

West Devon Hub Committee



West Devon
Borough
Council

Title:	Agenda
Date:	Tuesday, 17th December, 2019
Time:	11.15 am
Venue:	Butchers' Hall, Tavistock PL19 0AL
Full Members:	<p style="text-align: center;">Chairman Cllr Jory Vice Chairman Cllr Samuel</p> <p><i>Members:</i> Cllr Edmonds Cllr Moody Cllr Mott Cllr Pearce Cllr Leech Cllr Sellis Cllr Cheadle</p>
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

To approve and adopt as a correct record the Minutes of the Meeting of the Hub Committee held 5 November 2019

1 - 6

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

6. Hub Committee Forward Plan

7 - 10

7. Revenue Budget Monitoring Q2 - Cllr Edmonds

11 - 22

8. Capital Budget Monitoring Q2 - Cllr Edmonds

23 - 32

9. Draft Revenue Budget Proposals 2020/21 - Cllr Jory

33 - 72

10. Draft Capital Budget Proposals 2020/21 - Cllr Jory

73 - 88

11. Write Off Report Q2 -Cllr Edmonds

89 - 98

12. Reports of other bodies - Overview and Scrutiny Committee 19 November, 2019, to approve the following recommendation under Minute Ref: O&S 54:

99 - 106

That the results from the Customer Satisfaction Survey be welcomed and the Hub Committee be **RECOMMENDED** to approve the actions contained within Section 5 of the presented agenda report that are headed as follows:

- Customer Service Improvement Manager;
- Complaint Handling Review;
- Staff Meetings, Performance Monitoring and Training;
- IT Procurement and Improvement;
- Continued Surveying; and
- Progress Reporting.

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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 **5th** day of **NOVEMBER 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
Deputy Chief Executive
Section 151 Officer
Strategic Planning Manager (Joint Local Plan)
Housing Specialist
Commissioning Manager
Assets Senior Specialist
Specialist Democratic Services

Other Members in attendance:

Cllrs P Crozier; M Ewings; N Heyworth; S Hipsey; C Kemp; P Kimber; D Moyse; R Musgrave; B Ratcliffe; M Renders; T Southcott; J Spettigue

***HC 42 DECLARATIONS OF INTEREST**

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

***HC 43 MINUTES**

The Minutes of the Hub Committee meeting held on 10 September 2019 were confirmed and signed by the Chairman as a correct record.

***HC 44 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.

The contents of the Forward Plan were agreed.

HC 45 BUDGET UPDATE REPORT 2020/21 TO 2024/25

Members were presented with a report that set out the current forecasted budget gap for 2020/21, and the further gap for 2021/22, and up until 2024/25. Changes to the Medium Term Financial Strategy since it was approved in September 2019 were set out within the report.

The Leader introduced the report, and the Leader and s151 Officer responded to questions of clarity.

Members had a detailed debate on the third recommendation of the report, which sought authority to withdraw 100% Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020. Some Members felt it would better serve Town and Parish Councils to stagger the withdrawal of the Council Tax Support Grant, particularly in light of the consultation responses received. However, other Members noted that to delay the withdrawal could adversely impact Town and Parish Councils, particularly if a council tax referendum limit on raising precept levels for Town and Parish Councils was introduced by Central Government in 2021/22. On balance, the Committee agreed with the recommendation as set out in the presented report.

It was then **RESOLVED** that:

1. the forecast budget gap for 2020/21 of £225,084 and the position for future years be noted;
2. the current options identified and timescales for closing the budget gap in 2020/21 and in future years, to achieve long term financial stability, be noted;
3. the results of the consultation exercise with Town and Parish Councils on the Council Tax Support Grant (set out in presented Appendix C) be considered, and Council be **RECOMMENDED** to withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020 by 100% as part of the budget process; and
4. the revised Terms of Reference for the Financial Stability Review Group be agreed.

*HC 46

PLYMOUTH AND SOUTH WEST DEVON SUPPLEMENTARY PLANNING DOCUMENTS

Members were presented with a report that sought approval to publish the Supplementary Planning Documents (SPD) for public consultation. The purpose of the SPD was to add further detail and guidance to the policies in the adopted Joint Local Plan (JLP). The SPD would be a material consideration when making decisions on planning applications in the JLP area.

The Lead Member for Environment introduced the report. The Strategic Planning Manager confirmed that the SPD was guidance to support the Plymouth and South West Devon Joint Local Plan, and not policy. In respect of the weight to be afforded to the SPD, he advised that it should be very little, at least until after the consultation had been completed.

It was then **RESOLVED** that:

1. Publication for consultation purposes, of the Plymouth and South West Devon Supplementary Planning Document and its two companion documents, the Developer Contribution Evidence Base and the Traditional Farm Buildings: Their adaptation and re-use (Barn Guide), be approved; and
2. Authority be delegated to the Director of Place and Enterprise, in consultation with the **Page 2** and Lead member for Environment, to make presentational and minor amendments to the SPD for consultation.

***HC 47 STATEMENT OF COMMUNITY INVOLVEMENT**

Members were presented with a report that sought approval to consult on the draft Statement of Community Involvement (SCI). Approval had been granted by Plymouth City Council, and South Hams District Council. The purpose of the SCI was to establish protocol, process and objectives associated with consultations on planning matters. It met a statutory requirement of the Planning Regulations 2019.

The Lead Member for Environment introduced the report.

There being no debate, it was then **RESOLVED** that:

1. Publication of the Statement of Community Involvement, for consultation purposes, be approved; and
2. Authority be delegated to the Director Place and Enterprise, in consultation with the Leader and Lead Member for Environment to make presentational and minor amendments to the SPD prior to consultation.

HC 48 COUNCIL TAX REDUCTION SCHEME 2020/21

Members were presented with a report that set out the annual requirement for Councils to revisit their existing council tax support schemes and make a decision as to whether to replace or revise them.

The Lead Member for Health and Wellbeing introduced the report. A number of Members stated how pleased they were with how the scheme had worked and that officers should be congratulated.

It was then **RESOLVED** that Council be **RECOMMENDED** to continue with the existing Council Tax Reduction Scheme for 2020/21 with no changes.

***HC 49 ACCESS TO SERVICES – A BOROUGH WIDE REVIEW**

Members were presented with a report that provided a set of recommendations to support access to Council services throughout the Borough through a range of different channels, namely web, telephone, face to face contact and through partner agencies.

The Lead Member for Customer First introduced the report. He and the Commissioning Manager responded to a number of detailed questions of clarity. The Chief Executive concluded the questions by reminding Members that the issue for the Council to consider was to look at the most appropriate way for people to access the Council services.

It was then **RESOLVED** that:

1. Promotion of online services for those able to self-serve be increased;
2. Support to those most in need with home visits be continued;
3. Partnership working be continued;
4. Assisted self-service at the Council's Tavistock Reception be developed;
5. Coverage of the Council outreach be refocused and extended borough wide; and
6. The effectiveness of the above be reviewed by the Hub Committee within six months of their implementation.

***HC 50 PARTNERSHIP FUNDING**

Members were presented with a report that provided feedback from each of the partners the Council currently funds.

The Lead Member for Communities introduced the report. He and the Commissioning Manager responded to questions of clarity. Members had a full debate on this item, and it was confirmed in response to questions that the funding would be awarded to partners for a three year term, would be subject to a legally binding agreement and would be reviewed by officers annually to ensure efficient and effective service delivery and any changes of circumstance that might affect the arrangement. The majority of Members agreed that the partners should each be awarded the amount of funding set out in their Partnership Funding Submission Forms, (taking account of the South West Youth Games – Planet Earth Games who advised that funding was no longer required). It was suggested that the South West Youth Games funding could be used to support other service provision for example funding to Tavistock Area Support Services should a project be forthcoming.

It was then **RESOLVED** that:

1. The feedback given by each partner had been considered and evaluated based on local need, alignment to the Council's Corporate Strategy and statutory duty;
2. The following partners be awarded funding as follows for the next three years:-
 - Citizens Advice Torridge, North, Mid and West Devon - £32,900
 - West Devon Community and Voluntary Services (CVS) - £5,100
 - Junior Life Skills - £2,510
 - Okehampton Community Recreation Association (OCRA) - £1,333
 - Okehampton & District Community Transport Group - £6,533
 - Tavistock Ring & Ride - £6,533, provided a service still continues
 - Young Devon - £2,500
 - Heart of the South West Local Enterprise Partnership (LEP) - £5,000
 - Tamar Estuaries Consultative Forum - £4,624 + 2.75%
 - Tamar Valley Area of Outstanding Natural Beauty - £8,835
 - Cornwall & West Devon Mining Landscape World Heritage Site Partnership Board (WHS) - £4,000; and
3. No alternative or additional commissioning opportunities be made available at this stage.

***HC 51 KILWORTHY PARK STRATEGIC ACCOMMODATION REVIEW**

Members were presented with a report that updated them on the findings of the Accommodation Working Group in considering future plans for Kilworthy Park.

The Leader introduced the report. The Leader and Senior Specialist Assets responded to questions of clarity and pointed out that remaining at Kilworthy did represent value for money, particularly when compared with the cost of moving accommodation. Tenants would continue to be sought for the appropriate parts of the building, which would further improve the value for money for the Council. In addition, the Leader advised that the Group had requested a review of the annual amount paid to South Hams District Council for the cost of shared service provision.

It was then **RESOLVED** that:

1. The proposals from the Accommodation Working Group (AWG) for the Council to remain at Kilworthy Park, noting that at the current time the Council's occupation of the property represents good value for money, be approved; and
2. The options presented to the Accommodation Working Group and outlined in section 3 of the report be reviewed and the findings and recommendations agreed;
3. that a review be undertaken of the annual amount paid by the Council to South Hams District Council, for the cost of the shared service provision and the far greater footprint used at Follaton House for the provision of some frontline services (call centre) and all back office functions.

***HC 52 LEAD MEMBER UPDATE**

Cllr Mott (Lead Member for Environment) had circulated a paper in advance of the meeting and confirmed that it would be circulated to all Members in due course.

(The meeting terminated at 4.15 pm)

Chairman

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTES HC 45 PART 3, AND HC 48, WHICH ARE RECOMMENDATIONS TO THE FULL COUNCIL MEETING ON 17 DECEMBER 2019, WILL BECOME EFFECTIVE FROM WEDNESDAY 13 NOVEMBER 2019 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

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WEST DEVON BOROUGH COUNCIL: HUB COMMITTEE FORWARD PLAN

This is the provisional forward plan for the four months starting November 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
Council	Title: Write Off Report for Quarter 2 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	17 December 2019	
Council	Title: Revenue Budget Monitoring Quarter 2 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	17 December 2019	
Council	Title: Capital Budget Monitoring Quarter 2 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	17 December 2019	
Council	Title: Draft Revenue Budget Proposals 2020/21 Purpose: To present draft budget proposals for 2020/21	Lisa Buckle/Cllr Jory	Report of s151 Officer	17 December 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: Draft Capital Programme Proposals 2020/21 Purpose: To present draft Capital Programme Proposals for 2020/21	Lisa Buckle/ Cllr Jory	Report of s151 Officer	17 December 2019	
Council	Title: Revenue Budget Proposals 2020/21 Purpose: To present budget proposals for 2020/21	Lisa Buckle/Cllr Jory	Report of s151 Officer	28 January 2020	
Council	Title: Capital Programme Proposals 2020/21 Purpose: To present Capital Programme Proposals for 2020/21	Lisa Buckle/Cllr Jory	Report of s151 Officer	28 January 2020	
Enterprise	Title: Formation of a wholly owned company Purpose of Report: To consider the formation of a wholly owned company to facilitate commercial activity	C Brook/ Cllr Cheadle	Report of Head of Assets	28 January 2020	
Council	Title: Write Off Report for Quarter 3 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	28 January 2020	
Council	Title: Revenue Budget Monitoring Quarter 3 Purpose of report: A revenue budget monitoring report to monitor income and	Pauline Henstock/ Cllr Edmonds	Report of Head of Finance Practice	28 January 2020	

Portfolio Area	Report Title and Summary	Lead Officer/ Member	Documents to be considered in making decision	Date of Meeting	Consultees and means of consultation
	expenditure variations against the approved revenue budget for 2019/20, and to provide a forecast of the year end position				
Council	Title: Capital Budget Monitoring Quarter 3 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	28 January 2020	
Environment	Title: Pre Application Process in Planning Purpose of report: To consider and approve the updated pre application process	Pat Whymer/Cllr Mott	Report of the Head of Development Management Practice	28 January 2020	
Health and Wellbeing	Title: Wellbeing Strategy Purpose of report: To recommend to Members the adoption of key wellbeing priorities and associated outcomes	Ian Luscombe/Cllr Leech	Report of the Head of Environmental Health Practice	17 March 2020	

Report to: **Hub Committee**

Date: **17 December 2019**

Title: **Quarter 2 Revenue Monitoring 2019/20**

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

Wards Affected: **All**

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

Date next steps can be taken: **After Call In 27 December 2019**

Author: **Roderick Hewson** Role: **Finance Business Partner**
Pauline Henstock **Head of Finance Practice and Deputy S.151 Officer**

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Recommendations:

1. It is recommended that the Hub Committee resolves to note the forecast income and expenditure variations for the 2019/20 financial year and the overall projected underspend of £54,000.

1. Executive summary

- 1.1 The report enables Members to monitor income and expenditure variations against the approved budget for 2019/20, and provides a forecast for the year end position.

2. Background

- 2.1 The Council's finance procedure rules require budget monitoring reports to be made on a regular basis to the Hub Committee as part of the Council's arrangements for budget management.

3. Outcomes/outputs

Budget Overview

- 3.1 The gross service expenditure budget for 2019/20 was set at £20.5 million (£7.08 million net). **The actual net revenue expenditure is forecast to be underspent by £54,000 when compared**

against the total budget set for 2019/20. The largest variances relate to the strong performance of the Council's Commercial Property Investments and the surplus generated by the Council's membership of the Devon Business Rates Pool, offset by a shortfall in car parking income.

Variances against budget

3.2 Table 1 below provides an analysis of the projected variances against budget.

TABLE 1: 2019/20 BUDGET FORECAST

	2019/20 Budget expenditure /(Income)	Budget variations		£'000	Note
		%	£'000		
	£'000			£'000	
APPROVED BUDGET				7,079	
Reductions in expenditure/additional income					
Customer First					
Street Naming & Numbering	-	-	(15)		A
Housing Benefit admin subsidy	(106)	(23.6%)	(25)		B
Employment Estates income	(290)	(8.6%)	(25)		C
Financing and Investment					
Commercial Property net investment income	(200)	(25.0%)	(50)		D
Other Comprehensive Income & Expenditure					
Business Rates Pool income	(40)	(150%)	(60)		E
Subtotal of variations				(175)	
Increases in expenditure/reductions in income					
Commercial Services					
Car Parking income	(1,006)	6.0%	60		F
Customer First					
St James, Okehampton	-	-	10		G
Local Land Charges income	(110)	18.2%	20		H
Planning income	(387)	3.9%	15		I
Strategy & Commissioning					
Corporate Management – payment collection expenses	7	228.6%	16		J
Subtotal of variations				121	
PROJECTED OUTTURN				7,025	
PROJECTED UNDERSPEND				(54)	

Notes

- A. **Street Naming & Numbering** – this is a statutory function provided by the Council that generates a small amount of income that has not been budgeted for and therefore gives rise to a forecast surplus of £15,000.
- B. **Housing Benefit administration subsidy** – it is anticipated that the subsidy grant for Housing Benefit administration is likely to exceed the income budget by £25,000.
- C. **Employment Estates income** – the Assets team have continued to increase occupancy levels at our Employment Estate units and therefore a surplus of £25,000 is forecast.
- D. **Commercial Property net investment income** – Commercial Property Investments continue to perform well and as such are giving rise to a forecast surplus of £50,000 in 2019/20.
- E. **Business Rates Pool income** – the forecast pooling gain is split between the members of the pool. West Devon's share is £100,000 against a budget of £40,000, meaning a £60,000 surplus is anticipated.
- F. **Car Parking income** – a shortfall in car parking income of £60,000 is currently projected from the first six months of data. However, it is acknowledged this figure could fluctuate during the year depending on parking levels during the winter months.
- G. **St James, Okehampton** – this variance of £10,000 relates to the business rates and utility costs in respect of St James, Okehampton for which the Council is still liable.
- H. **Local Land Charges income** – income for Local land Charges is expected to be short of target by approximately £20,000 in 2019/20.
- I. **Planning income** – a planning income shortfall of £15,000 is currently anticipated for 2019/20. However, this is a volatile area which can be very difficult to forecast given the impact of large applications so there is every likelihood that the income will fluctuate as the year progresses.
- J. **Payment collection expenses** – in line with 2018/19, the budget for bank processing fees and internet/card processing fees is anticipated to be exceeded. The current projection is an overspend of £16,000 in 2019/20.

3.3 Savings/Additional Income identified in the 2019/20 Budget

This monitoring report includes an update on the position regarding the savings and additional income that were identified in the 2019/20 budget setting process. Please see Appendix B for further information.

4. Management Actions

- 4.1 The table below sets out the relevant management actions for the revenue expenditure and income variations shown above. It is best practice for the Council to state whether there are any corrective actions that need to be taken for the variances identified in 2019/20.

	Budget variations overspend/ (underspend) £'000	Management Action
Reductions in expenditure/ additional income		
Street Naming & Numbering	(15)	It is proposed that this amount be included in the budget for 2020/21.
Housing Benefit administration subsidy	(25)	No remedial action required.
Employment Estates income	(25)	It is proposed to increase the income target for Employment Estates by £25,000 for 2020/21.
Commercial Property net investment income	(50)	The Council will continue to monitor the performance of these investments, as well as seeking any further investment opportunities that fits within its Commercial Property Strategy. An additional income target of £80,000 has been built into the 2020/21 budget.
Business Rates Pool income	(60)	A pooling gain of £110,000 is anticipated for 2020/21. This will be reflected in the 2020/21 budget accordingly.
Car Parking	60	Income levels will be kept under review in 2019/20.

	Budget variations overspend/ (underspend)	Management Action
St James, Okehampton	10	A planning application for a change of use of St James, Okehampton has been approved.
Local Land Charges income	20	A reduction in the income target of £15,000 has been built into the 2020/21 budget
Planning income	15	Income levels will be kept under review in 2019/20.
Payment collection expenses	16	A cost pressure of £20,000 has been built into the 2020/21 budget.

5. Prudential Indicators

- 5.1 The prudential code indicators were approved in the Treasury Management Strategy report approved by Council on 26 March 2019. The indicators are monitored during the year through the normal revenue and capital monitoring processes. Any exceptions are reported to the Audit Committee. To date all Treasury Management limits have been adhered to. The Treasury Management Indicators set out the level of predicted capital expenditure and borrowing requirements.

6. Review of Earmarked Reserves

- 6.1 The Council annually undertakes a review of the level of its Earmarked Reserves as part of the budget setting process. A schedule of Earmarked Reserves is attached at Appendix A with their proposed use.
- 6.2 Annually transfers are made from Earmarked Reserves to the Comprehensive Income and Expenditure Account as part of the closure of the end of year Accounts.

7. Income and Reserves

- 7.1 Income monitoring is an integral part of financial management. Current income forecasts are as follows:

Service	Actual Income 2018/19	Income Budget 2019/20	Projected Income 2019/20	Deficit/ (Surplus)	Deficit/ (Surplus)
	£'000	£'000	£'000	£'000	%
Car Parks	938	1,006	946	60	6.0%
Employment Estates	319	290	315	(25)	(8.6%)
Land Charges	85	110	90	20	18.2%
Planning income	547	387	372	15	3.9%
Recycling Credits	266	265	265	-	-
Investment Income	91	90	90	-	-
Commercial Property gross rental income - Note A	955	1,108	1,187	(79)	(7.1%)
TOTAL	3,201	3,256	3,265	(9)	(0.3%)

Note A

The commercial property income figures above relate to the gross rental income for 2019/20. The favourable income variance included in the monitoring report of £50,000 is a net figure anticipated for 2019/20 after deducting all relevant costs (e.g. borrowing costs) from the rental income.

The decision on the level of balances and reserves is taken during the formulation of the annual budget and the medium term financial strategy. As a matter of prudence the Council has set aside various amounts in reserves to cover future liabilities and items of expenditure and these are attached as Appendix A.

8. Options available and consideration of risk

- 8.1 At this early stage it is important to note that these forecasts can change over the course of the year. Managers can seek out opportunities to reduce any overspends, whilst considering the risk of any adverse impact on the customer experience.

9. Proposed Way Forward

- 10.1 Revenue budget monitoring will continue on a regular basis and further reports will be brought to the Hub Committee each quarter.

10. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		The Statutory Powers that apply to this report are the Local Government Act 1972 Section 151 and the Local Government Act 2003 Section 28.
Financial implications to include reference to value for money		The report identifies an overall underspend of £54,000 which equates to 0.8% of the overall net budget set for 2019/20 of £7.08 million, mainly due to the Business rates Pool and the strong performance of the Commercial Property Investments.
Risk		<p>Budget variances – continual budget monitoring at all levels within the Council ensures early identification of variances. Reporting to the Hub Committee provides an opportunity for Members to identify and instigate remedial action where appropriate.</p> <p>Resource Planning – the Hub Committee takes into account any significant issues when developing the Council’s Medium Term Financial Strategy. These are identified in the Management Actions section of the report (Section 4).</p>
Supporting Corporate Strategy		The budget monitoring process supports all six of the Corporate Strategy Themes of Council, Homes, Enterprise, Communities, Environment and Wellbeing.
Climate Change - Carbon / Biodiversity Impact		None directly arising from this report.
<i>Comprehensive Impact Assessment Implications</i>		
Equality and Diversity		None directly arising from this report.
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.
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Supporting Information

Appendices:

Appendix A – Reserves

Appendix B – Savings/Additional income Schedule

Background Papers:

Finance Community of Practice budget monitoring working papers
Budget Update Report 2020/21 – Hub Committee 5 November 2019

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	N/A

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NOT FOR PUBLICATION

Appendices A & B to this report contain exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972

Report to: **Hub Committee**
Date: **17 December 2019**
Title: **Capital Budget Monitoring 2019/2020**
Portfolio Area: **Performance & Resources – Cllr C Edmonds**
Wards Affected: **All**

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

Author: **Angela Endean** Role: **Accountant**
Pauline Henstock **Head of Finance Practice**

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Recommendations:

It is recommended that the Hub Committee resolves:-

- i. To endorse the contents of the Report.

1. Executive summary

The report advises Members of the financial position as at 30th September 2019 for the purposes of budget monitoring. **All capital projects are within the individual capital budgets approved by Members.**

The total capital budget for 2019/20 is £7,532,193 of which £312,047 has been spent to date (Appendix A).

The capital programme is currently underspent in comparison to the budgets. This is mainly due to the capital schemes for the Tavistock Temporary Accommodation Development and the Community Housing Schemes at Brentor and Lamerton being in the early stages. Expenditure on Improvement Grants (Disabled Facilities Grants) is £268,295 at Month 6, compared to the budget for 19/20 of £985,418.

2. Background

The capital programme for 2019/20 was approved by Council on 12 February 2019 (CM53 and HC74 refer). This report provides an update on the Capital Programme.

3. Outcomes/outputs

Members are requested to note the following updates on Capital Projects:

Community Project Grants (previously Village Hall & Community Project Grants)

There is no additional budget allocation for Community Project Grants in 2019/20 however there is a budget of £41,195 from underspends in previous years.

Expenditure to date in 2019/20 is £3,960, any unspent funds in this financial year will be retained for projects in 2020/21.

Affordable Housing

The budget for Affordable Housing in 2019/20 is £50,000. The budget brought forward from previous years is £89,000 giving a total of £139,000 available in 2019/20.

In recent times the capital programme has facilitated affordable housing developments in rural areas by providing a sum of money, normally between £10,000 and £15,000 per plot, to enable the development to proceed. These schemes are typically on exception sites and therefore do not rely on cross subsidy from open market properties, evidence from a Registered Provider (RP) is provided to ensure additional money is required to make the scheme viable. Money is normally required where there are abnormalities on the site or there is a shortage of public subsidy.

Private Sector Renewals including Disabled Facilities Grants (DFG's)

As at the end of September (Month 6), £268,295 has been spent compared to the budget for 19/20 of £985,418.

A further £304,641 has already been approved (committed) and there are further Statements of Need being progressed which total another £213,149.

Waste Fleet

The Council is in discussions with the Waste Contractor, FCC, with regard to the timing of purchases in 2019. It is envisaged that the budget will be utilised in 2019/20. There is no expenditure to the end of September (month 6) however there are commitments of just under £140,000.

A climate change action plan will be presented to Members at the Council meeting on 17th December, 2019. This action plan will include future considerations around the Council's fleet.

Community Housing Schemes

The Community Housing Strategy was put in place to support the development of homes accessible to those with local connections for whom the cost of market housing (to purchase and rent) is beyond their reach.

A budget of £4.3m was approved within the 2019/20 capital programme. This budget will be used to build out two community housing schemes at Brentor and Lamerton.

A planning application is to be submitted for 12 residential units in Brentor. It is anticipated that this should be determined by the end of 2019 with construction completion targeted for the end of 2020.

The proposal to build 17 residential units in Lamerton is dependent on support by Lamerton Parish Council. If the scheme is not taken forward, the funding allocated will be deployed elsewhere (the funding is through PWLB borrowing).

Tavistock Viaduct

WDBC officers have been seeking further advice from DCC's Bridges Team as to the level of maintenance work required on the viaduct.

The early indications are that this can be limited to further vegetation clearance and some drainage improvements.

4. Options available and consideration of risk

This is considered on a project by project basis as part of the project appraisal document and initial business case for each capital project.

5. Proposed Way Forward

This is considered on a project by project basis.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Statutory powers are provided by the S1 Localism Act 2011 general power of competence.</p> <p>The capital programme is implemented in line with the Council's legal requirements, which are examined on a project-by-project basis. To date there are no undue legal concerns.</p>
Financial Implications to include reference to Value for Money		<p>The total capital budget for 2019/20 is £7,532,193 of which £312,047 has been spent as at 30 September 2019 (Appendix A).</p> <p>All the capital projects are within the individual capital budgets approved by Members.</p>

		The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.
Risk		<p>There is a risk that the Capital Programme does not meet the Council's corporate priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities. The mitigation is that there is a project appraisal for each proposal. This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.</p> <p>The Council demonstrates that capital investment contributes to corporate priorities, provides value for money and takes account of the revenue implications of the investment. Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p>
Supporting Corporate Strategy		The Capital Programme supports all six of the Corporate Themes of the Council, Homes, Enterprise, Communities, Environment and Wellbeing.
Climate Change - Carbon / Biodiversity Impact		A climate change action plan will be presented to Members at the Council meeting on 17 th December, 2019. This action plan will include future considerations of the Council's waste fleet.

Comprehensive Impact Assessment Implications		
Equality and Diversity		This matter is assessed as part of each specific project.
Safeguarding		This matter is assessed as part of each specific project.
Community Safety, Crime and Disorder		This matter is assessed as part of each specific project.
Health, Safety and Wellbeing		This matter is assessed as part of each specific project.
Other implications		None

Supporting Information

Appendices:

Appendix A – Details of capital expenditure to 30th September 2019
Appendix B – Details of Exempt schemes approved as part of the 2019/20 Capital Budget and Purchase of Land at Okehampton

Background Papers:

Capital Budget proposals for 2019/20 - Council 12 February 2019 (CM53 refers)

Capital Budget proposals for 2019/20 – Hub 29 January 2019 (HC74 refers)

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

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Report to: **Hub Committee**
Date: **17 December 2019**
Title: **Revenue Budget Proposals for 2020-21**
Portfolio Area: **Cllr N Jory – Budget Setting Process**

Wards Affected: **All**

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

Date next steps can be taken:
14 January 2020

Author: **Lisa Buckle** Role: **Corporate Director for Strategic Finance (S151 Officer)**

Contact: Email: lisa.buckle@swdevon.gov.uk

Recommendations:

It is recommended that the Hub Committee:

- (i) Notes the forecast budget gap for 2020/21 of £16,284 (a near balanced budget) and the position for future years (a projected £0.367 million budget gap in 2021/22)
- (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
- (iii) Resolves to request the views of the Overview and Scrutiny Committee on the Revenue Budget Proposals set out within this report for 2020/21.

That the Hub Committee requests the views of the Overview and Scrutiny Committee on the Fees and Charges below which form part of the Revenue Budget Proposals for 2020/21:

- (iv) To approve the proposed Environmental Health charges in Appendix D.*
- (v) To approve the proposed unchanged fees and charges set out for Development Management in Appendix C.*
- (vi) To approve that charges be introduced for the use of the existing electric charging points at Kilworthy Park.*
- (vii) To approve the introduction of Proof of Life charges with immediate effect, once approval from Members has been received as set out in paragraph 5.13.*
- (viii) To approve the changes to S257 Footpath Diversion Orders charges with immediate effect, once approval from Members has been received as set out in paragraph 5.14.*
- (ix) To approve the proposals to increase charges to Parish and Town Councils for the emptying of dog waste and litter bins as set out in paragraph 5.15*
- (x) delegated authority is given to the Section 151 Officer and the Portfolio Holder to set the Local Land Charges as appropriate for cost recovery.*

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. Between 2009/10 and 20/21, the Council's Core Government funding has reduced by £3 million.
- 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. 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.
- 1.3 The latest Budget position for the Revenue Budget for 2020/21 is set out in this report. In the Modelling in Appendix B, ***the total projected budget gap is £16,284 in 2020/21 (a near balanced budget) and this is predicted to increase to £367,937 in 2021/22*** (the £367,937 assumes the budget gap in 20/21 of £16,284 has not been closed). The aggregated Budget Gap is £1.41 million.

- 1.4 A Members' Budget Workshop was held on 12th November. The results of the Members' Budget Survey have been circulated to all Members. A total of twenty two responses were received to the survey. Based on those results, the following changes have been reflected within this latest budget report:-
- A Climate Change Policy Officer (a two year temporary post) has been included at a cost of £25,000 per annum
 - The business rates pooling gain has been increased by £30,000 to £110,000 in 2020/21
 - Following the Triennial Pension Revaluation (see 2.12), the Council has been notified that its Pension Deficit has reduced from £7.116m (75.8% funded) at 31.3.2016 to £5.076m (84.3% funded) at 31.3.2019. This will result in a reduction in the Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019) of £175,000 per annum (see 2.13)
 - The primary rate, the employer's pension contribution rate is increasing by 1.5% for WDBC from 13.3% to 14.8% producing a cost pressure of £75,000 per annum from 2020/21 for the next three years (see 2.11). The Devon Pension Fund in general is experiencing a 2% increase in the primary rate due to the change in financial assumptions.
 - A £4,800 saving per annum from the introduction of a premium planning service
 - Additional treasury management income of £15,000 per annum, from the investment of an extra £0.5million in the CCLA (see 2.27 for details)
 - Additional employments estates income of £25,000 per annum
 - An annual income from street naming and numbering of £15,000 per annum
 - Corporate consultancy income of £10,000 per annum
 - A reduction in ICT contracts of £8,000 per annum
 - Modelling work will be carried out on car parking fees to model the effect of increasing fees by approximately 4% in 2020-21 (£40,000) and to review the range of current tariffs in different car parks. This is on the basis that car parking fees would not be increased in 2021-22. The last time fees were increased was in July 2018. This will be the subject of a future report to the Hub Committee.
 - The latest Quarter 2 Budget Monitoring report shows that car parking income is expected to underachieve its income target for 2019/20 of £1,006,000 by 6% (£60,000). Therefore no increase in car parking income has been built into Appendix A for the 2020/21 Budget as the increase in fees is likely to only meet part of the current shortfall in budgeted income.
- 1.5 There are estimated one off redundancy and pension strain costs following the Senior Leadership Team and Extended Leadership Team restructure of £25,000 per annum for three years.

- 1.6 In addition, three temporary housing posts (shared with South Hams District Council) have been proposed in this report to be made permanent, to be funded by the Flexible Homelessness Government grant funding, to provide stability of resource within the Council's Housing team. The wdbc share of costs is £32,500. This does not create a cost pressure on the 'bottom line' as the cost pressure is offset by the government grant income (both the cost and the income are budgeted for), therefore there is a neutral impact on the budget.
- 1.7 Members' views are also sought on including an Economy post (shared with South Hams District Council) within the staffing establishment going forward, to be funded from the business rates pooling gains, to further drive the Council's economic aims and the Enterprise strategic theme, creating places for enterprise to thrive and business to grow. The cost of this post is expected to be around £25,000 per annum (WDBC share). Currently, this cost has not been built in to Appendix A as a budget pressure for 2020/21 onwards.
- 1.8 **Income from fees and charges**
The fees and charges outlined in this report in Section 5 are expected to either be cost neutral or to have a non-material impact in 2020/21. Therefore no additional income has been built into the budget for 2020/21 for these.
- 1.9 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 have met monthly since September 2019 and report to the Overview and Scrutiny Committee on a regular basis.

2. BACKGROUND

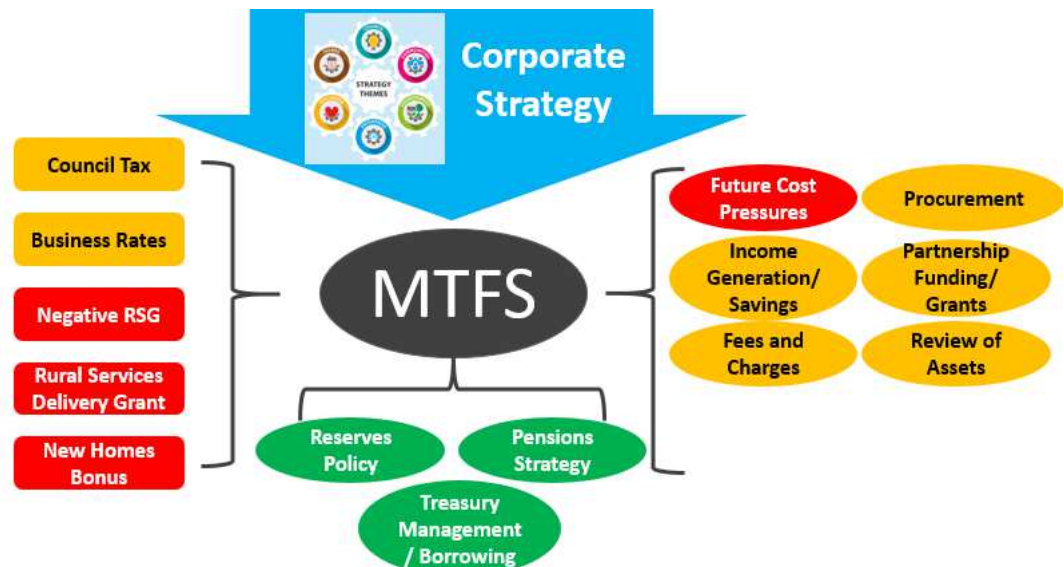
- 2.1 The Medium Term Financial Strategy (MTFS) report was approved by Council in September 2019. A Budget update report was presented to the Hub Committee on 5th November 2019 and reflected the following changes:-
- Negative Revenue Support Grant has been assumed to be withdrawn by the Government for 2020-21 (one year only)
 - A council tax referendum limit of the higher of £5 or 1.99% has been assumed
 - Rural Services Delivery Grant has been assumed to be paid at the same level in 2020/21 as in 2019/20 – i.e. £464,365
 - The provision for a pay award has been increased from 1% to 2% for each year of the Medium Term Financial Strategy. This is subject to national negotiation on an annual basis. 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 financial planning of the Council.

- Two planning enforcement posts (the WDBC share of costs) have been included within the cost pressures.
- The Public Lavatories Bill has been dropped due to the proroguing of Parliament. Therefore the savings from business rates not being payable on public toilets (£18,000) will be delayed until at least 2021-22. This does not change any of the previous discussions between Town and Parish Councils and the Borough Council on public conveniences and the Borough Council would not be seeking to re-open discussions due to the Public Lavatories Bill being delayed.

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

The Diagram below sets out all of the component parts which constitute the make-up of a Medium Term Financial Strategy. 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.

2019/20 Net Budget £7.1 million



2.3 Technical consultation on Local Government Finance Settlement

On 3rd October, a technical consultation on the Finance Settlement for 2020-21 was issued by the Government, with the consultation closing on 31st October. A copy of the Council's response to the consultation was circulated to all Members in the Members' Bulletin.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/836539/Local Government Finance Settlement 2020-21 Technical Consultation .pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/836539/Local_Government_Finance_Settlement_2020-21_Technical_Consultation_.pdf)

2.4 The main items within the consultation were as follows:

- Spending Round 2019 - There will be a one year Spending Round for 2020-21 and plans for a more substantial Spending Review for 2021-22 onwards. So effectively this a 'roll-forward' settlement for 2020-21 for one year.
- Business rates – A similar system in 2020-21 to that in place for 2019-20 is being proposed, with further reform delayed until 2021-22.
- Negative Revenue Support Grant (RSG) - It states in 4.3.3 of the consultation that 'the Government is currently minded to pay off negative RSG again in 2020-21'. The Government welcomes views in response to the consultation on whether eliminating negative RSG is the right approach for 2020-21. This means the Council wouldn't have to forego some of its business rates income (£293,000) by paying some of it back to Government in the form of 'negative government grant'.
- Council Tax Referendum Principles – A core referendum principle of 2% for 2020-21, with the consultation asking the question of whether for Shire District Councils such as West Devon, this should be a principle of 2% or £5, whichever is the greater.
- Council Tax referendum limits for Town and Parish Councils
In 5.3.3 the Government proposes to continue with no referendum principles for Town and Parish Councils in 2020-21. Town and Parish Councils have been informed of this and also that they may wish to respond to Question 4 of the consultation.
- Better Care Fund
The Government proposes to continue with the existing Better Care Fund funding at the 2019-20 levels, using the same methodology as 2019-20.
- New Homes Bonus
NHB will continue for 2020-21 for one year, with any funding beyond 2020-21 being subject to the 2020 Spending Review. For one year the Government will fund legacy payments and the Government is minded to make a new round of allocations for 2020-21. However they may change the 0.4% baseline when the Finance Settlement is announced in December.
The consultation asks if Councils agree that there should be a new round of 2020-21 NHB allocations or would Councils prefer to see this funding allocated for a different purpose.
- Rural Services Delivery Grant (RSDG)
The Government is proposing to pay Councils the same level of RSDG as they received in 2019-20. This is £464,365 for West Devon Borough Council.

Council Tax

- 2.5 Council in September 2019 (Council Minute CM36) has 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).
- 2.6 A £5 increase in council tax would equate to a Band D council tax of £236.63 for 2020/21. This is an increase of 2.16%. A 1% increase in council tax generates £47,000. It has been assumed that the number of properties within the Borough will increase by 70 per annum from 2020/21 to 2024/25 – this is an increase of approximately 0.3% and is based on projections from the Strategic Planning team. The results of the Members' Budget Survey were such that 69% of Members supported increasing council tax by the maximum allowable, without triggering a council tax referendum. 22% of Members supported a lower increase of 1.99% (this would add a budget pressure of £7,900 in 2020/21) and 9% of Members supported a lower increase of 0.99% (this would add a budget pressure of £54,800 in 2020/21).

Business Rates

- 2.7 The income from Business Rates which West Devon Borough Council retained in 2018-19 was the funding baseline of £2,049,573 plus the pilot gain of £460,000. 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.

New Homes Bonus (NHB)

- 2.8 For one year the Government will fund legacy payments and the Government is minded to make a new round of allocations for 2020-21. However the Government may change the 0.4% baseline when the Finance Settlement is announced in December. The financial modelling has included using £200,000 of New Homes Bonus funding for 2020/21 to fund the revenue base budget and this has then been reduced to £100,000 in 2021/22 and £50,000 in 2022/23 for modelling purposes.
- 2.9 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 (Note property growth is modelled at 70 extra properties per year so the Council may only receive legacy payments). The Council's New Homes Bonus allocation for 2019/20 was £500,595. The allocation for 2020/21 is expected to be announced in December 2019 and is expected to be in the region of £330,000.

Pensions Strategy (Actuarial Valuation)

- 2.10 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 2019 and this work is being progressed by the S151 Officer in accordance with the timetable for the Triennial Pension Revaluation. The S151 Officer attended an employers' meeting on 14th November and has received the results of the Triennial Revaluation of the Pension Fund.
- 2.11 The total pension contribution rates payable for employers consists of two elements, the primary rate and the secondary rate:
- **The primary rate** – this is the anticipated cost to the Council of the pension rights that members will accrue each year in the future. The primary rate, or future service rate is expressed as a percentage of pensionable payroll. The primary rate, the employer's pension contribution rate is increasing by 1.5% for WDBC from 13.3% to 14.8% producing a cost pressure of £75,000 per annum from 2020/21 for the next three years. The Devon Pension Fund in general is experiencing a 2% increase in the primary rate due to the change in financial assumptions.
 - **The secondary rate** – this arises where the cost of pension rights that have already been accrued turn out to be higher than expected, resulting in a deficit. This happens where the Fund experience differs from previous assumptions, and so the contributions paid do not match the cost of the pension rights accrued during a previous period. The secondary rate, or deficit recovery rate is set as a cash figure.

2019 Pension Actuarial Valuation result

- 2.12 The funding level and the movement in the Council's pension position following the Triennial Pension Revaluation are shown below:

	As at 31st March 2016 (£'000)	As at 31st March 2019 (£'000)
Assets	22,282	27,258
Liabilities	29,398	32,334
(Deficit)	(7,116)	(5,076)
Funding Level	75.8%	84.3%

- 2.13 The Pension Deficit has reduced from £7.116m (75.8% funded) at 31.3.2016 to £5.076m (84.3% funded) at 31.3.2019. The secondary rate, the amount paid to meet the pension deficit, will reduce from £500,000 per annum (the amount budgeted in the base budget) to around £325,000 per annum – an annual saving of £175,000 for the next three years (£500,000 less £325,000). This is on the basis of the pension deficit recovery period remaining at 17 years. The actuaries have also offered the option of reducing the deficit recovery period to 14 years and this would produce an annual saving of £113,000 (£500,000 less £387,000). ***It is recommended by the S151 Officer that the deficit recovery period is maintained at 17 years and is not reduced to 14 years and an annual saving of £175,000 has been built into Appendix A.***

The table below shows the primary rate (shown in a percentage) and the secondary rate (cash amount).

Employer Contribution Rate	Applicable from 1st April 2020	Applicable from 1st April 2021	Applicable from 1st April 2022
Primary Rate (% of Pay)	14.8%	14.8%	14.8%
Secondary Rate (cash amount per annum) based on 14 year deficit recovery period	£387,294	£401,413	£416,048
Secondary Rate (cash amount per annum) based on 17 year deficit recovery period <i>(Option recommended by the S151 Officer)</i>	£325,000	£337,000	£350,000

Note – the amount budgeted for the secondary rate (pension deficit contributions) in the 2019/20 base budget is £500,000 per annum.

Treasury Management and Borrowing Strategy

- 2.14 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 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.

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

- 2.15 At the Hub Committee meeting on 5th November 2019, (Minute HC45) Members had a detailed debate on the third recommendation of the report, which sought authority to withdraw 100% Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020. Some Members felt it would better serve Town and Parish Councils to stagger the withdrawal of the Council Tax Support Grant, particularly in light of the consultation responses received. However, other Members noted that to delay the withdrawal could adversely impact Town and Parish Councils, particularly if a council tax referendum limit on raising precept levels for Town and Parish Councils was introduced by Central Government in 2021/22. On balance, the Committee agreed with the recommendation as set out in the presented report. It was then resolved that Council be recommended to withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020 by 100%.

Results of the Members' Budget Survey 2019

- 2.16 A Members' Budget Workshop was held on 12th November. The results of the Members' Budget Survey have been circulated to all Members. A total of twenty two responses were received to the survey. Based on those results, the following changes have been reflected within this latest budget report:-
- A Climate Change Policy Officer (a two year temporary post) has been included at a cost of £25,000 per annum.
 - The business rates pooling gain has been increased by £30,000 to £110,000 in 2020/21
 - A reduction in the Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019) of £175,000 per annum (see 2.13)
 - A £4,800 saving per annum from the introduction of a premium planning service. Applicants can pay an additional fee, over and above the statutory fee, in return for a set of specific actions/commitments with a view to getting an application determined faster than under the normal service. The additional income is based on an estimate of one application per month over the year. N.B. the service would not in any way influence the outcome of the decision making process.
 - Additional treasury management income of £15,000 per annum, from the investment of an extra £0.5million in the CCLA (see 2.27 for details).
 - Additional employments estates income of £25,000 per annum
 - An annual income from street naming and numbering of £15,000 per annum
 - Corporate consultancy income of £10,000 per annum. The Council will look to attract more work from other Councils. This would primarily be through the Council delivering consultancy or short term work activities for other Councils (e.g. Disabled Facilities Grants), rather than delivering full services.

- A reduction in ICT contracts of £8,000 per annum
 - Modelling work will be carried out on car parking fees to model the effect of increasing fees by approximately 4% in 2020-21 (£40,000) and to review the range of current tariffs in different car parks. This is on the basis that car parking fees would not be increased in 2021-22. The 4% was the average of the range of options which were supported by Members in the Members' Budget Survey. The last time fees were increased was in July 2018 (See 5.18 for further detail). This will be the subject of a future report to the Hub Committee.
- 2.17 The following items were not supported by the majority of Members in the Budget Survey and have therefore not been included in Appendix A:
- **Increase car parking pay and display fees and transfer the additional income to an earmarked reserve to help fund installation of rapid electric charging points (on a larger scale, over and above grant funding already available)** – Members considered an option which looked at increasing car parking pay and display fees and transferring the additional income to an earmarked reserve to help fund investment in the installation of rapid electric charging points in the Council's car parks. Some Members made the point that the Council should be able to access government grant funding.
- Other Budget Ideas raised by Members in the Budget Survey**
- 2.18 A Member requested that additional funds be made available to the Community Safety Partnership and included as an extra cost pressure from 2020/21 onwards.
- 2.19 Some Members asked for more information as to what duties the Climate Change Officer would undertake before they made a decision. The Climate Change Action Plan is a separate item on the December Council agenda. Another Member suggested this post was essential to transition the Council's climate change emergency to one of 'business as usual'.
- 2.20 The other ideas from Members that were suggested to generate Income or reduce expenditure in the Members' Budget Survey were as follows:
- Private companies be invited to bid for the right to install electric charging points wherever needed
 - A woodland creation scheme – buy land and create a diverse 'zoned' woodland
 - Cut down on travel reimbursement by further use of the IT/Skype
- 2.21 This latest budget position includes a provision for the pay award of 2% per annum in line with the previous Medium Term Financial Strategy. This is subject to national negotiation on an annual basis. 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. The 2020/21 pay

award is still being negotiated and therefore the pay award cost pressure might change once this has been agreed in the New Year.

- 2.22 In addition, three temporary housing posts (shared with South Hams District Council) have been proposed in this report to be made permanent, to be funded by the Flexible Homelessness Government grant funding, to provide stability of resource within the Council's Housing team. The wdbc share of costs is £32,500.
- 2.23 The Government has reformed temporary accommodation finance through a flexible homeless support grant. There has also been financial recognition of the enormous additional burden placed on local authorities through the Homeless Reduction Act, meaning that the service has been able to continue delivering its statutory service, perform highly in preventing homelessness and reducing lengths of stays in temporary accommodation. The Council has robust homeless and rough sleeper prevention strategies which has meant the Council has prevented homelessness for 799 households since its inception in 2017. The short term nature of grant funding has meant the Council has only been able to offer short term contracts, and the Council has used significant resource on the training and induction of staff, only to lose staff to our neighbouring Authorities when permanent positions have arisen. In order to provide stability of resource to really drive homeless prevention in our area, it is recommended that three housing posts are made permanent posts on the establishment, to be funded by flexible homelessness grant (Government grant funding). This does not create a cost pressure on the 'bottom line' as the cost pressure is offset by the government grant income (both the cost and the income are budgeted for), therefore there is a neutral impact on the budget.
- 2.24 Members' views are also sought on including an Economy post (shared with South Hams District Council) within the staffing establishment going forward, to be funded from the business rates pooling gains, to further drive the Council's economic aims and the Enterprise strategic theme, creating places for enterprise to thrive and business to grow.
- 2.25 The cost of this post is expected to be £25,000 per annum (WDBC share). Currently, this cost has not been built in to Appendix A as a budget pressure for 2020/21 onwards. It is envisaged that this Economy post would:
- Put together bids for external funding and use Grantfinder to attract external grants
 - Set up projects to support local business growth, create new jobs and improve local skills.
 - Help to promote tourism and investment in the local region.
 - Conduct research and analyse statistics.

- Build partnerships between local government, businesses and communities.
- Work in partnership with the Federation of Small Businesses (FSB).
- Advise businesses and community groups about available grants and funding.
- Work with the Local Enterprise Partnership on opportunities for funding.
- Promote our local area to attract new businesses and retain existing businesses through a targeted approach.
- Develop local economic development strategies and an action plan to implement them – assist with the Town Centre work.
- Help local businesses to become more competitive in finding new markets.

Senior Leadership Team/Extended Leadership Team restructure

- 2.26 The Corporate Peer Challenge report, carried out in November 2018, recommended a review of the management structure of the Councils. The first part of this review was carried out in September 2019 with the formation of a Senior Leadership Team (SLT) that provides the clarity and capacity to meet the challenge of delivering the ambitious objectives of the Councils. The report to Council on 23rd July requested that the Chief Executive review and implement changes to the Extended Leadership Team (ELT) by December 2019. The annual savings (WDBC share) from the SLT and ELT staff restructure are £94,000 per annum. There are estimated to be some one-off redundancy and pension strain costs associated with the restructure and an amount of £25,000 for three years has been budgeted for as a cost pressure.

Investment in the CCLA (Churches, Charities and Local Authorities) Property Fund

- 2.27 The CCLA (Churches, Charities and Local Authorities) Property Fund has been specifically set up for local authorities and currently has investments of over £1,178 million, with local authority investors including county councils, metropolitan councils/London boroughs and unitary and district councils. Devon County Council, Plymouth City Council and four Devon town councils are invested in the Fund. The fund own and operate commercial properties across the UK, across various sectors with many having blue-chip tenants. The Council could consider increasing its investment in CCLA from £0.5m to £1m generating extra income of say 3% so an extra £15,000 of income from 20/21 onwards. *(The interest rate achieved on the CCLA Property Fund will be in the region of 4.5% - This is predicted to be 3% higher than what the Council could achieve by investing its funds with Money Market Funds or fixed term deposits with Banks and Building Societies).* The extra £0.5m investment will be taken from the Council's Treasury Management balances and instead of investing this money in Money Market Funds the investment would instead be made in CCLA.

3 BUDGET PRESSURES, SAVINGS AND INCOME GENERATION

3.1 Financial modelling has been undertaken for the next five years to predict the Council's financial situation for the short and medium term.

3.2 **Appendix A** to the Medium Term Financial Strategy sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast.

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	£638,500	£350,000	£285,000	£360,000	£310,000
Contributions to Earmarked Reserves	£87,500	£87,500	£87,500	£87,500	£87,500
Savings and additional income	(£535,000)	(£247,200)	(£391,200)	(£1,200)	(£1,200)

4. OVERALL POSITION – BUDGET GAP

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

4.2 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 £5 per annum (shown in Appendix B).

4.3 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	16,284	367,937	146,890	346,143	534,696	1,411,950

4.4 In the Modelling in Appendix B, the total projected budget gap is £16,284 in 2020/21 (a near balanced budget) and this is predicted to increase to £367,937 in 2021/22 (the £367,937 assumes the budget gap in 20/21 of £16,284 has not been closed). The aggregated Budget Gap is £1.41 million.

5 FEES AND CHARGES

5.1 Environmental Health Charges

- 5.2 Appendix D sets out proposals for Environmental Health Charges for 2020/21.
- 5.3 Environmental Health charges were reviewed for 2016/17 to ensure that the Council charges were consistent across WDBC and SHDC and complied with the legislation in terms of the maximum charge being full cost recovery. The charges were changed to reflect this requirement and the review of charges for 2020/21 reflects the full cost recovery concept and the proposals are as follows.
- 5.4 New animal licensing regulations were introduced in October 2018. This year's (2019-20) fees were based on estimates of the times to be taken for the various requirements of the new regulations. In practice these turned out to be slight underestimates, so additional staff time has been allocated this year, also staff costs have risen due to the pay award. All costs have been calculated by assessing staff time taken for all licensing work divided according to pay scale and adding other relevant costs. The proposed costs are in line with those of other Devon Local Authorities.
- 5.5 The setting of fees for the issuing of licences for Hackney Carriage and Private Hire Vehicles, as well as Private Hire operators is governed by the Local Government (Miscellaneous Provisions) Act 1976, this requires that where the fee set is proposed to be greater than £25 the Council must advertise these changes for a period of 28 days, and publish a notice in the local newspaper. Due to the cost of the advertisement of fees it is not economically beneficial to the local authority to increase these fees by inflation each year. Fees for these licences will be reviewed on a 3 yearly basis to ensure that the Council is not subsidising the delivery of the service substantially. Therefore, no increases are proposed for 2020/21.
- 5.6 A new charge of £300 is being introduced in response to new legislation whereby tenants are able to request that a Local Council carries out an inspection of the rented property to support a civil action taken against a landlord. In addition, a charge of £41 per hour will be levied if attendance at court is necessary.
- 5.7 In the event of a serious private water supply sampling failure, a new fee of £100 will be charged for the officer time required to investigate further.
- 5.8 Following a review of charges for the granting and renewal of zoo licenses, increases are proposed to reflect the time spent by officers in processing applications and inspecting premises.
- 5.9 In terms of additional income, the changes to existing Environmental Health and Licensing charges shouldn't have a significant impact since most charges are remaining the same and those that are increasing are based on cost recovery rather than income generation.

- 5.10 The Council currently charges £60 for a Disclosure & Barring Service (DBS) which covers the cost of an enhanced check and administration fees. The cost to us from central government is set to decrease by £4 and so the proposal is to pass this saving on to our customers and charge £56 for the service instead. This action will be cost neutral to the Council.

Development Management

- 5.11 Substantial changes were made to many of the Development Management fees and charges in 2019/20. It is considered that these figures represent fair and appropriate amounts to charge for 2020/21 and so the proposal is to freeze charges at their current levels for 2020/21 and then review once again when setting fees for 2021/22. A breakdown of these fees can be found at Appendix C to this report.

Electric Charging points outside Kilworthy Park

- 5.12 It is proposed to charge for the use of the electric charging points outside Kilworthy Park.

Proof of Life

- 5.13 British nationals in receipt of pensions from a foreign country are required to periodically confirm 'Proof of Life' to continue receipt of their pension payments. This requires completion of a form with ID and utility bills in order that the form can be validated. Within the last couple of years, GP's have introduced a fee for completing the form. This ranges from £30 - £60. As a result, Councils have now experienced an increase in the numbers of people requesting that we sign the forms for them. In the absence of a charging policy, we have continued to do this for free. While the volumes are not currently large (under 30 in the past 12 months), introducing a small fee of £25 would cover the costs of validating the forms. The proposal is to introduce these charges with immediate effect, once approval from Members has been received.

S257 Footpath Diversion Orders

- 5.14 This fee relates to applications to divert a Public Right Of Way (PROW) to facilitate the delivery of a development using section 257 of the Town and Country Planning Act. The proposal is to increase the fee from £1,460 to £2,500 to reflect the actual costs of providing the service. Since there are 2-3 applications each year on average, this is likely to increase income overall by approximately £2,100 in 2020/21, with increased income in 2019/20 dependant on whether any further applications are received. The proposal is to introduce these increases with immediate effect, once approval from Members has been received.

Emptying of dog waste and litter bins

- 5.15 A number of litter and dog bins are serviced by the waste contractor on behalf of town and parish councils. The new waste and cleansing contract which started on 1 April 2019 includes a new pricing structure for emptying and cleansing bins and so it is necessary to review charges in line with actual contract costs. It is worth noting that these charges have been maintained at the current level and not increased in line with inflation since 2015. For this reason the percentage increase in charges appears high and it is therefore proposed that the increase is phased in over two years to allow the town and parish councils to adjust their budgets accordingly as set out in the table below.

Activity	Current Fee	Proposed Fee 2020-21	Proposed Fee 2021-22*
Servicing of litter bins	£1.00	£2.00	£3.06
Servicing of dog bins	£1.00	£2.00	£3.06

*It is proposed that from 2021-22 onwards, fees are increased in line with contract inflation.

- 5.16 The proposed changes will allow the budget to reflect the actual costs of bin emptying and will track inflation over the life-time of the contract. Whilst income from bin servicing will increase by £18,000 this will be offset by the higher costs incurred from an increase in bin numbers in recent years.

Local Land Charges

- 5.17 Local Land Charges (LLC) is a statutory service where the income raised is intended to cover the cost of providing the service, so far as it's possible to do so. Officers are in the process of determining the actual cost of providing the service in order to ensure the appropriate fees are being charged. It is proposed that delegated authority is given to the Section 151 Officer and the Portfolio Holder to agree the LLC fees for 2020/21.

Car Parking Fees

- 5.18 Modelling work will be carried out on car parking fees to model the effect of increasing fees by approximately 4% in 2020-21 (£40,000) and to review the range of current tariffs in different car parks. This is on the basis that car parking fees would not be increased in 2021-22. The last time fees were increased was in July 2018. The latest Quarter 2 Budget Monitoring report shows that car parking income is expected to underachieve its income target for 2019/20 of £1,006,000 by 6% (£60,000). Therefore no increase in car parking income has been built into Appendix A for the 2020/21 Budget as the increase in fees is likely to only meet part of the current shortfall in budgeted income.

Income from fees and charges

- 5.19 The fees and charges outlined in this report in Section 5 are expected to either be cost neutral or to have a non-material impact in 2020/21. Therefore no additional income has been built into the budget for 2020/21 for these.

6 FINANCIAL SUSTAINABILITY AND TIMESCALES

- 6.1 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>Extended Leadership Team (ELT) Budget options</p> <p>The Extended Leadership (ELT) have been tasked with identifying budget options for Members to consider for income generation/savings/reduced expenditure for 2020/21 and 2021/22 onwards, taking into consideration the Council's corporate strategy and the latest budget position.</p>	To be quantified	Options were considered at the Members' Budget Workshop on Tuesday 12 th November. This work is on-going.
<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 was a separate report on the July 2019 Hub Committee agenda.</p>	To be quantified	On-going through meetings of the Invest to Earn Committee

Option	Possible Budget Impact	Timescale
<p>Three weekly residual waste collection</p> <p>A report was taken to the Hub Committee in June 2019 for the three weekly residual waste collection. A recommendation is being made to the Waste Working Group to extend the trial for a full financial year to provide more robust data, with the potential to go live around September to October 2021 (if supported by the results of the trial).</p> <p>Savings are likely to be in the region of £100k to £150k p.a. Currently 16 to 20 Local Authorities operate a three or four weekly residual collection service, the majority of these have experienced an increase in recycling rates and a reduction in cost after introduction of the system.</p>	<p>£50,000 in 2021/22 and £100,000 per annum thereafter</p>	<p>A trial would be for a full financial year, with the potential to go live around September to October 2021 (if supported by the results of the trial).</p>
<p>Strategic Accommodation Review</p> <p>Members of the Accommodation Working Group are reviewing options. A report was presented to the Hub Committee on 5th November 2019. Currently West Devon BC pays South Hams DC £90,000 per year which reflects the cost of the shared service provision and the far greater footprint used at Follaton House for the provision of some frontline services (call centre) and all back office functions. Members have requested that this annual payment is reviewed as part of the budget setting process for 2020/21. The Medium Term Financial Strategy currently includes an aspirational savings target of £50,000 for 2021/22 onwards.</p>	<p>To be quantified</p>	<p>By April 2020</p>

Option	Possible Budget Impact	Timescale
Funding Options		
<p>New Homes Bonus allocations for 2020/21 onwards</p> <p>The Government has stated that 2020/21 represents the final year of NHB funding and from 2021 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.</p> <p>It is not known what NHB allocations (or a similar scheme) will be in future years when the NHB scheme is replaced. 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>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.</p> <p>The Government are consulting on funding negative RSG for one year for 2020-21. This has been assumed in the modelling in Appendix B.</p>	<p>Negative RSG of £293,000 for 2021/22 onwards has been built into this budget report.</p>	<p>It is assumed that negative RSG of £293,000 will be deferred for one year until 2021/22.</p>

Option	Possible Budget Impact	Timescale
<p data-bbox="360 309 877 376">Use of Reserves as a temporary measure</p> <p data-bbox="360 416 877 600">The Council could temporarily utilise Reserves to balance an element of the 2020/21 budget, whilst longer term solutions are being implemented.</p> <p data-bbox="360 640 877 851">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 data-bbox="898 309 1064 376">To be assessed</p>	<p data-bbox="1086 309 1342 416">To be decided as part of the Budget Process</p>

- 6.2 Through the Financial Stability Review Group, further measures will continue to be considered to balance future budget positions.

7 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING

- 7.1 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. The Capital Budget Proposals for 2020/21 are a separate report on this agenda. This sets out a Proposed Capital Programme for 2020/21 of £1,050,000 and the sources of funding for the Capital Programme.
- 7.2 **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.
- 7.3 Purchases made within the strategy are capital expenditure. A report on the updated Commercial Investment Strategy to include the renewable energy sector was a separate report on the July 2019 Hub Committee agenda. The Council is progressing work on the business case for the renewable energy sector. An income projection of £280,000 from the net ancillary income from investments in commercial property has been included within the budget model for 2020/21, as this is the level currently being achieved by the portfolio in 2019/20.
- 7.4 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.

- 7.5 **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.
- 7.6 Public Works Loans Board (PWLB) borrowing – On 9th October the Council received notification that overnight, the PWLB borrowing rate had increased by 1% across all of their loans which are available. This was without any prior notice and this dramatic increase overnight is unprecedented in years gone by. For example 50 year borrowing is now 3% interest rate (previously just under 2%). This only affects new loans taken out and this doesn't affect loans taken out for commercial property in 2018/19, which were fixed at the time for a fixed interest rate for the next 50 years.
- 7.7 The Council is assessing the impact on all of its business cases which involve external borrowing. It is thought that other market providers e.g. bank and pension funds will look to offer products that are at a more competitive rate than the current PWLB offering.
- 7.8 An overall Borrowing Limit (£50 million) has been approved as part of the Medium Term Financial Strategy for all of the Council's services.
- 8 Earmarked and Unearmarked Reserves Policy**
- 8.1 The current Levels of Reserves: £1.286 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 attached at Appendix E.
- 8.2 Given the increase in financial risks which the Council faces, the Council has increased the minimum level of Unearmarked Reserves to be held to £900,000. The increased financial risks are in part from the Council's commercial investment strategy where prudential borrowing of up to a total borrowing limit of £50 million (for all Council services) has been approved.
- 8.3 **Budget Monitoring** – The latest Quarter 2 Budget Monitoring report shows the actual net revenue expenditure is forecast to be under budget by £54,000 when compared against the total budget set for 2019/20. This is a separate agenda item on the Hub Committee agenda.
- 9 NEXT STEPS AND PROPOSED WAY FORWARD**
- 9.1 This report is a snapshot (a position statement) in December 19 and future Member decisions on the budget strategy will inform future figures within the 14th January 2020 Budget report to the Overview and Scrutiny Committee.

- 9.2 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 6 sets out the potential timescales against the areas identified.
- 9.3 In particular, the Council keenly awaits the announcement of the Draft Local Government Finance Settlement which is anticipated in December.

10. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<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>The preparation of the Budget report is evidence that the Council has considered and taken into account all relevant information and proper advice when determining its financial arrangements in accordance with statutory requirements, and in particular, that it will set a lawful budget.</p>
Financial implications to include reference to value for money		<p>In the Modelling in Appendix B, the total projected budget gap is £16,284 in 2020/21 (a near balanced budget) and this is predicted to increase to £367,937 in 2021/22 (the £367,937 assumes the budget gap in 20/21 of £16,284 has not been closed). The Aggregated Budget Gap is £1.41 million.</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, provided an unqualified value for money opinion for the Borough Council for 2018-19, which was reported to the Council's Audit Committee in July 2019.</p>
Risk		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.

Climate Change - Carbon / Biodiversity Impact		A Climate Change Action Plan will be presented to Council in December 2019, with associated financial implications. Following this report, a strategy will be implemented as to how the Council could finance the items within the Action Plan, whether that is from external grant sources or some funding from the Council's own resources.
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 – Development Management Fees and Charges for 2020/21

Appendix D – Environmental Health Fees and Charges for 2020/21

Appendix E - Schedule of Reserves (Unearmarked and Earmarked)

Background Papers:

Hub Committee – 5th November 2019 – Budget Update report for 2020/21 to 2024/25

Hub Committee – 16th July 2019 – Medium Term Financial Position for 2020/21 onwards

Council 17th September 2019 – Medium Term Financial Strategy

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

WEST DEVON BOROUGH COUNCIL

	BASE 2019/20 £	Yr1 2020/21 £	Yr2 2021/22 £	Yr3 2022/23 £	Yr4 2023/24 £
BUDGET PRESSURES					
Waste collection, recycling and cleansing contract (estimate)	80,000	80,000	80,000	80,000	80,000
ICT future service provision	0	150,000	0	0	0
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)	0	75,000	0	0	75,000
Inflation on goods and services	70,000	70,000	70,000	70,000	70,000
Increase in salaries - increments and pay and grading	40,000	40,000	40,000	40,000	40,000
Increase in salaries - pay increase at 2% modelled for 20/21 onwards	95,000	90,000	90,000	90,000	90,000
Maintenance of trees	0	(20,000)	0	0	0
ICT support contracts - increase the budget to better align to actual expenditure	95,000	0	0	0	0
Reduction in Housing Benefit administration subsidy	20,000	10,000	10,000	10,000	10,000
National Insurance and National Living Wage	20,000	20,000	20,000	20,000	20,000
Two additional Planning Enforcement Case Managers (wdbc share of cost)	19,000	21,500	0	0	0
Climate Change Policy Officer (wdbc share of cost - 2 year temporary post)	0	25,000	0	(25,000)	0
Housing Posts (make three temporary posts permanent - wdbc share of costs - to be funded by Government grant - Flexible Homelessness Grant funding)	0	32,500	0	0	0
SLT/ELT Restructure - redundancy/pension strain costs	0	25,000	0	0	(25,000)
Member Locality Fund (£500 per Member)	15,500	(15,500)	0	0	0
Payment Collection Expenses	0	20,000	0	0	0
Land Charges - reduction in Income target	0	15,000	0	0	0
Housing Benefit overpayment recoveries	0	0	40,000	0	0
TOTAL IDENTIFIED BUDGET PRESSURES	454,500	638,500	350,000	285,000	360,000

WEST DEVON BOROUGH COUNCIL

	BASE 2019/20 £	Yr1 2020/21 £	Yr2 2021/22 £	Yr3 2022/23 £	Yr4 2023/24 £
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	25,000
Contribution to Planning Reserve (£25K per annum)	25,000	25,000	25,000	25,000	25,000
Contribution to Elections Reserve (20K per annum)	20,000	20,000	20,000	20,000	20,000
Contribution from the Flexible Homeless Government Grant for three housing posts (wdbc share of costs)	0	(32,500)	(32,500)	(32,500)	(32,500)
Contribution to Vehicles Replacement Reserve (£50K per annum) - Minute CM42	50,000	50,000	50,000	50,000	50,000
Total Contribution to Earmarked Reserves	120,000	87,500	87,500	87,500	87,500

SAVINGS AND INCOME GENERATION IDENTIFIED

	BASE 2019/20 £	Yr1 2020/21 £	Yr2 2021/22 £	Yr3 2022/23 £	Yr4 2023/24 £
Income from investments in commercial property	100,000	80,000	40,000	120,000	0
Re-procurement of contracts (e.g. savings from Leisure contract)	0	80,000	130,000	270,000	0
Reduction in Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019 - based on 17 year deficit recovery period)	0	175,000	0	0	0
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	0
Introduce a Premium Planning service	0	4,800	0	0	0
Additional treasury management income (invest an extra £0.5m in CCLA)	0	15,000	0	0	0
Public Conveniences (£18K business rates savings in 2021/22)	50,000	0	18,000	0	0
Kilworthy Park - reduction in operating costs	0	0	50,000	0	0
Housing Benefit recoveries of overpayments (increase income target to reflect actual income being achieved)	50,000	0	0	0	0
Planning Fees (increase income target to reflect actual income being achieved)	50,000	0	0	0	0
Senior Leadership Team - Interim arrangement (£34,000) - Restructure (£60,000) as per July 2019 Council report	34,000	60,000	0	0	0
Additional Employments estates income	0	25,000	0	0	0
Income from Street Naming and Numbering	0	15,000	0	0	0
Reduction in Partnership funding	14,000	2,000	0	0	0
Corporate consultancy income	20,000	10,000	0	0	0
Introduction of Direct Lets Scheme	12,000	0	0	0	0
Energy Certification for Eco Schemes	10,000	0	0	0	0
Cessation of Communities Together Fund	5,000	0	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	0
Charging for duty planning service	3,500	0	0	0	0
Advertising on websites and e-bulletins	3,500	0	0	0	0
Review corporate training budgets	15,000	0	0	0	0
Reduction in ICT contracts	12,000	8,000	8,000	0	0
Implement e-billing in council tax	1,200	1,200	1,200	1,200	1,200
TOTAL SAVINGS AND INCOME GENERATION	689,700	535,000	247,200	391,200	1,200

Modelling assumptions: Assumes Council Tax is increased by £5 annually					
Line	BASE	Yr1	Yr2	Yr3	Yr 4
No.	2019/20 £	2020/21 £	2021/22 £	2022/23	2023/24 £
1	7,313,795	7,078,595	7,165,811	6,916,958	7,031,805
2	454,500	638,500	350,000	285,000	360,000
3	(689,700)	(535,000)	(247,200)	(391,200)	(1,200)
4	7,078,595	7,182,095	7,268,611	6,810,758	7,390,605
Funded By:-					
5	4,673,499	4,790,946	4,909,093	5,027,940	5,147,487
6	84,000	67,000	80,000	80,000	80,000
7	1,620,367	1,661,000	1,704,000	1,750,000	1,790,000
8	0	0	(293,000)	(293,000)	(293,000)
9	0	70,000	40,000	40,000	40,000
10	464,365	464,365	464,365	464,365	464,365
11	375,000	200,000	100,000	50,000	50,000
12	(120,000)	(87,500)	(87,500)	(87,500)	(87,500)
13	25,000	0	0	0	0
14	(43,635)				
15	7,078,595	7,165,811	6,916,958	7,031,805	7,191,352
Budget gap/(surplus) per year					
15	0	16,284	351,653	(221,047)	199,253
Actual Predicted Cumulative Budget Gap					
	0	16,284	367,937	146,890	346,143
Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)					
	0	16,284	384,221	531,111	877,254

Modelling Assumptions: (Assumes an increase in Band D Equivalent properties of 70 per annum)					
Council Tax (Band D) (an increase of £5 per annum has been modelled)	231.63	236.63	241.63	246.63	251.63
Council TaxBase	20,176.57	20,246.57	20,316.57	20,386.57	20,456.57

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Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
Confirmation of closure of enforcement case where it was found not expedient to take action. (available for a 12 month period following closure of the case)	£60	£60	If the Council has been in contact with you recently to investigate a breach of planning control and determined not to take any action you will be verbally advised of the outcome. Use this service if you require a letter of comfort confirming the Council's decision on the matter on a case closed in the last 12 months.
Confirmation of compliance with Enforcement Notice or Breach of Condition Notice (including site visit)	£300	£300	Includes a site visit, full check of the enforcement case and written confirmation of the outcome. Use this service if you require confirmation that an Enforcement Notice served by the Local Planning Authority has been complied with.
Confirmation of compliance with listed building consent (available for a 12 month period following completion of the development)	£300	£300	Includes a site visit to compare the development against the plans and written confirmation of our findings. Only available within 12 months of completion. Use this service if you have completed a listed building project and you wish to sell the property. If the completion was over 12 months ago, use the 'help resolving conveyancing issues' service detailed below

Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
Help resolving planning history questions	£500	£500	Includes a full check of the planning and planning enforcement history, a site visit to view the development, a 1 hour meeting if it is deemed necessary by the case officer, any necessary in house consultations, written confirmation of the outcome, a formal decision as to whether enforcement action will be taken and/or confirmation of steps required to remedy the situation, if any. Response will be provided in 20 working days in most cases (can be extended by agreement if further consultation or investigation is required). Use this quick service if you are buying or selling a property/land and a planning query arises through the conveyancing process. For example, unauthorised works have been discovered or planning conditions have not been complied with.
Confirmation of compliance with section 106 planning obligations (desktop assessment)	£160 plus additional £115 if site visit needed	£160 plus additional £115 if site visit needed	This is a desktop check of the Council's records. If the clause in the agreement requires something to be undertaken on site it would be necessary to undertake a site visit for which there will be an additional charge. Use this service if you require confirmation that the clauses of the agreement have been complied with

Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
Duty Planner	£40	£40	This is a 30 minute appointment with one of the Development Management planners by telephone or face to face.
The Validation checking service fee is in addition to the planning for processing. This will include an assessment of whether an application is valid, fee queries, and technical questions regarding what type of application is needed. There are three fee levels based on the complexity of the development. This would be undertaken on an appointment basis.			The Validation checking service fee is in addition to the planning for processing. This will include an assessment of whether an application is valid, fee queries, and technical questions regarding what type of application is needed. There are three fee levels based on the complexity of the development. This would be undertaken on an appointment basis.
Major Development - This will include 1 validation check of the application at plus 1 re-check	£85	£85	
Minor Development - This will include 1 validation check of the application at plus 1 re-check	£50	£50	

Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
Householder and Other Development - This will include 1 validation check of the application at plus 1 re-check	£40	£40	
Pre-Application Fees	£180 plus £180 for any additional meeting/response required	£180 plus £180 for any additional meeting/response required	Householder/Listed Building/Advertisements one meeting with a written response
	£180 £420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response	£180 £420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response	Small Minor (1-2 Dwellings or non-residential floor space up to 499 sqm, telecommunications, Lawful development Certificate Advice and changes or use except dwellings, where there is no operational development) One Scoping meeting with agreed notes from the meeting Full pre-app – one meeting plus a written response.

Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
	<p>£240</p> <p>£600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response</p>	<p>£240</p> <p>£600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response</p>	<p>Minor Development (between 3 – 9 dwellings or non-residential floor space between 500 – 999 sqm or a site area up to 1 Ha)</p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full pre-app – one meeting plus a written response.</p>
	<p>£480</p>	<p>£480</p>	<p>Small Scale Majors (up to 30 dwellings or Non-Residential floor space between 1000 – 4999 sqm or a site area between 1 – 2 Ha)</p> <p>One Scoping meeting with agreed notes from the meeting</p>

Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
	£1800 (£1320 if it follows a scoping meeting). Or a specific PPA.	£1800 (£1320 if it follows a scoping meeting). Or a specific PPA.	Full pre-app – two meetings plus a written response. If more than two meetings are required the pre-app will be the subject of a specific PPA.
	£720 Specific PPA	£720 Specific PPA	<p>Large Majors (Over 31 dwellings or Non-Residential floor space over 500sqm or a site area over 2 Ha all renewable energy proposals unless a domestic scale and all development that requires an EIA)</p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full Pre-app</p>
Exemptions:	No Charge	No Charge	100% Affordable Housing schemes
	No Charge	No Charge	Facilities for the disabled
	No Charge	No Charge	Parish/Town Council

Activity	Current Fee £ (2019/20)	Proposed Fee £ (2020/21)	Comments
Pre-App Charges Notes:			<p>Floor space refers to gross external floor space The fee stated are inclusive of VAT</p> <p>For the purposes of pre-app fees flats and holiday accommodation are considered as dwellings.</p> <p>Fees will be the subject of review</p>

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Appendix D - Environmental Health Charges Proposed for 2020/21		
	Current Fee 2019/20	Proposed Fee 2020/21
<u>Acupuncture, Tattooing, Ear-piercing & Electrolysis</u>		
Register of Person	£115.00	£115.00
Register of Premises	£115.00	£115.00
Changes to Premises registration particulars	£41.00	£41.00
<u>Animal Licence</u>		
Standard licence *	£234.00	£350.70
Home dog boarding	£234.00	£276.70
Each additional licenseable activity	£87.00	£124.55
Rescore visit	£120.00	£120.00
Vets and fees expenses	Actual Cost	Actual Cost
<u>Dangerous Wild Animal Licence</u>		
Licence Fee (initial and renewal)	£394.00	£394.00
Plus vets fees and expenses	Actual cost	Actual cost
<u>Eco Certificate</u>		
Licence per film	£103.00	£103.00
Licence per festival	£515.00	£515.00
<u>Food Export Certificate</u>		
Export Certificate initial set up	£153.00	£153.00
Export Certificate renewal	£61.00	£61.00
Amendment to existing certificate (in addition to renewal fee)	£22.00	£22.00
<u>Food Hygiene Score Revisit inspection fee</u>		
Food Hygiene Score Revisit inspection fee	£130.00 per visit	£130.00 per visit
Food Hygiene Advice visit	£130 first hour , £65 per hour thereafter	£130 first hour , £65 per hour thereafter
Safer Food Better Business pack	£20 for the Catering SFBB Pack plus a years diary. £6 for a years diary	£20 for the Catering SFBB Pack plus a years diary. £6 for a years diary
<u>Food Premises Register</u>		
Food Premises Register (Full copy)	£304.00	£304.00
Food Premises Register (Part copy)	£103.00	£103.00
<u>Food Safety</u>		
Issue of unfit food certificate	£101.00	£101.00
<u>Hackney Carriage and Private Hire</u>		
Hackney Carriage Vehicle - fully wheelchair accessible	£20.00	£20.00
Hackney Carriage Vehicle - non wheelchair accessible	£181.00	£181.00
Private Hire Vehicle - fully wheelchair accessible	£20.00	£20.00
Private Hire Vehicle - non wheelchair accessible	£160.00	£160.00
Driving Licence (1 year)	£110.00	£110.00
Driving Licence initial application fee	£109.00	£109.00
Knowledge test	£50.00	£50.00
DBS	£60.00	£56.00
Driving Licence (3 years)	£281.00	£281.00
Replacement Plate	£20.00	£20.00
Transfer of ownership of vehicle	£50.00	£50.00
Operator Licence (Private Hire Only) 1 year	£125.00	£125.00
Operator Licence (Private Hire Only) 5 years	£472.00	£472.00
Replacement Driver's Badge	£15.00	£15.00
<u>Homes in Multiple Occupation</u>		
New Applications (new properties/change of ownership)	£372.00	£372.00
Renewals (every 5 years)	£372.00	£372.00

Appendix D - Environmental Health Charges Proposed for 2020/21		
	Current Fee 2019/20	Proposed Fee 2020/21
<u>Housing Act Enforcement Notice fee</u>		
Housing Act Enforcement Notice fee	£41.00 per hour	£41.00 per hour
<u>Housing Suitability (Immigration Inspection Certificate)</u>		
Housing Suitability (Immigration Inspection Certificate)	£80.00	£80.00
Inspection and report on Housing Conditions under the Homes (Fitness for Human Habitation) Act 2018	new charge	£300.00
Charge for Court appearance by Inspecting officer	new charge	£41.00 per hour
Depositing site rules with the Local Authority	£79.00	£79.00
Hypnotism Authorisation	£58.00	£58.00
<u>Private Water Supply</u>		
Private Water Supply Sampling Fee	£72.00	£72.00
Private Water Supply sample failure investigation	new charge	£100.00
Private Water Supply Risk Assessment	£212.00 per risk assessment	£212.00 per risk assessment
<u>Residential Mobile Home/Caravan Site Licences</u>		
Annual Fee (£13 per pitch with a minimum of 5 pitches)	£65.00	£65.00
Transfer of Licence	£100.00	£100.00
Standard amendment	£200.00	£200.00
Site Expansion Amendment (Standard Amendment fee plus £10 per pitch)	£200.00 plus £10.00 per pitch	£200.00 plus £10.00 per pitch
Initial Licence (5 pitch site plus £10 per pitch thereafter)	£200.00	£200.00
Replacement Licence (due to loss)	£10.50	£10.50
Deposit of Site Rules	£77.00	£77.00
Service of Enforcement Notice	£40.00 per hour	£40.00 per hour
<u>Scrap Metal Dealer Licence</u>		
Grant of a Site Licence	£185.00	£185.00
Renewal of a Site Licence	£134.00	£134.00
Transfer from a Site to a Collector Licence	£77.00	£77.00
Grant of a Collector Licence	£134.00	£134.00
Renewal of a Collector Licence	£88.00	£88.00
Transfer from a Collector to a Site Licence	£82.00	£82.00
Change of Licence Holder's details	£16.00	£16.00
Change of Licensed site	£82.00	£82.00
Change of Site Manager	£44.00	£44.00
<u>Sex Establishments</u>		
New Application (Inclusive of first year annual licence)	£4,600.00	£4,600.00
Annual Renewal Fee	£450.00	£450.00
Transfer or Variation	£1,300.00	£1,300.00
Plus Premises Licence / Club Premises Certificate	Statutory Cost	Statutory Cost
<u>Zoo Licence</u>		
Grant of Licence (Valid 4 years)	£818.00	£1,107.00
Renewal of Licence (Valid for 6 years)	£717.00	£1,353.00
Transfer of Licence	£370.00	£370.00
Partially exempt premises	70% of above fees	Remove reduction
Inspection	Actual Cost	Actual Cost
* Standard licences are for the following activities.		
Dog boarding kennels, catteries, dog breeding establishments, horse riding establishments, pet shops, dog day care, keeping or training animals for exhibition.		

RESERVES - PROJECTED BALANCES					APPENDIX E
	Opening balance 01.04.2019	Additions to the Reserve	Predicted spend	Projected balance 31.03.2020	Comments
	£'000	£'000	£'000	£'000	
EARMARKED RESERVES					
Specific Reserves - General Fund					
2016/17 Budget Surplus Contingency	(375)	0	320	(55)	This is the Budget Surplus from 2016/17 which was put into an Earmarked Reserve. Of the commitments, there is £65,000 already committed for capital funding for the Capital Programme. In addition £179,000 will be transferred to the new Vehicle Replacement Reserve in 2019-20.
Business Rates Retention Scheme	(492)	0	0	(492)	This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve also deals with any volatility in Business Rate income e.g. due to appeals.
Cannons Meadow, Tavistock	(11)	0	3	(8)	This reserve contains a commuted sum to be written down to revenue annually over 10 years
Car Parking Maintenance	(417)	0	242	(175)	The commitments relate to Brook Street Car Park, Council Owned Asset Investment & Development £20k (minute ref HC4) and Grounds Maintenance £30k (Hub 10/9/19)
Community Housing Fund	(152)	0	70	(82)	This reserve is for Community Housing Projects
Economic Grant Initiatives	(23)	0	0	(23)	
Elections	(24)	(20)	0	(44)	This is funding for the Elections.
Environmental Health	(20)	0	2	(18)	
Financial Stability	(267)	(243)	60	(450)	This is a new reserve created in 2018/19 from the Business Rates Pilot funding. A commitment of £60k relates to the purchase of land at Okehampton. In addition, £200k will be transferred to this reserve in 2019/20 from unearmarked reserves (Minute ref CM 36)
Flood Works	(15)	0	0	(15)	
Homelessness Prevention	(115)	0	0	(115)	This reserve has been created following underspends on Homelessness Prevention Costs in previous years
ICT Development	(76)	(25)	53	(48)	Commitments include replacement laptops for Members £16,000, £13,000 for the Contact Centre software upgrade and Devon WAN upgrade £10,000. Future commitments include contingency for ICT future service provision, upcoming changes to other systems and the rationalisation and replacement of photocopiers
Innovation Fund (Invest to Earn)	(453)	0	220	(233)	Commitments totalling £220k mainly relate to the upgrading of Hayedown Depot
Invest to Save	(12)	0	8	(4)	
Joint Local Plan	(30)	0	30	0	This is a new reserve for Joint Local Plan Funding
Leisure Services	(231)	0	0	(231)	
Maintenance Fund (Estates)	(196)	0	26	(170)	Commitments include £15k for the Tavistock Viaduct inspection and £11k of capital expenditure
Management, Maintenance & Risk Management	(88)	(119)	16	(191)	This is a new reserve set up to manage the ongoing maintenance costs of the Council's Commercial Property Portfolio. The contributions to the reserve equate to 10% of the rental income.
Neighbourhood Planning Grants	(42)	0	20	(22)	This reserve funds Neighbourhood Planning Specialists
New Homes Bonus (NHB)	(291)	(501)	738	(54)	The NHB is used to support the funding of the revenue budget and the Capital Programme. The commitment includes £375,000 to fund the 2019/20 revenue budget and £320,000 for the Capital Programme.
Outdoor Sports & Recreation Grants	(18)	0	0	(18)	
Planning Policy and Major Developments	(104)	(25)	7	(122)	£7.2k has been committed to employ two Planning Enforcement case managers during 2019/20 (Hub 10/9/19)
Revenue Grants	(422)	0	0	(422)	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes
Section 106 Monitoring	(8)	0	0	(8)	This reserve funds the cost of an officer to oversee the administration of S106 deposits and how they are spent
Support Services Trading Opportunities	(8)	0	0	(8)	
T18 Strategic Change	(234)	0	227	(7)	The commitments include £50,000 for the capital requirement of the Public Toilets pay on entry review (HC.19) and £167,000 will be transferred to the new Vehicle Replacement Reserve.
Vehicle Replacement	0	(396)	396	0	This is a new reserve set up to fund the Council's vehicle replacement programme (Council 4 Dec 2018)
Waste & Cleansing Options Review	(163)	0	43	(120)	A commitment of £43.5k relates to the three weekly waste collection trial (Hub 4 June 2019)
Other Reserves below £15,000	(29)	0	9	(20)	
TOTAL EARMARKED RESERVES	(4,316)	(1,329)	2,490	(3,155)	
TOTAL UNEARMARKED RESERVES	(1,286)	(54)	200	(1,140)	£200k will be transferred from unearmarked reserves in 2019/20 to the Financial Stability Reserve (Minute ref CM 36). The projected underspend for 2019/20 is £54,000.
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)	(5,602)	(1,383)	2,690	(4,295)	

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NOT FOR PUBLICATION

Appendices B & C contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972

Report to: **Hub Committee**

Date: **17 December 2019**

Title: **Capital Budget Proposals for 2020/21**

Portfolio Area: **Budget Proposals – Cllr N Jory**

Wards Affected: **All**

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

Date next steps can be taken: **After Call In 27 December 2019**

Author: **Lisa Buckle** Role: **Corporate Director for Strategic Finance (S151 Officer)**

Contact: **Tel. 01803 861413**
Email: lisa.buckle@swdevon.gov.uk

Recommendations:

- 1) It is recommended that the Hub Committee note the following and give their initial views on:
 - a) The Capital Programme Proposals for 2020/21, which total £910,000 (Appendix A)
 - b) The Capital Programme Proposals for 2020/21, which total £140,000 (Exempt Appendix C)
 - c) The proposed funding of the 2020/21 Capital Programme of £1,050,000 from the funding sources set out in Section 4.
- 2) The Hub Committee resolves to request the views of the Overview and Scrutiny Committee on the Capital Programme proposals for 2020/21 of £1,050,000 set out in this report and the proposals for the financing of the Capital Programme.

1. Executive summary

1.1 The report sets out the Capital Bids to the 2020/21 Capital Programme totalling £1,050,000 and a suggested way that these Bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.

1.2 The Council has limited resources, in the form of capital receipts, to fund Capital Projects in 2020/21.

Consideration needs to be given to the funding options for the 2020/21 Capital Programme. 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.

1.3 The Prudential Code for capital, which came into effect from 1st April 2004, replaced the previous Government regulated limits on capital expenditure and borrowing. In its place Councils now have the power to determine their own appropriate levels of capital expenditure and borrowing for capital purposes, based on the principles of affordability, prudence and sustainability.

1.4 The Code requires the Council, in setting its capital spending plans, to assess the impact on its revenue account and council tax levels. Section 4 demonstrates that there are sufficient capital funds in 2020/21 to fund the bids which have been submitted by project officers within the Council.

1.5 The proposed Capital Programme proposals for 2020/21 are set out in this report for the Hub Committee's initial consideration. The Overview and Scrutiny Committee will meet on 14th January 2020 to consider the Council's draft budget proposals for 2020/21, which will include consideration of the proposed Capital Programme set out within this report.

2. Background

2.1 The capital programme for 2019/20 was approved by Council on 12 February 2019 (CM53 and HC74 refer).

- 2.2** A new Capital Programme is proposed for 2020/21. The Head of Finance Practice invited bids for capital funding from all service areas, for a new capital programme during September 2019 on the strict proviso that all bids must go towards meeting a strategic priority. All capital bids received would be ranked against a prescribed priority criteria set out in the bid process.
- 2.3** The submitted capital bids have now been assessed against the categories in each priority. Priority 1 categories include meeting strategic priorities and statutory obligations (e.g. Health and Safety, DDA etc) and other capital works required to ensure the existing Council property assets remain open. Priority 2 categories link to good asset management whereby the capital work proposed would either generate capital/revenue income or reduce revenue spending. A capital bid that will enable rationalised service delivery or improvement is also considered a Priority 2 category to meet the Council's aims and objectives.
- 2.4** The programme outlines the principles of the projects proposed for capital expenditure and includes an estimate of predicted costs including fees. All projects will be subject to project appraisals as required under the Council's Asset Strategy.

3. Outcomes/outputs

Members are requested to give their views on the proposals for the Capital Programme for 2020/21. Appendix A and exempt Appendix C set out the bids which total £1,050,000.

3.1 Capital Programme 2020/21

3.2 Community Project Grants

This budget is used to provide financial support to community groups to help purchase equipment or fund building related costs. These could include funds for sports equipment, repairs to a village hall or tree planting.

There is sufficient underspend in the 2019/20 Capital Programme on this scheme which can be rolled forward into 2020/21. Therefore no new budget allocation is required for 2020/21 however an allocation of £16,000 per annum has been modelled for 2021/22 for Community Project Grants.

3.3 Affordable Housing

In recent times the capital programme has facilitated affordable housing developments in rural areas by providing a sum of money, normally between £10,000 and £15,000 per plot, to enable the development to proceed. These schemes are typically on exception sites and therefore do not rely on cross subsidy from open market properties, evidence from a Registered Provider (RP) is provided to ensure additional money is required to make the scheme viable. Money is normally required where there are 'abnormals' on the site or there is a shortage of public subsidy.

The current level of capital funding allocated to the delivery of affordable housing is an annual contribution of £50,000. Housing officers have advised that there may be a requirement to increase this allocation in future years as and when new affordable housing schemes arise.

3.4 Waste Fleet Replacement

The Waste Fleet is a Council asset which is maintained and repaired by the Waste Contractor, FCC. The fleet totals 35 vehicles and includes dedicated refuse and recycling collection vehicles of various capacities. The Council and FCC liaise over the timing of purchasing replacements. Contributions are made into the Vehicle Replacement Reserve annually and are sufficient to fund all replacements until the end of the contract term (an 8 year contract term).

A report on Frontline Services (Waste and Cleansing Procurement) was presented to Council in December 2018. An annual contribution of £50,000 into the Vehicle Replacement Earmarked Reserve was approved as part of this report.

A climate change action plan will be presented to Members at the Council meeting on 17th December, 2019. This action plan will include future considerations around the Council's fleet.

3.5 Car Park Resurfacing

Officers have identified a number of car parks across the Borough which are in need of resurfacing. It is recommended that an annual budget of £30,000 is built into the capital programme proposals, to be funded by a £30,000 contribution annually from the Car Park Maintenance Reserve.

3.6 Private Sector Renewals (including Disabled Facilities Grants)

This budget is used to fund Private Sector Renewals, primarily Disabled Facilities Grants (DFG's). DFG's are mandatory, means tested and enable people to live independently within their own home. Adaptations range from simple stair lifts and Level Access Showers through to full extensions. The budget of £780,000 will be funded from the Better Care Fund (Government Grant). The demand for DFG's is not under the Council's control and cannot be predicted at this stage.

3.7 Tavistock Temporary Accommodation

As set out in the quarter two capital budget monitoring report, also on this agenda, officers will be presenting an updated business case to the Hub Committee in the New Year.

3.8 Kilworthy Park Accommodation Review

Members of the Accommodation Working Group are reviewing options. A report was presented to the Hub Committee on 5th November 2019. Currently West Devon BC pays South Hams DC £90,000 per year which reflects the cost of the shared service provision and the far greater footprint used at Follaton House for the provision of some frontline services (call centre) and all back office functions. Members have requested that this annual payment is reviewed as part of the budget setting process for 2020/21.

3.9 Wonnacotts, Okehampton

The Council has assembled land in Okehampton with a view to developing a highly sustainable site close to the town centre.

Members are advised that a future report will be presented to Members on Wonnacotts, Okehampton. The timing of this report is such that these proposals are not yet developed for inclusion within the Draft Capital Programme for 2020/21. However a report will be presented in due course.

3.10 Community Housing Schemes

The Community Housing Strategy was put in place to support the development of homes accessible to those with local connections for whom the cost of market housing (to purchase and rent) is beyond their reach.

A budget of £4.3m was approved within the 2019/20 capital programme. This budget will be used to build out two community housing schemes at Brentor and Lamerton.

A planning application is to be submitted for 12 residential units in Brentor. It is anticipated that this should be determined by the end of 2019 with construction completion targeted for the end of 2020.

The proposal to build 17 residential units in Lamerton is dependent on support by Lamerton Parish Council. If the scheme is not taken forward, the funding allocated will be deployed elsewhere (the funding is through PWLB borrowing).

4 FINANCING THE CAPITAL PROGRAMME

4.1 Capital bids shown in Appendix A total £910,000 with the total of bids in exempt Appendix C being £140,000. Funding of £1,050,000 is therefore required. The table below shows the recommended way that these projects are financed:-

Capital Programme 2020/21 <i>Appendix A (£910,000) and exempt Appendix C bids (£140,000)</i>	£ 1,050,000
Funded By:	
Leisure Services Reserve	90,000
Car Park Maintenance Reserve	30,000
Vehicle & Plant Renewals Reserve*	50,000
Better Care Grant funding towards Disabled Facilities Grants (estimated)	780,000
New Homes Bonus	50,000
Capital receipts	50,000
TOTAL	1,050,000

*This funding has already been approved by Council on 4th December 2018 as part of the report on Frontline Services (Waste and Cleansing Procurement)

5. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/ Governance	Y	<p>The Hub Committee is responsible for control of the Council's capital expenditure. The Heads of Finance and Assets Practices are responsible for providing Capital Monitoring reports to the Hub Committee, detailing the latest position of the Council's Capital Programme.</p> <p>Council is responsible for setting the Capital Programme and approving the Capital Budget, following consideration and recommendation from the Hub Committee.</p> <p>Since there is commercially sensitive information in Appendices B and C, regarding the budgets for individual projects, there are grounds for the publication of these Appendices 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 Appendices. Accordingly this report contains exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p>
Financial Implications to include reference to Value for Money	Y	<p>The report sets out the Capital Bids to the 2020/21 Capital Programme totalling £1,050,000 and a suggested way that these bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.</p> <p>Section 4 demonstrates that there are sufficient capital funds in 2020/21 to fund the bids which have been submitted by project officers within the Council.</p>

		The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.
Risk	Y	<p>There is a risk that the Capital Programme does not meet the Council's strategic priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities. The mitigation is that there is a project appraisal for each proposal.</p> <p>This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.</p> <p>The Council demonstrates that capital investment contributes to strategic priorities, provides value for money and takes account of the revenue implications of the investment.</p> <p>Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p>
Supporting Corporate Strategy		The Capital Programme supports all six of the Corporate Themes of the Council, Homes, Enterprise, Communities, Environment and Wellbeing.
Climate Change - Carbon / Biodiversity Impact		A climate change action plan will be presented to Members at the Council meeting on 17 th December, 2019. This action plan will include future considerations around the Council's fleet.

Comprehensive Impact Assessment Implications		
Equality and Diversity		None directly arising from this report.
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 – Summary of Capital Bids for 2020/2021

EXEMPT – Appendix B – Details of exempt Capital Bids

EXEMPT - Appendix C – Summary of exempt Capital Bids for 2020/2021 (table)

Background papers

Capital Programme for 2019/20 - Council 12 February 2019 (CM53 and HC74 refer)

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

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Appendix A

Proposed Capital Projects 2020/21 - 2022/23 - PART I							
Priority Criteria							
Statutory Obligations	1		Compliance, H&S, DDA				
	2		Essential to keep Operational Assets open				
Good Asset Management	3		Rationalise service delivery or service improvement				
	4		Generate income, capital value or reduce revenue costs				
Service	Site	Project	Lead officer	Proposed 2020/21 £'000	Proposed 2021/22 £'000	Proposed 2022/23 £'000	Priority code / notes
Placemaking	Community Project Grants		NT	0	16	16	1,3
Affordable Housing			AR	50	50	50	3,4
Commercial Services		Waste Fleet Replacement	JS	50	50	50	1,2,3
Commercial Services	Car Parks	Resurfacing	CA	30	30	30	1,2
Public Sector Renewals (inc Disabled Facility Grants)			IL	780	780	780	1
Totals				910	926	926	

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Report to: **HUB Committee**
Date: **17 December 2019**
Title: **Write Off Report**
Portfolio Area: **Performance & Resources – Cllr Edmonds**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**
Date next steps can be taken: **After Call In 27 December 2019**

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 £40,006.71 as detailed in Tables 1 and 2.

The Committee approves the write off of individual debts in excess of £5,000 totalling £5,242.92 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 July 2019 to 30th September 2019.

2. Background

The Council's sound financial management arrangements underpin delivery of all the Councils 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 2018/19 were; Council Tax 97.7% & Business Rates 97.6%.

In the second quarter of 2019/20 the Council has collected £11.3 million in Council Tax and £3.1 million in Business Rates. The total collectable debt for 2019/20 (as at 30th September) for Council Tax is £41.3 million and for Business Rates is £10.8 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 £2,781,044.16. 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 £45,249.63 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>

		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.
Supporting Corporate Strategy		Delivering efficient and effective services
Climate Change - Carbon / Biodiversity Impact		No direct carbon/biodiversity impact arising from the recommendations
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 2018/19 Collection Rates
Table 5 – Quarterly income in 2018/19 relating to all years
Table 6 – Previous Year Write Off Totals
Table 7 – Bad debt provision breakdown

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 1 SUMMARY OF WEST DEVON BOROUGH COUNCIL DEBT UNDER £5,000 WRITTEN OFF BY S151 OFFICER

TYPE OF DEBT	NUMBER OF CASES	REASON FOR W/OFF	Financial Year 2019/20			Totals for Comparison purposes			
			Quarter 2	Cumulative Total		Equivalent Quarter 2018/19		Grand Total 2018/19	
			Amount (£)	Cases	Amount	Cases	Amount	Cases	Amount
HOUSING BENEFIT	24	Overpaid Entitlement	7,755.71	49	16,007.03	15	4,899.88	76	28,187.80
	3	Insolvency / Bankruptcy	1,659.05	5	6,373.72	3	2,209.82	12	16,072.89
	7	Deceased	2,463.94	11	4,939.46	5	1,938.04	13	4,094.34
	-	Other	-	1	85.89	-	-	4	433.09
	-	Absconded	-	-	-	1	63.09	3	2,606.02
	8	Not Cost Effective to Pursue	141.68	13	185.60	26	6,871.80	46	8,005.61
	15	Uncollectable Old Debt	3,901.94	21	4,872.08	-	-	33	16,561.27
Total	57		15,922.32	100	32,373.78	50	15,982.63	187	75,961.02
COUNCIL TAX	1	Absconded	179.00	1	179.00	-	-	-	-
	20	Insolvency / Bankruptcy	20,095.08	27	25,963.65	5	5,738.79	31	46,034.41
	1	Deceased	60.15	2	697.99	2	667.16	4	2,905.84
	-	Other (inc. CTR overpayment)	-	-	-	4	169.32	7	3,214.41
	2	Small Balance	9.08	5	49.38	4	45.40	47	672.38
	31	Uncollectable Old Debt	3,741.08	90	17,833.53	-	-	-	-
Total	55		24,084.39	125	44,723.55	15	6,620.67	89	52,827.04
SUNDRY DEBTS	-	Small Balance	-	-	-	2	14.33	2	14.33
	-	Insolvency / Bankruptcy	-	-	-	-	-	-	-
	-	Unable to pursue	-	-	-	4	1,065.00	4	1,065.00
	-	Uncollectable Old Debt	-	2	140.00	-	-	-	-
	-	Absconded	-	-	-	-	-	36	14,526.37
	-	Other	-	-	-	-	-	1	540.00
Total	-		-	2	140.00	6	1,079.33	43	16,145.70
Grand Total	112		40,006.71	227	77,237.33	71	23,682.63	319	144,933.76

**Breakdown of Absconded Council Tax Debt
(Some cases have debts over more than one year)**

Year	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	Pre 2010/11	Total
Value	-	-	-	-	179.00	-	-	-	-	-	-	179.00
Number	-	-	-	-	1	-	-	-	-	-	-	1

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 2019/20			Totals for Comparison purposes			
			Quarter 2		Cumulative Total	Equivalent Quarter 2018/19		Grand Total 2018/19	
			Amount (£)	Cases		Cases	Amount	Cases	Amount
NON-DOMESTIC RATE	-	Insolvency / Bankruptcy	-	2	502.35	3	2,070.82	6	9,704.04
	-	Absconded	-	-	-	-	-	-	-
	-	Deceased	-	-	-	-	-	-	-
	-	Other	-	-	-	-	-	-	-
	-	Small Balance	-	2	126.70	-	-	-	-
	-	Uncollectable Old Debt	-	1	2,844.95	-	-	-	-
Total	-		-	5	3,474.00	3	2,070.82	6	9,704.04

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

Page	TYPE OF DEBT	NUMBER OF CASES	REASON FOR W/OFF	Financial Year 2019/20			Totals for Comparison purposes			
				Quarter 2		Cumulative Total	Equivalent Quarter 2018/19		Grand Total 2018/19	
				Amount (£)	Cases		Cases	Amount	Cases	Amount
95	NON-DOMESTIC RATE	-	Insolvency / Bankruptcy	-	1	17,929.80	-	-	2	38,251.60
		-	Absconded	-	-	-	-	-	-	-
		-	Deceased	-	-	-	-	-	-	-
		-	Other	-	-	-	-	-	-	-
	Total	-		-	1	17,929.80	-	-	2	38,251.60
	HOUSING BENEFIT	-	Insolvency / Bankruptcy	-	-	-	-	-	-	-
-		Absconded	-	-	-	-	-	-	-	
-		Other	-	-	-	-	-	-	-	
-		Deceased	-	-	-	-	-	-	-	
	Total	-		-	-	-	-	2	12,721.09	
	Total	-		-	-	-	-	2	12,721.09	
	COUNCIL TAX	1	Insolvency / Bankruptcy	5,242.92	1	5,242.92	-	-	-	-
-		Absconded	-	-	-	-	-	-	-	
-		Other (inc. CTR overpayment)	-	-	-	-	-	-	-	
	Total	1		5,242.92	1	5,242.92	-	-	-	
	SUNDRY DEBTORS	-	Insolvency / Bankruptcy	-	1	6,759.59	-	-	-	-
-		Absconded	-	-	-	-	-	-	-	
-		Other	-	-	-	-	-	-	-	
	Total	-		-	1	6,759.59	-	-	-	
	Grand Total	1		5,242.92	3	29,932.31	-	-	4	50,972.69

TABLE 4 NATIONAL & LOCAL COLLECTION STATISTICS RE 2018-19 COLLECTION RATES

Total amount collected in 2018-19 relating to 2018-19 financial year only (net of refunds relating to 2018-19)

	Council Tax			Non Domestic Rates		
	Collectable Debit i.r.o. 18/19 - £000s	Net Cash Collected* i.r.o. 18/19 - £000s	Amount Collected i.r.o. 18/19 - %age	Collectable Debit i.r.o. 18/19 - £000s	Net Cash Collected* i.r.o. 18/19 - £000s	Amount Collected i.r.o. 18/19 - %age
All England	30,185,467	29,293,449	97.0	26,188,145	25,748,183	98.3
Shire Districts	13,794,829	13,508,228	97.9	8,179,526	8,052,219	98.4
East Devon	107,176	105,902	98.8	36,363	36,147	99.4
Exeter	65,947	64,026	97.1	83,047	81,705	98.4
Mid Devon	53,342	52,162	97.8	15,313	15,203	99.3
North Devon	62,409	60,578	97.1	32,660	31,693	97.0
Plymouth	126,927	122,831	96.8	91,186	90,289	99.0
South Hams	70,455	69,214	98.2	31,194	30,696	98.4
Teignbridge	90,164	88,856	98.5	30,967	90,722	99.2
Torbay	81,414	78,434	96.3	35,256	34,069	96.6
Torridge	43,360	42,500	98.0	11,651	11,480	98.5
West Devon	39,119	38,206	97.7	10,729	10,473	97.6

* Net Cash Collected is total 2018-19 receipts net of refunds paid, in respect of 2018-19 only

TABLE 5 QUARTERLY INCOME IN 2018-19 RELATING TO ALL YEARS

Total amount collected in 2018-19 relating to any financial year (net of all refunds made in 2018-19)

	Council Tax Net Cash Collected* £000s	Non Domestic Rates Net Cash Collected* £000s
Quarter 1 - Receipts collected between 1 st April – 30 th June	11,899	3,137
Quarter 2 - Receipts collected between 1 st July – 30 th September	10,259	3,063
Quarter 3 - Receipts collected between 1 st October – 31 st December	10,970	2,742
Quarter 4 - Receipts collected between 1 st January – 31 st March	5,475	1,426

* Net Cash Collected is total receipts in 2018-19 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

		2018 - 19	2017 - 18	2016 - 17	2015 - 16	2014 - 15	2013- 14
HOUSING BENEFIT	Under £5,000 cases	75,961.02	117,461.11	28,341.72	37,800.00	77,477.87	48,315.96
HOUSING BENEFIT	£5,000 or over cases	12,721.09	17,126.57	15,685.10	15,685.10	25,488.58	0.00
Total		88,682.11	134,587.68	44,026.82	53,485.10	102,966.45	48,315.96
COUNCIL TAX	Under £5,000 cases	52,827.04	85,818.34	85,498.82	60,159.32	67,271.83	33,385.96
COUNCIL TAX	£5,000 or over cases	-	27,458.04	-	0.00	5,265.60	15,940.10
Total		52,827.04	113,276.38	85,498.82	60,159.32	72,537.43	49,326.06
SUNDRY DEBTS	Under £5,000 cases	16,145.70	85,064.24	15,895.01	3,020.15	887.47	818.09
SUNDRY DEBTS	£5,000 or over cases	-	-	-	-	0.00	0.00
Total		16,145.70	85,064.24	15,895.01	3,020.15	887.47	818.09
NON DOMESTIC RATES	Under £5,000 cases	9,704.04	8,876.14	10,517.74	6,650.00	17,699.12	35,095.48
NON DOMESTIC RATES	£5,000 or over cases	38,251.60	7,561.62	29,217.16	29,217.16	89,506.07	38,882.41
Total		47,955.64	16,437.76	39,734.90	35,867.16	107,205.19	73,977.89
GRAND TOTAL		205,610.49	349,366.06	185,155.55	152,531.73	283,596.54	172,438.00

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TABLE 7 BAD DEBT PROVISION RELATING TO ALL YEARS

Total amount of bad debt provision for debts outstanding as at 31st March 2019

	West Devon element (£)	Gross Collection Fund amount* (£)
Council Tax	305,340.82	1,997,824.78
Business Rates	141,244.40	353,110.80
General Fund	134,149.68	134,149.68
Housing Benefit	293,000.00	293,000.00
Standard Charges	2,958.90	2,958.90
Total	876,693.80	2,781,044.16

* Gross Collection Fund amount includes elements of Council Tax and Business Rates bad debts that relate to Central Government or other precepting bodies share of the provision.

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At a Meeting of the **OVERVIEW & SCRUTINY COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **19th** day of **NOVEMBER 2019** at **2.00 pm**.

Present:

Cllr M Ewings – Chairman
Cllr P Kimber – Vice Chairman

Cllr K Ball	Cllr A Coulson
Cllr L Daniel	Cllr N Heyworth
Cllr C Kemp	Cllr B Ratcliffe
Cllr T Southcott	Cllr J Spettigue
Cllr L Wood	

Deputy Chief Executive
Senior Specialist – Democratic Services
Community Safety Partnership Representatives
Commissioning Manager
Monitoring Officer
Localities Team Leader
Specialist Manager
Section 151 Officer

Also in Attendance:

Cllrs C Edmonds, T Leech, J Moody, T Pearce,
M Renders, L Samuel, D Sellis and J Yelland

***O&S 47 APOLOGIES FOR ABSENCE**

Apologies for absence for this meeting were received from Cllrs T Bolton, D Moyse, R Musgrave and P Ridgers.

Whilst not Committee Members, apologies were also received for this meeting from Cllrs N Jory and C Mott.

***O&S 48 CONFIRMATION OF MINUTES**

The minutes of the Meeting of the Overview and Scrutiny Committee held on 8 October 2019 were confirmed and signed by the Chairman as a true and correct record.

***O&S 49 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 50 CHAIRMAN'S ANNOUNCEMENTS – PURDAH**

The Chairman reminded the Committee that 'Purdah' (a term commonly used to describe the pre-election period) had started on 6 November 2019 and would run until the General Election (12 December 2019).

During a Purdah period, there were strict rules on publicity that essentially stated that a Council must not issue any publicity (i.e. any form of communication) that a reasonable person would consider was giving support to a particular political party. However in their own right, Members were not required to comply with the same strict rules as long as they did not use any Council resources to do so.

***O&S 51 PUBLIC FORUM**

The Chairman informed that no formal requests had been received in accordance with the Overview and Scrutiny Procedure Rules.

***O&S 52 HUB COMMITTEE FORWARD PLAN**

It was noted that no prior requests had been received for updates on any future Hub Committee agenda items at this meeting.

As previously notified, the Committee acknowledged that the next Hub Committee meeting had been rearranged to take place on Tuesday, 17 December 2019.

***O&S 53 COMMUNITY SAFETY PARTNERSHIP**

A report was considered that provided Members with the opportunity to scrutinise the work of the Community Safety Partnership (CSP) as defined by Sections 19 and 20 of the Police and Justice Act and the Crime and Disorder (Overview and Scrutiny) Regulations 2009.

In the ensuing debate, reference was made to:-

- (a) County Lines. Officers advised that there were challenges in the Tavistock area with regard to County Lines operations.

At this point, Members sought additional information and it was therefore **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** 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 as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.'

Once all Members were content that they had no further issues or questions to raise in exempt session, it was then **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:

‘the public and press be re-admitted to the meeting.’

In conclusion, officers advised that the CSP also offered detailed County Lines Briefings to any interested Members;

- (b) the Exploitation Prevention Toolkit. The Committee was informed that the CSP offered Exploitation Prevention training events and the next session was to be held at Kilworthy Park, Tavistock on 20 November 2019. In reply to a question, officers confirmed that any Members who were interested in this session were more than welcome to attend;
- (c) the dedication of lead officers. A number of Members paid tribute to the hard work and dedication of lead officers in maximising the effectiveness and success of the CSP. In taking the point a step further, some Members emphasised the benefits of this Partnership and recognised that, whilst need had increased, funding had decreased. As a result, a Member felt that consideration should be given to increasing the current level of resource that was allocated to the CSP;
- (d) support for armed forces veterans and their families. When questioned, officers advised that the CSP found it to be a challenge to identify veterans. However, the CSP was active in providing support to armed forces veterans and their families and it was agreed that further details on this aspect of work would be provided to an interested Member outside of this Committee meeting;

It was then:

RESOLVED

That the Committee welcome the contents of the annual update and commend the work and effectiveness of the Community Safety Partnership.

O&S 54 CUSTOMER SATISFACTION SURVEY

The Committee considered a report that detailed the scores achieved by the Council as part of a recent Institute of Customer Service Customer Satisfaction Benchmark Survey.

Whilst the Council’s scores had improved in comparison to 2018, the report recognised that there was still further improvements to be made to be on a par with the top national performers across all sectors. Of particular note, the importance of the Council getting it ‘right first time’ was emphasised.

The report proceeded to recommend a series of next steps with a view to building on the progress that had been made to date and to further improve the Council’s Customer Satisfaction scores.

In discussion, the following points were raised:-

- a) The Committee paid tribute to the improved Survey results and noted that these had been achieved without any additional resources being allocated;
- b) With regard to staff targets and monitoring, officers confirmed that customer satisfaction was a key performance measure for staff in their Personal Continuous Improvement discussions. In addition, improving customer satisfaction remained the emphasis for the annual staff away days and the latest round of these had just commenced;
- c) In reiterating the comments in the report that there was a need to build on the progress that had been made, some Members emphasised the importance of promoting channel shift and ensuring that residents were kept regularly informed;
- d) The Committee recognised the importance of a systematic approach to process improvements. It was therefore requested that Members (in their role as Community Leaders) be informed as and when significant process improvements were being rolled out.

It was then:

RESOLVED

That the results from the Customer Satisfaction Survey be welcomed and the Hub Committee be **RECOMMENDED** to approve the actions contained within Section 5 of the presented agenda report that are headed as follows:

- Customer Service Improvement Manager;
- Complaint Handling Review;
- Staff Meetings, Performance Monitoring and Training;
- IT Procurement and Improvement;
- Continued Surveying; and
- Progress Reporting.

***O&S 55**

OMBUDSMAN'S ANNUAL REVIEW LETTER 2019

Members considered a report that presented the Local Government & Social Care Ombudsman's (LGO) Annual Review Letter 2019 regarding Ombudsman complaints that had been received against the Council for the period 1 April 2018 to 31 March 2019.

In discussion, it was recognised that the improvements that had been made to customer satisfaction (Minute O&S 54 above refers) had been a key factor in the reduction in complaints to the Ombudsman.

It was then:

RESOLVED

That the Committee has reviewed the Ombudsman Annual Letter for 2019.

***O&S 56 PEER CHALLENGE – UPDATE ON GOVERNANCE**

The Committee considered a report that provided an overview of the progress against the Peer Challenge Action Plan but was limited to Recommendation 2 of the Peer Challenge: 'Strengthening the Council's Political Governance Arrangements'.

In the ensuing debate, it was confirmed that the Political Structures Working Group had given consideration to more shared working opportunities with South Hams District Council. To progress this work further, a meeting of the Chairmen and Vice-Chairman of both Council's Overview and Scrutiny Committees was to be convened in early 2020.

It was then:

RESOLVED

That the Committee acknowledge the progress made to date on the delivery of the governance recommendations in the Peer Challenge Action Plan in relation to recommendation 2: 'Strengthening the Council's Political Governance Arrangements'.

***O&S 57 2019 MEMBER INDUCTION REVIEW: VERBAL UPDATE**

By way of a reminder, the Chairman made a plea for all Members to complete the recent Induction Survey before the results were presented to the next Committee meeting.

In addition, the importance of all Members completing the recent Surveys into the 2020/21 Budget and Committee Meeting Start Times was also emphasised.

***O&S 58 LOCALITY SERVICE – ANNUAL REPORT**

The Committee considered the annual report of the Locality Service. The report noted that the service continued to evolve and covered service elements that had been previously covered by a number of service areas across the Council.

In the ensuing debate, reference was made to:-

- (a) the Team working at reduced capacity. When questioned, it was confirmed that the Team was still operating at reduced capacity and officers were monitoring this situation;
- (b) dog patrols. The Committee was informed that the Mobile Locality Officer focus was on providing a visible presence and to educate dog owners. In acknowledging that dog fouling was an area of high concern for town and parish councils, officers advised that the Team undertake out of hours

inspections and proceeded to encourage Members (and Clerks) to report any issues to the Localities mailbox.

It was then:

RESOLVED

That the Committee endorses continuation of the Locality Model pending ongoing monitoring and a further report being presented to the Committee in November 2020.

***O&S 59 OPERATIONAL PERFORMANCE: APRIL – SEPTEMBER 2019**

A report was considered that presented the operational performance of the Council during the period April to September 2019. Furthermore, the report also set out a proposed approach to future monitoring of operational performance.

In discussion, there was widespread support for the proposed new approach.

It was then:

RESOLVED

1. That the operational performance of the Council during the period between April and September 2019 be noted; and
2. That the draft live performance dashboard has been considered and the proposed new approach endorsed.

***O&S 60 FINANCIAL STABILITY REVIEW GROUP – MEMBER BRIEFING NOTE**

The Section 151 Officer presented her Briefing Note that had informed that the Group had last met on 22 October 2019.

During the debate, a number of Members highlighted the recent draft Budget Setting Workshop and felt that it had been an excellent session.

***O&S 61 TASK AND FINISH GROUP UPDATES**

(a) Leisure Review

By way of an update, the Committee was informed that:

- a face-to-face and online customer survey had been undertaken;
- the Group had conducted a site visit to the Meadowlands and Parklands Leisure Centres;
- the initial view of the Group was that the future of the Leisure Contract was very positive; and

- the Group remained on target to present its concluding report to the next Committee meeting on 14 January 2020.

***O&S 62 ANNUAL WORK PROGRAMME 2019/20**

The Committee considered the latest version of its Work Programme for the remainder of the 2019/20 Municipal Year.

In discussion, it was agreed that:-

- the Safeguarding Annual Report would be presented to the next Committee meeting on 14 January 2020; and
- the Enforcement: Verbal Update would be presented to the Committee at its meeting on 25 February 2020.

***O&S 46 MEMBER LEARNING AND DEVELOPMENT OPPORTUNITIES ARISING FROM THE MEETING**

The Committee was reminded that:

- the Community Safety Partnership was offering detailed County Lines Briefings to any interested Members; and
- an Exploitation Prevention training event was to be held at Kilworthy Park, Tavistock on 20 November 2019.

(The meeting terminated at 3.50 pm)

Chairman

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