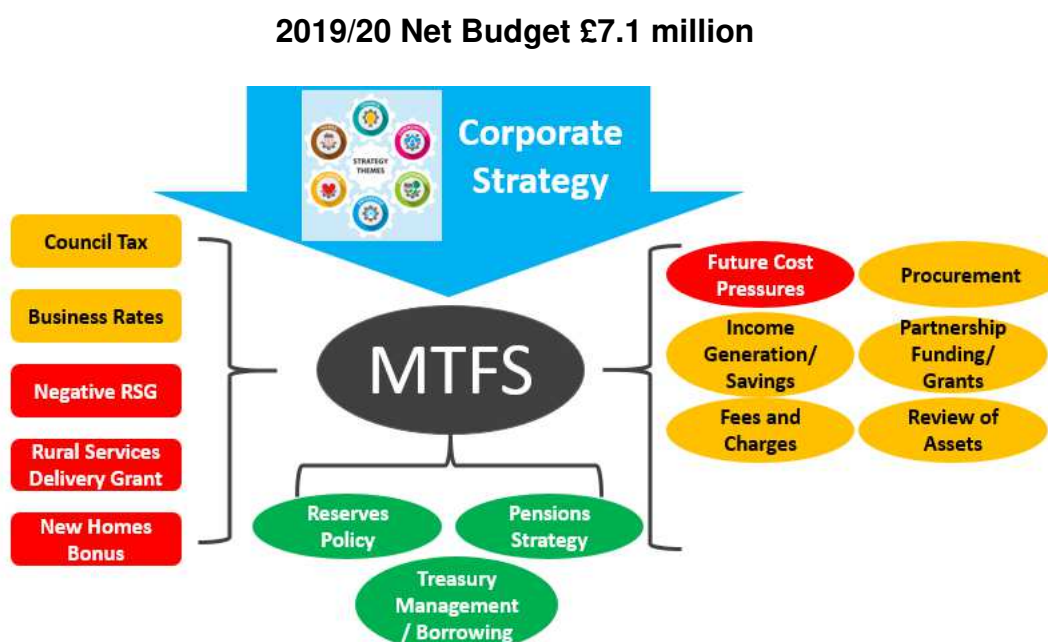
3 ASSUMPTIONS FOR FINANCIAL MODELLING PURPOSES

- 3.1 The last pay offer covered the two years up to 31 March 2020. A 1% pay increase has been modelled from 2020/21 onwards. The Medium Term Financial Strategy is not an expression of Council Policy on pay awards, but a means of ensuring an appropriate provision is made as part of the overall financial planning of the Council.
- 3.2 This report assumes inflation will run at 2% over the five year period. The Consumer Prices Index (CPI) was 2.1% in April 2019.
- 3.3 The predicted interest rate forecast from our treasury management advisors, Link Services, is that interest rates will remain at 0.75% up to December 2019. By June 2021 the bank base rate is predicted to increase to 1.5%.
- 3.4 An increase in council tax of 2.99% for the next five years has been modelled for council tax purposes. This strategic principle was approved as part of the Medium Term Financial Strategy in September 2018 (Minute CM33). This would equate to a Band D council tax for West Devon of £238.54 in 2020/21 as shown in Appendix B (an increase of £6.91 for the year which equates to 2.99%). The Council will reconsider the Medium Term Financial Strategy in September 2019.
- 3.5 It has been assumed that the number of properties within the Borough will increase by 70 per annum from 2020/21 onwards – this is an increase of approximately 0.3% and is based on projections from the Strategic Planning team.

4. THE COMPONENTS MAKING UP A MEDIUM TERM FINANCIAL STRATEGY (MTFS)

4.1 The Diagram below sets out all of the component parts which constitute the make-up of a Medium Term Financial Strategy. Appendix C of the MTFS report to Council on 25th September 2018 went through each of these components in detail and made recommendations where appropriate. The Council will reconsider the MTFS in September 2019.

Items in Green denote those elements where the Council has a large degree of control over the setting of policies and strategies. Items in Amber denote those components of the MTFS where the Council has a degree of control. Red items signal components where the Council has hardly any control over funding allocations which are decided by the Government and future cost pressures which can largely be outside of the Council's control or influence.



Council Tax

4.2 Council on 25th September 2018 (Minute CM33) set the strategic intention to raise council tax by the maximum allowed in any given year, without triggering a council tax referendum, to endeavour to continue to deliver services. The actual council tax for any given year will be decided by Council in the preceding February. (The council tax for 2020/21, the WDBC share, will be set at the Council meeting on 18th February 2020). The Council will reconsider the Medium Term Financial Strategy on 10th September 2019.

Business Rates

- 4.3 Estimates have been made of the Baseline funding Level for 2020/21 onwards as set out in Appendix B. This is £1.66m for 2020/21 and £1.70m for 2021/22. RSDG has been modelled at £464,365 per annum. Negative Revenue Support Grant of £293,000 per annum from 2020/21 has been assumed to be deducted from the business rates funding. The Council will continue to lobby for negative RSG to be withdrawn by the Government (negative RSG was withdrawn for one year in 2019/20 – it is unknown what will happen to negative RSG for 2020/21 onwards. The Council is awaiting announcements from the Government on this. See Section 2.2.

New Homes Bonus (NHB)

- 4.4 The Government has stated that 2019/20 represents the final year of NHB funding and from 2020 onwards they will explore how to incentivise housing growth most effectively and will consult on this issue. The financial modelling has included using £200,000 of New Homes Bonus (or its replacement) funding for 2020/21 to fund the revenue base budget and this has then been reduced to £100,000 for 2021/22 and £50,000 for 2022/23 onwards for modelling purposes. The Council is awaiting announcements from the Government on how New Homes Bonus is going to be reformed.

- 4.5 For 2019/20 there were no changes to the New Homes Bonus baseline of 0.4% (the previous concern was that this could be increased to 0.6%). The baseline is the proportion of housing growth which is deducted as 'natural growth as such' before New Homes Bonus is paid to a Council – this is the equivalent of 98 properties for West Devon. So the Council receives no New Homes Bonus on the first 98 properties of property growth per year. The Council's New Homes Bonus allocation for 2019/20 was £500,595.

Pensions Strategy (Actuarial Valuation)

- 4.6 The Council has taken specialist pension advice on the options for the Council's Pension position (informing the actuarial valuation), with the aim of reducing the current deficit contributions, increasing affordability, whilst best managing the pension deficit. Options were presented to the Council's Audit Committee on 22nd January and this work is being progressed by the S151 Officer in accordance with the timetable for the Triennial Pension Revaluation.

Treasury Management and Borrowing Strategy

- 4.7 The Council has taken external treasury management advice on the Council's overall borrowing levels and debt levels. The Council set an Upper Limit on External Borrowing (for all Council services) as part of the Medium Term Financial Strategy (MTFS) in September 2018 of £50 million. In March 2019, the Council considered its Capital Strategy and Treasury Management Strategy which contained the new requirements issued by MHCLG in February 2018 of the new guidance.

- 4.8 The Council will re-consider its borrowing limit as part of the MTF5 in September 2019, but officers will not be recommending any change to the current borrowing limit of £50 million.

Partnership Funding/Grants

- 4.9 A report to review all Partnerships Grants for 2020/21 is on the Forward Plan to be considered in September at the Hub Committee meeting on 10th September.

Commercial Property and Review of Assets

- 4.10 The Invest to Earn Committee consider commercial property business cases within the Commercial Property acquisition strategy. A report on the updated Commercial Investment Strategy is a separate report on this Hub Committee agenda.
- 4.11 The Council's Asset Base is £46 million at 31 March 2019. The Council will continually review and challenge its asset base in order to deliver the optimum value for money from the Council's Assets.

Council Tax Support Grant (CTSG) for 2020/21 onwards

- 4.12 Following Council Tax Benefit being abolished in 2014, District Councils around the country introduced Council Tax Reduction Schemes. The schemes were discount schemes instead of a state welfare benefit and meant that working age claimants paid an amount towards their Council Tax bill. (Note the Borough Council has since moved to a banded scheme – Minute CM57, Council on 12th February 2019)
- 4.13 The changes in 2014 had the effect of reducing the council tax base not only for the Borough Council but also for Town and Parish Councils. The Government provided financial support for local authorities (Council Tax Support Grant) to assist Town and Parish Councils in dealing with the effects of the benefit changes on their Council Tax Base. The Council paid this grant over to Town and Parish Councils and over the past four years the grant has been reduced by 8.6% per annum, in line with the reduction in Grant which the Borough Council was receiving. As the last financial settlement was a four years settlement (from 2016/17 to 2019/20), four years of reduction of 8.6 % per annum for the Council Tax Support Grant were agreed with Town and Parish Councils.

- 4.14 As the last Spending Review ended in 2019/20, the Council needs to consider the level of Council Tax Support Grant for Town and Parish Councils for 2020/21 onwards. The Council has consulted with other Devon District Councils and they have ceased paying the council tax support grant, as shown in the table below. South Hams had taken the same approach as West Devon and will also be considering this in this year's budget setting process.

Last year of payment	
Teignbridge	2018/19
North Devon	2019/20
Mid Devon	2018/19
East Devon*	2019/20
Torrige	2017/18

- 4.15 In previous years' modelling of the Medium Term Financial Strategy, it was modelled that the Council would cease payments in 2020/21. It is recommended to Council that the Borough Council consults with all of the Town and Parish Councils within the Borough, on the basis that the Borough Council is 'minded to' withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1st April 2020, in line with the other Devon District Councils as set out in 4.14 and given the number of years which have passed since Council Tax Benefit was abolished in 2014.
- 4.16 The Parishes and Towns would need to consider increasing their Precepts in 2020/21 in order to absorb the reduction in Council Tax Support Grant. This ranges from £26,670 for Tavistock and £13,782 for Okehampton, to £5 for Boodleigh. The levels of Council Tax Support Grant for 2019/20 are shown in Appendix D, and the percentage that the grant equates to as a % of their Precept for 2019/20 is also shown. The total Council Tax Support Grant paid to all Town and Parish Councils equates to £59,178 as per Appendix D.

5 BUDGET PRESSURES, SAVINGS AND INCOME GENERATION

- 5.1 Financial modelling has been undertaken for the next five years to predict the Council's financial situation for the short and medium term.
- 5.2 **Appendix A** to the Medium Term Financial Position sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast.

5.3 ***These figures in Appendix A show the changes to the existing base budget.***

(As set out in Appendix A)	2020/21	2021/22	2022/23	2023/24	2024/25
Cost Pressures	£479,500	£300,000	£260,000	£335,000	£260,000
Contributions to Earmarked Reserves	£120,000	£120,000	£120,000	£120,000	£120,000
Savings and additional income	(£256,200)	(£221,200)	(£391,200)	(£1,200)	(£1,200)

6. OVERALL POSITION – BUDGET GAP

6.1 Appendix B illustrates the overall financial forecast for the forthcoming five years. The Council's Net Budget is £7.1 million in 2019/20.

6.2 A Summary forecast is shown below of the potential budget situation if all of the budget pressures and the savings and income generation in Appendix A were approved. It also shows the situation if the Council Tax is increased by 2.99% per annum (shown in Appendix B).

6.3 The following table illustrates the predicted budget gap from 2020/21 onwards for the Council as shown in Appendix B:

Cumulative Budget Gap	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	Total Aggregated Budget Gap £
Modelling as set out in Appendix B	439,913	414,158	120,124	241,562	322,220	1,537,977

6.4 In the Modelling in Appendix B, the total budget gap is £439,913 in 2020/21 and this is predicted to decrease to £414,158 in 2021/22 (the £414,158 assumes the budget gap in 20/21 of £439,913 has not been closed). The aggregated Budget Gap is £1.54 million.

7 FINANCIAL SUSTAINABILITY AND TIMESCALES

7.1 The Council is progressing various options for closing the budget gap for 2020/21 onwards, to achieve long term financial sustainability. The table below sets out a timescale for those options and the various strands that the Council is exploring.

Option	Possible Budget Impact	Timescale
<p>Pensions Strategy (Actuarial Valuation)</p> <p>The Council has received specialist pensions advice on its Pensions position (informing the actuarial valuation). Options were reported to the January Audit Committee and the S151 Officer is progressing this work with the Pensions team at Devon County Council and the actuaries.</p>	<p>To be quantified (could be up to £100,000 or more)</p>	<p>Reported to the Audit Committee 22nd January 2019.</p> <p>New pensions contributions for the three years 2020/21 to 2022/23 are likely to be notified to the Council by December 2019.</p>
<p>Council Tax Support Grant</p> <p>The grant to Town and Parish Councils has been reduced by 8.6% over the four year period of the finance settlement from 2016/17 to 2019/20.</p> <p>It is recommended to Council that the Borough Council consults with all of the Town and Parish Councils within the Borough, on the basis that the Borough Council is 'minded to' withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1st April 2020, in line with the other Devon District Councils as set out in 4.14 and given the number of years which have passed since Council Tax Benefit was abolished in 2014.</p> <p>Further details are set out in 4.12 to 4.16</p>	<p>£59,000 for 2020/21 onwards</p> <p>(already factored into the modelling figures in Appendices A and B)</p>	<p>To be considered as part of the 2020/21 Budget process</p>

Option	Possible Budget Impact	Timescale
<p>Extended Leadership Team (ELT) Budget options</p> <p>The Extended Leadership (ELT) have been tasked with identifying budget options for Members to consider in September and these are currently being collated and assessed.</p>	To be quantified	September 2019
<p>Senior Leadership Team (SLT) restructure</p> <p>There is a separate report on this Hub Committee agenda on the restructure of the Senior Leadership Team (SLT). The combined restructures of SLT and the Extended Leadership Team (ELT) would achieve ongoing annual revenue savings estimated to be at least £120,000 per annum (£60,000 per annum for each Council)</p>	£60,000	SLT restructure by September 2019 and ELT restructure by December 2019
<p>Asset Review</p> <p>The Invest to Earn Committee are considering commercial property business cases within the Commercial Property acquisition strategy. A report on the updated Commercial Investment Strategy is a separate report on this Hub Committee agenda.</p>	To be quantified	On-going through meetings of the Invest to Earn Committee
<p>Funding Options</p>		
<p>Negative Revenue Support Grant (RSG)</p> <p>Negative Revenue Support Grant (RSG) for 2019/20 of £293,000 was eliminated by the Government for one year. There has been no news on what will happen to negative RSG from 2020/21 onwards and therefore the modelling in this report has assumed negative RSG will remain for 2020/21 onwards in some form (e.g. as part of the business rates baseline reset).</p>	Negative RSG of £293,000 for 2020/21 onwards has been built into this budget report.	The position for 2020/21 onwards is not known and it is assumed that negative RSG of £293,000 per annum will be in place.

Option	Possible Budget Impact	Timescale
<p>It is currently estimated to be £293,000 per annum which would be deducted off the Council's business rates funding and represents negative Government grant (it is effectively the Council's further predicted funding cuts). The Council would need to pay this money (£293,000) over to the Government out of its business rates income.</p>		
<p>New Homes Bonus allocations for 2020/21 onwards</p> <p>The Government has stated that 2019/20 represents the final year of NHB funding and from 2020 onwards they will explore how to incentivise housing growth most effectively and will consult on this issue.</p> <p>The financial modelling has included using £200,000 of New Homes Bonus (or its replacement) funding for 2020/21 to fund the revenue base budget and this has then been reduced to £100,000 for 2021/22 and £50,000 for 2022/23 onwards for modelling purposes. The Council is awaiting announcements from the Government on how New Homes Bonus is going to be reformed. This remains a risk for the Council.</p>	<p>To be assessed</p> <p>It is not known what NHB allocations (or a similar scheme) will be in future years when the NHB scheme is replaced.</p>	<p>Awaiting further announcements from the Government</p>
<p>Use of Reserves as a temporary measure</p> <p>The Council could temporarily utilise Reserves to balance an element of the 2020/21 budget, whilst longer term solutions are being implemented.</p> <p>This would be a very short term solution though. The current levels of Reserves are £1.3 million Unearmarked Reserves and Earmarked Reserves of £4.3 million.</p>	<p>To be assessed</p>	<p>To be decided as part of the Budget Process</p>

- 7.2 Through the Financial Stability Review Group, further measures will be considered to balance the 2020/21 onwards budget positions.

8 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING

- 8.1 The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing. Bids to the Capital Programme will be presented to Members by December 2019.

- 8.2 **Commercial Property Acquisition Strategy** – The Council has agreed a commercial property acquisition strategy. To date, four investment properties have been purchased with a value of £21.3 million in aggregate. Purchases made within the strategy are capital expenditure. A report on the updated Commercial Investment Strategy is a separate report on this Hub Committee agenda.

- 8.3 **Prudential Borrowing** - The Council will consider the use of prudential borrowing to support capital investment to deliver services and will ensure that the full costs of borrowing are taken into account when investment decisions are made.

9. Sensitivity analysis and risk analysis

- 9.1 The Council carries out sensitivity analysis and risk analysis of its Budget Proposals on an annual basis. This will form part of the Medium Term Financial Strategy presented to Members in September 2019.

10. Earmarked and Unearmarked Reserves

- 10.1 The current levels of Reserves are £1.3 million Unearmarked Reserves and Earmarked Reserves of £4.3 million. The Council's Net Budget is £7.1 million for 2019/20. Therefore Unearmarked Reserves equate to 18% of the Council's Net Budget. A full list of Earmarked Reserves is shown in Appendix C.

- 10.2 **Budget Monitoring** – The first revenue budget monitoring report for 2019/20 will be presented to Members at the Hub Committee on 10th September 2019.

11 PROPOSED WAY FORWARD

- 11.1 This report is a snapshot (a position statement) in July 19 and future Member decisions on the budget strategy will inform future figures within the Medium Term Financial Strategy (MTFS), which will be presented to Members at the Hub Committee meeting on 10th September 2019. The MTFS is the starting point for developing a meaningful five year strategy that sets out the strategic intention for all

of the different strands of funding available to the Council. This was approved at Council in September 2018. The Council is now able to rely on this to inform future decisions. An updated MTFs for September 2019 will be presented to Members in September so that the strategic intentions for 2020-21 can be approved.

- 11.2 Officers will continue to work with the Cross Party Member Working Group (Financial Stability Review Group) and the results of this will be incorporated into future Budget reports. Section 7 sets out the potential timescales against the areas identified.

12. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>The Hub Committee is responsible for recommending to Council the budgetary framework. It is the role of the Overview and Scrutiny Committee to scrutinise the Budget proposals being proposed by the Council on an annual basis. In accordance with the Financial Procedure Rules, Council must decide the general level of Reserves and the use of Earmarked Reserves.</p> <p>Since there is commercially sensitive information in Appendix E, regarding the budget for an individual project, there is grounds for the publication of this Appendix to be restricted and considered in exempt session.</p> <p>The public interest has been assessed and it is considered that the public interest will be better served by not disclosing the information in the Appendix. Accordingly this report contains exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p> <p>Council is responsible for setting the Capital Programme and approving Capital Budgets, following consideration and recommendation from the Hub Committee.</p>

Financial Implications to include reference to value for money	Y	<p>In the Modelling in Appendix B, the total budget gap is £439,913 in 2020/21 and this is predicted to decrease to £414,158 in 2021/22 (the £414,158 assumes the budget gap in 20/21 of £439,913 has not been closed). The aggregated Budget Gap is £1.54 million.</p> <p>It is recommended that the Hub Committee recommend to Council to approve a capital budget provision for remedial works to the Tavistock Viaduct as set out in Exempt Appendix E and to fund the budget provision from the useable capital receipts reserve. This reserve contains past sale receipts from the sale of land.</p> <p>The recommendations adopted and the annual budget setting process will ensure the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources. The Council's auditors, Grant Thornton, provide an annual value for money opinion for the Borough Council, which will be reported to the Council's Audit Committee in July 2019.</p>
Risk	Y	Each of the budget options taken forward by Members will consider the risks of the option.
Supporting Corporate Strategy		The Budget report supports all six of the Corporate Themes of Council, Homes, Enterprise, Communities, Environment and Wellbeing.
Comprehensive Impact Assessment Implications		
Equality and Diversity		Equality Impact Assessments are completed for the budget proposals.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

Supporting Information

Appendices:

Appendix A – Budget pressures and savings

Appendix B – Modelling of the Budget Position

Appendix C – Earmarked Revenue Reserves as at 31 March 2019

Appendix D – Council Tax Support Grant 2019-2020 onwards

Appendix E (Exempt) – Capital Programme item

Background Papers

Council – 12th February 2019 – Budget Proposals 2019-20 onwards update report

Hub Committee – 11th September 2018 – Medium Term Financial Strategy 2019/20 to 2023/24

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes
SLT Rep briefed	Yes
Relevant Exec Director sign off (draft)	Yes
Data protection issues considered	Yes
Accessibility checked	Yes

BUDGET PRESSURES AND SAVINGS
(This shows the changes to the existing Base Budget)

APPENDIX A

WEST DEVON BOROUGH COUNCIL

	BASE 2019/20 £	Yr1 2020/21 £	Yr2 2021/22 £	Yr3 2022/23 £
BUDGET PRESSURES				
Waste collection, recycling and cleansing contract (estimate)	80,000	80,000	80,000	80,000
ICT future service provision	0	150,000	0	0
Triennial Pension revaluation	0	75,000	0	0
Inflation on goods and services	70,000	70,000	70,000	70,000
Increase in salaries - increments and pay and grading	40,000	40,000	40,000	40,000
Increase in salaries - pay increase at 2% modelled (1% for 20/21 onwards)	95,000	40,000	40,000	40,000
Maintenance of trees	0	(20,000)	0	0
ICT support contracts - increase the budget to better align to actual expenditure	95,000	0	0	0
Reduction in Housing Benefit administration subsidy	20,000	10,000	10,000	10,000
National Insurance and National Living Wage	20,000	20,000	20,000	20,000
Additional Level 5 Planning Specialist post (wdbc share of costs 40%)	19,000	0	0	0
Member Locality Fund (£500 per Member)	15,500	(15,500)	0	0
Payment Collection Expenses	0	30,000	0	0
Housing Benefit overpayment recoveries	0	0	40,000	0
TOTAL IDENTIFIED BUDGET PRESSURES	454,500	479,500	300,000	260,000

WEST DEVON BOROUGH COUNCIL

	Yr1 2019/20 £	Yr2 2020/21 £	Yr3 2021/22 £	Yr4 2022/23 £
Contribution to Earmarked Reserves (This line shows the annual contributions into the Reserve)				
Contribution to IT Development Reserve (£25K per annum)	25,000	25,000	25,000	25,000
Contribution to Planning Reserve (£25K per annum)	25,000	25,000	25,000	25,000
Contribution to Elections Reserve (20K per annum)	20,000	20,000	20,000	20,000
Contribution to Vehicles Replacement Reserve (£50K per annum) - see 10.4 - Minute	50,000	50,000	50,000	50,000
Total Contribution to Earmarked Reserves	120,000	120,000	120,000	120,000

SAVINGS AND INCOME GENERATION IDENTIFIED

	Yr1	Yr2	Yr3	Yr4
	2019/20	2020/21	2021/22	2022/23
	£	£	£	£
Income from investments in commercial property	100,000	80,000	40,000	120,000
Re-procurement of contracts (e.g. savings from Leisure contract)	0	100,000	130,000	270,000
Re-procurement of waste collection, recycling and cleansing contract (The £50K contribution to the Vehicle Replacement Earmarked Reserve is deducted from these savings to give a net saving of £254,000 per annum)	304,000	0	0	0
Public Conveniences	50,000	0	0	0
Kilworthy Park - reduction in operating costs	0	0	50,000	0
Housing Benefit recoveries of overpayments (increase income target to reflect actual income being achieved)	50,000	0	0	0
Planning Fees (increase income target to reflect actual income being achieved)	50,000	0	0	0
Senior Leadership Team - Interim arrangement	34,000	0	0	0
Reduction in Partnership funding (Minute CM24 - Council 24th July 2018)	14,000	0	0	0
Corporate consultancy income	20,000	0	0	0
Introduction of Direct Lets Scheme	12,000	0	0	0
Energy Certification for Eco Schemes	10,000	0	0	0
Cessation of Communities Together Fund	5,000	0	0	0
Council Tax Support Grant (CTSG) - the withdrawal of CTSG has been modelled from 1.4.2020	5,500	59,000	0	0
Charging for duty planning service	3,500	0	0	0
Advertising on websites and e-bulletins	3,500	0	0	0
Review corporate training budgets	15,000	0	0	0
Reduction in ICT contracts	12,000	16,000	0	0
Implement e-billing in council tax	1,200	1,200	1,200	1,200
TOTAL SAVINGS AND INCOME GENERATION	689,700	256,200	221,200	391,200

Modelling assumptions: Assumes Council Tax is increased by 2.99% annually					
Line	BASE	Yr1	Yr2	Yr3	Yr 4
No.	2019/20 £	2020/21 £	2021/22 £	2022/23	2023/24 £
Modelling for the financial years 2020/21 onwards					
1	7,313,795	7,078,595	6,861,982	6,966,537	7,129,371
2	454,500	479,500	300,000	260,000	335,000
3	(689,700)	(256,200)	(221,200)	(391,200)	(1,200)
4	7,078,595	7,301,895	6,940,782	6,835,337	7,463,171
Funded By:-					
5	4,673,499	4,829,617	4,991,172	5,158,006	5,330,368
Council Tax income - Modelling a 2.99% increase in council tax each year (Taxbase 19/20 = 20,176.57 Band D Equivalent properties)					
6	84,000	80,000	80,000	80,000	80,000
Collection Fund Surplus					
7	1,620,367	1,661,000	1,704,000	1,750,000	1,790,000
Localised Business Rates (baseline funding level)					
8	0	(293,000)	(293,000)	(293,000)	(293,000)
Tariff/Top Up Adjustment amount (negative RSG)					
9	0	40,000	40,000	40,000	40,000
Business Rates Pooling Gain (£40,000 already built into the base budget)					
10	464,365	464,365	464,365	464,365	464,365
Funding from Rural Services Delivery Grant					
11	375,000	200,000	100,000	50,000	50,000
Funding from New Homes Bonus					
12	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)
Less: Contribution to Earmarked Reserves					
13	25,000	0	0	0	0
WDBC share of national Business Rates Levy surplus (one-off for 19/20)					
14	(43,635)				
Less: Contribution to Future Financial Stability Earmarked Reserve					
15	7,078,595	6,861,982	6,966,537	7,129,371	7,341,733
Total Projected Funding Sources					
Budget gap/(surplus) per year					
15	0	439,913	(25,755)	(294,034)	121,438
(Projected Expenditure line 4 - Projected Funding line 15)					
Actual Predicted Cumulative Budget Gap					
	0	439,913	414,158	120,124	241,562
Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)					
	0	439,913	854,071	974,195	1,215,757

Modelling Assumptions: (Assumes an increase in Band D Equivalent properties of 70 per annum)					
Council Tax (Band D) (an increase of 2.99% per annum has been modelled)	231.63	238.54	245.67	253.01	260.57
Council TaxBase	20,176.57	20,246.57	20,316.57	20,386.57	20,456.57

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West Devon Borough Council
Appendix C - Earmarked Reserves as at 31 March 2019

	31.3.2018	Transfers (Out)	Transfers In	31.3.2019
	£000	£000	£000	£000
EARMARKED RESERVES				
Specific Reserves - General Fund				
16/17 Budget Surplus Contingency	382	(7)	0	375
Business Rates Retention Scheme	509	(17)	0	492
Cannons Meadow	13	(2)	0	11
Car Parking Maintenance	386	(11)	42	417
CLG - Assets Community Value	8	(8)	0	0
Community Housing Fund	243	(91)	0	152
DCC Localism Support Officer	5	0	0	5
DCC Public Health	6	0	0	6
Elections	24	0	0	24
Environmental Health Reserve	20	0	0	20
Financial Stability	0	(50)	317	267
Flood Works	15	0	0	15
Grounds Maintenance	49	(49)	0	0
Habitats Reserve	10	(2)	0	8
Homelessness	95	0	20	115
ICT Development	30	(64)	110	76
Innovation Fund (Invest to Earn)	724	(271)	0	453
Invest to Save	27	(15)	0	12
Joint Local Plan	0	(86)	116	30
JSG Future Options	11	(6)	0	5
Landscape Maintenance	5	(5)	0	0
Leisure Services	231	0	0	231
Maintenance Fund	223	(27)	0	196
Maintenance, Management & Risk Mitigation	0	(7)	95	88

Millwood Homes	15	(15)	0	0
Neighbourhood Planning Grants	47	(25)	20	42
New Burdens CLG	3	(3)	0	0
New Homes Bonus	225	(577)	643	291
Outdoor Sports & Rec	18	0	0	18
Planning Enforcement Reserve	5	0	0	5
Planning Policy & Major Developments	44	(65)	125	104
Revenue Grants	220	(7)	209	422
S106 Monitoring Reserve	19	(11)	0	8
Strategic Change	287	(63)	10	234
Support Services Trading Reserve	8	0	0	8
Town Teams & Economic Grant Initiatives	23	0	0	23
Waste & Cleansing Options Review	80	(51)	134	163
World Heritage Key Site	5	(5)	0	0

TOTAL - Earmarked Revenue Reserves	4,015	(1,540)	1,841	4,316
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Allocation of Council Tax Support Grant in 2019/20 to Town and Parish Councils

Parish/Town	Precept 2019/20	Council Tax Support Grant 2019/20	Council Tax Support Grant as a % of Precept 2019/20
	£	£	%
Gidleigh	0	0	0.00%
Sydenham Damerel	1,800	13	0.72%
Germansweek	3,052	27	0.88%
Monkokehampton	4,081	39	0.96%
Iddesleigh	4,487	45	1.00%
Okehampton Hamlets	21,720	220	1.01%
Lewdown Grouped	7,194	79	1.10%
Brentor	14,137	163	1.15%
Peter Tavy	10,358	142	1.37%
Lydford	9,125	138	1.51%
Belstone	2,177	34	1.56%
Throwleigh	3,908	67	1.71%
Meeth	2,050	36	1.76%
Beaworthy	1,878	36	1.92%
Stowford	2,394	46	1.92%
Buckland Monachorum	48,902	957	1.96%
Plasterdown Grouped	3,067	63	2.05%
Burrator Grouped	4,893	107	2.19%
Bratton Clovelly	5,649	124	2.20%

Highampton	4,160	96	2.31%		
Sticklepath	4,681	112	2.39%		
Gulworthy	5,308	132	2.49%		
Bondleigh	195	5	2.56%		
Broadwoodkelly	3,014	78	2.59%		
Chagford	44,835	1,165	2.60%		
Milton Abbot Grouped	4,772	124	2.60%		
Exbourne & Jacobstowe	5,226	146	2.79%		
Lamerton	6,992	208	2.97%	Sub-total	£4,402 of Council Tax Support Grant
North Tawton	111,682	3,562	3.19%		
Sourton	5,877	189	3.22%		
Northlew	9,245	303	3.28%		
Horrabridge	36,974	1,265	3.42%		
South Tawton	14,949	537	3.59%		
Mary Tavy	16,689	622	3.73%		
Inwardleigh	3,851	149	3.87%		
Kelly	433	17	3.93%		
Spreyton	1,701	67	3.94%		
Drewsteignton	13,288	537	4.04%		
Bridestowe	7,179	297	4.14%		
Tavistock	629,910	26,670	4.23%		
Sampford Courtenay	5,494	250	4.55%		
Lifton	13,214	608	4.60%		
Hatherleigh	23,702	1,298	5.48%		
Okehampton	249,753	13,782	5.52%		
Dartmoor Forest	17,024	951	5.59%		
Bere Ferrers	62,017	3,672	5.92%	Sub-total	£54,776 of Council Tax Support Grant
	1,453,037	59,178	4.07%		

Shading denotes those Parishes where the Council Tax Support Grant as a % of the precept exceeds 3%

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Report to: **Hub Committee**

Date: **16 July 2019**

Title: **Car Parking Order amendments – electrical charging and additional parking in Okehampton**

Portfolio Area: **Environment Services (Cllr Terry Pearce)**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **Consideration by Council on 17 September 2019**

Author: **Cathy Aubertin** Role: **Head of Environment Services Practice**

Contact: Cathy.Aubertin@swdevon.gov.uk

Recommendations: That Hub Committee RECOMMEND to Council:

1. that three areas in Okehampton are added to the Off-Street Parking Places Order, so that the land may be protected for the future and so that enforcement may be undertaken.
2. that the Off-Street Parking Places Order be amended to include reference to Electric Charging Points, to enable future provision and enforcement.

1. Executive summary

- 1.1 The report makes recommendations in respect of adding three areas of Borough Council owned land in Okehampton to the Off-Street Parking Places Order.
- 1.2 It also recommends that the Order be updated to allow for the future provision of Electric Charging Points, and to allow enforcement of the same.
- 1.3 The recommendations will enable the Council to continue to manage off-street parking in an efficient and effective manner, in line with the Council priority.
- 1.4 Not adding these updates to the Off-Street Parking Places Order will mean that enforcement will not be possible in respect of the additional parking areas and in respect of Electric Charging Point parking bays.

2. Background

Additional Parking in Okehampton

- 2.1 There are three areas of land in Okehampton where, currently, parking takes place, usually by local residents. Please see Appendix A which shows the locations, but they would be named in the Order as:
 - i. North Road
 - ii. Rear of Northfield Road
 - iii. Neville Road.
- 2.2 The area at the rear of Northfield Road has been used informally for car parking largely by local residents. There have also been issues in this area with occasional flytipping and abandoned vehicles. Previous attempts to restrict use of this area have failed largely due to being unable to provide parking enforcement.
- 2.3 Residents of North Road have complained that unrestricted parking on the road has caused obstructions which has resulted in emergency services not obtaining access. It is therefore proposed that parking is restricted to east side (opposite side of the current houses) of North Road.
- 2.4 These three parcels of land form part of the wider area known as Wonnacotts Meadow which has been identified in the forward plan as a site suitable for redevelopment and plans are being drawn up for a scheme to be delivered in 2020-2021. This is likely to require the adoption of North Road and Neville Road and the development of the site to the rear of Northfield Road.
- 2.5 In order to protect the Council's interest in these areas, it is recommended that they be added to the Parking Order and that permits be issued to residents who live adjacent to these parking areas only to allow them to continue parking there for the current time.
- 2.6 Permits would be issued on an annual basis at a cost of £40 per permit per annum, to residents who live in the neighbouring streets only. The permits will be limited in number due to the size of the parking areas.
- 2.7 Conditions for use of the permits would include that the right to park is limited to the period of the licence. This will mean that, in the event of redevelopment (as proposed for Wonnacott Meadows), the Council will have the ability to withdraw this right.
- 2.8 Motorists who park in these areas but who don't live in the neighbouring streets are likely to be impacted by this action. However, on- and off-street parking in Okehampton is available for these motorists to move their vehicle to.

Electric Charging Points

- 2.9 It is anticipated that the Council will receive funding in the next couple of years to install Electric Charging Points (ECPs) in off-street car parks.
- 2.10 To ensure that these are not abused once they are in place, it is recommended that the facility be added to the Parking Order, so that enforcement may be undertaken in response to any such abuse, and to encourage responsible use.

3. Outcomes/outputs

- 3.1 All amendments to the Off-Street Parking Places Order must be consulted on and, following consideration of these recommendations by the Council, a 21-day public consultation exercise would be undertaken. Should a large number of objections be received in respect of either recommendation, the matter will be referred back to Hub Committee for further consideration.

- 3.2 In respect of ECP bays, it is recommended that the following wording be included in the Parking Order –

“no parking in designated electric vehicle charging bays unless the vehicle is an electric vehicle, and the vehicle is connected to the electric vehicle charging point and is being charged.”

4. Options available and consideration of risk

- 4.1 If the Parking Order is not amended to reflect the new parking areas and to reflect the future provision of ECP bays, the Council will not be able to enforce in respect of these issues.
- 4.2 Furthermore, the addition of the parking areas in Okehampton to the Order will ensure that the land is protected from claims of permissive rights.
- 4.3 Ward Members have been consulted in respect of the Okehampton parking areas and are supportive of this approach.

5. Proposed Way Forward

- 5.1 That the proposed amendments to the Off-Street Parking Places Order proceed in accordance with the recommendation, and following a 21-day public consultation exercise.
- 5.2 These amendments will ensure that we continue to manage parking effectively and that the Council protects its land from adverse possession claims.

- 5.3 Should a large number of objections be received, the matter will be referred back to Hub Committee for further consideration.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Council has power to provide off-street parking under the Road Traffic Regulation Act 1984 (as amended).</p> <p>The Council has the power to deal with the provision, management and control of car parks.</p> <p>The Council has the powers to provide this service under the General Powers of Competence in the Localism Act 2011.</p>
Financial implications to include reference to value for money		<p>The cost of undertaking a public consultation will be in the region of £500 and may be funded by the Car Parking budget.</p> <p>An additional cost of approximately £500 would be incurred for signage at the three Okehampton locations, and this may also be funded by the Car Parking budget.</p>
Risk		<p>There may be risk that motorists who aren't local to be neighbouring streets in Okehampton would object to the proposed amendment. If a significant number of objections are received, the matter would be referred back to the Hub Committee for further consideration. There is on- and off-street parking in Okehampton to accommodate such motorists.</p>
Supporting Corporate Strategy		Council - delivering efficient and effective services.
Comprehensive Impact Assessment Implications		
Equality and Diversity		No implications.
Safeguarding		No implications.
Community Safety, Crime and Disorder		No potential positive or negative impact on crime and disorder reduction.

Health, Safety and Wellbeing		No implications.
Other implications		None.

Supporting Information

Appendices:

Appendix A – plan of proposed parking areas in Okehampton.

Background Papers:

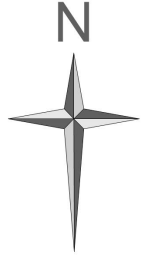
None.

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes/No
SLT Rep briefed/sign off	Yes/No
Relevant Heads of Practice sign off (draft)	Yes/No
Data protection issues considered	Yes/No
Accessibility checked	Yes/No

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Wonnacotts- Parking



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Date 28th March 2019

Workspace: **GIS Data**

Status

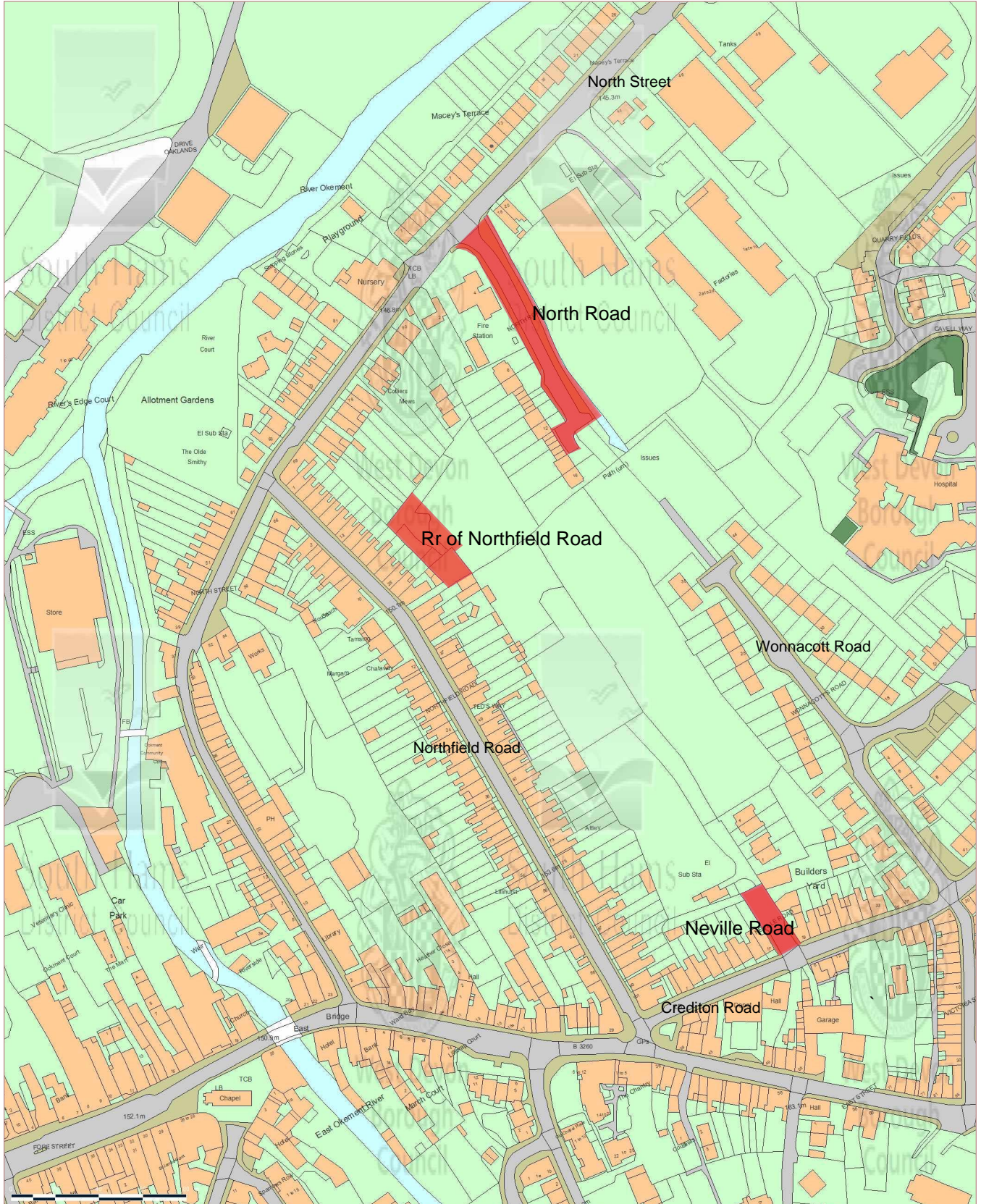
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Min Y: 95250.80

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Report to: **HUB Committee**

Date: **16 July 2019**

Title: **Write Off Report**

Portfolio Area: **Resources and Performance – Cllr Edmonds**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N / A**

Author: **Lisa Buckle** Role: **Section 151 Officer**

Contact: **Ext. 1413 lisa.buckle@swdevon.gov.uk**

Recommendations:

The Committee notes that, in accordance with Financial Regulations, the s151 Officer has authorised the write-off of individual West Devon Borough Council debts totalling £62,632.91 as detailed in Tables 1 and 2.

The Committee approves the write off of individual debts in excess of £5,000 totalling £24,407.89 as detailed in Table 3.

1. Executive summary

The Council is responsible for the collection of: Sundry Debts including Housing Benefit Overpayments, Council Tax and National Non-Domestic Rates.

The report informs members of the debt written off for these revenue streams. Debts up to the value of £5,000 can be written off by the s151 Officer, under delegated authority. Permission needs to be sought from the Committee to write off individual debts with a value of more than £5,000.

This report covers the period 1st January 2019 to 31st March 2019.

2. Background

The Council's sound financial management arrangements underpin delivery of all the Council's priorities, including the commitment to providing value for money services.

This report forms part of the formal debt write-off procedures included in these financial arrangements.

West Devon Borough Council's collection rates for 2017/18 were; Council Tax 97.6% & Business Rates 98.0%.

In the final quarter of 2018/19 the Council has collected £5.5 million in Council Tax and £1.4 million in Business Rates. The total collectable debt for 2018/19 (as at 31st March) for Council Tax is £39.1 million and for Business Rates is £10.7 million.

Debts are recovered in accordance with the Council's Recovery Policy which is published on our website.

3. Outcomes/outputs

In accordance with good financial management principles the Council has, for the revenue streams detailed in this report, made a total bad debt provision of £2,486,471.14. This provision recognises that a proportion of the Authority's debts will prove irrecoverable and ensures that the value of debtors within the Authority's accounts is a fair reflection of the amount that will eventually be recovered.

All debts, taxes and rates within the Service's control are actively pursued, and in most instances are collected with little difficulty. In cases where payment is not received on time, a reminder will be issued promptly to the debtor. If this fails to secure payment, a final reminder and/or a summons will also be issued and if necessary the debt passed to an appropriate collection agent such as the Civil Enforcement Agents or the Council's Legal Department in order to secure payment.

Sometimes, however, if the debtor is having difficulty making the payment, special arrangements are used to effect recovery, and this may mean extending the period of time to collect the debt.

In some cases pursuit of an outstanding debt is not possible for a variety of reasons, such as bankruptcy or liquidation and such cases with arrears under £5,000 can be written off by the Section 151 Officer under delegated authority. Cases where the debt exceeds £5,000 must, however, be approved by the Committee prior to the debt being written off.

A record is kept of debts written off, together with the reason for doing so, so that if there is a realistic chance of recovery in the future a debt may be resurrected and pursued again.

The Service has access to Experian’s Citizenview database which is currently the most reliable means of tracing absconded debtors. Each case is checked against this system before a decision is taken to write off the debt. A periodic review of write offs against this system may also be carried out to resurrect debts where appropriate.

4. Options available and consideration of risk

The Committee can either approve to the debt being written off or not. Should the write off of an individual debt not be approved, it will remain on the appropriate system as an outstanding balance. In cases of insolvency there is no option available to the Council but to stop any action to collect the debt. With any case where the debt remains on the appropriate Council system, it may result in additional time and cost spent to pursue the debts when there is no realistic prospect of recovery.

5. Proposed Way Forward

The Committee approves the write off of individual debts in excess of £5,000 as detailed in Table 3.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The relevant powers for this report are contained within the following legislation;</p> <p>Section 151 Local Government Act 1972 Section 44 Local Government Finance Act 1988 (Non Domestic Rate) Section 14 Local Government Finance Act 1992 (Council Tax)</p>
Financial implications to include reference to value for money		<p>West Devon Borough Council debts totalling £87,040.80 to be written-off</p>
Risk		<p>Any risk to reputation is managed carefully by prompt recovery of amounts due wherever possible.</p> <p>This risk is also mitigated by taking a balanced view and ensuring that resources are not expended on debts which are not cost effective to pursue</p> <p>The obvious risk of debtors subsequently being able to pay a debt which has been written off is mitigated by the activity outlined in Part 3.</p>

Supporting Corporate Strategy		Delivering efficient and effective services
Comprehensive Impact Assessment Implications		
Equality and Diversity		All enforcement action that is taken prior to this point is undertaken in accordance with legislation and accepted procedures to ensure no discrimination takes place.
Safeguarding		None
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		None
Other implications		A bad debt provision is built into the financial management of the Authority

Supporting Information

Appendices:

- Table 1 – Council debt under £5,000 written off by the Section 151 Officer
Table 2 – Non-Domestic Rate debt under £5,000 written off by the Section 151 Officer
Table 3 – Summary of items over £5,000 where permission to write off is requested
Table 4 – National & Local Collection Statistics re 2017 / 18 Collection Rates
Table 5 – Quarterly income in 2017 / 18 relating to all years
Table 6 – Previous Year Write Off Totals

Background Papers:

- Section 151 Local Government Act 1972
Section 44 Local Government Finance Act 1988 (Non Domestic Rate)
Section 14 Local Government Finance Act 1992 (Council Tax)
Recovery Policy

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes
SLT Rep briefed	Yes
Relevant Heads of Practice sign off (draft)	Yes
Data protection issues considered	Yes
Accessibility checked	Yes

TABLE 2 SUMMARY OF NON DOMESTIC RATE DEBT UNDER £5,000 WRITTEN OFF BY THE S151 OFFICER

TYPE OF DEBT	NUMBER OF CASES	REASON FOR W/OFF	Financial Year 2018/19			Totals for Comparison purposes			
			Quarter 4		Cumulative Total	Equivalent Quarter 2017/18		Grand Total 2017/18	
			Amount (£)	Cases		Amount	Cases	Amount	Cases
NON-DOMESTIC RATE	1	Insolvency / Bankruptcy	3,014.39	6	9,704.04	1	232.46	3	4,648.89
	-	Absconded	--	-	-	-	-	5	1,254.53
	-	Deceased	-	-	-	-	-	-	-
	-	Other	-	-	-	-	-	3	2,972.72
	-	Small Balance	-	-	-	-	-	-	-
	-	Uncollectable Old Debt	-	-	-	-	-	-	-
Total	1		3,014.39	6	9,704.04	1	232.46	11	8,876.14

TABLE 3 SUMMARY OF ITEMS OVER £5000 WHERE PERMISSION TO WRITE OFF IS REQUESTED

TYPE OF DEBT	NUMBER OF CASES	REASON FOR W/OFF	Financial Year 2018/19			Totals for Comparison purposes			
			Quarter 4		Cumulative Total	Equivalent Quarter 2017/18		Grand Total 2017/18	
			Amount (£)	Cases		Amount	Cases	Amount	Cases
NON-DOMESTIC RATE	1	Insolvency / Bankruptcy	11,686.80	2	38,251.60	1	7,561.62	1	7,561.62
	-	Absconded	-	-	-	-	-	-	-
	-	Deceased	-	-	-	-	-	-	-
	-	Other	-	-	-	-	-	-	-
Total	1		11,686.80	2	38,251.60	1	7,561.62	1	7,561.62
HOUSING BENEFIT	-	Insolvency / Bankruptcy	-	-	-	-	-	1	5,898.04
	-	Absconded	-	-	-	1	11,228.53	1	11,228.53
	-	Other	-	-	-	-	-	-	-
	-	Deceased	-	-	-	-	-	-	-
	2	Overpaid entitlement	12,721.09	2	12,721.09	-	-	-	-
Total	2		12,721.09	2	12,721.09	1	11,228.53	2	17,126.57
COUNCIL TAX	-	Insolvency / Bankruptcy	-	-	-	3	27,458.04	3	27,458.04
	-	Absconded	-	-	-	-	-	-	-
	-	Other (inc. CTR overpayment)	-	-	-	-	-	-	-
Total	-		-	-	-	3	27,458.04	3	27,458.04
Grand Total	3		24,407.89	4	50,972.69	5	46,248.19	6	52,146.23

TABLE 4 NATIONAL & LOCAL COLLECTION STATISTICS RE 2017-18 COLLECTION RATES

Total amount collected in 2017-18 relating to 2017-18 financial year only (net of refunds relating to 2017-18)

	Council Tax			Non Domestic Rates		
	Collectable Debit i.r.o. 17/18 - £000s	Net Cash Collected* i.r.o. 17/18 - £000s	Amount Collected i.r.o. 17/18 - %age	Collectable Debit i.r.o. 17/18 - £000s	Net Cash Collected* i.r.o. 17/18 - £000s	Amount Collected i.r.o. 17/18 - %age
All England	28,319,489	27,501,263	97.1	25,287,466	24,873,246	98.4
Shire Districts	12,943,776	12,683,211	98.0	7,946,252	7,824,084	98.5
East Devon	100,360	99,336	99.0	33,789	33,517	99.2
Exeter	62,885	60,142	95.6	80,695	79,137	98.1
Mid Devon	50,115	49,092	98.0	15,924	15,793	99.2
North Devon	58,567	56,830	97.0	32,078	31,423	98.0
Plymouth	118,686	115,110	97.0	91,798	90,519	98.6
South Hams	66,496	65,264	98.2	30,935	30,216	97.7
Teignbridge	84,735	83,541	98.6	30,644	30,464	99.4
Torbay	75,843	72,525	95.6	35,501	34,210	96.4
Torridge	40,914	40,108	98.0	11,297	11,126	98.5
West Devon	37,196	36,025	97.6	10,499	10,289	98.0

* Net Cash Collected is total 2017-18 receipts net of refunds paid, in respect of 2017-18 only

TABLE 5 QUARTERLY INCOME IN 2017-18 RELATING TO ALL YEARS

Total amount collected in 2017-18 relating to any financial year (net of all refunds in 2017-18)

	Council Tax Net Cash Collected* £000s	Non Domestic Rates Net Cash Collected* £000s
Quarter 1 - Receipts collected between 1 st April – 30 th June	10,933	4,062
Quarter 2 - Receipts collected between 1 st July – 30 th September	10,207	2,514
Quarter 3 - Receipts collected between 1 st October – 31 st December	10,429	2,094
Quarter 4 - Receipts collected between 1 st January – 31 st March	5,115	1,492

* Net Cash Collected is total receipts in 2017-18 net of refunds paid, irrespective of the financial year (previous, current or future years) to which they relate

TABLE 6 PREVIOUS YEAR WRITE OFF TOTALS

		2017 - 18	2016 - 17	2015 - 16	2014 - 15	2013- 14	2012 - 13
HOUSING BENEFIT	Under £5,000 cases	117,461.11	28,341.72	37,800.00	77,477.87	48,315.96	47,636.80
HOUSING BENEFIT	£5,000 or over cases	17,126.57	15,685.10	15,685.10	25,488.58	0.00	0.00
Total		134,587.68	44,026.82	53,485.10	102,966.45	48,315.96	47,636.80
COUNCIL TAX	Under £5,000 cases	85,818.34	85,498.82	60,159.32	67,271.83	33,385.96	199,475.48
COUNCIL TAX	£5,000 or over cases	27,458.04	-	0.00	5,265.60	15,940.10	25,924.46
Total		113,276.38	85,498.82	60,159.32	72,537.43	49,326.06	225,399.94
SUNDRY DEBTS	Under £5,000 cases	85,064.24	15,895.01	3,020.15	887.47	818.09	4,449.99
SUNDRY DEBTS	£5,000 or over cases	-	-	-	0.00	0.00	0.00
Total		85,064.24	15,895.01	3,020.15	887.47	818.09	4,449.99
NON DOMESTIC RATES	Under £5,000 cases	8,876.14	10,517.74	6,650.00	17,699.12	35,095.48	18,780.31
NON DOMESTIC RATES	£5,000 or over cases	7,561.62	29,217.16	29,217.16	89,506.07	38,882.41	26,680.71
Total		16,437.76	39,734.90	35,867.16	107,205.19	73,977.89	45,461.02
GRAND TOTAL		349,366.06	185,155.55	152,531.73	283,596.54	172,438.00	322,947.75

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Report to: **Hub Committee**
Date: **16 July 2019**
Title: **Restructure of the Senior Leadership Team**
Portfolio Area: **Leader**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **Recommend to Council meeting on 23rd July, 2019**

Author: **Sophie Hosking** Role: **Chief Executive**
Andy Wilson **Head of Practice for HR**
Contact: **01803 863643/email: directors@swdevon.gov.uk**

Recommend that the Council:

1. Approves the Senior Leadership Team structure, roles and salaries set out in section 3, paragraph 4.5 (Option 4) and Appendix A of this report with effect from 1 September 2019.
2. Requests the Chief Executive to review and implement changes to the Extended Leadership Team and pay structure to take account of the new Senior Leadership Team structure, other recent changes in the organisation and benchmarking data by the end of December 2019.
3. Note that the combined restructures will achieve ongoing annual revenue savings estimated to be at least £120,000 per annum (£60,000 per annum for each Council)

1. Executive summary

- 1.1 This report follows the request of Council at the 12 February 2019 meeting for the Chief Executive to bring a report recommending a new management structure (minute reference CM54 Establishment Review).
<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=271&MIId=1198&Ver=4>

- 1.2 The Council shares its workforce completely with South Hams District Council and the costs of the management team are divided between the two Councils.
- 1.3 The Council has been running on an interim structure since February 2018 following the departure of one of the Executive Directors and is currently carrying two further vacancies out of the 5 remaining senior leadership team (SLT) posts. On 5th December 2017 Council agreed a report 'Head of Paid Service Replacement'.(Minute reference CM44)
<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=271&MIId=449&Ver=4>
- 1.4 There is an urgent need to appoint to a permanent structure to ensure stability, clarity of roles and sufficient capacity to meet the challenges of delivering the objectives of the two Councils.
- 1.5 The report from the Corporate Peer Challenge carried out in November 2018 on both Councils, recommended a review of the management structure to ensure that there is the capacity to fulfil the Councils' ambitions, particularly in relation to place-shaping and financial sustainability. The report also made recommendations in relation to good governance.
- 1.6 This report proposes a Senior Leadership Team structure made up of 5 posts as follows:
 - Chief Executive
 - Director of Customer Service and Delivery
 - Director of Place and Enterprise
 - Director of Strategic Finance
 - Director of Governance and Assurance
- 1.7 It is intended that one of the Directors will also take on the responsibilities of the role of Deputy Chief Executive.
- 1.8 The restructure of the SLT will have an impact on the Extended Leadership Team (ELT) and this report recommends a review of ELT roles, responsibilities and remuneration following the appointments to the new SLT. An indication of savings that are expected to be achieved as a result of the combined changes to SLT and ELT are set out in the report below.
- 1.9 In developing this proposal various options have been considered including making the current interim arrangements permanent, or reducing the number of roles in the SLT. These options are discussed below in paragraph 4.

2. Background

- 2.1 West Devon BC and South Hams DC have a long history of working together and first appointed a joint Chief Executive in 2007. In 2010 the Councils appointed a shared management team across both the Councils and in 2014 set out plans for a transformation programme (known as T18) which included a fully shared workforce across both Councils. This joint working and shared workforce has achieved combined annual savings of £6million for the Councils.
- 2.2 In 2015 the two Councils appointed a single new Senior Leadership Team (SLT) to lead the shared workforce and implement the T18 transformation programme. Originally this team consisted of 6 postholders - 2 Executive Directors (Level 1 posts), 4 Group Managers (Level 2 posts) plus the S151 officer. The team was reduced by one member in March 2016 when two of the Group Manager roles were merged and the base budget was adjusted accordingly.
- 2.3 In February 2018 one of the Executive Directors resigned to take up a new role elsewhere. The remaining Executive Director took on both Executive Director roles on an interim basis. Adjustments were made to other SLT roles and to some ELT roles, including the S151 officer taking up her full Level 2 role as Group Manager for Strategic Finance and the allocation of Deputy Chief Executive responsibilities to one of the other Group Managers. Details of the interim arrangements can be found in the December 2017 Council report (Minute CM44).
- 2.4 On 12 February 2019 the remaining Executive Director (Sophie Hosking) was confirmed by both Councils as Chief Executive and tasked with bringing forward proposals for a new structure that would address the changing needs of both Councils. At this point a saving of £68k (£34k for each Council) was taken out of the base budget for 2019/20 onwards to account for the reduction from 2 Executive Director posts to one Chief Executive. Members at South Hams DC requested that further savings be sought from the restructure proposals.
- 2.5 In May 2019, two of the current Group Managers posts became vacant due to the postholders pursuing new career opportunities. This has left only 3 members of SLT in place out of the original 7 appointed in 2015 to cover all the duties of the senior leadership responsibilities across both Councils. Recruitment to the vacancies is on hold pending the proposed restructure and this is causing significant pressure on the remaining 3 members of the Senior Leadership Team.

- 2.6 In putting together the proposals for the new SLT structure a number of issues have been considered including:
- i. Recommendations from the recent Corporate Peer Challenge
 - ii. Shift in organisational focus since 2015 and the changing priorities of the new Councils
 - iii. The two current Group Manager vacancies
 - iv. Government funding and Brexit
 - v. Benchmarking information from other organisations
 - vi. Value for money
 - vii. Impact on Members, staff, customers and external partners
- 2.7 Corporate Peer Challenge. The report from the Corporate Peer Challenge made particular reference to the Councils' need to become more outwardly focused and engage more with the communities they serve, and with external partners, to achieve their ambitions for housing and economic growth.
<http://mg.swdevon.gov.uk/ieListDocuments.aspx?CId=221&MId=1210&Ver=4>
The Councils' current SLT structure is inwardly focused and the restructure provides an opportunity to address this deficit. In addition the Peer report recommends a continued focus on achieving financial sustainability and good governance.
- 2.8 Change in organisational priorities. Since 2015 there has been a significant change of focus in our organisational activity. Initially the Councils were very internally focused on transforming the workforce and our ways of working to achieve the savings required to keep the Councils financially viable. The focus then shifted more towards strategic planning (the Joint Local Plan) and commercial activity. Looking ahead, there is a new focus on climate change mitigation as well as taking a stronger and more pro-active role in shaping our communities, particularly in relation to housing and economic development.
- 2.9 Vacant posts. In April and May this year, 2 posts within the current SLT became vacant when the Group Manager for Business Development and the Group Manager for Commercial Services left to take up new roles elsewhere. This provides the opportunity to completely reconsider how the responsibilities of the new SLT are divided up in the new structure. It also gives an urgency to getting the new structure in place as soon as possible as there are currently only 3 SLT members covering the whole workload across both Councils (the Chief Executive and the remaining 2 Group Managers).

- 2.10 Financial settlement and Brexit. We continue to face challenging times and uncertainty in relation to our finances and the impact of the UK's impending departure from the EU and we will require a strong leadership team to meet these challenges. Our current 4 year funding settlement with the government ends this financial year (2019/20) and as yet there is no indication as to what funding arrangements are being proposed for 2020/21 onwards.
- 2.11 Benchmarking with other Councils. A further consideration when putting together the proposals has been a review of the appropriate remuneration for the SLT roles in order to attract and retain the right calibre of staff. Benchmarking information has been gathered for comparison purposes from District Councils locally and nationally and also from other Councils with shared management teams. However it should be noted that there are no simple comparisons as all Councils vary in complexity, size, the range of activities and how their management teams are structured.
- 2.12 Value for money. This is a key consideration for the Councils and by sharing a management team the Councils effectively get the benefit of a strong team of 5 senior managers for half the cost, in addition to the cost savings identified at paragraph 3.5 below.
- 2.13 Impact. The appointment of the senior leadership team affects all Members as the team provides essential support to Members to develop strategy and deliver the Councils' statutory obligations and their aspirations for the communities they serve.
- 2.14 The SLT appointments also impact on all staff as an effective team is crucial to achieve a high performing workforce.
- 2.15 Relationships with partners, our communities and other organisations, and our ability to play our part in the public sector within Devon, regionally and nationally, is also dependent on the capacity of the SLT.

3. Outcomes/outputs

- 3.1 The desired outcome of the restructure is to have a revised SLT in place in September that will meet the requirements of both Councils. It is anticipated that appointments will be made internally, however should this not be the case, a longer timeframe will be necessary.
- 3.2 Following the appointment of the SLT there will then be a review of ELT and this is intended to be completed and implemented by the end of December 2019. It is expected that the reorganisation of the SLT responsibilities, the likelihood of internal appointments to the SLT posts and the recent changes in operational requirements will give the opportunity to make some further savings from the combined restructures.

- 3.3 Benchmarking of equivalent posts in other organisations along with independent advice from the Local Government Association (LGA) and the resulting salary recommendations is intended to ensure fair and appropriate salaries for the jobs, whilst recognising the additional complexity of working across 2 Councils. This is important in order to attract and retain high calibre officers. However it should be noted that the salaries recommended in this report are at the lowest end of the scales recommended by the LGA following their independent evaluation of the roles and consideration will be given to introducing a link between performance and financial reward in the future. Any performance related pay scheme will be the subject of a separate consultation process.
- 3.4 The benchmarking work has also revealed anomalies in the remuneration of our Extended Leadership team and it is proposed that the ELT review will include re-evaluation of the ELT salary framework.
- 3.5 As mentioned above in paragraph 3.2, it is anticipated that financial savings for both Councils will result from the combined restructures of SLT and ELT. It not possible to predict the exact savings generated until both the SLT and ELT reviews are completed however it is anticipated that it will be in the region of a minimum of £120,000 per annum (approximately £60,000 per annum for each Council – Note the actual split of the saving between both Councils will be calculated in accordance with the shared services apportionments completed annually). This is in addition to the annual £68,000 saving (£34,000 each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.
- 3.6 The proposed future structure of SLT is made up of 5 posts as follows:
- Chief Executive
 - Director of Customer Service and Delivery
 - Director of Place and Enterprise
 - Director of Strategic Finance
 - Director of Governance and Assurance
- 3.7 It is intended that one of the Directors will also fulfil the role of Deputy Chief Executive.
- 3.8 There are four key outcomes that need to be achieved by the new proposed arrangements:
- Customer facing: To improve the customer experience by making our services easier to use and more responsive, reducing failure demand and becoming more efficient as a result; this will lead to cost reduction or investment in services.
 - Community facing: To engage with our communities in our strategic planning role with the aim of promoting and supporting

appropriate housing development (with a focus on affordable housing), economic growth and resilience, protecting our environment and mitigating against climate change.

- Financial: To achieve financial sustainability; developing new and existing income streams to support our core functions – through treasury management, investment and development of the Council's assets, selling services, fees and charges and increasing the tax base.
- Governance and assurance: To make sure we do things properly, ethically and lawfully.

3.9 Rationale for a new structure. The Senior Leadership Team (SLT) is responsible for advising and supporting Councillors to set the direction and strategy of the Councils and our communities and for ensuring the delivery of those strategies. The SLT are collectively responsible for: setting the working culture of the organisation; modelling and embedding the IMPACT behaviours; organising our resources to deliver easy-to-use services; ensuring efficient and effective ways of working; strong governance arrangements; good communication and positive relations with our communities; improving the local tax base (housing and business) whilst also finding ways to generate income and decrease reliance on government grant and local taxes.

3.10 The Councils have statutory responsibilities to provide various services to our residents, communities and businesses and regulatory responsibilities in respect to various activities in our communities. The other key purpose of the Councils relates to the strategic planning role, shaping our communities and responding to social, economic and environmental requirements. The Councils require a financial strategy to support these objectives. Council funding comes primarily from local taxes (Council tax and Business rates), New Homes bonus (or its replacement) and any income generated by council activities, investment or use of council assets. Underpinning the success of the Councils is effective decision making and committee processes; strong governance and assurance; good contract and project management, and efficient systems and processes.

3.11 The proposed new SLT structure will be led by the Chief Executive whose role is to act as principal adviser to the Leaders and all elected Members. Also, as the statutory Head of Paid Service, the Chief Executive provides leadership and direction throughout the organisation. This role is accountable for the performance of the organisation and meeting the Councils' strategic objectives through efficient and effective deployment of resources to ensure that residents receive services of the highest standard.

- 3.12 The 4 directorships are not generic roles. Whilst all 4 Directors will act across all functions of the organisation and across both Councils they will have their own discrete responsibilities and requirements. Individual Directors roles are focused along the following lines:
- 3.13 Strategic Director of Customer Service and Delivery. This post is key to delivery of our statutory services and our regulatory roles as well as some discretionary services. Most of the Councils' employees will report up to this role. The post holder must be a very effective resource manager. The Director will have oversight of most of the Councils' directly delivered services as well as the internal support services. However, whilst directly line managed through this directorate many of the staff will be accountable to other Directors for specific projects or pieces of work. For example, specialists may be assigned to work on a commercial development project for the Place and Enterprise Director, or have tasks to do that fulfil functions sat within Governance and Assurance, or they may be required to carry out work to support the financial strategy. The bulk of the support functions will also report to this director (e.g. IT, HR, technical finance, legal etc). The focus of this role is to improve the customer experience and provide efficient services within the resource constraints. The post holder must have strong management skills particularly in relation to people and performance.
- 3.14 Strategic Director of Place and Enterprise. This role is focused on our communities, housing, economy and commercial strategies, the Joint Local Plan and our response to climate change. Given that our funding is made up of Council tax, business rates and New Homes Bonus it is important to support the provision of much needed and affordable homes through our housing strategy, as well as initiatives that support our economic wellbeing and our local businesses. At the same time the Councils own assets and can act as developer and investor. The Director needs to be able to balance the Councils' commercial interests with the interests of the local communities. The role is also likely to have responsibility for the place-based commercial activities (e.g. Salcombe Harbour and Lower Dartmouth Ferry in South Hams) as well as responsibility for our relationship with AONB teams. An important aspect to the role is the relationship with external organisations, partners and stakeholders (e.g. the LEP, Homes England, developers and the business sector) to promote the interests of our communities and influence the local, regional and national agenda. A key requirement is to draw in external funding to support place-shaping initiatives. This Director will also have responsibility for the Councils' response to climate change. Great communication and negotiation skills, commercial acumen and the ability to build successful relationships are essential requirements for this role.

- 3.15 Corporate Director of Governance and Assurance. The focus of this role is to ensure that we do things properly, ethically and lawfully and that we have sound governance in place. This key role encompasses the entire decision making processes for Members from start to finish and their scrutiny, audit and assurance functions to ensure that Members are confident in their decision making roles. The Director will have oversight of the Councils' risk and opportunities registers and business continuity arrangements and is also responsible for ensuring vital, Council-wide compliance with regulations for health and safety, procurement, information governance, FOI, Ombudsman and complaints procedures. A critical function of this role will be oversight and management of our major contracts (Waste and Leisure). It is also the responsibility of the role holder to ensure that we have strong, consistent project management applied throughout the organisation. Highly developed organisational skills alongside a methodical and pragmatic approach are key requirements for this role alongside political astuteness and a strong track record of working with Members.
- 3.16 Corporate Director of Strategic Finance (and S151 Officer). Financial sustainability is a critical Council objective. This Director is responsible for developing and reviewing the Councils' Medium Term Financial Strategy with Councillors and other key financial strategies (capital strategy, treasury management strategy, investment strategy etc). The post holder has oversight of the budget setting process and future funding strategies. The Director is also responsible for representing the Council on key financial issues and policies at a regional and national level – e.g. Business rates policy, national funding formulae, spending reviews etc. This role provides financial assurance across the whole organisation and ensures that financial implications of all policies and proposals are properly considered and tested during the development stages. The Director is responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place. This Director is also the Councils' S151 Officer(Chief Finance Officer). The post holder must be a qualified accountant with a recognised body and will need to have an extensive knowledge of Local Government finance.
- 3.17 Deputy Chief Executive (Additional responsibility). The role of Deputy Chief Executive is a set of duties and responsibilities which will be assigned to a member of the Senior Leadership Team (SLT) and will be in addition to his/her normal duties as a Strategic or Corporate Director. This role will support the Chief Executive and Lead Members and will enable the provision of independent support and advice to both Councils simultaneously where necessary and will deputise for all responsibilities of the Chief Executive in her absence.

- 3.18 Role profiles for each of the proposed new SLT roles are attached at Appendix A.
- 3.19 Evaluation of the above roles revealed that the roles of Director for Customer Service & Delivery and Director for Strategic Finance are not considered to be significantly different to the existing roles of Group Manager for Customer First and Support Services and Group Manager for Strategic Finance respectively. Therefore, should this restructure be agreed it proposed to appoint the existing postholders in accordance with the Councils Managing Organisational Change policy
- 3.20 As mentioned above, an independent HR specialist from the Local Government Association has reviewed and evaluated the proposed Director roles, and that of the Chief Executive, and has made recommendations for the salary ranges for all 5 roles. This report proposes using the lowest end of the salary ranges suggested by the LGA advisor.
- 3.21 The LGA senior role job evaluation tool used the following criteria to assess the 5 SLT roles:
- Knowledge requirement
 - Creative thinking required/policy direction involved
 - Impact on People / Organisations
 - Responsibility for resources
- 3.22 The evaluation tool identified that the Customer Service & Delivery and Place & Enterprise roles carry a slightly greater level of responsibility overall and we have therefore designated these roles as Strategic Directors and the remaining two roles (Strategic Finance and Governance & Assurance) as Corporate Directors.
- 3.23 Acting upon the advice of the LGA and taking into account factors such as:
- the relationship to the salaries of the Chief Executive and the Directors;
 - the market rate for similar roles in other local authorities and associated bodies;
 - the added complexity of working across two Councils and comparison with Councils with similar arrangements;
 - outcome of the role evaluation
- it is proposed that the following salary structure is adopted:

Chief Executive	
Spot salary	Salary
CE	£120,000

Spinal Column Point	Salary pa
D1	£64,000
D2	£68,000

D3	£72,000
D4	£76,000

To reflect the differing levels of responsibility, the following salary ranges are proposed:

Role	Salary range
Strategic Director	D2 - D4
Corporate Director	D1 - D3

- 3.24 For the duties of Deputy Chief Executive, an additional responsibility allowance of the greater of £8000 pa or 6.5% of the annual salary payable to the Chief Executive will be paid. The payment will not be consolidated and will not attract an annual cost of living increase, however it will maintain a relationship with the Chief Executive's salary in accordance with recommended practice.
- 3.25 The current cost (as at June 2019) of the Senior Leadership Team (SLT) structure and the Extended Leadership Team (ELT) structure is £1.708 million (this cost is shared across both Councils). The cost of the new proposed SLT and ELT structure is £1.588 million - £0.12 million less.
- 3.26 It not possible to predict the exact savings generated until both the SLT and ELT reviews are completed however it is anticipated that it will be in the region of a minimum of £120,000 per annum (approximately £60,000 per annum for each Council – Note the actual split of the saving between both Councils will be calculated in accordance with the shared services apportionments completed annually). This is in addition to the annual £68,000 saving (£34,000 each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.
- 3.27 Some of the savings will be deferred until 2021 in order to meet budget pressures for service changes to waste collection and recycling in both Councils. The Councils could alternatively decide to meet this temporary cost from the Strategic Waste Earmarked Reserve, instead of deferring some of the saving.
- 3.28 There will be a one-off cost pressure if there are any redundancies as a result of the combined restructure which would also delay some of the benefit of the savings achieved, although a payback period would be calculated.

4. Options available and consideration of risk

- 4.1 When developing the proposal a range of different options were considered including:
- Reverting to separate management structures for each Council;
 - Confirming the current interim structure and roles and appointing to the vacant posts against the current job descriptions;
 - Reducing the number of posts or not appointing to one or both of the current vacancies and increasing the scope of the remaining roles accordingly; and
 - Retaining a structure of 1 Chief Executive and 4 Directors but reviewing the responsibilities of roles in order to create a new team that better reflects the current and anticipated requirements of the two Councils.
- 4.2 Option 1: Separate Management Structures. It is not considered feasible to revert to separate management teams for each Council due to the complexity of unpicking the current arrangements and the enormous financial cost to both Councils associated with re-establishing separate arrangements.
- 4.3 Option 2: Confirm interim structure. The option of making the interim structure permanent and recruiting to the current vacancies would not address the recent operational changes resulting from the new waste collection and street cleaning contract. Nor does it take into account the changing priorities of the new Council administrations or the recommendations of the Corporate Peer Challenge.
- 4.4 Option 3: Reducing the number of posts. There are two vacancies in the current interim arrangements and consideration has been given to whether one or both of these vacancies could be taken as savings and a new team established with fewer postholders. Not appointing to either of the two vacancies, and continuing to distribute the responsibilities amongst the remaining SLT members and some members of ELT, would result in financial savings to the Councils however it is not considered sustainable to continue to operate at this level of resourcing for any longer than is absolutely necessary. There would be significant risks to the effective operation of the Councils and to the well-being of the 3 remaining members of the team. Not appointing to one of the vacancies could generate a smaller financial saving but there would be a significant risk that the Councils would not have the capacity at a senior level to effectively meet their statutory duties or their commitments to their communities.

- 4.5 Option 4: Developing a new team that meets the Councils' requirements. This option recommends developing a senior leadership team that has the capacity to meet the Councils' needs and addresses the four key requirements outlined in paragraph 3.8. It is proposed that the team will comprise of the Chief Executive and 4 Directors – details and role profiles can be found at Appendices A and B. This option will meet the recommendations of the Corporate Peer Challenge, the changes to the organisations' operational requirements and the changing priorities and focus of the Councils. It will provide capacity, resilience and expertise at the appropriate level within the organisation. The proposal will increase the current cost of SLT by approximately £22,500 (4.4%) but will reduce requirements within the ELT which will result in an overall saving of £120,000 (7%) on the current arrangements. This is the recommended option (Option 4).
- 4.6 Consultation. All current members of SLT and ELT have been consulted on the proposals including the process for appointing to the posts. The consultation has also been posted on the staff intranet for all staff. A copy of the consultation document can be found at Appendix B. In response, questions were raised about role responsibilities, salary levels and the differentiation between the Strategic and Corporate Directors, the recruitment process and the timing of the proposed ELT restructure. We do not propose to make any significant changes but we have clarified with consultees the points raised and we have made minor changes to the role profiles.
- 4.7 The Head of HR practice has also consulted with our recognised Unions through the Joint Consultative Committee.
- 4.8 Leaders and Deputy Leaders of both Councils have been consulted during the development of the proposal.
- 4.9 Independent advice has been provided by the senior HR specialist at the LGA concerning the development and evaluation of the role profiles, and the benchmarking and recommendations relating to salaries.

5. Proposed Way Forward

- 5.1 It is proposed that the Councils approve Option 4 and agree the SLT structure, roles and salaries as set out in section 3 of this report and Appendix A.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		The proposal is in accordance with the Councils Managing Organisational Change policy and

		<p>compliant with all relevant employment law legislation, including the Equality Act 2010</p> <p>The Head of Paid Service is responsible for staffing arrangement of the Council. However, it is considered appropriate that the Council considers the proposals within this report given that it concerns a senior management restructure which is significantly different from the current arrangements.</p> <p>Both Councils need to agree the restructure proposals; in the event that common agreement cannot be reached alternative proposals will need to be considered.</p>
<p>Financial implications to include reference to value for money</p>		<p>The proposal will increase the current cost of SLT by approximately £22,500 (4.4%) but will reduce requirements within the ELT which will result in an overall saving of a minimum of £120,000 (7%) (being approximately £60,000 each Council) on the current arrangements.</p> <p>This is in addition to the annual £68,000 saving (£34,000 each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.</p> <p>Some of the savings will be deferred until 2021 in order to meet budget pressures for service changes to waste collection and recycling in both Councils. The Councils could alternatively decide to meet this temporary cost from the Strategic Waste Earmarked Reserve, instead of deferring some of the saving.</p> <p>There will be a one-off cost pressure if there are any redundancies as a result of the combined restructure which would also delay some of the benefit of the savings achieved, although a payback period would be calculated.</p> <p><u>Value for money.</u> This is a key consideration for the Councils and by sharing a management team the Councils effectively get the benefit of a strong team of 5 senior managers for half the cost, in addition to the cost savings identified at paragraph 3.5.</p>

Risk		<p>Risk 1: That one of the Councils does not agree the proposal or that one Council proposes amendments that are not supported by the other Council.</p> <p>Risk 2: that the Council proposes one of the other options in paragraph 4 which would incur delay and further costs and not support the needs of the organisation.</p> <p>Risk 3: That it is not possible to make an internal appointment to the SLT roles resulting in the need to look externally which would incur cost and significant delay.</p>
Supporting Corporate Strategy		This proposal supports all 6 themes of the corporate strategy.
Comprehensive Impact Assessment Implications		
Equality and Diversity		The proposed selection process is non discriminatory and in line with usual practice.
Safeguarding		None
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		None
Other implications		None

Supporting Information

Appendices:

Appendix A – Proposed new SLT role profiles

Appendix B – Copy of consultation document

Background Papers:

Council – 5th December 2017 – Head of Service Replacement

Council – 12th February 2019 – Establishment Review

Hub Committee - 19th March 2019 – Peer Challenge Action Plan

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed/sign off	Yes
SLT Rep briefed/sign off	Yes
Relevant Heads of Practice sign off (draft)	Yes
Data protection issues considered	Yes
Accessibility checked	Yes

Strategic Director of Customer Service and Delivery



LEVEL:	Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO:	Chief Executive
SALARY:	£68,000 - £76,000
LOCATION:	Totnes / Tavistock / Agile

Job Purpose

The Director of Customer Service and Delivery will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. The focus of this role is to lead on service delivery and improve the customer experience by providing efficient services within the resource constraints. It is key to the delivery of our statutory services and our regulatory roles, as well as some discretionary services. This role will have overall management of most of the Councils' workforce and oversight of the majority of the Councils' directly delivered services as well as the internal support services. This role is the key driver for ongoing service delivery improvements and efficiencies through strong resource and performance management, sound working policies and established cross functional working practices.

Role Profile

- Lead a diverse range of professional services, that are high quality, effective and continuously improving
- Provide strong and effective resource management across a range of externally and internally facing services, leading a matrix management team operating in a complex political environment
- Ensure continuous improvement and measure added value through robust performance management across a range of services
- Drive the digital agenda for the council creating new customer-centric operating models using the newest available technology to achieve greater efficiency
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels
- Responsible for significant delegated financial budgets and resources ensuring they are allocated effectively for the delivery of high quality services, achieving compliance with relevant policies and guidelines
- Develop and promote cutting edge partnerships with a range of stakeholders at both a local and national level
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision
- Lead a culture of continuous improvement within Customer Service & Delivery and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer
- Ensure appropriate business continuity plans and emergency response procedures are in place for the areas of specific responsibility

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Customer Service and Delivery will have direct responsibility for the resources to deliver the majority of the Councils' external and internal services. In summary, these functions include:

Community of Practice	Functions
Customer Services	Customer Contact Centre
Development Management	Planning, Enforcement, Green Space, Land Charges, TPOs, LLPG, Street Naming
Environmental Health	Environmental Health, Health & Safety, Private Sector Housing, Housing Standards, Business Continuity, Emergency Planning, Pollution, Anti-social Behaviour / Nuisance, Community Safety Partnership, DFGs, Licensing
Environment Services	Waste, Parking, Grounds Maintenance, Building Maintenance, Events, Car Parks, Public Toilets, Environmental Protection, Markets, Localities, Fleet, Contract Monitoring, Education & Communications (Waste & Leisure)
Housing, Revenues & Benefits	Housing Advice, Homelessness, Safeguarding, Council Tax, NNDR, Benefits
Support Services	Finance, Legal, ICT, IT Security, HR, Payroll, Communications, Design, Creditors, Debtors / Recovery, Insurance, DMR

The Director will also have responsibility to support the Director of Place and Enterprise by providing specialist and case management support for:

Community of Practice	Functions
Assets	Engineering, Estates and Facilities
Commercial	Property acquisition and development
Climate Change	Developing and delivering the Councils' response
Place Making	Urban Fringe delivery, Trees / Landscape, Biodiversity, S106, Neighbourhood Planning, Green Infrastructure

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- A successful track record as a senior manager, including specific experience of managing customer service operations and effectively managing resources in an organisation of equivalent size or larger than South Hams and West Devon Councils
- Strong management skills, particularly in relation to people and performance
- Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy
- Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries
- Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils
- Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance
- A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery
- A track record of gaining traction with others, including peers to generate change and development in organisations
- Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies
- Excellent written and verbal communication skills
- The ability to drive and motivate for change through effective leadership

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, the core knowledge requirements for the role include:

- Solid knowledge of the range and role of customer and support services and exemplary practice in the wider market.
- Understanding of external market opportunities for customer service delivery.
- An appreciation of the potential technology presents to advance and extend customer services.
- A good understanding of current policy and strategy impacting local government services, contract and project management.

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Corporate Director of Governance and Assurance



LEVEL:	Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO:	Chief Executive
SALARY:	£64,000 - £72,000
LOCATION:	Totnes / Tavistock / Agile

Job Purpose

The Director of Governance and Assurance will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. Future success of the Councils will be underpinned by effective decision making and committee processes. Therefore the focus of this role is to ensure that processes and procedures are carried out properly, ethically and lawfully and that the Councils have sound governance in place. This role encompasses the decision making processes for Members and their scrutiny, audit and assurance functions, along with responsibilities across both Councils for consistency and transparency in both statutory and non-statutory procedures.

The post holder will be required to be the Councils' nominated Data Protection Officer as required by the General Data Protection Regulation (GDPR).

Role Profile

- Responsible for working with Councillors and officers across the organisations to ensure there is sound governance in place to allow the Councils to operate lawfully and consistently.
- Ensuring there is strong project management applied throughout the organisation to achieve council-wide consistency and transparency.
- Responsibility for ensuring Council-wide compliance with regulations for health and safety, procurement, information governance, Data Protection, FOI, Ombudsman and complaints procedures, and has oversight of the Councils' risk and opportunities registers.
- Maintain a strategic oversight of all Council contracts with additional engagement and management of major contracts.
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels.
- Responsible for significant delegated financial budgets and resources ensuring they are allocated effectively for the delivery of high quality services, achieving compliance with relevant policies and guidelines.
- Develop and promote cutting edge partnerships with a range of stakeholders at both a local and national level.
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment.
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision.
- Lead a culture of continuous improvement within Governance and Assurance and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation.
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity.
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer.
- Ensure appropriate business continuity plans and emergency response procedures are in place for the areas of specific responsibility.

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Governance and Assurance will ensure compliance across both Councils and will be directly responsible for the following functions:

Monitoring Officer & Constitution	Audit
Member Services	Electoral Services
Contract Oversight & Management (Waste, Leisure & IT)	Procurement
Programme Board	Project Management
Business Intelligence	FOI
Complaints and Ombudsman	Information Governance V.CoP
Health & Safety V.CoP	Data Protection
Corporate Risk Register	

In addition to the above, The Director of Governance and Assurance, working closely with the Director of Customer Service and Delivery and will have indirect responsibility for:

- | | |
|--|--------------|
| Business Continuity/Emergency Planning | ICT Security |
|--|--------------|

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- Ability to demonstrate an understanding of sound governance and effective council wide compliance with processes and procedures.
- A successful track record as a senior manager, including specific experience of managing contracts and projects in an organisation of equivalent size or larger than South Hams and West Devon Councils.
- Strong management skills, particularly in relation to people and performance.
- Highly developed organisational skills with a methodical and pragmatic approach.
- A proven, strong track record working with Members.
- Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy.
- Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries.
- Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils.
- Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance.
- A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery.
- A track record of gaining traction with others, including peers to generate change and development in organisations.
- Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies.
- Excellent written and verbal communication skills
- The ability to drive and motivate for change through effective leadership.

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, the core knowledge requirements for the role include:

- Knowledge and sound understanding of decision making processes within local government and high political astuteness.
- A solid understanding of current policy and strategy impacting local government services, contract and project management

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Corporate Director of Strategic Finance (& S151 Officer)



LEVEL:	Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO:	Chief Executive
SALARY:	£65,000 - £73,000
LOCATION:	Totnes / Tavistock / Agile

Job Purpose

The Director of Strategic Finance will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. A sustainable financial future is a critical objective for both Councils, and the focus of this role is to implement a robust financial strategy including developing and reviewing the Councils' Medium Term Financial Strategy with Councillors together with having an oversight of the budget setting process and implementing other key financial and future funding strategies. This is a cross cutting role, involving both corporate and strategic activities to engage with all areas of the organisation. The Councils require a sound financial strategy to support the corporate objectives and this role is key in providing financial assurances relating to all aspects of existing funding streams, income generation and investment or use of Council assets.

The post holder will be required to be the Section 151 Officer for both Councils in accordance with section 151 of the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs.

Role Profile

- Responsible for financial budgets across the whole organisation, ensuring that financial implications of all policies and proposals are properly considered and tested during the development stages.
- Responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place.
- Responsible for representing the Council on key financial issues and policies at a local, regional and national level.
- Responsible for carrying out the duties of the Section 151 Officer across two Councils in line with current legislation
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels
- Develop and promote cutting edge partnerships with a range of stakeholders at both a local and national level
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision
- Lead a culture of continuous improvement within Strategic Finance and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer
- Ensure appropriate business continuity plans and emergency response procedures are in place for all areas of specific responsibility.

Key Statutory Responsibilities

The Director of Strategic Finance is also the Councils' S151 officer. The post holder must be appropriately qualified and will need to have an extensive knowledge of Local Government finance.

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Strategic Finance and has direct responsibility for the following functions:

S151	Medium Term Financial Strategy (MTFS)
Budget Process	Capital Strategy / Capital Programme
Treasury Management Strategy	Business rates strategy (pooling, pilots, appeals etc).
Assurance and due diligence for commercial strategy (investment and development)	Borrowing strategy and proportionality
Pension strategy	Statement of accounts

In addition to the above, the Director of Strategic Finance will have responsibility for all finance related functions across both Councils, yet the responsibility for the delivery of the service and the management of resources will remain with the Director of Customer Service and Delivery.

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- ◆ A successful track record as a senior manager, including specific experience of financial management and generating growth in a number of ways.
- ◆ Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy.
- ◆ Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries.
- ◆ Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils
- ◆ Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance.
- ◆ A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery.
- ◆ A track record of gaining traction with others, including peers to generate change and development in organisations.
- ◆ Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies.
- ◆ Excellent written and verbal communication skills
- ◆ The ability to drive and motivate for change through effective leadership

Qualifications – Essential

According to the Section 113 Local Government Finance Act 1988 – the job holder must be a member of one of the following bodies:

- ◆ Institute of Chartered Accountants
- ◆ Chartered Association of Certified Accountants
- ◆ Chartered Institute of Public Finance and Accounting
- ◆ Chartered Institute of Management Accountants

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, particularly financial management including the use of large financial management systems, the core knowledge requirements for the role include:

- ◆ Solid knowledge and understanding of financial management procedures, particularly in local government
- ◆ A good understanding of current policy and strategy impacting local government services, contract and project management
- ◆ A sound understanding of commercial due diligence

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Review of the Senior Leadership Team - Consultation



Introduction

The report from the Corporate Peer Challenge carried out in November 2018 on both Councils recommended a review of the management structure to ensure that there is the capacity to fulfil our ambitions, particularly in relation to place-shaping and financial sustainability. The report also made recommendations in relation to good governance.

The Council has been running on an interim senior leadership structure since February 2018 following the departure of one of the Executive Directors and is currently carrying two further vacancies out of the five remaining Senior Leadership Team (SLT) posts.

There is now an urgent need to appoint to a permanent structure to ensure stability, clarity of roles and sufficient capacity to meet the challenges of delivering the objectives of two Councils.

This paper sets out for consultation the proposed new structure and the approach to achieving it.

The final proposals will inform a report to each Council in July 2019. It is anticipated that the revised structure will be put in place by 1 September 2019.

Section 1: Background

The current SLT has its origins in the T18 Transformation Programme and originally consisted in January 2015 of:

- ◆ Executive Director for Strategy and Commissioning (Level 1)
- ◆ Executive Director for Service Delivery and Commercial Development (Level 1)
- ◆ Group Manager for Customer First (Level 2)
- ◆ Group Manager for Support Services (Level 2)
- ◆ Group Manager for Commercial Services (Level 2)
- ◆ Group Manager for Business Development (Level 2)
- ◆ Section 151 Officer (Level 3)

The following further changes have subsequently occurred:

- ◆ **March 2016** – Group Manager Customer First left and duties transferred to Group Manager for Support Services
- ◆ **February 2018** – Executive Director for Strategy & Commissioning left and interim arrangement agreed by Councils. The remaining Executive Director took both roles and subsequent changes made to responsibilities of other roles, including allocation of Deputy Chief Executive duties to a Group Manager and the S151 Officer becoming Group Manager for Strategic Finance.
- ◆ **February 2019** – appointment by both Councils of remaining Executive Director as Chief Executive
- ◆ **April 2019** – 2 vacant posts following departure of Group Managers for Business Development and Commercial Services

As well as the changes in personnel, a number of other factors impact the composition of SLT:

- ◆ The decision not to proceed with the commissioning model and the formation of the LACC.
- ◆ The South Hams decision to seek a partner to deliver its Waste and Recycling service with effect from April 2019 and the impact on the Group Manager role following the transfer of 86 employees and significant service delivery functions
- ◆ The completion of the initial workstream to create a framework under which the Councils could pursue its commercial interests
- ◆ The recommendations of the Peer Challenge Review, in particular the capacity required in relation to place-shaping, financial sustainability and good governance
- ◆ The new priorities emerging from election of new Councils
- ◆ The challenging local and national framework and the need for strong focussed leadership
- ◆ Importance of building and sustaining key external relationships and to exert greater place, regional and national influence
- ◆ Importance of strong leadership on staff

Section 2: The proposed new SLT structure

The proposal is limited to the Senior Leadership Team. It is proposed that a further review will take place in autumn 2019 to review and restructure the Extended Leadership Team (ELT) and this will be the subject of a separate consultation. It is not proposed to make any redundancies as part of the review and it is proposed that vacant roles are filled through internal appointments.

It is proposed that the role of Chief Executive is supported by a SLT of 4 roles:

**Director of
Customer Service
and Delivery**

**Director of
Place and
Enterprise**

**Director of
Strategic
Finance**

**Director of
Governance and
Assurance**

The senior leadership roles and are mapped against the Band A Impact Behaviours.

The roles have the following generic responsibilities (not exhaustive):

- ◆ for advising and supporting Councillors to set the direction and strategy of the Councils and our communities and for ensuring the delivery of those strategies
- ◆ setting the working culture of the organisation
- ◆ modelling and embedding the IMPACT behaviours
- ◆ organising our resources to deliver easy-to-use services
- ◆ ensuring efficient and effective ways of working
- ◆ strong governance arrangements
- ◆ good communication and positive relations with our communities
- ◆ improving the local tax base (housing and business) whilst also finding ways to generate income and decrease reliance on government grant and local taxes;

The 4 directorships are not generic roles. Whilst all 4 Directors will act across all functions of the organisation and across both Councils they will have their own discrete responsibilities and requirements. Individual Directors are focused along the following lines:

Strategic Director of Customer Service and Delivery

- ◆ This post is key to delivery of our statutory services and our regulatory roles as well as some discretionary services.
- ◆ Most of the Councils' employees will report up to this role.
- ◆ The post holder must be a very effective resource manager.
- ◆ The Director will have oversight of most of the councils' directly delivered services as well as the internal support services. However, whilst directly line managed through this directorate many of the staff will be accountable to other Directors for specific projects or pieces of work. For example, specialists may be assigned to work on a commercial development project for the Place and Enterprise, or have tasks to do that fulfil functions sat within Governance and Assurance, or they may be required to carry out work to support the financial strategy.
- ◆ The bulk of the support functions will also report to this director (e.g. IT, HR, technical finance, legal etc).
- ◆ The focus of this role is to improve the customer experience and provide efficient services within the resource constraints.
- ◆ The post holder must have strong management skills particularly in relation to people and performance.

Strategic Director of Place and Enterprise

- ◆ This role is focused on our communities, housing, economy and commercial strategies and the Joint Local Plan.
- ◆ Given that our funding is made up of Council tax, business rates and New Homes Bonus it is important to support the provision of much needed and affordable homes through our housing strategy, as well as initiatives that support our economic wellbeing and our local businesses.
- ◆ At the same time the Councils own assets and can act as developer and investor. The Director needs to be able to balance the Councils' commercial interests with the interests of the local communities.
- ◆ The role is also likely to have responsibility for the Councils' place-based commercial activities (e.g. Salcombe Harbour and Lower Dartmouth Ferry).
- ◆ An important aspect to the role is the relationship with external organisations, partners and stakeholders (e.g. the LEP, Homes England, developers and the business sector) to promote the interests of our communities and influence the local, regional and national agenda.
- ◆ A key requirement is to draw in external funding to support place-shaping initiatives.
- ◆ Great communication and negotiation skills, commercial acumen and the ability to build successful relationships are essential requirements for this role.

Corporate Director of Governance and Assurance

- ◆ The focus of this role is to ensure that we do things properly, ethically and lawfully and that we have sound governance in place.
- ◆ This role encompasses the decision making processes for Members and their scrutiny, audit and assurance functions.
- ◆ The Director is also responsible for ensuring Council-wide compliance with regulations for health and safety, procurement, information governance, FOI, Ombudsman and complaints procedures, and has oversight of the Councils' risk and opportunities registers and business continuity arrangements.
- ◆ An important part of the role is ensuring that we have strong, consistent project management applied throughout the organisation.
- ◆ A critical function of this role will be oversight and management of our major contracts (Waste and Leisure).
- ◆ Highly developed organisational skills alongside a methodical and pragmatic approach are key requirements for this role alongside political astuteness and a strong track record working with Members.

Corporate Director of Strategic Finance (and S151 Officer)

- Financial sustainability is a critical Council objective.
- This Director is responsible for developing and reviewing the Councils' Medium Term Financial Strategy with Councillors and other key financial strategies (capital, treasury management etc).
- The post holder has oversight of the budget setting process and future funding strategies.
- The Director is also responsible for representing the Council on key financial issues and policies at a regional and national level – e.g. Business rates policy, national funding formulae, spending reviews etc.
- This role provides financial assurance across the whole organisation and ensures that financial implications of all policies and proposals are properly considered and tested during the development stages.
- The Director is responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place.
- This Director is also the Councils' S151 officer. The post holder must be appropriately qualified and will need to have an extensive knowledge of Local Government finance.

Deputy Chief Executive

The role of Deputy Chief Executive is a set of duties and responsibilities which will be assigned to a member of the Senior Leadership Team (SLT) and will be in addition to their normal duties as a Strategic or Corporate Director.

This role will support the Chief Executive and Lead Members and will enable the provision of independent support and advice to both Councils simultaneously where necessary and will deputise for all responsibilities of the Chief Executive in their absence.

Full role descriptions and person specifications are at Appendices A - D

Section 3: Job Evaluation and Salary range

Using a LGA senior role job evaluation tool, the 4 roles were assessed against the following criteria:

- Knowledge requirement
- Creative thinking required/policy direction involved
- Impact on People / Organisations
- Responsibility for resources

The tool identified that the Customer Service & Delivery and Place & Enterprise roles had a slightly greater level of responsibility and we have therefore designated these roles as Strategic Directors and the remaining two roles as Corporate Directors.

Acting upon the advice of the LGA and taking into account factors such as:

- the relationship to the salary of Chief Executive
- the market rate for similar roles in other local authorities and associated bodies
- the added complexity of working across two Councils
- outcome of the role evaluation

It is proposed that the following salary structure is adopted:

Spinal Column Point	Salary pa
D1	£64,000
D2	£68,000
D3	£72,000
D4	£76,000

To reflect the differing levels of responsibility, the following salary ranges are proposed:

Role	Salary range
Strategic Director	D2 - D4
Corporate Director	D1 – D3

The range recognises the progression that will be made by postholders in the first three years of the role.

Special Responsibility Allowances

The salary range includes all responsibility payments for carrying out additional duties, including Monitoring Officer (and Deputy Monitoring Officer), Section 151 Finance Officer (and Deputy and all current responsibility allowances will be consolidated into the proposed new salary range.

Where the significant additional responsibilities are carried out by an officer other than a member of SLT, a special responsibility allowance may still be payable.

The exception is the special responsibility allowance payable to the officer acting as the Deputy Chief Executive. The Chief Executive will assign the duties after inviting expressions of interest from within the SLT. An additional responsibility allowance of the greater of £8000 pa or 6.5% of the annual salary payable to the Chief Executive will be paid. The payment will not be consolidated and will not attract an annual cost of living increase.

Pay assimilation and progression

Existing staff appointed to the SLT with a salary within the relevant range will be assimilated to the nearest salary point.

Staff appointed from a salary lower than the relevant range will be appointed to the lowest point of the range.

Progression through the salary range will be by annual incremental progression, subject to satisfactory performance.

Performance related pay

Consideration will be given to introducing a link between performance and financial reward in the future. Any performance related pay scheme will be the subject of a separate consultation process.

Section 4: Selection Process

In accordance with the Councils' Managing Organisational Change policy, the roles of Strategic Director for Customer Service & Delivery and Corporate Director for Strategic Finance are considered to be not significantly different to the existing roles of Group Manager for Customer First and Support Services and Strategic Finance respectively. **Therefore it proposed to slot in the existing post holders.**

The roles of Strategic Director for Place & Enterprise and Corporate Director for Governance & Assurance are considered to be significantly different to any existing role and applications are invited for the new roles.

It is proposed that the roles are advertised internally in the first instance. An external advert will only be considered if a suitable candidate is not identified.

Applications are sought from candidates who can meet the requirements set out in the respective person specification. The Chief Executive will shortlist applicants in consultation with the LGA.

The shortlisted applicants will then asked to participate in an assessment centre consisting of:

- ◆ a structured assessment against IMPACT Band A behaviours
- ◆ a 20 minute presentation against a given topic
- ◆ a psychometric tool
- ◆ a topic discussion with the two Leaders

The assessment panel will be chaired by the Chief Executive and advised by a panel consisting of senior Members from both Councils and an independent advisor.

The proposed dates for assessment are 4, 5 and 6 September 2019.

It is proposed that the successful candidates will start their new role from 9 September 2019.

Section 5: Consultation

Comments and suggestions are invited on the proposals set out in this consultation paper. The final proposals will form the basis of a Report to Council in July.

Responses to the consultation should be addressed to SLTconsultation@swdevon.gov.uk and received by midnight on Wednesday 3 July 2019.

Agenda Item 15

At a Meeting of the **OVERVIEW & SCRUTINY COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **11th** day of **JUNE 2019** at **2.00 pm**.

Present:

Cllr M Ewings – Chairman
Cllr P Kimber – Vice-Chairman

Cllr K Ball	Cllr T Bolton
Cllr A Coulson	Cllr L Daniel
Cllr N Heyworth	Cllr K Kemp
Cllr D Moyse	Cllr C R Musgrave
Cllr B Ratcliffe	Cllr T Southcott
Cllr J Spettigue	Cllr L Wood

Chief Executive
Group Manager – Support Services and Customer First
Senior Specialist – Democratic Services
Commissioning Manager
COP Lead – Environmental Health
Senior Specialist – Environmental Health

Also in Attendance:

Cllrs R Cheadle, P Crozier, C Edmonds, N Jory, A F Leech, J B Moody, C Mott, T G Pearce, M Renders, L Samuel and J Yelland

***O&S 1**

APOLOGIES FOR ABSENCE

Apologies for absence for this meeting were received from Cllr P J Ridgers.

***O&S 2**

CONFIRMATION OF MINUTES

The minutes of the Meeting of the Overview and Scrutiny Committee held on 26 March 2019 were confirmed and signed by the Chairman as a true and correct record.

***O&S 3**

DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting but there was none made.

***O&S 4**

PUBLIC FORUM

There were no issues raised during the Public Forum session at this meeting.

***O&S 5 HUB COMMITTEE FORWARD PLAN**

During consideration of the most recently published Hub Committee Forward Plan, the Committee made reference to:-

- (a) the Coastal Concordat agenda item. In response to some questions, the Committee felt that it would be helpful to receive a formal update at its next meeting on the Coastal Concordat;
- (b) the Community Housing Capital Financing agenda item. Members requested that they receive further information specifically in respect of Design Principles and Building Standards at the next Panel meeting on 9 July 2019.

O&S 6 CUSTOMER SATISFACTION ACTION PLAN PROGRESS

The lead Hub Committee Member for Customer First presented a report that detailed the progress that had been made since April 2019 on improving customer satisfaction levels. The report also included recommended next steps to continue to improve the customer experience by further honing the Council website to pre-empt customer needs and manage expectations.

In discussion, reference was made to:-

- (a) the 2019 Customer Satisfaction Survey. The Committee asked that the full results of the 2019 Survey be presented to its meeting on 19 November 2019;
- (b) call volumes. Whilst some emphasis was given to waste and recycling, officers confirmed that there was a month on month reduction in telephone calls being received by the Council across all of its service areas;
- (c) obtaining customer feedback. The overriding view of the Committee was that customer feedback was more important than locally generated performance measures in making improvements in customer satisfaction levels. In terms of feedback already gleaned, there were common themes around officers not keeping customers sufficiently informed and the need for the Council to develop a 'get it right first time' culture;
- (d) receiving quarterly updates. Whilst Members were supportive of the suggestion that they receive quarterly progress updates in the future, officers did assure the Committee that this could be revisited again should it be felt necessary to increase the frequency of reporting.

It was then:

RECOMMENDED

That the Hub Committee be **RECOMMENDED** to:

1. note and comment on the progress made to date in improving customer satisfaction (as detailed in section 3 of the agenda report presented to the Committee); and
2. endorse the next steps (as outlined in section 5 of the agenda report presented to the Committee).

***O&S 7 FOOD SAFETY SERVICE PLAN**

The Committee considered a report that provided Members with the opportunity to agree and comment upon the Food Safety Service Plan 2019/20.

In discussion, the following points were raised:-

- (a) Members paid tribute to the team's performance in maintaining a 100% food safety inspection rate in each of the last two years. In so doing, the Committee was also informed that very few local authorities achieved this level of performance;
- (b) With regard to the emphasis being placed on public health, whilst Devon County Council (DCC) had primary responsibility, officers confirmed that the Borough Council was committed to working closely with DCC to make progress in this area.

It was then:

RESOLVED

That the Committee:

1. has had the opportunity to agree and comment upon the Food Safety Service Plan 2019/20; and
2. acknowledges the excellent performance of the Food Safety Team that is demonstrated by the achievement whereby 100% of food safety inspections had been carried out in 2018/19.

***O&S 8 ANNUAL WORK PROGRAMME 2019/20**

The Committee considered its first draft version of its Work Programme for the 2019/20 Municipal Year. In discussion, it was agreed that:

- After the first Joint Local Plan update had been presented to the Committee meeting on 9 July 2019, then consideration of this matter on a quarterly basis would be sufficient;
- It would be timely for the Member Development Steering Group to review the effectiveness of the 2019 Member Induction Programme, with the Group findings then being presented to the Committee at its meeting on 19 November 2019;
- In advance of the 'Peer Challenge Action Plan – Progress Update' agenda item being considered at the Committee meeting on 9 July 2019, it was requested that a copy of the Peer Review Concluding Report and Action Plan should be circulated to all Members;
- Such was the significance of the issue, that the Committee requested that officers produce an update report on the 'A386 Transport Corridor / Tavistock Rail' for consideration at its next meeting on 9 July 2019. Members felt that, depending on the outcome of the debate on this agenda item, it may then be appropriate to invite Devon County Council representatives to attend a future Committee meeting.

(The meeting terminated at 3.30 pm)

Chairman

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