

South Hams Joint Development Management Committee and Overview & Scrutiny Panel



Title:	Agenda																								
Date:	Thursday, 18th January, 2018																								
Time:	10.00 am																								
Venue:	Cary Room - Follaton House																								
Full Members:	<p style="text-align: center;">Chairman Cllr Saltern Vice Chairman Cllr Smerdon</p> <p><i>Members:</i></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Cllr Baldry</td> <td>Cllr Hitchins</td> </tr> <tr> <td>Cllr Birch</td> <td>Cllr Hodgson</td> </tr> <tr> <td>Cllr Blackler</td> <td>Cllr Holway</td> </tr> <tr> <td>Cllr Bramble</td> <td>Cllr Huntley</td> </tr> <tr> <td>Cllr Brazil</td> <td>Cllr May</td> </tr> <tr> <td>Cllr Brown</td> <td>Cllr Pearce</td> </tr> <tr> <td>Cllr Cane</td> <td>Cllr Pennington</td> </tr> <tr> <td>Cllr Cuthbert</td> <td>Cllr Pringle</td> </tr> <tr> <td>Cllr Foss</td> <td>Cllr Rowe</td> </tr> <tr> <td>Cllr Green</td> <td>Cllr Steer</td> </tr> <tr> <td>Cllr Hawkins</td> <td>Cllr Vint</td> </tr> <tr> <td>Cllr Hicks</td> <td></td> </tr> </table>	Cllr Baldry	Cllr Hitchins	Cllr Birch	Cllr Hodgson	Cllr Blackler	Cllr Holway	Cllr Bramble	Cllr Huntley	Cllr Brazil	Cllr May	Cllr Brown	Cllr Pearce	Cllr Cane	Cllr Pennington	Cllr Cuthbert	Cllr Pringle	Cllr Foss	Cllr Rowe	Cllr Green	Cllr Steer	Cllr Hawkins	Cllr Vint	Cllr Hicks	
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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:																									

1. Apologies for Absence

2. Urgent Business

brought forward at the discretion of the Chairman;

3. Division of Agenda

to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information;

4. 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;

5. Review of Fees and Charges for 2018/19

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6. Budget Proposals Report 2018/19

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7. Planning Enforcement Service Review

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Agenda Item 5

Report to: **Joint Overview and Scrutiny Panel and Development Management Committee**

Date: **18 January 2018**

Title: **Review of Fees and Charges for 2018/19**

Portfolio Area: **Support Services – Cllr S Wright**

Wards Affected: **All**

Relevant Scrutiny Committee: **N/A**

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

Author: **Pauline Henstock** Role: **Finance Cop Lead & Deputy S151 Officer**

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RECOMMENDATION

That the Joint Meeting RESOLVES that the Executive RECOMMEND to Council that:-

- 1) it approves the proposed fees and charges set out for Parks, Open Spaces and Outdoor Sports in Appendix A.**
- 2) it approves the proposed Environmental Health charges not in bold in Appendix B. (Those proposed charges in bold in Appendix B will need to be separately considered by the Licensing Committee).**
- 3) it approves the proposed fees and charges set out for Development Management in Appendix C.**
- 4) delegated authority is given to the Group Manager for Commercial Services in consultation with the Portfolio holder, to set the Lower Ferry fees to take account of market conditions including competitor charges.**
- 5) it approves:**
 - a. An overall percentage increase of 2% to car park charges and to delegate responsibility of implementing the increase to the Group Manager for Commercial Services in consultation with the Portfolio holder following consultation with representative bodies (including parish councils).; and**
 - b. Withdrawal of weekly parking tickets;**
- 6) delegated authority is given to the Group Manager for Commercial Services in consultation with the Portfolio holder, to set the Commercial Waste charges, once all the price modelling factors are known.**
- 7) delegated authority is given to the Group Manager for Commercial Services in consultation with the Portfolio**

holder, to set the Public Conveniences Pay on Entry charges, following completion of works and a review of appropriate charges.

8) it approves the changes to Boat Storage Charges set out in paragraph 3.7.

1. Executive summary

1.1 This report sets out proposals for fees and charges for all services for 2018/19.

2. Background

2.1 The Council has the power to levy fees and charges for various services and functions it undertakes. Some of these fees are set by statute while for others the Council can make "reasonable" charges for the services it provides. The undertaking of regular reviews of charges allows, where possible, for the Council to recover the cost of officers' time in providing the service.

3. Proposals for Charges 2018/19

3.1 Parks, Open Spaces, Outdoor Sport and Recreation

Appendix A sets out proposals related to Parks, Open Spaces, Outdoor Sport and Recreation. For pitches and courts the proposal is that charges for 2018/19 be increased by 9% to cover the next three years of inflation. This would minimise the administrative costs of reflecting inflationary increases every year. Officers are continuing to pursue options to transfer management of facilities to local clubs and organisations, with some transfers already completed.

For most other charges, the proposal is to increase by 3% to reflect inflation and the rising costs to the Council of providing these services. There are some exceptions to this, most notably Dinghy Parking at Coronation Park where significant increases to fees were made last year. Taken together, it is anticipated that these increases will generate additional income of £1,000.

The Council adopted a new Events Policy at Full Council on 27th July 2017 (Minute 29/17 E.04/17 refers). The policy introduced a standard administration fee for each event of £55 which is a non-negotiable one-off charge to process each application. The use of Council land is provided free of charge, on the basis that no damage or loss occurs as a result of an event. An exception to this may be if an event is held in a Pay & Display car park, where the estimated loss of income would also be charged, and the

applicant will need to contact the Council to discuss this as the amount varies depending on location and time of year.

The Council continues to offer a play area inspect and insure service to community groups and town and parish councils. This annual service provides 12 visits by a qualified inspector (Mobile Locality Officers), an annual Allianz engineering report and insurance premium. Since 2009 the cost of the service was set at £100 + VAT, this price increased by £30 in 2017/18 to £130+VAT (to recover some of the shortfall in costs associated with delivering this service). To continue to close the gap and reduce the degree to which the Council subsidises this inspection service, it is proposed to increase the annual charge to £200 per play area. In the next year it is proposed to undertake consultation with relevant community groups and parishes upon a range of options with respect a new charging structure to further reduce the degree of Council subsidisation of this service. The consultation which seek to reflect the variation in costs related to the size of play areas, and seek a fair increase which does not penalise smaller play parks. It is anticipated that this will generate additional income of about £2,000.

3.2 Environmental Health Charges

Appendix B sets out proposals for Environmental Health Charges for 2018/19.

Environmental Health charges were reviewed for 2016/17 to ensure that the Council charges were consistent across SHDC and WDBC 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 2018/19 reflects the full cost recovery concept and the proposal is to increase most charges by 3% to reflect inflation and the additional cost to the Council of providing these services.

It should be noted that those charges in Appendix B which are highlighted in bold fall within the jurisdiction of the Licensing Committee. As such, the highlighted charges will need to be submitted to the Licensing Committee for approval. If the Licensing Committee approves the charges, it is estimated that these will generate additional income of about £300.

A review of Taxi Licensing Fees has been considered by the Licensing Committee on 11 January. The Local Government (Miscellaneous Provisions) Act 1976 requires the Licensing Committee to set fees at a level 'they consider reasonable with a view to recovering the costs of issue and administration'. This review has been conducted and resulted in a reduction in fees with a projected reduction in income of £11,200.

There has also been an increase in existing Environmental Health charges, notably food export certificates and private water supply sampling charges to reflect additional service costs. It is estimated that these additional charges will bring in an additional £10,000.

A small number of charges have been introduced for services which were previously provided for no fee. These include food hygiene revisit fees and review of film classification. It is estimated that these new charges will bring in an additional £5,000.

3.3 Lower Ferry, Dartmouth

It is requested that responsibility for setting Lower Ferry charges is delegated to Group Manager for Commercial Services in consultation with the Portfolio holder. This will provide assurance that the charges are set to reflect the competitive environment in which the ferry operates.

3.4 Car Parking

The budget proposals report for 2018/19 considered by the Executive on 7 December 2017 set an income target equivalent to a 2% increase in car parking fees which would provide additional income of £38,000. The charges would be set by the Manager for Commercial Services in consultation with the Portfolio holder following consultation with communities as to how the increase will be achieved through the community led tariffs policy.

It is proposed to withdraw weekly parking tickets and this is likely to result in increased Pay & Display income of £15,000 per annum due to increased sales across the District.

3.5 Commercial Waste Charges

The pricing model for Commercial Waste charges requires consideration of budget performance, disposal charges and market factors, but it is considered too early in the financial year for this review to be undertaken. Given the timing of these factors, it is requested that the Group Manager for Commercial Services is given delegated authority in consultation with the Portfolio holder, to set these charges once the outcome of the review is known.

3.6 Planning

The Government sets planning application fees and the long awaited 20% increase in fees comes into force on 17 January 2018. Although this will significantly increase income from planning applications, it is important to recognise that this increase is ring-fenced for the planning service and is in addition to the existing budget for the planning service.

A review of other Development Management fees has been undertaken and a proposed fee structure is included at Appendix C. This includes new fees covering enforcement compliance and validation checking and changes to the pre-application service charges following consultation with the Agents Forum. Based on the existing demand for these services the estimated additional income from the proposed fee structure is £10,000.

Additionally, it is proposed to increase the Duty Planning appointment time by 15 minutes and increase the charge to £30 per appointment. It is anticipated that this measure will increase income by £5,000.

3.7 Boat Storage Charges

The budget proposals report for 2018/19 considered by the Executive on 7 December 2017 set an income target of £14,300 for Boat Storage Fees. The proposed increase in fees is summarised below:

Batson Boat Park	2017/18	2018/19
Daily Rate	£8 per day	£10 per day
Weekly rate (paid in advance)	£49 per week	£60 per week
Weekly rate (paid on arrival)	£59 per week	£60 per week
Time Zone/Area 1 (Oct to end Mar)	£53/m	£58.30
Time Zone/Area 2 (Oct to end Apr)	£75.50/m	£83.05
Weekly charge (only avail Dec-Feb)	£3/m/week	£3.30/m/month
Lift out	£13.20/m	£14.52/m
Launch	£13.20/m	£14.52/m
Environmental levy for filtering of scrubbing water	£1.20/m	£1.32/m
Yacht cradle hire (9m and over) Zone 1 and 2	£240.00	£264.00
Or yacht cradle hire per month	£45.00/month	£49.50/month
Powerboat props hire Zone 1 and 2	£180.00	£198.00
Or powerboat props per month	£36.00/month	£39.60/month

3.8 Public Conveniences Pay on Entry

The budget proposals report for 2018/19 considered by the Executive on 7 December 2017 set an income target of £16,000 for pay on entry public conveniences at Bigbury, Whitestrand, Creek (Salcombe), North Sands, South Sands, Coronation Road, Steamer Quay (Totnes), Civic Hall, Fore Street, Slapton Line, Glanville's Mill, Wembury, Dittisham.

The income will only be achieved after these public conveniences have been adapted to accept pay on entry and so it is requested that responsibility for setting pay on entry charges is delegated to Group Manager for Commercial Services in consultation with the Portfolio holder following completion of works and a review of appropriate charges.

4. Proposed Way Forward

1) The level of fees and charges will continue to be monitored during the year.

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council has the power to introduce, maintain and increase charges under S.19 of the Local Government (Miscellaneous Provisions) Act 1976 or as set out in specific pieces of relevant legislation.
Financial	Y	The estimated additional income that could be generated from the review of fees and charges for 2018/19 if the recommendations are agreed is £105,400. This excludes any additional income from commercial waste and the Lower Ferry, Dartmouth and is made up as follows: <ul style="list-style-type: none"> • Additional income from parks and open spaces £1,000 (section 3.1) • Additional income from playground inspections £2,000 (section 3.1) • Additional licensing income £300 (section 3.2) • Reduced Taxi Licensing income -£11,200 (section 3.2) • New and increased EH charges £15,000 (section 3.2) • Additional Car Parking charges £53,000 (section 3.4) • Additional planning income £15,000 (section 3.6) • Additional income from boat storage charges £14,300 (section 3.7) • Additional income from pay on entry in public conveniences £16,000 (section 3.8)
Risk	Y	Achieving anticipated income targets in the current financial climate – regular monitoring of corporate income streams and revenue budgets ensures early identification of variances.
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	Charging helps to support the provision of a wide range of public facilities available to all ages and all abilities.
Safeguarding	Y	Charging assists in supporting the running and management of a range of facilities in appropriate locations for local communities.
Community Safety, Crime and Disorder	Y	Charging helps to maintain the range of facilities.
Health, Safety and Wellbeing	N	

Other implications	N	None directly arising from this report.
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Supporting Information

Appendix A – 2018/19 Proposed Charges for Outdoor Recreation
Appendix B – 2018/19 Proposed Charges for Environmental Health
Appendix C – 2018/19 Proposed Charges for Development Management.

Background Papers:

Budget Proposals Report for 2018/19– Executive 7 December 2017

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Outdoor Recreation and associated charges proposed for 2018/19							Appendix A
	2017-2018			Proposed 2018-2019			
ACTIVITY	Fee	VAT @ 20%	Total	Fee	VAT @ 20%	Total	
	£	£	£	£	£	£	
TENNIS							
Coaches rate per hour per court	3.75	0.75	4.50	4.13	0.83	4.95	
Adult per person per hour	2.50	0.50	3.00	2.75	0.55	3.30	
Junior per person per hour	0.83	0.17	1.00	0.92	0.18	1.10	
Hire of Rackets	0.83	0.17	1.00	0.92	0.18	1.10	
Deposits	4.17	0.83	5.00	4.58	0.92	5.50	
Hire of Balls	0.42	0.08	0.50	0.46	0.09	0.55	
Annual ticket - Adult	78.33	15.67	94.00	85.42	17.08	102.50	
Annual ticket - Junior	20.00	4.00	24.00	21.83	4.37	26.20	
Club Use per hour per court	4.50	***	4.50	4.95	***	4.95	
PITCHES (Football, Rugby & Cricket)							
Per season (up to 20 games) adult	240.00	***	240.00	261.60	***	261.60	
Per season (up to 20 games) junior	120.00	***	120.00	130.80	***	130.80	
Per Match Adult	26.67	5.33	32.00	29.08	5.82	34.90	
Per Match Junior	13.33	2.67	16.00	14.54	2.91	17.45	
*** Exempt from VAT - the hire of sports facilities by a club/school for a series of 10 or more lets; must be more than 1 day apart and less than a fortnight apart							
PUTTING							
Adult	1.67	0.33	2.00	1.67	0.33	2.00	
Junior	0.83	0.17	1.00	0.83	0.17	1.00	
Lost Ball	0.83	0.17	1.00	0.83	0.17	1.00	
DINGHY PARKING - Coronation Park							
Per day - Small (up to 4m)	8.33	1.67	10.00	8.33	1.67	10.00	
Medium (up to 5m)	10.83	2.17	13.00	10.83	2.17	13.00	
Large (up to 6m)	13.33	2.67	16.00	13.33	2.67	16.00	
Per week - Small	39.58	7.92	47.50	39.58	7.92	47.50	
Medium	51.46	10.29	61.75	51.46	10.29	61.75	
Large	63.33	12.67	76.00	63.33	12.67	76.00	
Per season (summer) - Rack	50.00	10.00	60.00	50.00	10.00	60.00	
Small	93.75	18.75	112.50	93.75	18.75	112.50	
Medium	121.88	24.38	146.25	121.88	24.38	146.25	
Large	150.00	30.00	180.00	150.00	30.00	180.00	
Per annum - Rack	66.67	13.33	80.00	66.67	13.33	80.00	
Small	125.00	25.00	150.00	125.00	25.00	150.00	
Medium	162.50	32.50	195.00	162.50	32.50	195.00	
Large	200.00	40.00	240.00	200.00	40.00	240.00	
DINGHY PARKING - Other							
Warfleet - Per annum	100.00	20.00	120.00	103.00	20.60	123.60	
Bowcombe - Per annum	83.33	16.67	100.00	85.83	17.17	103.00	
Bowcombe Racks - Per annum	66.67	13.33	80.00	68.71	13.74	82.45	
Canoes	20.83	4.17	25.00	21.46	4.29	25.75	
Club use - by negotiation							
EVENTS Per Day							
Administration fee (all events)	50.00	0.00	50.00	55.00	0.00	55.00	
MEMORIALS							
New Memorial Bench	1208.33	241.67	1450.00	1250.00	250.00	1500.00	
Sponsor a Bench	479.17	95.83	575.00	500.00	100.00	600.00	
Memorial Tree	208.33	41.67	250.00	216.67	43.33	260.00	
SITE SPONSORSHIP							
Royal Avenue Gardens	625.00	125.00	750.00	650.00	130.00	780.00	
The Embankment, Dartmouth	416.66	83.34	500.00	433.33	86.67	520.00	
Coronation Park	250.00	50.00	300.00	258.33	51.67	310.00	
Norton	250.00	50.00	300.00	258.33	51.67	310.00	

Outdoor Recreation and associated charges proposed for 2018/19							Appendix A
	2017-2018			Proposed 2018-2019			
ACTIVITY	Fee	VAT @ 20%	Total	Fee	VAT @ 20%	Total	
	£	£	£	£	£	£	
Batson Creek	625.00	125.00	750.00	650.00	130.00	780.00	
Whitestrand	416.66	83.34	500.00	433.33	86.67	520.00	
Cliff House Gardens	250.00	50.00	300.00	258.33	51.67	310.00	
Courtenay Park	250.00	50.00	300.00	258.33	51.67	310.00	
The Embankment, Kingsbridge	625.00	125.00	750.00	650.00	130.00	780.00	
Recreation Ground	416.66	83.34	500.00	433.33	86.67	520.00	
Brittons Field	250.00	50.00	300.00	258.33	51.67	310.00	
Duncombe Park	250.00	50.00	300.00	258.33	51.67	310.00	
Borough Park	416.66	83.34	500.00	433.33	86.67	520.00	
Vire Island	416.66	83.34	500.00	433.33	86.67	520.00	
Longmarsh	416.66	83.34	500.00	433.33	86.67	520.00	
PLAY AREA INSPECTION							
Per Play area per annum	130.00	26.00	156.00	166.67	33.33	200.00	
HIGH HEDGE COMPLAINTS							
Per complaint	500.00	**	500.00	520.00	**	520.00	
** Outside scope for VAT							

Appendix B - Environmental Health Charges Proposed for 2018/19

	Current Fee 2017/18	Proposed Fee with Inflation - 2018/19
<u>Acupuncture, Tattooing, Ear-piercing & Electrolysis</u>		
Register of Persons	£112.00	£115.00
Register of Premises	£112.00	£115.00
Changes to Premises registration particulars	£40.00	£41.00
<u>Animal Boarding Establishment (All to 31 December each year)</u>		
Licence (per animal)	£5.00	£5.00
Minimum	£129.00	£133.00
Maximum	£187.00	£193.00
Home Boarding (maximum fee charged)	£120.00	£124.00
Dangerous Wild Animal Licence	£394.00	£406.00
Plus Vets fees and expenses	Act. Cost	Act. Cost
<u>Dog Breeding Establishment</u>		
Licence Fee (Initial & Renewal)	£167.00	£172.00
Plus Vets fees and expenses (initial applications only)	Act. Cost	Act. Cost
Hypnotism	£56.00	£58.00
Pet Animal Auctions	£202.00	£208.00
<u>Pet Shop Licences</u>		
(Non-Statutory Annual Fee)	£120.00	£124.00
Plus Vets fees and expenses	Act. Cost	Act. Cost
<u>Riding Establishment Licences</u>		
Up to 10 horses	£168.00	£173.00
Plus for each horse	£8.00	£8.00
Plus for Vets fees and expenses	Act. Cost	Act. Cost
Maximum Fee	£304.00	£313.00
<u>Scrap Metal Dealers (2013 Act)</u>		
Site Licence (New Application valid 3 yrs)	£180.00	£185.00
Site Licence (Renewal)	£130.00	£134.00
Transfer of Site Licence to Mobile Collector	£75.00	£77.00
Mobile Collector Licence (New application valid 3 yrs)	£130.00	£134.00
Mobile Collector (Renewal)	£85.00	£88.00
Transfer of a Mobile Collector Licence to a Site License	£80.00	£82.00
Change of licence holder details	£15.00	£16.00
Change of licensed site	£80.00	£82.00
Change of site manager	£43.00	£44.00
<u>Sex Establishments (Shops & Encounter Venues)</u>		

Per application (Inclusive of first year annual licence)	£4,600.00	£4,738.00
Annual Fee/Renewal	£450.00	£464.00
Transfer	£1,300.00	£1,339.00
Plus Premises Licence / Club Premises Certificate if applicable – Licensing Act 2003	Statutory Fee	Statutory Fee
<u>Zoo Licensing Act</u>		
Grant of Licence (Valid 4 years)	£818.00	£843.00
Renewal of Licence (Valid for 6 years)	£717.00	£739.00
Transfer of Licence	£370.00	£381.00
Partially exempt premises	70% of above	70% of above fees
Inspection	Actual Cost	Actual Cost
The above fees fall within the jurisdiction of the Licensing Committee		

Food Export Certificates

Export Certificate initial set up	£145.00	£149.00
Export Certificate	£54.00	£59.00
Housing Act Enforcement Notice fee	£38.50 per hour	£40.00
Depositing site rules with Local Authority	£75.00	£77.00
House in Multiple Occupation (HMO) Licence	£350.00	£361.00
Food Hygiene Score Revisit inspection fee	No Fee	£120 per visit
Film classification licence fee	No Fee	£100 per film £500 per festival
PWS sampling fee increase	£50.00	£70.00
PWS risk assessment	£200 per risk assessment	£206 per risk assessment

Appendix C

Activity	Current Fee	Proposed Fee £ (2018/19)	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)	N/A	£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)	N/A	£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)	N/A	£300	<p>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.</p> <p>If the completion was over 12 months ago, use the 'help resolving planning history questions' service detailed below</p>

Appendix C

Activity	Current Fee	Proposed Fee £ (2018/19)	Comments
Help resolving planning history questions		£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	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

Appendix C

Activity	Current Fee	Proposed Fee £ (2018/19)	Comments
Planning Validation checking Service	N/A		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.
		£85	Major Development - This will include 1 validation check of the application at plus 1 re-check
		£50	Minor Development - This will include 1 validation check of the application at plus 1 re-check
		£40	Householder and Other Development - This will include 1 validation check of the application at plus 1 re-check
Pre-Application Fees	£120 plus £100 for each additional meeting	£180 plus £180 for any additional meeting/response required	Householder/Listed Building/Advertisements one meeting with a written response

Appendix C

Activity	Current Fee	Proposed Fee £ (2018/19)	Comments
	<p>£180 for one meeting plus £120 for each additional meeting</p>	<p>£180</p> <p>£420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response</p>	<p>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)</p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full pre-app – one meeting plus a written response.</p>
	<p>£600 up to two meetings plus</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>

Appendix C

Activity	Current Fee	Proposed Fee £ (2018/19)	Comments
	£180 for each additional meeting	£240 £600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response	One Scoping meeting with agreed notes from the meeting Full pre-app – one meeting plus a written response.
	£1800 up to three meetings plus £360 for each additional meeting	£480 £1800 (£1320 if it follows a scoping meeting). Or a specific PPA.	Small Scale Majors (up to 30 dwellings or Non-Residential floor space between 1000 – 4999 sqm or a site area between 1 – 2 Ha) One Scoping meeting with agreed notes from the meeting 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.
			Large Majors (Over 31 dwellings or Non-Residential floor space over 500sqm or a site

Appendix C

Activity	Current Fee	Proposed Fee £ (2018/19)	Comments
	£2400 (31-149 dwellings) £5000 (above 150 dwellings)	£720 Specific PPA	<p>area over 2 Ha all renewable energy proposals unless a domestic scale and all development that requires an EIA)</p> One Scoping meeting with agreed notes from the meeting Full Pre-app
Exemptions:	No Charge	No Charge	100% Affordable Housing schemes
	No Charge	No Charge	Facilities for the disabled
	No Charge	No Charge	Parish/Town Council
Pre-App Charges Notes:			Floor space refers to gross external floor space The fee stated are inclusive of VAT For the purposes of pre-app fees flats and holiday accommodation are considered as dwellings. Fees will be the subject of review

Agenda Item 6

Report to: **Joint Overview and Scrutiny Panel and Development Management Committee**

Date: **18 January 2018**

Title: **Budget Proposals Report 2018-19**

Portfolio Area: **Cllr R Tucker - Annual Budget Setting Process**

Wards Affected: **All**

Relevant Scrutiny Committee: **Joint Development Management Committee and Overview and Scrutiny Panel**

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

Author: **Lisa Buckle** Role: **Strategic Finance Lead (S151 Officer)**

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Email: lisa.buckle@swdevon.gov.uk

Recommendations:

The views of the Joint Development Management Committee and Overview and Scrutiny Panel are sought on the content of the Revenue and Capital Budget Proposals report for 2018-19.

Views are sought in particular on:-

(i) The increase in Council Tax for 2018-19 of £5 as per 5.12.

(ii) The financial pressures shown in Appendix A of £895,700.

(iii) The net contributions to/(from) Earmarked Reserves of £1,422,300 as per Appendix C.

(iv) The proposed savings of £665,350 for 2018/19 as shown in Appendix A.

(v) That £500,000 of New Homes Bonus funding is used to balance the 2018-19 Revenue Budget as shown in Appendix C.

(vi) The budget proposals for Public Conveniences as set out in 6.11, 6.23 and 6.24 which would require a decision as part of the 2018-19 budget process, due to the implementation timescales.

(vii) The 2018/19 Capital Programme Budget Proposals for 2018-19 as per the report to the Executive on 7th December 2017 (Item 9 on the agenda). This sets out a proposed Capital Programme for 18/19 of £2,555,000.

(viii) The financing of the Capital Programme as per 8.2.

1. Executive summary

- 1.1 The Council's Medium Term Financial Position (MTFP) is based on a financial forecast over a rolling five year timeframe to 2022/23. The Council, along with other local authorities, has faced unprecedented reductions in Government funding since the Comprehensive Spending Review 2010. Between 2009/10 and 2019/20, the Council's Core Government funding has reduced by £4 million.
- 1.2 South Hams has continued to work in partnership with West Devon Borough Council which has allowed South Hams District Council to achieve annual savings of £3.9 million and more importantly protect all statutory front line services.
- 1.3 Between both Councils the annual shared services savings being achieved are over £6 million. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending as outlined in the Comprehensive Spending Review. On 31st October 2017, both South Hams District Council and West Devon Borough Council considered separately whether to submit a Proposal to the Secretary of State for a Single Combined Council. A Proposal will not be submitted as West Devon made the decision to not submit a Proposal.
- 1.4 ***South Hams District Council is currently forecasting a £645,498 budget gap by 2019/20.***
- 1.5 On 7th December 2017, the Executive considered the latest Revenue and Capital proposals for 2018/19. Since that meeting date, the Government has announced the draft Local Government Finance Settlement. This report to the Joint Development Management Committee and Overview and Scrutiny Panel has been updated to show the changes from the draft finance settlement being announced and other changes to the budget which have been identified. Appendix G sets out a detailed breakdown of the changes which have been made to the Budget Proposals for 2018-19, since the last budget report to the Executive on 7th December 2017 which had reported a budget gap of £157,597.

- 1.6 **The budget report shows that the Budget Gap for 2018/19 has increased to £345,688.** The increase from the December 17 position is mainly due to the pay offer for 2018/19 being 2%, with higher increases for those on lower salaries. As South Hams District Council has a manual workforce, the cost of the pay offer is projected to be £255,000 in 2018/19, and a further £280,000 in 2019/20.
- 1.7 Section 2 shows that by 2019/20, the Council has a predicted £0.65m budget gap. It is important to note that this position is after the Council having achieved the predicted level of savings from transferring public conveniences to Town and Parish Councils (£180,000), securing a 75% cost contribution from some public conveniences (£10,000) and installing pay on entry on others (£36,000). These savings have been built into the financial modelling and the £0.65m budget gap in 2019/20 is after taking these savings into account. If these savings are not achieved, the budget gap in 2019/20 increases to over £0.85 million.
- 1.8 Devon has also been successful in achieving business rates Pilot status for 2018-19 and this has meant a predicted extra amount of business rates funding of £575,000 for South Hams for 2018-19 (this is for one year only). It is recommended that this funding (the pilot gain) is transferred into an Economic Regeneration Projects Earmarked Reserve, to meet the primary aims of the Pilot bid which are to achieve higher levels of investment in economic regeneration in Devon and encourage further business rates growth.

2. OVERALL POSITION – BUDGET GAP

- 2.1 Appendix B illustrates the overall financial forecast for the forthcoming five years. The Council's Net Budget is £8.3 million in 2017/18. 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 (shown in Appendix B).
- 2.2 The following table illustrates the predicted budget gap from 2018/19 onwards for the Council as shown in Appendix B:

	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Cumulative budget gap	345,688	645,498	567,675	634,726	647,276

(See the comments in paragraphs 1.5 to 1.7 in the Executive Summary. If these budget gaps are not closed annually, the aggregated budget gap would equate to £2.84 million by 2022/23, as shown in Appendix B).

2.3 **This shows that by 2019/20, the Council has a predicted £645,498 budget gap.**

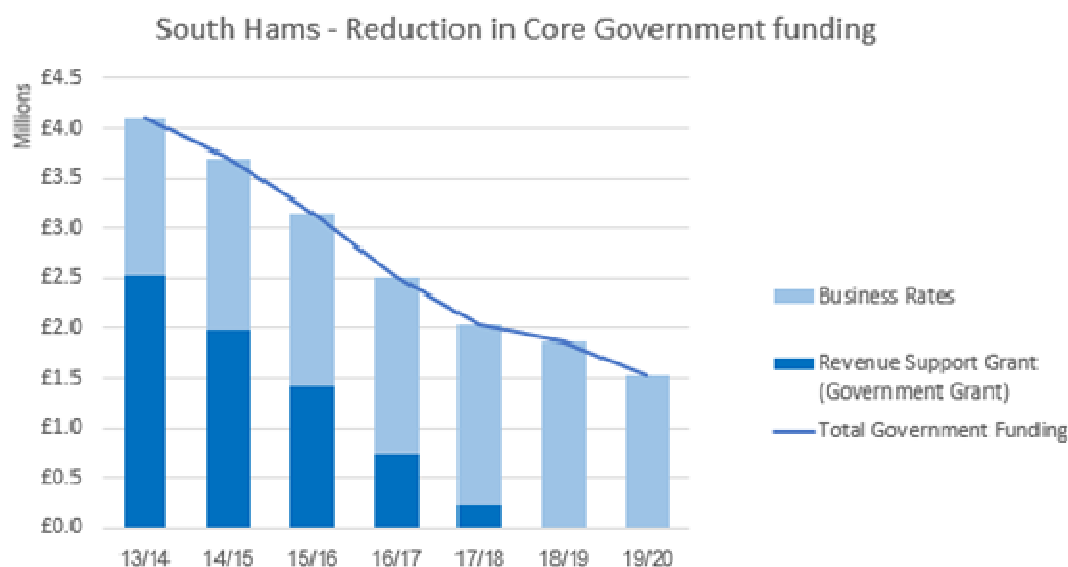
2.4 The cost pressures, savings and additional income already identified for 2018/19 are shown in Appendix A. It is to be noted that this is the best estimate of the financial position at the current time and new items could arise and the report will be updated.

3 THE FOUR YEAR SETTLEMENT FUNDING OFFER

3.1 During 2016/17 the Government offered Local Authorities the opportunity to apply for a four year agreed funding settlement, subject to the production of an efficiency plan. The Council applied and was accepted for the four year agreement.

3.2 By 2018/19 the Council receives no Government funding (Revenue Support Grant) and the Council will need to be self-sufficient. The withdrawal of Government funding has happened two years earlier than expected. The Council's Settlement Funding Assessment (Government Grant and funding from Business Rates) is reducing by a further 39.3% between now and 2019/20. This compares to an 18.7% cut for Metropolitan Districts and 32.4% for Shire Districts. Counties vary between 30% to 31%.

3.3 District Councils such as South Hams have also suffered a large reduction in their New Homes Bonus funding (£0.5 million in 17/18) due to the number of years payments are being reduced, from six years to five years in 17/18 and to four years from 18/19 onwards. The funding being released is to contribute towards adult social care costs, a function carried out by Unitary and County Councils.



In 2009/10, South Hams District Council received £5.5m in Core Government funding. By 2019/20 this has been reduced to £1.5 million as shown.

- 3.4 It can be seen from the graph above that between 2009/10 and 2019/20 the Council's Core Government funding will have reduced by £4 million.

4 ASSUMPTIONS FOR FINANCIAL MODELLING PURPOSES

- 4.1 The National Employers have made a final pay offer covering 1 April 2018 to 31 March 2020. The majority of employees (those on salaries starting at £19,430 p.a.) would receive an uplift of 2% on 1/4/18 and a further 2% on 1/4/19, with those on lower salaries receiving higher increases. The cost of this would be £255,000 in 2018/19 and a further £280,000 in 2019/20. This has been reflected in Appendix A. The Medium Term Financial Position 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.

- 4.2 The report assumes inflation will run at 2.5% over the five year period. The Consumer Prices Index (CPI) rose to 3.0% in October 17 (RPI was 4%).

- 4.3 The Medium Term Financial Position has included a cost pressure of £220,000 for Inflation and increases on Goods and Services. The main items are:-

£80,000 – Staff salary increments

£40,000 – Business Rates increases (Revaluation 2017/18 onwards)

£30,000 – Utilities inflation

£20,000 – Fuel inflation

An amount of £50,000 is to fund a 2.5% uplift on other expenditure budgets (£2 million). Within this, there is a cost pressure of £4,000 for General Data Protection Regulation which will apply from May 2018.

- 4.4 The predicted interest rate forecast from our treasury management advisors, Capita, is that interest rates will remain at 0.5% up to September 2018 and then in December 2018 the base rate is predicted to rise to 0.75%. By December 2019 the bank base rate is predicted to increase to 1%.

Officers will make recommendations in February 2018 on the strategy for internal borrowing and external borrowing for the Leisure Investment. A Council is not able to borrow in advance of need and borrowing will be undertaken on review of the Council's whole Capital Financing Requirement and projected Balance Sheet for future years.

- 4.5 An increase in council tax of £5 for the next five years has been modelled for council tax purposes. This would equate to a Band D council tax for South Hams of £160.42 in 2018/19 as shown in Appendix B and equates to a council tax increase of 3.2%.

- 4.6 It has been assumed that the number of properties within the District will increase by 450 per annum from 2018/19 to 2022/23 – this is an increase of approximately 1.2% - the Council had 37,379.62 Band D equivalent properties in 2017/18. These additional properties have been used to calculate the amount of additional Council Tax and also the potential for New Homes Bonus. The Tax Base for 2018/19 has been confirmed at 37,851.93 (this was an increase of 472.31 Band D properties from the 2017/18 position).

5. BUSINESS RATES AND COUNCIL TAX

- 5.1 **Retained Business Rates** - The Government introduced the Business Rates Retention system from April 2013. There is a risk of volatility in the system because Councils are exposed to any loss of income if businesses go into decline.
- 5.2 Of the Business Rates collected of £30.8 million, the Council currently retains approximately 6p in every £1 to run our services.

Self-sufficient local government: 100% Business Rates Retention

- 5.3 The Secretary of State has announced in December 2017 that local business rates retention would move from 50% to 75% in 2020/21.

5.4 Business Rates Pilot status for 2018/19

Devon was successful in achieving Business Rates Pilot status for 2018-19 and the pilot will begin on 1st April 2018. Financial modelling shows that the Devon business rates pool could benefit by somewhere in the region of between £10m to £16.9m by becoming a pilot in 2018/19. The recent modelling shows that South Hams could benefit by at least £0.5 million and it could be higher (e.g. £0.7 million) depending on business rates growth estimates. For the purposes of this report, a pilot gain of £575,000 has been modelled. As part of a Pilot, South Hams would receive 40% of all business rates growth above the baseline in 2018-19 (as opposed to 20% outside of the Pool or 22% inside the Pool).

- 5.5 This is one-off additional revenue money for the year of the pilot only (2018/19). The bid set out how pilot status for Devon would meet the principles of higher levels of investment in economic regeneration in Devon, assisting financial sustainability for the District Councils and support for Upper Tier Councils with the growing financial cost pressures of areas such as adult social care and children's services. It is recommended that this funding (the pilot gain) is transferred into an Economic Regeneration Projects Earmarked Reserve, to meet the primary aims of the Pilot bid which are to achieve higher levels of investment in economic regeneration in Devon and encourage further business rates growth.

- 5.6 There will be an opportunity for Councils to bid for pilot status in 2019-20 and details of this will be announced by the Government around the Summer time.

Tariff/Top Up Adjustment in 2019/20 (negative RSG)

- 5.7 The Tariff/Top Up Adjustment is an amount in 2019/20 which increases an authority's tariff. It is applied where cuts to a Council's Settlement Funding Assessment (SFA) cannot be achieved through further cuts to the Revenue Support Grant (RSG), as the RSG is already zero.

In effect the Tariff/Top Up Adjustment is negative Revenue Support Grant (RSG). Settlement Funding Assessment is the income received by local authorities in the form of (i) Revenue Support Grant from Central Government and (ii) a share of business rates retained locally.

Draft Local Government Finance Settlement for 2018-19

- 5.8 In the draft Local Government Finance Settlement, the Government has said that a consultation will take place in Spring 2018 regarding the current £153million in negative RSG that remains in the 2019/20 funding allocations, with the outcome feeding into the 2019/20 local government finance settlement. The negative RSG currently included within the Council's funding allocation for 2019/20 amounts to £399,900. *If the Government were to partly or wholly remove this following the consultation process, the Council's budget position would be bettered by this amount for 2019/20 and future years.*
- 5.9 Rural Services Delivery Grant – the 2018/19 funding has been increased from £50 million to £65 million. This has meant extra RSDG funding of £75,565 for 2018/19 as the Council's allocation has increased from £251,886 to £327,451. The £327,451 has been built into the Council's business rates baseline for 2018/19 due to the Council's Pilot status.

Council Tax

- 5.10 South Hams District Council's share of the council tax bill in 2017/18 was **9%**, being £155.42 out of an average Band D council tax bill of £1,737.25. The total income from council tax in 2018/19 is predicted to be £6.07 million. A 1% increase in council tax generates an extra £59,000 for South Hams.

Council tax referendum limit of £5 or less than 3% for District Councils

- 5.11 The draft Finance Settlement has stated that for District Councils, increases of less than 3% or up to and including £5 (whichever is higher), can be made without triggering a council tax referendum. This is for 2018/19 and is indicative only for 2019/20 (this is to reflect the level of inflation).

- 5.12 For South Hams, a £5 increase in council tax equates to a Band D council tax for 2018-19 of £160.42 and equates to a council tax increase of 3.2%. Therefore the highest amount that South Hams District Council can increase council tax before triggering a referendum is £5. A council tax increase of £5 per annum has been modelled in Appendix B for 2018-19 and beyond for illustration purposes.
- 5.13 At the Members' Budget Workshop held on 28th September 2017, there was early support for increasing council tax by the maximum allowable of £5. At this event it was recognised that this measure would increase the base budget for ensuing years and protect the delivery of services and the Council's financial resilience.
- 5.14 In the draft Local Government Finance Settlement, the Government has also announced that it will defer the setting of referendum principles for town and parish councils for three years. However, this is conditional upon the sector taking all available steps to mitigate the need for council tax increases.

THE COUNCIL'S STRATEGIC PRIORITIES – OUR PLAN

- 5.15 The Council's 'Our Plan' describes the Council's vision and its aspirations for our communities. It does this by setting out what the Council wishes to deliver to our communities under eight themes. These themes are: Homes; Economy; Communities; Wellbeing; Infrastructure; Environment; Heritage; and Resources. 'Our Plan' is due to be reviewed during the 2017/18 financial year.

6 BUDGET PRESSURES, SAVINGS AND INCOME GENERATION

- 6.1 Financial modelling has been undertaken for the next five years to predict the Council's financial situation for the short and medium term.
- 6.2 **Appendix A** to the Medium Term Financial Position sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast. ***These figures in Appendix A show the changes to the existing base budget.*** A description of the larger budget pressures are set out below.
- 6.3 **Torr Quarry Transfer Station** - The Council currently receives a payment from DCC for operation of the Torr Quarry transfer station of up to £280,000 depending on the tonnage throughput at the transfer station. This payment was linked to a tipping away payment which was payable to the District Council when our main tipping site for waste was the Heathfield landfill site near Newton Abbot. Now that our main site for disposal is Plymouth energy from waste plant the County Council are withdrawing the payment for tipping away.

- 6.4 Given the scale of the payment to the District Council, representation was made to DCC to phase the withdrawal of this payment. It has been agreed that a payment of £142,500 will be paid as a contribution to the transfer station in 2018/19. After 2019 then the transfer station would need to be fully funded by the Council, or other arrangements be made to transport waste direct to the Plymouth disposal facility. During the procurement process for waste and cleansing, bidders may express an interest to run the station as a commercial enterprise which may offset the running costs and still make it available for the District to use.
- 6.5 **Salaries** – A 2% provision for a pay award has been included for 2018/19 and 2019/20 which totals £255,000 and £280,000 respectively. This is explained in section 4.1. A further £30,000 provision for salary costs for a steady state review of roles and grades has been included within this report. This cost pressure has been identified since the December 2017 Executive budget report.
- 6.6 **ICT support contracts** - An extra cost pressure of £40,000 has been added for 2018/19 for ICT support contracts, to align the budget to actual expenditure. The additional cost of ICT contracts such as IEG4 software are offset by additional recovery of housing benefit overpayments of £40,000. A further cost pressure of £15,000 for IT to replace ageing network switches and £6,000 for a line to Ivybridge Depot has also been identified since the December 2017 Executive budget report and has been included within this report. (Note there is an annual contribution of £50,000 per annum into an IT Reserve).
- 6.7 **Controlled Waste Regulations income** - Properties which are chargeable under the Controlled Waste Regulations legislation and which can be identified from our own internal data have now all been written to and where appropriate invoiced. This is projected to achieve an income for 2017/18 of £35,000. The budget is £75,000 in 17/18 and this will not be achieved. It is recommended to reduce the income target for 2018/19 by £40,000 to reflect actual income achievable.
- 6.8 **Partnership Grant funding** – It is recommended to increase the current contribution (£2,710) to the Ivybridge Ring and Ride by £2,000, in acknowledgement that since the Totnes Ring and Ride closed down, Ivybridge has added to its services, mainly to South Brent and Dartington.

SAVINGS AND INCOME GENERATION

- 6.9 **Batson Boat Storage Fees** (£6,100) - Increase fees to store boats/trailers at Batson Boat Park in Salcombe. Charges proposed to be increased as follows: Amend charges: Daily rate increases from £8 to £10 per day; Weekly rate (paid in advance) raised from £49 to £60 per week; Weekly rate (paid on arrival) raised from £59 to £60. It is assumed no reduction in usage as pricing will remain competitive and demand exceeds supply.

- 6.10 **Winter Boat Storage Fees** (£8,200) - Proposal to raise charges by 10%. Customers may seek alternatives, but overall the price to customers remains broadly competitive when compared to other harbours. Because demand currently outstrips supply, it is assumed that overall numbers of over-wintering boats will not decrease.
- 6.11 **Public Conveniences pay on entry** (£16,000 in 18/19 and £36,000 by 19/20) – To install pay on entry on the following Public Conveniences - Bigbury, Whitestrand, Creek (Salcombe), North Sands, South Sands, Coronation Road, Steamer Quay (Totnes), Civic Hall, Fore Street, Slapton Line, Glanville’s Mill, Wembury, Dittisham. This would require a capital outlay and a capital budget has been included within the Capital Budget Proposals for 2018/19, which was a separate report on the 7th December 2017 Executive agenda (Item 9).
- 6.12 **Beach Huts at North and South Sands** (£31,000 19/20 onwards) – Concept of installing beach huts at North Sands and South Sands. The huts would be rented out for the week during the summer. It is felt that this would add to the appeal and ambiance of these two popular beaches. The costing exercise has been based on “premium” beach huts which would seem appropriate for the setting. Life expectancy of the huts would be 15 years. This is currently a concept and it would require planning permission and a capital investment which is estimated to be re-couped by year 3. A capital budget has been included within the Capital Proposals for 2018/19, which was a separate report on the 7th December 2017 Executive agenda.
- 6.13 **Car parking fees** (£53,000) - An income target equivalent to a 2% increase in car parking fees (£38,000) is proposed for 2018/19, with consultation with communities as to how this is achieved through the community led tariffs policy. It is also proposed to withdraw weekly parking tickets and this is likely to result in increased Pay and Display income of £15,000 per annum due to increased sales across the District.
- 6.14 **Additional car parking income** (£70,000) - The car parking income target has also been increased by £70,000 in 18/19, to reflect actual income being achieved in 17/18.
- 6.15 **Duty planning** – charged appointment basis (£5,000) - The proposal is to increase the appointment time from 15 mins to 30 mins and charge £30 per appointment.
- 6.16 **Re-procurement of contracts (leisure)** – The Medium Term Financial position shows the savings in Appendix A from the re-procurement of outsourced contracts e.g. the leisure contract.

- 6.17 **Planning fee income** (£110,000) - The planning income target has also been increased by £110,000 in 18/19, to reflect actual income being achieved in 17/18. The Government sets planning application fees and the long awaited 20% increase in fees comes into force on 17 January 2018. Although this will significantly increase income from planning applications, it is important to recognise that this increase is ring-fenced for the planning service and is in addition to the existing budget for the planning service. The extra 20% in planning fee income and the extra 20% expenditure has not yet been factored into the 2018-19 Budget figures. This will be shown in the next Budget report to the Executive on 1st February 2018 (it is a net Nil impact on the Budget position).
- 6.18 **Income from commercial developments** (£30,000) – The employment units at Burke Road, Totnes and Admiral Court, Dartmouth will be ready to let for 2018/19. These have been built during 2017/18.
- 6.19 **Licensing income** (£30,000) – An income target for Licensing income from shellfish export certificates has been built into the Budget for 2018/19.
- 6.20 **Housing Benefit recoveries of overpayments** (£40,000) - A sum of £40,000 has been built into the 2018/19 forecasts as a recurring income for Housing Benefit recoveries of overpayments.
- 6.21 **Dartmouth Lower Ferry** (£75,000 in 18/19, £100,000 by 19/20) - The saving is based upon a combination of savings from:
- Changes in the ferry operating rota & a review of terms and conditions
 - Improving the fees and charges setting process
 - Improvement in administration of the service
- Due to the length of time that union negotiations have taken around the ferry working rota and terms and conditions, new contracts could not become effective until November 2017. This issue has been revisited a number of times with the ferry workforce over a number of years so it was important that all issues were fully considered. A saving of £46,000 will be achieved as a service saving in 2017/18, with this being increased to £100,000 by 2019/20.
- 6.22 **Reduce RNLI contracted lifeguard provision** (£40,000) - This option reduces the non-statutory provision of beach safety services from 7 to 3 beaches in South Hams by stopping RNLI contracted life guarding services at Hope Cove, Slapton Sands, Thurlstone and Sedgewell beaches. Life guarding services will continue at Challaborough, Blackpool Sands and Bantham as these are funded by the private land-owners. This option has been taken by other Councils regionally.

6.23 **Public Conveniences transfer to Parish Council/ closure** (£90,000 in 19/20 and increasing to £180,000 by 20/21) – Transfer to the Parish Council (Parish Council assume responsibility) or closure for the following Public Conveniences:-

Higher Ferry, Bittaford, Ugborough, Thurlestone, Holbeton, Staverton, Newton Ferrers, Coronation Park*, Lower Ferry, Stoke Fleming, Malborough, Manor Gardens, Mill Bay, South Brent, Shipley Bridge, Coronation Road (Totnes) and Civic Hall (Totnes).

*Only if it does not get transferred to the Parish as part of a wider asset transfer, as currently planned.

6.24 **Public Conveniences** (£10,000) - Obtain a 75% Contribution from Café's to help fund the following Public Conveniences:- South Milton and Ferry Steps.

6.25 **Budget scouring savings** (£4,000) – This is in regard to concessions currently offered.

6.26 **Partnership grant funding** – The Partnership Task and Finish Group gave an update to the Overview and Scrutiny meeting on 12th October. Following this, the draft budget proposals include a proposal to reduce partnership funding to the CVS by £20,000 for 2018/19.

6.27 **Partnership grant funding** - There is also a proposal to reduce the level of funding to BIP (Business Information Point) which is currently £8,000 per annum (N.B £2,300p.a. is committed until 2020 to support the Devon-wide growth hub). The funding to BIP is not currently budgeted for in the base budget and this year this funding was paid out of reserves.

6.28 **Cessation of accepting cash and cheques** (£35,000) – The proposal is to remove the facility for accepting cash and cheques at Council premises, excluding Car Parks. The Council would procure a new card acquiring contract. Customers (as now) will be able to pay by cash or cheques via Paypoint or at Post Office. The current budget proposals envisage that this would become effective from 1st October 2018, saving £17,500 in 2018/19 and £35,000 by 2019/20.

6.29 The following savings have been identified since the 7th December 2017 Executive Budget report and included within this report:-

- £77,000 saving on the re-procurement of the Insurance contract
- £10,000 saving on external audit fees for 2018-19 onwards

6.30 **Budget Monitoring position** - The six monthly Revenue Budget Monitoring position was also an item on the 7th December Executive agenda. This showed a predicted underspend against budget of £123,000 for 2017-18. This is due to additional planning income. Where there are variances identified against budget, the budget for 2018/19 has been adjusted where necessary.

6.31 **Areas where further work is needed** – There are some areas where further work is needed to inform next year’s Budget Proposals.

- The Members’ Budget Workshop included a proposal for the Council to invest some of its funds in the CCLA Property Fund (returns can be in the region of 5% - this is a longer term investment as this is effectively tying the investment up for at least 5 years). More modelling work is required on this option and this is linked to the work in Section 4.4 regarding officers making recommendations in February 2018 on the strategy for internal borrowing and external borrowing for the Leisure Investment.
- At the Members’ Budget Workshop, the concept of Members setting stretched income targets (e.g. income targets which are in addition to those formally built into the base budget) for certain areas of the Council’s activities and services was discussed. Further work will be done on this over the coming weeks.
- On 19th October 2017 the Executive considered a report on the review of management arrangements for residential property portfolio. An assessment will be made of the potential revenue saving for 2018/19 once more details are known.
- Fees and charges – A Fees and Charges report for 2018/19 is on the agenda for this Joint Development Management Committee and Overview and Scrutiny Panel on 18th January 2018.
- The extra 20% in planning fee income and the extra 20% expenditure has not yet been factored into the 2018-19 Budget figures. This will be shown in the next Budget report to the Executive on 1st February 2018 (it has a net Nil impact on the Budget position).

7. **NEW HOMES BONUS (NHB)**

7.1 Appendix E sets out estimated amounts of NHB receivable in future years and possible uses of the NHB for Members’ views. The amount of NHB anticipated for 2018/19 was just below £1.1 million and the NHB allocation for 2018/19 has been published at £1,109,065. Of this it is proposed that £500,000 is used to fund the revenue base budget in 18/19, £417,700 is used to fund the capital programme budget in 18/19 and £153,900 is used to fund the Community Reinvestment Project Scheme. The full detail is shown in Table 1.8 of Appendix E.

8. CAPITAL PROGRAMME 2018/19

- 8.1 A separate report for the Capital Budget Proposals for 2018/19 was on the Executive agenda on 7th December 2017 (Item 9). This sets out a proposed Capital Programme for 18/19 of £2,555,000.
- 8.2 Funding of £2,555,000 is therefore required. The table below shows the recommended way that these projects are financed:-

Capital Programme 2018/19	£
	2,555,000
Funded By:	
Capital Programme Reserve *(see Note 1)	326,300
Current capital receipts	481,000
Anticipated future capital receipts	630,000
Better Care Grant funding towards Disabled Facilities Grants (estimated)	700,000
New Homes Bonus	417,700
TOTAL	2,555,000

Note 1 – The current proposed funding of the Capital Programme includes the Council continuing to make a revenue contribution to the Capital Programme Reserve in 2018/19 of £181,600. This was an item discussed at the Members' Budget Workshop. Due to the capital projects which are being bid for in 2018/19, it is recommended that this contribution is continued with for 2018/19, to enable the proposed capital projects to proceed.

- 8.3 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.

9. EARMARKED AND UNEARMARKED RESERVES

- 9.1 A schedule of the Council's Earmarked and Unearmarked Reserves is set out in Appendix D. The Council has just under £1.8 million in Unearmarked Revenue Reserves and £12.7 million in Earmarked Reserves. The Council's Net Budget is £8.3 million in 2017/18.

10. BUDGET TIMETABLE

- 10.1 The Budget Timetable is shown in Appendix F.

11. CLOSING THE BUDGET GAP IN 2018/19

- 11.1 Appendix B shows that there remains a budget gap for 2018/19 of £345,688. Members' views are sought on how this should be closed. The Executive will further consider this at their meeting on 1st February.

12 Looking Forward to the Future

12.1 Overall, the Council's finances remain in a stable position in the short term but further work must be undertaken to achieve future financial stability for the longer term. The Council operates continuous monitoring of both income and expenditure. This ensures that services are delivered within approved budgets and that all three elements of value for money (economy, efficiency and effectiveness) are achieved for our residents.

13. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The preparation of the Budget 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.
Financial	Y	The financial implications are summarised in Appendices A and B of the report. Section 2 shows that by 2019/20, the Council has a predicted £0.65m budget gap.
Risk	Y	Each of the budget options taken forward by Members will consider the risks of the option.
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 – Budget pressures and savings

Appendix B – Summary of Budget position

Appendix C – Contributions to Reserves

Appendix D – Reserves (Earmarked and Unearmarked)

Appendix E – New Homes Bonus funding and Capital Programme 2018/19

Appendix F – Budget Timetable

Appendix G – Summary of budget changes from the 7th December 2017

Executive Budget report.

	BASE 2017/18	Yr1 2018/19	Yr2 2019/20	Yr3 2020/21	Yr4 2021/22	Yr 5 2022/23
	£	£	£	£	£	£
BUDGET PRESSURES						
Inflation and increases on goods and services	310,000	220,000	220,000	220,000	220,000	220,000
Tori Quarry Transfer Station	0	137,500	142,500			
Triennial Pension revaluation	125,000		75,000			
Reduction in planning fee income	125,000					
Salaries - provision for pay award at 2%	90,000	255,000	280,000	90,000	90,000	90,000
National Living Wage and National Insurance	75,000	60,000	50,000	25,000	25,000	25,000
Salaries for Environmental Services manual workers	75,000					
Reduction in recycling income	85,000					
Tori Quarry Transfer Station haulage costs	30,000					
Planning Community of Practice	50,000					
Sherford project team	45,000					
Salaries provision for steady state review		30,000				
Reduction in Housing Benefit administration subsidy and Council Tax Support Admin Grant	40,000	20,000	20,000			
Planning - legal fees		20,000				
Reduce saving on waste round review	40,000					
Reduction in treasury management income	25,000					
Cost of lease renewal (car park lease)	20,000	23,000				
Staff resource - Finance Community of Practice	15,000					
Reduction in other income assets (S106 contribution income, Follaton room hire, painter market income and Leisure third party income)	95,000					
ICT support contracts - increase the budget to align to actual expenditure		40,000				
Reduce the income target for income from business rated domestic properties for trade waste collection - to reflect actual income being achieved		40,000				
IT - Replace ageing network switches (£15K) and fixed line to hybridize Depot (25K)		21,000				
Waste service - Train staff to be HGV drivers		16,000				
Fees and Charges report - review of Taxi Licensing fees - Licensing Committee on 11 January		11,200				
Specialist resource - Waste and Cleansing options review and delivery reverse a one-off budget in 16/17	(30,000)					
Increase the contribution to hybridize Ring and Ride		2,000				
TOTAL BUDGET PRESSURES	1,215,000	895,700	712,500	410,000	335,000	335,000
Changes to contributions to Earmarked Reserves						
Vehicle Fleet Replacement Reserve (Table 6 Executive report 20/10/16)	146,000	(197,000)		(13,000)	66,000	
Contribution to Economic Regeneration Projects Reserve (Business Rates Pilot gain). This contribution is one-off for 2018/19 only.		575,000	(575,000)			
Contribution to Land and Development Reserve (annual contribution)	50,000					
Contribution to IT Development Reserve (annual contribution)	50,000					
Contribution to Sustainable Waste Management Reserve (annual contribution)	25,000					
Contribution to Planning Policy and Major Developments Reserve (shows annual contribution increasing by £25,000 per annum)	25,000	25,000	25,000			
Reduce contribution from the Strategic Issues Reserve as the reserve is Nil		7,000				
Transformation Project (T18) - Approved at 11 December 2014 Council						
Contribution to Strategic Change Reserve to meet pension strain costs	66,000	(75,000)	(150,000)	(60,000)		
Total changes in contributions to Earmarked Reserves	362,000	335,000	(700,000)	(60,000)	(13,000)	66,000
SAVINGS AND INCOME GENERATION IDENTIFIED						
	BASE 2017/18	Yr1 2018/19	Yr2 2019/20	Yr3 2020/21	Yr4 2021/22	Yr 5 2022/23
	£	£	£	£	£	£
Increase Balson Boat Storage Fees		(6,100)				
Increase Winter Boat Storage Fees		(8,200)				
Income from fees and charges report (Parks, Open Spaces and £200 for play area inspect and insure service to community groups and Town and Parish Councils)		(3,000)				
Income from fees and charges report (Environmental Health fees £15,300 plus Planning fees of £15,000)		(30,300)				
Public Conveniences - pay on entry		(16,000)	(20,000)			
Develop Beach Huts at North and South Sands			(31,000)			
Food hygiene rating scheme revisits		(1,250)	(1,250)	(1,250)	(1,250)	(1,250)
Increase in car parking charges (2%)	(37,800)	(38,000)				
Additional car parking income - increase income target to reflect actual income being achieved		(70,000)				
Car Parking - Withdrawal of weekly parking tickets		(15,000)				
Duty Planning - charged appointment basis		(5,000)				
Savings from re-procurement of contracts (e.g. leisure contract)	(695,000)	0	(73,000)	(148,000)	(31,000)	(60,000)
Planning fee income	0	(110,000)				
Income from commercial developments	0	(30,000)	(20,000)			
Licensing income - shellfish export certificates		(30,000)				
Housing Benefit recoveries of overpayments - increase income target to reflect actual income being achieved		(40,000)				
Dartmouth Lower Ferry	0	(75,000)	(25,000)			
Reduce RNLI Contracted Lifeguarding provision		(40,000)				
Public Conveniences - Transfer to Parish Council closure		0	(90,000)	(90,000)		
Public Conveniences - obtain 75% cost contribution from cafes		(10,000)				
Budget scouring savings	(55,000)	(4,000)				
Reduce partnership grant funding to the CVS		(20,000)				
Cessation of accepting cash and cheques (and other banking changes)		(17,500)	(17,500)			
Reduced running costs at Follaton and additional rental income	(20,000)					
Income from business rated domestic properties for trade waste collection	(25,000)					
Trade Waste savings - higher income levels	(25,000)					
Review of car parking permits (Overview & Scrutiny Panel 24/11/16)	(10,000)					
Savings from the re-procurement of the Insurance contract		(77,000)				
Saving on External Audit Fees		(10,000)				
Council Tax reduction scheme - 9.85% reduction in Town and Parish Grant	(10,000)	(9,000)	(8,000)			
TOTAL SAVINGS AND INCOME GENERATION	(677,800)	(665,350)	(285,750)	(237,250)	(32,250)	(61,250)

Note - The items highlighted in grey show new items for costs/savings which have been identified since the December 2017 Executive Budget report.

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Line No.	Appendix B - Council Tax is increased by £5 each year	BASE 2017/18 £	Yr1 2018/19 £	Yr 2 2019/20 £	Yr 3 2020/21 £	Yr4 2021/22 £	Yr 5 2022/23 £
Modelling for the financial years 2018/19 onwards							
1	Base budget brought forward	8,751,722	8,346,074	8,902,590	8,329,529	8,520,104	8,742,803
2	Budget pressures (as per Appendix A)	1,215,000	895,700	712,500	410,000	335,000	335,000
3	Savings already identified (as per Appendix A)	(877,800)	(665,350)	(285,750)	(237,250)	(32,250)	(61,250)
4	Changes in contributions to Earmarked Reserves (App A)	362,000	335,000	(700,000)	(60,000)	(13,000)	66,000
5	Reversal of one-off contribution made to the Budget Surplus Contingency Reserve in the 2016/17 Budget - This is reversed in 2017/18 as the contribution was only a one-off contribution and not an annual contribution.	(767,995)					
Reverse Use of Reserves to close 2017/18 Budget gap							
6	Transfer from Budget Surplus Contingency Earmarked Reserve	(287,273)	287,273				
7	Transfer from New Homes Bonus Earmarked Reserve	(49,581)	49,581				
8	Projected Net Expenditure:	8,346,074	9,248,278	8,629,340	8,442,279	8,809,854	9,082,553
Funded By:-							
(See Note 1 below regarding New Homes Bonus funding)							
9	Council Tax income - Modelling a £5 increase each year	5,809,541	6,072,207	6,335,905	6,604,104	6,876,803	7,154,001
10	Collection Fund Surplus	143,000	73,000	70,000	70,000	70,000	70,000
11	Revenue Support Grant (RSG - Nil from 2018/19 onwards)	245,393	0	0	0	0	0
12	Localised Business Rates (baseline funding level - includes Rural Services Delivery Grant of £327,451 in 2018/19 due to Pilot status)	1,764,799	2,182,383	1,896,073	1,946,000	1,996,000	2,046,000
13	Tariff/Top Up Adjustment amount (negative RSG)			(399,900)	(400,000)	(500,000)	(500,000)
14	Business Rates Pilot Gain plus estimated growth for 2018/19		575,000				
15	Business Rates - estimated growth			100,000	100,000	100,000	100,000
16	Rural Services Delivery Grant	327,451	0	327,451	200,000	200,000	200,000
17	Transition Grant	55,890	0	0	0	0	0
18	Total Projected Funding Sources	8,346,074	8,902,590	8,329,529	8,520,104	8,742,803	9,070,001
Budget Gap per year							
19	(Projected Expenditure line 8 - Projected Funding line 18)	0	345,688	299,810	-77,825	67,051	12,551
Actual Predicted Cumulative Budget Gap		0	345,688	645,498	567,675	634,726	647,276
Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)			345,688	991,186	1,558,861	2,193,587	2,840,863

Note 1: Items shaded in grey denote those items which have changed since the last budget report to the Executive on 7th December 2017

Modelling Assumptions:	An assumption of an additional 450 Band D equivalent properties per year has been included in the Tax Base and modelling above for 2018/19 onwards					
Council Tax (Band D) (Modelling a £5 a year increase)	155.42	160.42	165.42	170.42	175.42	180.42
Council Tax Base	37,379.62	37,851.93	38,301.93	38,751.93	39,201.93	39,651.93

Note 2 - New Homes Bonus Funding

The modelling for 2018/19 includes a contribution of £500,000 from New Homes Bonus funding to fund the Base Budget. This is shown in Appendix C and Line 7 of the table above shows the movement between years of the funding from New Homes Bonus. Funding from NHB has reduced from £549,581 in 17/18 to £500,000 in 18/19.

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ANALYSIS OF CONTRIBUTIONS TO/(FROM) EARMARKED RESERVES

Estimate 2017/18			Estimate 2018/19	
To £	(From) £		To £	(From) £
-		Economic Regeneration Projects (pilot gain)	575,000	
181,600		Capital Programme	181,600	
16,900		Community Parks & Open Spaces	16,900	
10,000		District Elections	10,000	
87,000		Ferry major repairs & renewals	87,000	
	(549,581)	New Homes Bonus		(500,000)
20,800		Pay & Display Equipment	20,800	
99,000		Pension Fund Strain Payments	99,000	
55,000		Repairs and maintenance	55,000	
285,000		Strategic Change Reserve	210,000	
	(7,000)	Strategic Issues	0	
687,000		Vehicles & Plant Renewals	490,000	
50,000		Land and Development Reserve	50,000	
50,000		IT Development Reserve	50,000	
25,000		Sustainable Waste Management	25,000	
25,000		Planning Policy and Major Developments	50,000	
2,000		Interest credited to reserves	2,000	
	(287,273)	Budget Surplus Contingency Reserve		
1,594,300	(843,854)	TOTALS	1,922,300	(500,000)
750,446		GRAND TOTAL	1,422,300	

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EARMARKED AND UNEARMARKED RESERVES

1.1 The Council's Net Budget is £8.3 million in 2017/18. It is still recommended to retain the same policy of maintaining a minimum level of Unearmarked Reserves of £1.5 million.

1.2 Our financial strategy recognises the need to maintain un-earmarked revenue reserves to provide stability for both medium and longer term planning and to provide a contingency against unforeseen events. In setting the minimum level at £1.5 million, the following have been taken into account:

- The size of the authority
- The volatility of some income and expenditure budgets due to a dependency on the weather, tourism and state of the economy
- The risks faced by the Council with regard to funding unforeseen events
- Uncertainty over future Government funding and Business Rates
- Uncertainty over future New Homes Bonus allocations

1.3 The Unearmarked Reserves (General Fund) balance of £1.8 million stands above the minimum balance of £1.5 million and acts as a safeguard against unforeseen financial pressures.

1.4 **Specific Earmarked Reserves** - The level and commitments for each reserve are kept under review each year to make sure the committed balance is adequate for its purpose (in accordance with LLAP Bulletin 99, a guide on 'Reserves' from the Chartered Institute of Public Finance).

1.5 A schedule of Earmarked Reserves for 16/17 is shown below. The Council has Earmarked Reserves of £13.1 million, including Salcombe Harbour Reserves of £371,000.

1.6 The tables below show the movements on the two Earmarked Reserves that were set up as part of the Budget approved for 2016/17.

2016/17	Balance at 31 March 2016 £000	Transfers Out £000	Transfers In £000	Balance at 31 March 2017 £000
EARMARKED RESERVES				
General Fund				
Affordable Housing	540	-	230	770
Community Parks & Open Spaces	98	(17)	16	97
Pension Fund Strain	-	(99)	99	-
Repairs and Maintenance	420	(72)	55	403
Members Sustainable Community	45	(4)	-	41
Marine Infrastructure Reserve	47	-	47	94
Land and Development	226	(76)	55	205
Ferry Repairs and Renewals	313	-	87	400
Economic Initiatives	98	(21)	-	77
Vehicles and Plant Renewals	318	(370)	541	489
Pay and Display Equipment	61	-	20	81
On-Street Parking	44	-	-	44

Print Equipment	8	(8)	-	-
ICT Development	195	(81)	8	122
Sustainable Waste Management	3	-	-	3
District Elections	48	-	10	58
Beach Safety	14	-	-	14
Planning Policy & Major Developments	331	(184)	-	147
Building Control	395	(31)	72	436
Section 106 Agreements (no conditions)	38	-	-	38
Revenue Grants	368	(130)	78	316
Capital Programme	1,089	(300)	327	1,116
New Homes Bonus	480	(2,086)	2,080	474
Renovation Grant Reserve	7	-	-	7
Business Rates Retention	9,916	(5,389)	-	4,527
T18 Investment Reserve	70	(70)	-	-
Homelessness Prevention Reserve	25	-	-	25
Strategic Change	-	(219)	219	-
16/17 Budget Surplus Contingency	-	(209)	768	559
Innovation Fund (Invest to Earn)	-	(498)	777	279
Community Housing Fund	-	-	1,881	1,881
Sub Total	15,197	(9,864)	7,370	12,703
Specific Reserves – Salcombe Harbour				
Pontoons	68	-	62	130
Harbour Renewals	58	(8)	35	85
General Reserve	140	(30)	46	156
Sub Total	266	(38)	143	371
TOTAL EARMARKED REVENUE RESERVES	15,463	(9,902)	7,513	13,074

16/17 Budget Surplus Contingency – This reserve was created as part of the 2016/17 Budget setting process. The balance of £559,000 has been fully committed to fund the 2017/18 budget gap, project costs and transitional resources.

Innovation Fund (Invest to Earn) – This fund has a remaining balance of £279,000 which has been earmarked in 2017/18, mainly for Admiral Court, Dartmouth.

Community Housing Fund – This reserve was set up to hold the Community Housing Fund Grant. We are working on developing a community housing initiative, which is designed to help local residents to determine and deliver appropriate and affordable housing for their communities.

Business Rates Retention Scheme - The business rates reserve covers any possible funding issues from the new accounting arrangements and smoothes volatility of business rates income due to appeals.

New Homes Bonus – This reserve was established to show how New Homes Bonus funding has been used on an annual basis.

Strategic Change Reserve (T18) – This reserve was set up to finance one off investment costs under the Council's Transformation Programme that were required for development or the release of ongoing efficiencies e.g. pension strain costs.

Affordable Housing – This reserve helps to support the funding of affordable housing.

Vehicles and Plant Renewals - This reserve is used to purchase vehicles and heavy plant to maintain a modern and efficient Council fleet, and to ensure Contract conditions are met.

Planning, Policy and Major Developments - This was set up to help smooth out annual expenditure on review and preparation of the local plan. It has developed to help deal with costs associated with the Sherford development, planning policies and planning related activities.

Capital Programme – This reserve helps to support the funding of the Capital Programme.

NOTE

The Revenue Budget Monitoring report for the six month position contained an Appendix A which predicted the level of Earmarked Reserves which will be spent in 2017/18.

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New Homes Bonus funding and Capital Programme for 2018-19 onwards

1 NEW HOMES BONUS (NHB)

- 1.1 The Council has received notification of its 2018-19 allocation for NHB of £1,109,065.
- 1.2 The New Homes Bonus was introduced in 2011 to provide a clear incentive for local authorities to encourage housing growth in their areas. It rewards local Councils for additional homes added to the council tax base, including newly built properties and conversions as well as long term empty properties brought back into use, after deducting demolitions.
- 1.3 Following consultation, the Government has implemented reforms to the scheme that sharpen the incentive for housing growth. The length of New Homes Bonus payments has been reduced in length from 6 years to 5 years in 2017-18 and 4 years from 2018-19.
- 1.4 *It can be seen from the Table below that this reduction from 6 years to 5 years has meant the Council has lost £528,750 in New Homes Bonus funding. The Council has repeatedly made the point that the current crisis in funding for Adult Social Care is a national problem which needs new Government money, as opposed to reducing the New Homes Bonus funding to pay for this and therefore further burdening the council taxpayer to fund social care costs.*
- 1.5 From 2017-18 the Government has also introduced a national baseline for housing growth of 0.4%, below which New Homes Bonus has not been paid, which the Government has said reflects a percentage of housing that would have been built anyway (Note - this is higher than the 0.25% set out in the NHB consultation document). The Government will retain the option of making adjustments to the baseline in future years to reflect significant and unexpected housing growth. The net additions for South Hams for 2017/18 was 329 Band D Equivalent properties. The Baseline deducted of 0.4% in 2017/18 equated to not receiving NHB on 176 Band D Equivalent properties, equating to a loss of NHB of £215,000 for each of the next four years.
- 1.6 The Local Government Finance Settlement issued just before Christmas stated that the four years of payments for 2018-19 onwards will apply and the baseline will remain at 0.4%.

1.7 The table shows the NHB received to date and a forecast to 19/20.

	2015/16	2016/17	2017/18	2018/19	2019/20
	(£)	(£)	(£)	(£)	(£)
2011/12	297,567	297,567			
2012/13	528,750	528,750	(this year has dropped off by a reduction to 5 years of payment)		
2013/14	199,701	199,701	199,701		
2014/15	339,307	339,307	339,307		
2015/16	328,208	328,208	328,208	328,208	
2016/17		386,375	386,375	386,375	386,375
2017/18			194,734	194,734	194,734
2018/19				199,749	199,749
2019/20					200,000
NHB Received/ Forecast	1,693,533 Actual received	2,079,908 Actual received	1,448,325 Actual received	1,109,065 Allocation	980,858 Forecast

1.8 The table below shows estimated amounts of NHB receivable in future years and possible uses of the NHB for Members' views:-

	2017-18 (£)	2018-19 (£)	2019-20 (£)
Predicted NHB amount	1,448,325 (actual rec'd)	1,109,065	980,858
Capital Projects (£417,700 in 18/19 as per Table 2.2 below)	507,000	417,700	400,000 (estimate)
Community Reinvestment Projects	153,900	153,900	153,900
To fund the Revenue Base Budget	549,581	500,000	500,000
Transfer of land to Dartmouth Town Council	81,000	49,000	17,000
Joint Local Plan	50,000	-	-
Community Grants (CAB Outreach worker)	10,000	10,000	10,000
Dartmoor National Park Allocation	3,060	TBA	TBA
Funding remaining unallocated (note 1)	93,784 Remaining unallocated	Shortfall (21,535 plus amount paid to DNPA) – an amount will be used from the £93K unallocated in 17/18	Shortfall (100,042 plus amount paid to DNPA)

Dartmoor National Park (DNP) – On an annual basis Dartmoor National Park request a share of the New Homes Bonus to reflect new homes delivered within the park. The money is used to support a local community fund and joint work through the rural housing enabler. Members consider this on an annual basis.

2. CAPITAL PROGRAMME FOR 2018-19 FINANCIAL YEAR

- 2.1 There was a separate report on the 7th December Executive agenda (Item 9) for the proposed Capital Programme for 2018/19 of £2,555,000.
- 2.2 The report set out that there are Capital bids shown in Appendix A totalling £1,200,000, plus further bids in the exempt Appendix B of £1,355,000. Funding of £2,555,000 is therefore required. The table below shows the recommended way that these projects are financed:-

Capital Programme 2017/18 <i>Appendix A (£1,200,000) and Appendix B bids (£1,355,000)</i>	£ 2,555,000
Funded By:	
Capital Programme Earmarked Reserve	326,300
Current capital receipts	481,000
Anticipated future capital receipts	630,000
Better Care Grant (Government grant) funding towards Disabled Facilities Grants (estimated)	700,000
New Homes Bonus (see table in section 1.8 of this Appendix)	417,700
TOTAL	2,555,000

APPENDIX F

South Hams District Council - Budget Timetable for 2018/19 onwards

Date	Committee
28 th September 17	Members' Budget Workshop – To consider budget options
12 th October 17	Overview and Scrutiny Panel – To consider the results of the Members' Budget Workshop
19 th October 17	Executive – To consider budget options
7 th December 2017	Executive – Draft Budget Proposals for 2018/19
18 th January 2018	Joint Development Management Committee and Overview & Scrutiny Panel – To consider the Draft Budget Proposals for 2018/19 and Fees and Charges for 2018/19
1st February 18	Executive – To recommend Final Budget Proposals to Council for 2018/19
22 nd February 18	Full Council – To approve Final Budget Proposals for 2018/19 and set the SHDC share of the Council Tax
23 rd February 18	Council Tax Resolution Panel – to agree the Council Tax Resolution for 2018/19 (This is SHDC share plus all other precepting authorities share).

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Appendix G

Summary of the changes to the Draft Budget Proposals for 2018-19

(This shows the changes from the budget gap reported at the 7th December 2017 Executive meeting).

	Total (£)
Budget Gap reported at the 7th December 2017 Executive meeting	£157,597
Additional Income/Savings or reduction in expenditure	
Increase in the allocation of Rural Services Delivery Grant from £251,886 to £327,451	£(75,565)
Fees and Charges report – Car Parking (£15,000), Parks and Open Spaces (£3,000), Environmental Health fees (£15,300) and Planning fee income (£15,000)	£(48,300)
To reflect the TaxBase for 2018/19 of 37,851.93 – extra council tax income from extra houses to that originally modelled (actual extra band D properties of 472.31 for 18/19 which is 22.31 higher than modelled of 450 extra Band D properties)	£(3,579)
Saving on the re-procurement of the Insurance contract	£(77,000)
Saving on the audit fees for 2018-19	£(10,000)
Additional expenditure/reduction in savings or income previously modelled	
Modelling of the pay offer of 2% for 2018-19 – cost of £255,000 (£90,000 had previously been modelled)	£165,000
Pooling gain (£100,000) previously modelled has been replaced with a Pilot Gain	£100,000
Reduce the anticipated saving from a 75% contribution from café's to help fund public conveniences (Dartmouth Castle is part of the Dartmouth asset transfer and Steamer Quay is included within pay on entry proposals – therefore this would only apply to South Milton and Ferry Steps)	£35,000
Provision for salary costs for steady state review	£30,000
Reduce the anticipated saving from the cessation of accepting cash and cheques to reflect the fact that the changes are envisaged to be effective from half way through the year i.e. 1 st October 2018	£17,500
IT - Replace ageing network switches (15K) and Line to Ivybridge Depot (6K)	£21,000
Waste – train staff to be HGV drivers	£16,000
Reduction in Licensing fee income	£11,200
Reduction in the Business Rates Baseline funding	£3,835
Reduction in the Collection Fund Surplus (£76K to £73K)	£3,000
Revised Budget Gap reported January 2018	£345,688

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Report to: **Joint Overview and Scrutiny Panel and Development Management Committee**

Date: **18 January 2018**

Title: **PLANNING ENFORCEMENT SERVICE REVIEW**

Portfolio Area: **Customer First**

Wards Affected: **All**

Relevant Scrutiny Committee: **N/A**

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

Date next steps can be taken:

Author: **Patrick Whymer** Role: **Community of Practice Lead – Development Management**

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RECOMMENDATION

That the Executive be RECOMMENDED to:

- a) adopt the Local Enforcement Plan (as outlined at Appendix 1);**
- b) adopt the Planning Enforcement Member Engagement Protocol (as outlined at Appendix 2); and**
- c) endorse the proposed Actions as set out in Section 4 of the report.**

1. EXECUTIVE SUMMARY

- 1.1** A report on the Planning Enforcement Service was subject to scrutiny by this Panel in July 2017. The report set out that a Local Enforcement Plan was to be drafted together with a re-assessment of how the planning enforcement service interacts with elected members and an evaluation of the actions necessary to ensure that the planning enforcement service was efficient and effective.

- 1.2** This report provides a Local Enforcement Plan at Appendix 1 and a Planning Enforcement – Member Engagement Protocol at Appendix 2 together with actions as set out in Section 3.
- 1.3** The Enforcement Plan follows guidance within The National Planning Policy Framework (NPPF) which recommends that local planning authorities publish a local enforcement plan to manage planning enforcement proactively and in a way that is appropriate to their area. The Local Enforcement Plan sets out the South Hams District Council priorities for investigation, explains what will be investigated and what will not, and it outlines the Councils’ general discretionary powers with regard to planning enforcement. The plan sets out the priorities for responses to complaints and details the timescales for response by planning enforcement officers along with explaining the assessments and considerations that are undertaken and actions and outcomes that may result.
- 1.4** The Member Engagement Protocol sets out how the Planning Enforcement team will keep Members up to date with open enforcement cases and the available channels of communication for Members with the Planning Enforcement officers.
- 1.5** The Actions in Section 3 below set out that the existing Enforcement Team is sufficient to deal with the day to day workload but requires additional resource to clear older cases so that the team can concentrate on new cases and not a backlog. To address this issue a further member of staff is now working in the Enforcement Team dealing with the older cases.

2. BACKGROUND

- 2.1** There has been an acknowledgement that there has been a need to improve the performance in dealing with Planning Enforcement Cases since early 2016 when a temporary team was put in place to deal with a backlog of enforcement cases.
- 2.2** The backlog team was largely successful and dealt with the majority of the cases identified as backlog closing 620 out of 773 cases. However it became clear that the Planning Enforcement resource was insufficient to deal with the level of new cases and more new cases were being received than were being closed.
- 2.4** As previously reported to this Panel last year it was recognised that there was insufficient resource within the Planning Enforcement Function. The appointment of the Enforcement Specialist (Chris Booty) increased the number of permanent dedicated planning enforcement staff to three who investigate all the alleged breaches of planning control across South Hams and West Devon Councils. (The Enforcement Specialist and two Level 6 Enforcement Senior Case Managers). These three are supported by other case managers undertaking administrative functions and Locality Officers undertaking a significant number of initial site visits.

2.5 The report to this Panel last year further set out that once the Enforcement Specialist was in post a further review would be undertaken to establish what additional actions are required to ensure that an efficient and effective planning enforcement service is provided.

2.4 Whilst there are no Government targets for planning enforcement complaints, there are legal timescales for taking planning enforcement action. Depending on the specifics of the case, an enforcement notice must be served within 4 or 10 years of the date of the original breach, after which the Council is unable to take enforcement action.

3.0 Planning Enforcement Performance Update

3.1 The Planning Enforcement Report to the Overview and Scrutiny Panel in July 2017 set out that as of the 12 July 2017 there were 605 open cases across both Councils with some 200 in West Devon and some 400 in South Hams.

3.2 The Number of current open Enforcement cases, as of the 4 January 2018 is 564 with 350 in South Hams and 214 in West Devon. Whilst this is only a small reduction of 6% (41) in the total number of open cases it does indicate that a team of three is sufficient to provide an efficient and effective planning enforcement service based on business as usual. If a team of three was insufficient the overall numbers would continue to rise.

4. PROPOSED ACTIONS

4.1 There are a number of proposed actions to improve the effectiveness of the Planning Enforcement Service.

4.2 The Enforcement Plan clearly sets out how planning enforcement will be undertaken including how cases will be prioritised to ensure that our action is focussed on the cases that are most important to the local community and service level targets for dealing with cases.

4.3 The attached Planning Enforcement – Member Engagement Protocol sets out how the service will have more interaction with elected Members and provide more information to keep Members up to date with open cases.

4.4 Following a review of the Planning Enforcement Function by the Enforcement Specialist and the CoP lead it is considered that the team of three permanent Planning Enforcement Staff supported by Case Management and Localities Officers as set out in 2.4 above is sufficient to provide an on-going effective and efficient Planning Enforcement Service. However the present caseload is not simply new cases but include a significant number of older cases that need to be considered and resolved.

4.5 In order to deal with the older cases and allow the three permanent enforcement staff to concentrate on the newer and higher priority cases the permanent team of three require additional support to deal with the older cases. To address this issue an existing Level 6 Case Manager Post (in Development Management (DM)) has been re-tasked to specifically work on older Enforcement Cases 4 days a week and other DM work a day a week. This arrangement started on the 4 January and will be reviewed in 6 months' time.

5. CONSIDERATION OF RISK

5.1 The absence of an effective and efficient Enforcement Service has a number of risks. If the Council fails to take appropriate enforcement action within a specified timescale, the result is that the breach becomes unenforceable and undermines the Planning System.

5.2 If the Council fails to take action on planning enforcement matters there is a significant risk to the reputation of the local planning authority, loss of confidence in the general public and a perception that unauthorised works can happen in the District with no action being taken. Some breaches of planning regulations are prosecutable offence/criminal acts and the LPA should take action against these offences.

6. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Paragraph 207 of the National Planning Policy Framework states "effective enforcement is an important as a means of maintain public confidence in the planning system."
Financial	N	There are no direct financial implications of the contents of the report.
Risk	Y	As outlined in section 4.0 of the report
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	
Safeguarding	N	
Community Safety, Crime and Disorder	Y	Planning enforcement officers work closely the police and other bodies
Health, Safety and Wellbeing	Y	Planning enforcement can have a high impact on individuals and communities
Other implications	N	

Appendices:

Appendix 1 – South Hams Local Enforcement Plan; and

Appendix 2 – Planning Enforcement Member Engagement Protocol.

SOUTH HAMS DISTRICT COUNCIL – LOCAL ENFORCEMENT PLAN

1. Introduction

- 1.1 The National Planning Policy Framework (NPPF) recommends that local planning authorities publish a local enforcement plan to manage planning enforcement proactively and in a way that is appropriate to their area.
- 1.2 Local Enforcement Plan sets out the South Hams District Council priorities for investigation, explains what will be investigated and what will not, and it outlines the Councils' general discretionary powers with regard to planning enforcement. The plan sets out the priorities for responses to complaints and details the timescales for response by planning enforcement officers along with explaining the assessments and considerations that are undertaken and actions and outcomes that may result.
- 1.3 Paragraph 207 of the NPPF sets out that effective enforcement is important as a means of maintaining public confidence in the planning system, that planning enforcement action is discretionary, and that Local Planning Authorities should act proportionately in responding to suspected breaches of planning control.
- 1.4 This Local Enforcement Plan sets out how the Council will investigate alleged cases of unauthorised development and take action where appropriate. It also ensures that development takes place in a sustainable manner and that the credibility of the planning system in South Hams is not undermined. The planning enforcement function needs ongoing review recognising that the Council is required to set balanced budgets presenting how its financial resources are to be allocated and utilised; thus showing the Council's financial plan for any coming year with regard to statutory services as well as local key priorities and objectives. South Hams District Council like many across the country remain subject to financial challenges. Discussions do include stakeholders, service users and the public who help us to re-design our services to achieve the best outcomes within the resource limits. The amount of resource which can be applied to planning enforcement will be subject to change over time and this Local Enforcement Plan must be reviewed and amended according to resource and priority setting.
- 1.5 South Hams District Council believe that planning enforcement has a key role in achieving the high standards of development being sought, and the purpose of this Local Enforcement Plan is to set out our approach to handling planning related enforcement matters. It will be of interest to anyone who thinks the planning rules may have been broken in their area (often referred to as a 'breach of planning control'). For example, if you think that: building work is taking place without approval; a building is higher or in some way different from the approved scheme; the use of some land or a building has changed without planning permission; conditions of a planning permission are not being met; works to a listed building are being carried out without approval; a piece of land or building has become an unacceptable eyesore; adverts have been displayed without

consent; protected trees, or those in Conservation Areas, are being felled/pruned without approval. The Council will, in exercising their planning enforcement function, take account of National Planning Policies including the NPPF, the Governments Planning Practice Guidance, the relevant policies of the Local Plan and all other relevant material planning considerations.

The relevant pages on planning enforcement from the Government's Planning Practice Guidance can be accessed via the following link:-

<https://www.gov.uk/guidance/ensuring-effective-enforcement>

- 1.6 Specifically the Government's Planning Practice Guidance sets out that the preparation and adoption of a local enforcement plan is important because it: allows engagement in the process of defining objectives and priorities which are tailored to local circumstances; sets out the priorities for enforcement action, which will inform decisions about when to take enforcement action; provides greater transparency and accountability about how the local planning authority will decide if it is expedient to exercise its discretionary powers; provides greater certainty for all parties engaged in the development process.
- 1.7 Planning controls can assist in effectively guiding and managing the pattern of development and change across South Hams District Council and secure the delivery of planning objectives of the Local Plan. The Development Management team (of which the Planning Enforcement is a part) is at the heart of achieving this, and it is crucial that developments are not only authorised, but are also carried out in accordance with approved plans.
- 1.8 One of the Council's key corporate aims is to provide and safeguard an attractive built and natural environment. Planning enforcement, in association with other Council enforcement functions, contribute to the Corporate Enforcement Policy which has a key role to play in achieving this aim. The Council take breaches of planning control seriously, particularly if it is either done intentionally, or results in significant harm. Although it will try to negotiate solutions where this is appropriate and possible, it will use the powers available to take formal action where necessary and in a way proportionate to the harm caused by any breach.
- 1.9 The Planning Enforcement Team will investigate possible breaches and take the appropriate form of action. The aim is to provide a service that is reactive to complaints made by citizens, members and stakeholders.
- 1.10 Where appropriate, the Planning Enforcement Team will liaise and work with other enforcement bodies such as Building Control, Highways, Premises Licencing and Pollution Control.
- 1.11 This Local Enforcement Plan has been approved by the Council for use in all its Planning enforcement work. As the plan does not form part of the Statutory Local Plan there is no requirement to conduct formal consultations.

2. Key Service Aims

The Council's main aims for the Planning Enforcement Service are for it:-

- 2.1 To operate in accordance with the procedures explained in this Plan, which sets out the level of service and performance the public and businesses can expect. We will regularly review these standards taking account of the views of stakeholders.
- 2.2 To provide information and advice in plain language on the policies and procedures of the service, and to communicate this mainly by electronic means whilst giving access for all. Confidentiality will be maintained for complainants.
- 2.3 To work with the community on compliance with planning controls on the basis that prevention is better than cure, and to ensure that our efforts are coordinated with other enforcement agencies within and outside the Council.
- 2.4 To provide an efficient service with appropriate publicised contact points.
- 2.5 To exercise the planning enforcement powers on an individual basis, considering fitness for purpose and having clear regard to an assessment in each case of the expediency and public interest tests, before taking action. The Council has a wide range of planning enforcement powers, but must act in accordance with national policy and guidance.
- 2.6 To decide when a breach of planning control has occurred, whether or not this is sufficiently harmful as to require action to be taken in the public interest. At one end of the scale, if no or little harm is identified, the matter could be treated as a 'technical breach' with no further action to be taken, or a planning application might be invited to regularise the situation. At the other end of the scale, where it is assessed that serious harm has occurred, a formal notice might be served and other formal steps considered.
- 2.7 To use the Council's planning enforcement powers in a fair and consistent manner.
- 2.8 To respond when required through the Council's compliments, suggestions and complaints procedure in an appropriate, accessible, effective and timely manner.
- 2.9 To protect and enhance the environment of South Hams District Council by active and responsible use of the full range of enforcement powers.

3. Planning enforcement law and what is a breach of planning control

- 3.1 The enforcement of planning law is complex; this is because the government attempts to strike a balance between the rights of individuals to use or alter their property in the way they wish, and the need to safeguard the character and quality of neighbourhoods and to uphold the planning policies of the local area.

- 3.2 In general, the system tends to give the benefit of the doubt to anyone undertaking the unauthorised development, and the Council are expected to give those responsible for undertaking unauthorised development the chance to put matters right before taking formal action.
- 3.3 If the Council's actions are considered too harsh, hasty or legally incorrect, it can be ordered to pay costs or have its decisions overturned by the Planning Inspectorate or the Courts. However, the Local Government Ombudsman has held, in a number of investigated cases, that there is maladministration if a local authority fails to take effective enforcement action which was plainly necessary. Such a failing can lead to a compensatory payment to the complainant.
- 3.4 The Council's power to take enforcement action comes from laws passed by Parliament, principally by the Town and Country Planning Act 1990, the Planning and Compensation Act 1991 and the Localism Act 2011. These laws give Councils power to take action against those responsible for breaches of planning control.
- 3.5 Not all works are classed as development and not all development requires planning permission. The main source of guidance on what is development and what requires permission includes: The Town & Country Planning Act 1990, The Town & Country Planning (General Permitted Development) Order; The Town & Country Planning (Use Classes) Order; and The Town & Country Planning (Control of Advertisement) Regulations.

These documents, which are published by the government, contain schedules which list instances where consent is not required. For example, certain structures do not need permission because of their size, height, volume, location, etc. This is called 'permitted development' and specific guidelines are given in the General Permitted Development Order (the GPDO). The Use Classes Order places most types of use into classes (e.g., retail, business, etc.) and, in general, permission is required to change from one class to another. The Control of Advertisement Regulations set out what forms of advertising are exempt, what advertisements benefit from deemed consent and what requires express consent.

- 3.6 The above Statutory Instruments are regularly revised and updated by Government, but up-to-date documents can be found on the Government's Legislation website - <http://www.legislation.gov.uk>
- 3.7 For a breach of planning control to have occurred, it must first be established that development requiring planning permission has taken place. Development is a legal term and generally means building works and/or some changes of use.

(i) Building works can include the erection of a building, excavations, alterations to buildings, larger fences, and so on, although small-scale extensions or alterations to houses may not need any permission.

(ii) Changes of use can include a change from a shop to an office or a house to flats and so on. Changes of use that occur within the same Use Class Category do not require

Planning permission. This might involve a change from a clothes shop to a hairdresser, or a change from a doctor's surgery to a day nursery. In addition, some changes of use from one use class to another do not require planning permission, such as from a restaurant to an estate agent, or a solicitor's office to a shop.

- 3.8 The enforcement process is closely regulated by legal procedures, planning legislation and guidance from the Government. This provides the framework within which the Council's planning policies and its enforcement process are applied.

4. Service commitments and reporting suspected breaches of planning control

- 4.1 The Planning Enforcement Team will investigate complaints relating to suspected unauthorised development and changes of use, and non-compliance with planning consents and conditions. A certain amount of information is needed (e.g.: location, nature of activity) in order that the complaint can be registered.
- 4.2 The Council encourages the reporting of suspected breaches of planning control, as development can gain immunity from enforcement action over time. It is important that any suspected breaches are reported as soon as possible in order that harmful development can be removed or minimised.
- 4.3 If the information initially provided is insufficient we will ask for additional information before investigating the breach. In all but the most exceptional (Emergency) cases, the Planning Enforcement Service is unable to investigate alleged breaches of planning control from anonymous sources. If, during the course of investigation, the contact details of the complainant are found to be false, in most circumstances, the investigation will cease.
- 4.4 The Council will not investigate complaints believed to be malicious or spurious or after provisional checks is found to be without basis.
- 4.5 In accordance with the Data Protection Act 1998, the Council will not disclose any information relating to the identity of a complainant. However, as any occupiers of land or buildings close to the breach of planning control will usually be the most affected, it is possible that an individual subject of an investigation will make their own assumptions as to who may have informed the Council.
- 4.6 To make the most effective use of resources all incoming enforcement cases are prioritised when registered based on information provided and an assessment of any planning history, with early site visits undertaken for deemed Emergency and High Priority cases. This will determine mainly the speed at which the cases are investigated and actioned and will be affected mainly by the assessment of the type and extent of the harm caused. There are three enforcement priorities:

(a) Emergency – i.e.: where irreversible harm is likely to be caused if the Council does not act immediately. For example: Ongoing unauthorised works to listed buildings; unauthorised felling/pruning of protected trees.

(b) High Priority – i.e.: where there is significant public concern or where there is (or is the potential for) significant harm to be caused to residential amenity in the surrounding area. For example: Breaches of planning conditions specifically identified to meet expressed public concerns, such as hours of operation; unauthorised uses/activities which are causing significant harm.

(c) Lower Priority – i.e.: smaller scale infringements which do not result in significant immediate or irreversible harm. For example:

Unauthorised building of walls/fences;

Unauthorised erection of satellite dishes.

Action	Priority		
	Emergency	High	Lower
Register and allocate to case officer	Immediate background/history check	Within 4 working days	Within 7 working days
Site Visit (where applicable)	As soon as possible, and certainly within 24 hours (excluding weekend and Bank/Public Holidays)	Within 5 working days	Within 20 working days
Contact complainant with case assessment, proposed course of action and likely timescale.	As soon as possible, and certainly within 72 hours (excluding weekend and Bank/Public Holidays)	Within 10 working days	Within 30 working days
Commence formal enforcement or resolve the breach or conclude that the breach is not expedient to take action or a planning application to regularise the breach is submitted	As soon as possible if irreversible harm is being done	Within 10 weeks	Within 20 weeks

4.7 Our service targets which ensure our performance can be measured are:

- Enforcement complainants received to be registered and allocated to an officer within the times as set out in the table at 4.6. Target – 100%

- Enforcement cases prioritised as emergency all of the timescales as set out in the table at 4.6. Target - 100%
- Enforcement cases prioritised as High all of the timescales as set out at 4.6. Target – 100%
- Enforcement cases prioritised as Low all of the timescales as set out at 4.6, with the exception of registration and allocation. Target – 80%.

5. The assessment and decision making process for planning enforcement cases

5.1 Breaching planning control is not a criminal offence in most cases. For each allegation the Council will investigate the circumstances of the case and determine what, if required, would make the development acceptable and accord with planning regulations and policies.

5.2 For the majority of cases, a council officer will undertake a visit to the site which is subject of the allegation to establish whether a breach of planning control has taken place. To allow timely investigation and effective work-planning, the majority of site visits are made without prior arrangement. It may not be necessary for the officer to visit a complainant's property or meet with them.

5.3 Planning Enforcement Officers are authorised under Section 196A of the Town and Country Planning Act 1990 to enter, at any reasonable hour and when it is reasonably necessary, any land to ascertain whether there is or has been any breach of planning control.

5.4 If no occupier can be found at the time of visit, Officers have powers to inspect the land in their absence.

5.5 Officers do not have powers to force entry into any dwelling house. Where appropriate, they will leave a calling card requesting the occupier of the land to contact the Council. In the event admission to a dwelling house is reasonably required, 24 hours' notice of intended entry will be given to the occupier of the dwelling. If entry to land or buildings is refused and it is reasonably necessary to gain entry to the site, Officers may apply to the Magistrates Court for a Warrant under Section 196B of the Town and Country Planning Act 1990. This course of action will only be taken in cases where it is considered both necessary and proportionate to the alleged breach under investigation.

5.6 Whilst on site, officers may ask questions of any present occupiers and may take photographs or measurements. Any information gathered will be used to ascertain whether a breach of planning control has taken place. If a breach has occurred, this information will be used to assess the most appropriate course of action to resolve the matter.

5.7 Where officers can find no evidence of a breach of planning control the investigation will be closed, the relevant parties informed and no further action taken. In some

circumstances the complainant may be asked to provide additional evidence to identify or substantiate the allegation, for example logs, records and diaries. Such cases will not be reinvestigated unless the complainant is able to provide more substantive evidence of the alleged breach of planning control.

- 5.8 When investigating breaches of planning control, officers must identify whether or not a breach is immune from enforcement action. With the exception of works to Listed Buildings, breaches of planning control will become lawful by the passage of time. When this occurs the breach is immune from enforcement action and the Council is unable to remove or mitigate any planning harm. Immunity from enforcement action for all building and engineering operations occurs four years from the date the development was substantially completed. The four year rule also applies to any breach of planning control that involves the change of use of any building to a dwelling house. All other breaches of planning control are subject to immunity after 10 years have passed. Legislation covering Listed Buildings does not include an immunity period and action can be taken at any time, subject to expediency considerations, where it is found that unauthorised works harm its character as a building of special architectural or historic interest.
- 5.9 The general test applied is “would planning permission have been granted for the development if it had gone through a planning application process”. Non-planning considerations will not be part of this process. Issues that cannot be taken into account include:
Breaches of restrictive covenants, Private disputes, Competition between businesses, Damage to property, Boundary or other land disputes, reduction in value of land or property
- 5.10 The Council will initially attempt to resolve all breaches of planning control through negotiation, with the exception of breaches of planning control which could not be rectified to meet planning criteria and should be resolved as a priority. Negotiation will not be allowed to unjustifiably delay any necessary planning enforcement action. Formal planning enforcement action is discretionary and will be taken where the Council considers it to be: essential having considered the provisions of the Local Plan and to any other material planning considerations; and necessary in the public interest (unacceptably affecting public space or the existing use of land and buildings requiring protection in the public interest).

Public interest - it is not the role of the Council to protect the private interests of one party against those of another, unless these also coincide with the public interest. Nor is it the role of planning enforcement to act punitively against breaches of planning control, to punish minor or trivial breaches which do not result in demonstrable harm to the public interest. The Councils will need to ensure that any responses to breaches of planning control are proportionate and have regard to the extent to which the public interest is affected by a decision to take or not to take action. Part of this assessment is the expediency test.

Expediency test: - In cases where it has been established that a breach of planning control has occurred at the initial stage, the Planning Enforcement Officer will undertake an assessment of expediency to determine which next course of action should be taken. An expediency test will usually involve the Planning Enforcement Officer assessing: whether the breach is in accordance with the policies of the Local Plan; the breach against any other material planning considerations; whether had a

planning application been submitted before the development occurred, permission would have been likely to have been granted; whether the breach unacceptably affects public amenity; whether the breach unacceptably affects any existing land, use or buildings which merit protection in the public interest; whether action would be proportionate with the breach to which it relates; whether action would be in the public interest; whether action is plainly necessary

- 5.11 The Council has a duty to ensure proper consideration in cases where there has been previous involvement or there will likely be future involvement of the Development Management Service; consultation with the relevant Development Management Officer will take place prior to concluding the expediency assessment to ensure consistency of decision making. This can include discussions around enforceability and reasons for conditions attached to planning decisions.
- 5.12 In cases where specialist knowledge may be required to determine the expediency of taking action, the Planning Enforcement Officer will consult the relevant department or authority prior to concluding the expediency decision.
- 5.13 Enforcement action will not be taken against a minor or technical breach which causes no harm to the local area, nor will enforcement action be taken purely to regularise breaches of planning control that have been found to be acceptable. In cases where an application would have a chance of success, an application will be invited for consideration through the usual process. In cases where an application has been invited and no harm is being caused to the local area; no further formal action can be taken regardless of whether or not an application is submitted. In circumstances where the best reasonable course of action to deal with the harm being caused lies outside of planning controls; the planning enforcement team will refer the matter to the relevant department/team for action, as more effective and efficient outcomes can sometimes be achieved by use of powers outside the Town and Country Planning legislation, such as the Environmental Protection Act or the Highway Act.
- 5.14 The decision to take enforcement action will normally be made by the Enforcement Specialist or another Specialist in Development Management in accordance with the Council's officer scheme of delegation arrangements. Equally, decisions not to take enforcement action will be made under officer delegation arrangements and reasons for not taking action will be recorded in writing. It is in the public interest that decisions not to take enforcement action are properly recorded.
- 5.15 The Council will not allow prolonged negotiation to delay essential enforcement action. The Councils will endeavour to overcome any harm caused by unauthorised development, by negotiation wherever possible. However, the enforcement system rapidly loses credibility if unacceptable developments remain due to protracted enforcement discussions. A time limit for concluding negotiations will therefore normally be set in accordance with the priority of the case.
- 5.16 In situations where an unauthorised development may be acceptable, or made acceptable by appropriate planning conditions, a planning application will be invited so as to regularise the development. Where such an application is not forthcoming a decision of whether to take action will then need to be made.
- 5.17 Details of the planning application process can be found here:-

- 5.18 The Council will make efficient use of the relevant investigative powers and will justify their use as required. Full use will be made of Planning Contravention Notices or section 330 notices to elicit information about alleged breaches of control where evidence is not otherwise forthcoming. Where appropriate, powers of entry on to land will be used to obtain information for enforcement purposes.
- 5.19 In carrying out its planning enforcement investigations the Council will make efficient use of HM Land Registry records and its own records. Close links are established with other Teams of the Council to improve and enhance investigations. Information relevant to enforcement investigations is held in a variety of locations. Sources outside the Council include HM Land Registry, national and local amenity groups, national bodies, (e.g.: Environment Agency, Health and Safety Executive, DVLA, Historic England). Within the Council, Housing and benefit records, electoral roll, and Council Tax records are all examples of areas where information relevant to enforcement investigations can be located.
- 5.20 The Council will comply with the provisions of the Police and Criminal Evidence Act 1984 (as amended) [PACE] when interviewing persons suspected of a criminal offence (in so far as it applies to those being interviewed by a non-police agency) and with the Criminal Procedures and Investigations Act 1996 [CPIA] and Section 222 of the Local Government Act 1972, when carrying out prosecutions. It is not a criminal offence to carry out development without first obtaining planning permission. However, it is an offence to erect unauthorised advertisements, do work to a protected tree without consent, carry out unauthorised works to a listed building, or fail to comply with an enforcement, breach of condition, planning contravention or stop notice. For a successful prosecution to take place it is essential that the provisions of PACE, CPIA and the Code of Conduct for Crown Prosecutors are followed.
- 5.21 The Council will endeavour to allocate resources to see priority actions through to the end. Once a priority investigation has been commenced, the Council will ensure that resources are made available in order to ensure that the matter is concluded satisfactorily. This will mean that lower priority cases have less resource allocated to them. From time to time, the Council will prepare supplementary policies to deal with specific areas of focus relating to breaches of planning control which may arise.
- 5.22 The Council will be clear and precise in specifying breaches and requirements. Every effort will be taken to ensure that those being regulated fully understand what action is being taken, the steps that are required to remedy the breach, and the possible implications should they fail to comply with the requirements of that action.
- 5.23 The Council will make sure the reasons for issuing an Enforcement Notice match its requirements. Only those actions necessary to remedy a breach will be included in a notice. The Council will stick to procedural time limits unless there are justifiable reasons for extensions. In certain circumstances additional time may be required in order to comply with the Council's requirements. When this is apparent, due consideration will be given to permitting such requests so long as the apparent harm to third parties can be minimised.

- 5.24 There is a right of Appeal against a Planning Enforcement Notice. The details of which can be found at this link: - <https://www.gov.uk/appeal-enforcement-notice>
- 5.25 The Council will be flexible and consider genuine solutions. Where possible, any alternative solution will be considered in order to achieve a satisfactory conclusion to a reported breach of planning control. The use of formal enforcement action will in some circumstances be as a last resort and shall not be used without first seeking a remedy by other means, for instance through negotiations.

6. Planning enforcement interventions and powers available to the Council

Where negotiations fail we may decide to instigate formal proceedings. This could result in one or more of the actions set out below being pursued.

- 6.1 Planning Contravention Notice (PCN). The main purpose of a PCN is to gather initial information so that the Council can establish whether there is a case for taking Enforcement Action. It is an offence if the recipient of the notice fails to provide the required information. If convicted of such an offence the offender would be liable on conviction to a fine currently not exceeding £2,500.
- 6.2 Enforcement Notice. This is the most common form of notice used to deal with unauthorised development, operations and/or uses. Before such action is embarked upon the Council must be satisfied that it is appropriate to issue the notice having regard to the nature of the unauthorised development and in the light of Government guidance. An Enforcement Notice will specify the alleged breach, the steps that must be taken to remedy the breach, and a time period in which to comply. The recipient of the notice has a right of appeal to the Secretary of State. If any person is subsequently found to be in breach of an Enforcement Notice the Authority will consider whether to prosecute. If found guilty in any court hearing that person would be liable on conviction in the Magistrates Courts to a maximum fine of £20,000.
- 6.3 Breach of Condition Notice (BCN). This type of notice can only be used where planning consent has been granted subject to conditions. The Council can issue a BCN to ensure full or part compliance with planning conditions. As with the Enforcement Notice a BCN would specify the breach and steps required to secure compliance with the notice. Unlike the Enforcement Notice a BCN must allow a minimum of 28 days in which to comply with the requirements. There are no rights of appeal against a BCN. If any person is found to be in breach of a valid BCN he or she shall be guilty of an offence with a maximum fine currently not exceeding £2,500 on conviction.
- 6.4 Stop Notice. The Council can, when appropriate to do so, serve a Stop Notice requiring activities to cease immediately. Such a notice can only follow the service of an Enforcement Notice. There are limitations on the service of this notice and additionally compensation may be payable by the Council in some circumstances if the recipient makes a successful challenge. It is used very selectively and it is not necessarily an instant solution.
- 6.5 Injunction. Where the Council considers a breach of planning control to be a serious and immediate risk to health and safety, or necessary in terms of expediency, it may apply to the County or High Court for an Injunction. This can be extremely expensive, but can be effective in appropriate circumstances.

- 6.6 Temporary Stop Notices. Where the Council consider that there has been a breach of planning control and it is necessary in order to safeguard the amenity of the area that the activity that amounts to the breach should stop immediately, Section 171E of the Town and Country Planning Act 1990 enables the local planning authority to issue a temporary stop notice. This differs from the normal stop notice powers because the temporary stop notice does not have to wait for an enforcement notice to be issued. In addition, the effect of the temporary stop notice will be immediate, it will not have to wait three days before the temporary stop notice takes effect or give reasons why the temporary stop notice will take effect immediately.
- 6.7 Section 215 Notice. The condition of certain buildings or land often causes serious harm to the visual amenity of an area. Should the Council consider it appropriate to do so they may serve on the owner and occupier a Notice under Section 215 of the Town and Country Planning Act, 1990. Such a notice would require steps for remedying the condition of the land or buildings and specify a period of time for complying but in any event not less than 28 days. This Notice can be appealed via a magistrates' hearing. If any person is subsequently found guilty of an offence of not complying with the requirements of a 215 Notice they shall be liable on conviction to a fine currently not exceeding £2,500
- 6.8 High Hedges. If a complaint has been properly made and we decide that action should be taken to resolve the complaint, we may issue a formal notice to the person responsible for the hedge, setting out what must be done and by when. This action is under the Anti-Social Behaviour Act 2003 and is known as a remedial notice. This can include long-term maintenance of the hedge at a lower height. It cannot involve reducing the height of the hedge below 2 metres, or its removal. Although we cannot require such action, the hedge owner is free to go further than the remedial notice requires. The remedial notice becomes a charge on the property and legal obligations under such a notice pass to any subsequent owners.
- 6.9 Signs and Advertisements Where an advertisement is not lawfully displayed and causes harm to the amenity or public safety, and it is considered that express consent would not be granted, the owner/ occupier shall be requested to remove the offending sign. If the sign is not removed by agreement the Council does have the power to prosecute. If a person is found guilty of an offence under The Control of Advertisement Regulations he or she could be liable to a fine not exceeding £2,500 per advert. The Council also has the power to serve a Notice requiring the discontinuance of a lawfully displayed advertisement if it is satisfied that it is necessary to do so to remedy a substantial injury to the amenity of the locality or a danger to members of the public. Recipients of a Discontinuance Notice do have a right of appeal.
- 6.10 Prosecution. The Council will consider commencing a prosecution in the Courts against any person who has failed to comply with the requirement(s) of any of the above Notices where the date for compliance has passed and the requirements have not been complied with. The prosecution is to seek to establish that an offence has occurred.
- 6.11 In considering whether to initiate prosecution proceedings against the offender the Planning Enforcement Officer will consider the possible defences (reasons to appeal) against the prosecution proceedings as set by legislation, the Code for Prosecutors evidential test and the Code for Prosecutors public interest test. All decisions will be reviewed and agreed with a Council Legal Officer.

- 6.12 The Council's Legal Officer is responsible for taking the matter before the Magistrates or Crown Court. A notice may have to be served on more than one person to meet the terms of 'good service' for example a mortgage provider or an occupant where the landowner has also been served. The Council can at any time decide not to proceed with a prosecution.

Evidential Test The evidence to be presented to Magistrates Court must be reliable and sufficient to satisfy the Council's Legal Officer (prosecutor) that there is a realistic prospect of conviction. The evidence must clearly prove that the offence has occurred and identify who is legally responsible for that breach (the defendant).

Public Interest Test If the case does pass the evidential stage, the Council's Legal Officer (prosecutor) must then decide whether a prosecution is needed in the public interest. They must balance factors for and against prosecution carefully and fairly. Some factors may increase the need to prosecute but others may suggest that another course of action would be better.

- 6.13 In cases where it is considered disproportionate, likely to be ineffective in resolving the breach, there is no realistic prospect of conviction, or where it is not in the public interest, the Planning Enforcement Service will not initiate prosecution proceedings. In cases where it is necessary to use witnesses not employed by the Council; the witness will be advised of the possible need to attend court and will be asked to provide a written witness statement. In such circumstances, if witnesses cannot or do not provide the necessary evidence, those prosecution proceedings may not be pursued.

7. Key Principle, conclusion and contact details

- 7.1 This Local Enforcement Plan explains how the Council has responded to government policy on planning enforcement contained in the National Planning Policy Framework, it also sets out the procedures for delivering the City Council's Planning Enforcement Service within the available resources.

- 7.2 This Plan is not part of the Statutory Local Plan, but has been agreed by the Council in line with the provisions of the NPPF. This plan and the following guiding principle will be observed and taken into account in all planning enforcement matters:

South Hams District Council as a Local Planning Authority will in their consideration of and exercise of decision making in all enforcement matters have due regard to this Plan along with National Planning Policies including the NPPF, the Governments Planning Practice Guidance, the relevant policies of the Local Plan and all other relevant material planning considerations

- 7.3 The Council will continue to seek to improve its Planning Enforcement service by regularly monitoring, reviewing and updating its policies and procedures as a matter of good practice, and consult with stakeholders to make improvements in the delivery of the service. Performance review reports will be prepared to consider service standards and performance in the context of available resources, workloads and outcomes.

- 7.4 Complaints about the service. If you are unhappy about the advice given or action taken or the level of service you have received from Development Management in relation to how it carries out its enforcement functions you can make a complaint using the Council's Complaints Procedure. Details are available on our websites.

Planning Enforcement Contact Details

Our website:

<https://www.southhams.gov.uk/article/680/Planning>

Phone Number:-

South Hams District Council: 01803 861234

Email:- **PlanningEnforcement@swdevon.gov.uk**

PLANNING ENFORCEMENT – MEMBER ENGAGEMENT PROTOCOL

1. Purpose

1.1 Following the appointment of the Enforcement Specialist (Chris Booty) and in conjunction with the preparation of the Planning Enforcement Plan, it has been recognised that the interaction between Planning Enforcement and Members could be improved. This protocol sets out how Planning Enforcement officers will keep Members up to date with open enforcement cases, and the available channels of communication for Members with the Planning Enforcement officers.

2. Member Engagement Protocol

2.1 The primary communication from Planning Enforcement to Members is the circulation of a report of open enforcement cases on a monthly basis. At present this report is simply a list of open cases sorted by Parish. The use of this report is the most effective and efficient way of providing information to Members, however it is acknowledged that the level of information provided could be improved. Following a review of the information presented, starting in March 2018 this report will be revised to contain the following information:

- The location and nature of alleged breach;
- The date the breach was reported to the Council;
- The priority that has been assigned to the case (Following the guidance within the Enforcement Plan);
- The Officer dealing with the case;
- The current status of the investigation; and
- The report will be sorted by Ward and not by Town/Parish.

2.2 The four main changes to the report are:

- A) The inclusion of the priority given to the case which will indicate the target timescales for dealing with the case that are set out in the Enforcement Plan;
- B) The inclusion of information setting out the current status of the case. This will be a brief indication such as an application has been requested, a notice has been served, an application has been received etc, but will be sufficient to enable Members to see the status of the Investigation;
- C) The inclusion of the case officer assigned to the case; and
- D) Following requests from Members the report will be sorted by Ward.

2.3 The additional information will initially be provided for new cases as they are received with updates added to existing cases as they are actioned.

2.4 It is important that the Council prioritise those cases that cause significant public concern. As such if the report identifies a case which has been given

a Lower Priority but a Local Member is aware that there is significant public concern, the Member should contact the Enforcement Specialist to discuss whether the case could be given a High priority. In order to facilitate early engagement with Members, the revised report will be circulated every two weeks rather than monthly.

- 2.5** Members will continue to be informed when cases are closed, the reasons why the case has been closed and when officers are recommending that Enforcement Notices are served.

- 2.6** The recent drop-in meetings that have taken place between Members and the Enforcement Specialist to review all of the Enforcement cases in the Members Wards have been successful and further dates are being organised for Members who have not, as yet, had a meeting with the Enforcement Specialist. The provision of the additional data within the report to be circulated to Members on a two weekly basis will provide up to date information for Members and should negate the need for regular meetings to be arranged. However, should any Member wish to discuss all of the open cases in their Ward, they can contact the Enforcement Specialist and a meeting will be arranged to take place, if possible within 14 days of the request.

- 2.7** Members have previously raised some concerns regarding the decisions made on a small number of Enforcement Cases. The continued provision of dialogue between Members and the Enforcement Team when a case is closed as set out in 1.5 above will help to explain decisions made. However, if a Ward Member has concerns once a case has been closed, these concerns can be brought to the attention of the Enforcement Specialist to see if there are any learning opportunities arising from the decision.