

Public Document Pack

Mid Devon District Council

Economy Policy Development Group

Thursday, 28 November 2019 at 5.30 pm
Exe Room, Phoenix House, Tiverton

Next ordinary meeting
Thursday, 23 January 2020 at 5.30 pm

Those attending are advised that this meeting will be recorded

Membership

Cllr J M Downes (Chairman)
Cllr N V Davey
Cllr R J Dolley
Cllr Mrs S Griggs
Cllr T G Hughes
Cllr D F Pugsley
Cllr R F Radford
Cllr J Wright
Cllr A Wyer

A G E N D A

Members are reminded of the need to make declarations of interest prior to any discussion which may take place

- 1 **Apologies and Substitute Members**
To receive any apologies for absence and notice of appointment of substitutes.
- 2 **Public Question Time**
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
- 3 **Declaration of Interests under the Code of Conduct**
Councillors are reminded of the requirement to declare any interest, including the type of interest, and reason for that interest, either at this stage of the meeting or as soon as they become aware of that interest.
- 4 **Minutes (Pages 5 - 12)**
Members to consider whether to approve the minutes as a correct record of the meeting held on 26 September 2019.
- 5 **Chairman's Announcements**
To receive any announcements that the Chairman may wish to make.

- 6 **Performance and Risk (10 minutes)** (*Pages 13 - 22*)
To receive a report from the Head of Planning & Economic Regeneration providing Members with an update on performance against the Corporate Plan and local service targets for 2019/20 as well as providing an update on the key business risks.
- 7 **Financial update for the six months to 30 September 2019 (10 minutes)** (*Pages 23 - 44*)
To receive and note a financial update report that was presented to the Cabinet on 21 November 2019. This report provides a financial update in respect of the income and expenditure so far in the year.
- 8 **Draft 2020/21 General Fund and Capital Budgets (30 minutes)** (*Pages 45 - 72*)
To receive a report from the Deputy Chief Executive (S151) considering the initial draft 2020/21 budget and options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2021/22 onwards.
- 9 **Draft Corporate Plan 2020 - 2024 (30 minutes)** (*Pages 73 - 78*)
To receive a report from the Chief Executive considering the first draft text of a new Corporate Plan for the council, which will replace the current plan (expiring in March 2020).
- 10 **'Future High Street Fund' - more information on the unsuccessful bid (10 minutes)**
To receive more information regarding the unsuccessful bid to the 'Future High Street Fund'.

This will be a verbal update.
- 11 **Economic Development Service Update (10 minutes)** (*Pages 79 - 82*)
To receive a report from the Head of Planning, Economy and Regeneration updating Members on progress with Economic Development Service activities.
- 12 **Identification of items for the next meeting**
Members are asked to note that the following items are already identified in the work programme for the next meeting:
- Performance and Risk
 - Financial Monitoring
 - Revised draft budget for 2020/2021
 - Presentation from Mr John Sheaves – 'Taste of the West' (to be confirmed)
 - Economy Strategy – annual review
 - Brexit update

- Economic Development Projects update

Note: This item is limited to 10 minutes. There should be no discussion on the items raised.

Stephen Walford

Chief Executive

Wednesday, 20 November 2019

Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chairman. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Member Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use other forms of social media to report on proceedings at this meeting.

Members of the public are welcome to attend the meeting and listen to discussion. Lift access the first floor of the building is available from the main ground floor entrance. Toilet facilities, with wheelchair access, are also available. There is time set aside at the beginning of the meeting to allow the public to ask questions.

An induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, or if you would like a copy of the Agenda in another format (for example in large print) please contact Sarah Lees on:

Tel: 01884 234310

E-Mail: slees@middevon.gov.uk

Public Wi-Fi is available in all meeting rooms.

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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 26 September 2019 at 5.30 pm

Present

Councillors

J M Downes (Chairman)
N V Davey, R J Dolley, Mrs S Griggs, T G Hughes,
D F Pugsley, R F Radford, A Wyer and B Holdman

Apologies

Councillor

J Wright

Also Present

Councillors

L J Cruwys and R Evans

Present

Officers

Adrian Welsh (Group Manager for Growth, Economy and Delivery), Joanne Nacey (Group Manager for Finance), Stuart Noyce (Group Manager for Street Scene and Open Spaces), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Chris Shears (Economic Development Officer) and Sarah Lees (Member Services Officer)

27 **Apologies and Substitute Members**

Apologies were received from Cllr J Wright who was substituted by Cllr B Holdman.

28 **Declaration of Interests under the Code of Conduct**

No interests were declared under this item.

29 **Public Question Time**

There were no members of the public present.

30 **Minutes**

The minutes of the meeting held on 8 August 2019 were confirmed as a true and accurate record and **SIGNED** by the Chairman subject to the removal of the following sentence from the second bullet point in minute number 23 'Economic Development Projects Update':

'This was due to an oversubscription of bids being made.'

31 Chairman's Announcements

The Chairman informed the Group that Matt Barrow, a Devon County Council officer from Economy, Enterprise and Skills, would be providing an update to the Scrutiny Committee on 28th October regarding Broadband provision in Mid Devon. The Economy Policy Development Group were specifically invited to attend this meeting since Broadband fell within their remit and the issue would be of particular interest.

32 Performance and Risk Report (10 minutes)(00:08:50)

The Group had before it, and **NOTED**, a report * from the Head of Planning & Economic Regeneration providing it with an update on performance against the Corporate Plan and local service targets for 2019/20 as well as providing an update on the key business risks.

The Group Manager for Performance, Governance and Data Security outlined the contents of the report explaining that the figure showing for August 2019 in terms of the number of businesses assisted was 69 within the report, this was incorrect and should have been recorded as 114 as it needed to also include the number of new business enquiries as well.

Discussion took place regarding:

- 'An empty shop' might include more than one unit.
- Whether an approach was made to shop or business owners when they vacated a property in terms of offering them help and support? The Group Manager for Growth, Economy & Delivery explained that where they could, the team did all they could to gather information from the vacating business owner. However, it was not always possible to do so as the team may not have become aware of the vacation until after it had happened. However, they understood that one of the reasons for vacating a premises was often due to diversification or just relocation within the town to trade somewhere else which in their view presented a more beneficial proposition.
- There were many attempts being made to increase footfall figures within the town including working in partnership with others, particularly the traders themselves, holding events and development of the destination website.
- A close eye would need to be kept on the future Cabinet decision in relation to the Tiverton Masterplan and how this would affect trading activity within the town.
- Whilst Fridays were busy in the Tiverton Pannier Market and increasingly more traders and activities bare being held on the other days of the week, it was acknowledged that more needed to be done to increase footfall on these other days of the week.
- Consideration needed to be given to making the Tiverton Pannier Market warmer during the winter months especially for traders who were often in there for many hours.

The Group was informed that the National Association of British Markets had awarded the Tiverton Pannier Market 'Market Team of the Year', the Group congratulated the team.

Note: * Report previously circulated; copy attached to the signed minutes.

33 **Financial Monitoring (10 minutes) (00:22:27)**

The Group received, and **NOTED**, a verbal report from the Group Manager for Financial Services updating it on the position regarding income and expenditure so far in the year.

The following was highlighted regarding the current position:

- There had been a slight improvement in figures between June and July 2019.
- The main area of concern lay in the area of Planning which was predicted to show a significantly under budget level of fees by the end of the year. This was due to a combination of factors including some that were offset by Earmarked Reserves (£159k). The residual overspend related to £329k of planning income due to a drop off in large applications. However, the comment was made that this position might be improved as a result of the Tiverton Eastern Urban Extension and North West Cullompton developments.
- Car park income was still down in the MSCP although there had been some increased income in the market car park to offset this.
- The Housing Revenue Account had not moved from the favourable position that was reported in June 2019.

A brief discussion took place regarding the recent approval by the Cabinet of the Car Parking Working Group recommendations and when these revised fees might come into force. It was explained that there was still a consultation process to go through first and that it would take 3 months for the off street parking order to be processed. However, it was hoped that the new charges would come into effect sometime shortly after Christmas 2019.

34 **Recommendation from the Cabinet that the Economy PDG consider the issue of overpayments for car parking (15 minutes) (00:30:15)**

On 22 August 2019, as part of their consideration of the Car Parking Working Group report, the Cabinet made a recommendation that:

“The Economy PDG be requested to consider the issue of overpayments for car parking and what should happen to the additional income.”

Consideration was given to:

- The actual figure relating to overpayments was not significant being in the region of £2k. In the past, due to charges being non-rounded, there had been an annual overpayment of approximately £15k, however, when the pricing policy was changed 3 years ago the majority of charges were rounded reducing the ability for customers to over pay.
- It was further explained that the Council already offered a number of concessions such as 30 minutes free parking at night time and free parking at school drop off and pick up times for 2 schools in the district.
- The Council also provided significant funding to organisations within the voluntary sector on an annual basis in the region of £157k. The Group also needed to bear in mind that there was still a £1.4m gap in the budget for next year.

- It would cost significantly more in officer time to manually calculate overpayments and it was felt this would be a time consuming and costly job for very little purpose.

Having considered the issue in depth and recognising that the Council already provided funding for a number of charitable organisations on an annual basis, it was:

RECOMMENDED to the Cabinet that any small monies overpaid from car parking are retained and utilised within the overarching car park budget.

(Proposed by Cllr N V Davey and seconded by Cllr Mrs S Griggs)

35 Free parking in towns in the run up to Christmas - could Town Councils choose to use these 'free' parking days at other times of year? (15 minutes) (00:36:31)

It was requested at the previous meeting that further consideration be given to allowing Town Council's the opportunity to decide for themselves when to use the 'free parking' option currently available to them on the three Saturdays leading up to Christmas and on Christmas light switch on days.

The provision of free car parking in the three town's long stays car parks had come about historically with Town Councils being written to each year to ask when they would like their free car parking in the long stay car parks. Town Councils had already requested the free parking be provided on the Saturdays before Christmas for 2019. It was noted that this was an approximate loss to the Council of £3.5k per annum which had to be subsumed within an overall budget deficit.

It was felt that to offer random days throughout the year might be slightly confusing for members of the public who had got used to the free parking on the Saturdays before Christmas.

The Group unanimously **AGREED** that, in consultation with the Cabinet Member for Finance, Town Councils should be written to next year offering them the chance to hold their free parking days at other times of the year should they wish or to maintain the current arrangement.

36 Economic Development Service Update (15 minutes) (00:42:14)

The Group had before it, and **NOTED**, a report * from the Head of Planning, Economy and Regeneration updating it on progress with Economic Development activities. The Chairman requested that the Group focus their attention on those activities appearing in the report with a red risk factor status.

Discussion took place with regard to:

- The Business Awards initiative was currently showing with a red risk status. However, the Group Manager for Growth, Economy and Delivery stated that it was not pragmatic to continue to the award ceremony this year. The media company the District Council had been working with in partnership with had not been able to secure sufficient private sponsorship for an award ceremony to take place this year. However, discussions would continue to attempt to deliver this initiative in 2020.

- Since the publication of the agenda, the Council had been successful in passing stage 1 of the Cullompton Historic England bid. The team were now waiting for details of the second stage assessment.
- Whether there was funding available to support the rear of shops being tidied up in the same way that there was a shop front enhancement scheme. The team explained that they would investigate whether such schemes existed.
- There was disappointment that the implementation of the destination website had been delayed, however, in moving forwards it would be vital for businesses to be fully on board and regularly consulted allowing them the opportunity to add their own content. An update would be brought to a future meeting once this project had progressed.
- In relation to the Hydromills project, a meeting had been held with Neil Parish MP who was offering his support and who had been involved in coordinating the submission of documents and updates to the Environment Agency. There had been positive interactions with the angling community regarding the Tiverton Weir but there had been some challenges in negotiations regarding the Thorverton Weir. The anglers had been involved at every stage and the team were confident a satisfactory position would be agreed with the ecology of the rivers being the number one priority.
- Work was ongoing regarding consultation and tender preparation in relation to WiFi within Tiverton.
- It was felt that a Council owned shop on the corner of the entrance to the Pannier Market on Fore Street in Tiverton needed some tidying up on the outside. It was currently in a very dirty state and comments had been made by the public. The team agreed to look into this.

Note: * Report previously circulated; copy attached to the signed minutes.

37 **Cost Recovery & Commercialisation in Growth, Economy & Delivery (15 minutes) (00:58:46)**

The Group had before it a report * from the Head of Planning, Economy and Regeneration presenting it with the steps necessary to introduce cost recovery into the Growth, Economy and Delivery Service, and updating it with regard to potential next steps for further commercialisation within the service.

The Economy PDG at its March 2019 meeting considered cost recovery opportunities. The Group had expressed concern that charging for business support services could be a disincentive particularly for fledgling companies. The Group had also wished to better understand how other authorities were grappling with these financial challenges. Since the March meeting officers had been undertaking more research. It was felt that of the opportunities relating to cost recovery the area which officers considered could be introduced most simply and quickly and which had the necessary mechanisms in place was the input of the Service into the planning process. This related to both pre-application enquiries and economic development input into Planning Performance Agreements.

Discussions with other local authorities had identified that there were no directly relevant nearby examples of charging for some areas previously considered. More work was required to better understand available opportunities. This would include discussions with relevant development agencies and it was confirmed that the Economic Development team would be applying under the LGA's Productivity Expert

Programme for support from a Local Economic Growth Advisor to advise on opportunities for commercialism within the service.

Discussion took place regarding:

- What level of support and advice was included within the proposed fees? It was confirmed that supplementary advice was included and this might include a visit. The fees were consistent with other charging schedules in the planning service.
- The planning pre-application advice fee would be administered through the existing planning administration team; any LGA activity would be administered through the Economic Development team.
- It was confirmed that under the current arrangement the Council could only seek the recovery of costs.

RECOMMENDED to the Cabinet that:

- a) The bill of charges for economic development related advice with regard to the planning process laid out in Section 2.0 be approved.
- b) Officers be tasked with seeking LGA funding to help investigate opportunities within the Service for further commercialisation including the potential to develop a commercial arm for the delivery of some discretionary services.

(Proposed by Cllr N V Davey and seconded by Cllr R J Dolley)

Note: * Report previously circulated; copy attached to the signed minutes

38 The Mid Devon Economy and the UK leaving the European Union (30 minutes) (01:08:48)

The Group had before it, and **NOTED**, a report * from the Head of Planning, Economy and Regeneration informing it about the potential impact of the UK leaving the European Union on the local economy and the support structures in place to help ensure business activities continue with minimal disruption.

The officer outlined the contents of the report summarising the key points of information under each of the headings listed.

Consideration was given to:

- How the Group wished to be updated on Brexit matters. The Chairman emphasised the point that it was not the responsibility of this Group to consider the Brexit issue as a whole but rather how Brexit impacted on the economy of Mid Devon. It was **AGREED** that consideration of Brexit in this regard would become a standing item on the Economy PDG agenda moving forwards and that should a special meeting be needed, as and the situation changed nationally and locally, it would be arranged. Relevant information would also be emailed to Members as and when it was received. It was also acknowledged that an all Member briefing on Brexit and how this Council was equipped to cope with it would be held on Thursday 24 October 2019.

- Members who had attended the Tiverton Business Forum the previous evening had been very impressed by a speaker from 'Taste of the West' who had been positive, hopeful and full of aspiration in terms of the opportunities offered by Brexit. The Group requested that he be approached to attend a future meeting of this Group.

Note: * Report previously circulated; cop attached to the signed minutes.

39 **Identification of items for the next meeting (01:33:55)**

In addition to the items already listed in the work programme, the following was requested to be on the agenda for the next or a future meeting:

- More information in relation to the Council's bid to the 'Future High Street Fund' which had been unsuccessful. This had been reported to the Group at their meeting on 8 August 2019.
- Update on the impact of Brexit on the Mid Devon economy.
- Invitation to Mr John Sheaves from 'Taste of the West' to discuss his views on the impact of Brexit in the food and drink sector.

NB: The Group requested that additional approaches be made to representatives from the farming, agriculture and business sectors in due course to gain a better understanding of how Brexit would affect the local economy from those directly affected.

(The meeting ended at 7.10 pm)

CHAIRMAN

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ECONOMY PDG
28 NOVEMBER 2019

PERFORMANCE AND RISK REPORT

Cabinet Member Cllr Graeme Barnell
Responsible Officer Head of Planning & Economic Regeneration, Jenny Clifford

Reason for Report: To provide Members with an update on performance against the corporate plan and local service targets for 2019/20 as well as providing an update on the key business risks.

RECOMMENDATION(S): That the PDG reviews the Performance Indicators and Risks that are outlined in this report and feeds back any areas of concern to the Cabinet.

Relationship to Corporate Plan: Corporate Plan priorities and targets are effectively maintained through the use of appropriate performance indicators and regular monitoring.

Financial Implications: None identified

Legal Implications: None identified

Risk Assessment: If performance is not monitored we may fail to meet our corporate and local service plan targets or to take appropriate corrective action where necessary. If key business risks are not identified and monitored they cannot be mitigated effectively.

Equality Impact Assessment: No equality issues identified for this report.

Impact on Climate Change: No impacts identified for this report.

1.0 Introduction

- 1.1 Appendix 1 provides Members with details of performance against the Corporate Plan and local service targets for the 2019-20 financial year. The PDG is invited to suggest measures they would like to see included in the future for consideration.
- 1.2 Appendix 2 shows the section of the Corporate Risk Register which relates to the Economy Portfolio. See 3.0 below.
- 1.3 Appendix 3 shows the profile of all risks for the Economy at present.
- 1.4 All appendices are produced from the corporate Service Performance And Risk management system (SPAR).

2.0 Performance

- 2.1 An Economic Development Service Update which covers specific projects identified as priority activities to progress the Corporate Plan is a separate item on this agenda.
- 2.2 Regarding the Corporate Plan Aims: **Attract new businesses to the District and Focus on business retention and growth of existing businesses;** we record **Businesses supported;** this includes new and existing businesses.
- 2.3 We also report the number of business rate accounts which now exceeds target increasing by almost 11% since we started reporting this figure in March 2016.
- 2.4 Regarding the Corporate Plan Aim: **Improve and regenerate our town centres with the aim of increasing footfall, dwell-time and spend in our town centres: for Empty Shops;** it should be noticed that the vacancy count is done at the start of each quarter hence the figures for “December” are populated already.
- 2.5 According to the British Retail Gazette, the UK vacancy rate for town centre retail units hit 10.3% in July, so although only Cullompton currently has less empty units than target, all three towns are below the national vacancy rate.
- 2.6 Other: A report on the Local Plan main modifications went to Cabinet on 21 November prior to a further stage of public consultation.
- 2.7 A report on the position regarding the Greater Exeter Strategic Plan also went to Cabinet on 21 November; the revised timetable now envisages adoption in 2022.

3.0 Risk

- 3.1 Risk reports to committees include strategic risks with a current score of 10 or more in accordance. (See Appendix 2)
- 3.2 Operational risk assessments are job specific and flow through to safe systems of work. These risks go to the Health and Safety Committee biannually with escalation to committees where serious concerns are raised.
- 3.3 The Corporate risk register is regularly reviewed by Group Managers’ Team (GMT) and Leadership Team (LT) and updated as required.

4.0 Conclusion and Recommendation

- 4.1 That the PDG reviews the performance indicators and risks for 2019-20 that are outlined in this report and feeds back any areas of concern to the Cabinet.

Contact for more Information: Catherine Yandle, Group Manager for Performance, Governance and Data Security ext 4975

Circulation of the Report: Leadership Team and Cabinet Member

Corporate Plan PI Report Economy

Monthly report for 2019-2020
 Arranged by Aims
 Filtered by Aim: Priorities Economy
 For MDDC - Services

Key to Performance Status:

Performance Indicators:	No Data	Well below target	Below target	On target	Above target	Well above target
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* indicates that an entity is linked to the Aim by its parent Service

Corporate Plan PI Report Economy

Priorities: Economy

Aims: Attract new businesses to the District

Performance Indicators																
Title	Prev Year Annual (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Number of business rate accounts</u>	3,055 (7/12)	3,150	3,104	3,112	3,123	3,137	3,149	3,155	3,180						Andrew Jarrett, Fiona Wilkinson	

Aims: Focus on business retention and growth of existing businesses

Performance Indicators																
Title	Prev Year Annual (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Businesses supported</u>	172 (7/12)	250	21	57	84	107	124	141	147						Adrian Welsh	(October) 5 businesses assisted and 1 new enquires (MF), Number of businesses assisted

Aims: Improve and regenerate our town centres

Performance Indicators																
Title	Prev Year Annual (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Increase in Car Parking Vends</u>	52,273 (7/12)		51,120	51,775	48,697	50,894	51,261	50,325	53,392						Andrew Jarrett	
<u>The Number of Empty Shops (TIVERTON)</u>	20 (3/4)	18	n/a	n/a	17	n/a	n/a	21	n/a	n/a	21	n/a	n/a		Adrian Welsh	Number of vacant retail units, (Quarter 4) Oct 19: 21 vacant units representing 8.7% of the total units. (CY)
<u>The Number of Empty Shops (CREDITON)</u>	9 (3/4)	8	n/a	n/a	6	n/a	n/a	10	n/a	n/a	10	n/a	n/a		Adrian Welsh	(Quarter 3) Oct 19: 10 vacant units representing 8.4% of total units in Crediton. (MF), Number of vacant retail units
<u>The Number of Empty Shops (CULLOMPTON)</u>	9 (3/4)	8	n/a	n/a	12	n/a	n/a	7	n/a	n/a	7	n/a	n/a		Adrian Welsh	(Quarter 3) Oct 19: 7 vacant units representing 7.9% of the total units. (MF), The number of vacant retail units

Aims: Other

Corporate Plan PI Report Economy																
Priorities: Economy																
Aims: Other																
Performance Indicators																
Title	Prev Year (Period)	Annual Target	Apr Act	May Act	Jun Act	Jul Act	Aug Act	Sep Act	Oct Act	Nov Act	Dec Act	Jan Act	Feb Act	Mar Act	Group Manager	Officer Notes
<u>Funding awarded to support economic projects</u>	£160,395 (3/4)	£100,000	n/a	n/a	£10,000	n/a	n/a	£10,000	n/a	n/a	£25,000	n/a	n/a		Adrian Welsh	(Quarter 3) 15,000 Euros awarded from WiFi4EU Programme (JB), Funding actively sought for corporate priorities

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Print Date: 18 November 2019 13:34

Economy PDG Risk Management Report - Appendix 2

Report for 2019-2020

For Economy - Cllr Graeme Barnell Portfolio

Filtered by Flag: Include: * Corporate Risk Register

For MDDC - Services

Filtered by Performance Status: Exclude Risk Status: Low

Not Including Risk Child Projects records, Including Mitigating Action records

Key to Performance Status:

Mitigating Action:	Milestone Missed	Behind schedule	On / ahead of schedule	Completed and evaluated	No Data available
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Risks:	No Data (0+)	High (15+)	Medium (6+)	Low (1+)
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Economy PDG Risk Management Report - Appendix 2

Risk: Economic Strategy Failure to deliver projects/outcomes in Economic Strategy

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
On / ahead of schedule	Continue to seek out existing and new funding opportunities	To assist in ensuring adequate funding for delivery.	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
On / ahead of schedule	partnership working	Continue to work closely with delivery partners to gain advance warning of difficulties so as to seek to mitigate	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
On / ahead of schedule	Project Management	Continue rigorous project management, monitoring and reporting	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
Current Status: Medium (12)		Current Risk Severity: 4 - High		Current Risk Likelihood: 3 - Medium		
Service Manager: Jenny Clifford						
Review Note: See mitigating actions						

Economy PDG Risk Management Report - Appendix 2

Risk: Funding Insufficient resources (including funding) to deliver growth aspirations of Corporate Plan.

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
On / ahead of schedule	Officers have reprioritised work programmes to explore new funding opportunities	End of European funding sources	Adrian Welsh	10/06/2019	10/06/2019	Satisfactory (2)

Current Status: High (16)

Current Risk Severity: 4 - High

Current Risk Likelihood: 4 - High

Service Manager: Adrian Welsh

Review Note: Uncertainty as to whether funding will continue in current political climate.

Risk: Infrastructure delivery Inability to deliver, or delay in delivering, key transport infrastructure to unlock planned growth

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
On / ahead of schedule	Partnership working with infrastructure providers and statutory bodies	Reduce risk of delays and communication.	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
On / ahead of schedule	target funding opportunities	To seek to bring forward delivery	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)

Current Status: Medium (12)

Current Risk Severity: 4 - High

Current Risk Likelihood: 3 - Medium

Service Manager: Jenny Clifford

Review Note: See mitigating actions

Economy PDG Risk Management Report - Appendix 2

Risk: Tiverton Pannier Market Failure to maximise the economic potential of Tiverton Pannier Market

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
On / ahead of schedule	Continue to retain and prioritise market budget	To ensure most efficient use of resources	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
On / ahead of schedule	continue to work with traders on promotion	To increase footfall.	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
On / ahead of schedule	Implement and review market strategy	Implementation of strategy will increase market's financial success and help fulfill its function as a key driver for the town.	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
On / ahead of schedule	Masterplan Implementation	To realise benefits from the Masterplan to increase visibility of market and increase footfall.	Adrian Welsh	10/06/2019	17/09/2019	Satisfactory (2)
Current Status: Medium (12)		Current Risk Severity: 4 - High		Current Risk Likelihood: 3 - Medium		
Service Manager: Jenny Clifford						
Review Note: See mitigating actions						

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16:28

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Risk Matrix Economy Appendix 3

Report
 For Economy - Cllr Graeme Barnell Portfolio
 For MDDC - Services
 Current settings

Risk Likelihood	5 - Very High	No Risks	No Risks	No Risks	No Risks	No Risks
	4 - High	No Risks	No Risks	No Risks	1 Risk	No Risks
	3 - Medium	No Risks	No Risks	No Risks	3 Risks	No Risks
	2 - Low	No Risks	No Risks	No Risks	2 Risks	No Risks
	1 - Very Low	No Risks	No Risks	No Risks	1 Risk	1 Risk
		1 - Very Low	2 - Low	3 - Medium	4 - High	5 - Very High
		Risk Severity				

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CABINET

21 November 2019

FINANCIAL UPDATE FOR THE SIX MONTHS TO 30 SEPT 2019

Cabinet Member Cllr Alex White

Responsible Officer Andrew Jarrett – Deputy Chief Executive (S151)

Reason for Report: To present a financial update in respect of the income and expenditure so far in the year.

RECOMMENDATION(S):

1. **The Cabinet note the financial monitoring information for the income and expenditure for the six months to 30 September 2019 and the projected outturn position.**

Relationship to the Corporate Plan: The financial resources of the Council impact directly on its ability to deliver the corporate plan; prioritising the use of available resources brought forward and any future spending will be closely linked to key Council pledges from the updated Corporate Plan.

Financial Implications: Good financial management and administration underpins the entire document.

Legal Implications: None.

Risk Assessment: Regular financial monitoring information mitigates the risk of unforeseen over or underspends at year end and allows the Council to direct its resources to key corporate priorities.

Equality Impact Assessment: It is considered that the impact of this report on equality related issues will be nil.

Impact on Climate Change: There are no direct impacts from the content of this report.

1.0 Introduction

- 1.1 The purpose of this report is to highlight to Cabinet our current financial status and the likely reserve balances at 31 March 2020. It embraces both revenue, in respect of the General Fund; the Housing Revenue Account (HRA), and Capital and aims to focus attention on those areas which are unlikely to achieve budget. It is particularly important for next year's budget setting and, looking further ahead, with the medium term financial plan.
- 1.2 Favourable variances generating either increased income or cost savings are expressed as credits (negative numbers), whilst unfavourable overspends or incomes below budget are debits (positive numbers).

2.0 Executive Summary of 2019/20

2.1 The table below shows the opening position of key operational balances of the Council, the forecast in year movements and final predicted position at 31 March 2020:

Usable Reserves	31/03/2019	Forecast in year movement	31/03/2020
	£k	£k	£k
Revenue			
General Fund (see paragraph 3.2)	(2,501)	(29)	(2,530)
Housing Revenue Account (see paragraph 4.2)	(2,000)	0	(2,000)
Capital			
Capital Receipts Reserve	(3,620)	(1,212)	(4,832)
Revenue Contribution to Capital Earmarked Reserve	(415)	185	(230)

3.0 The General Fund Reserve

3.1 This is the major revenue reserve of the Council. It is increased or decreased by the surplus or deficit generated on the General Fund in the year. This reserve held a balance of £2.501m as at 31/03/19.

3.2 The forecast General fund **surplus** for the current year is £29k after transfers to and from Earmarked Reserves as shown at Appendix A. Members should note that we are currently undertaking a review of minimum reserve levels. We will subsequently bring a report to Cabinet with recommendations.

The **most significant variances** comprise:

	£k
Waste Services – Shared savings scheme and vacancies	(143)
Trade Waste and recycling - Increase in customers and reduced discounts etc.	(94)
New vehicle contract – Funded by EMR	55
Public Health – Air Quality S106 (covered by EMR) and legal costs	91
Planning – Downturn in Planning income less salary savings	165
Garden Village project – funded by EMR	83
S106 spend re Public Open Space – funded by EMR	76
Cullompton Master Plan – funded by EMR	60
Statutory Plan – Funded by EMR	46
Car Parking – Shortfall Premier Inn	19
General Fund Housing - Grant funding – to be earmarked	(127)
Property – Various including salary savings; loss of income; etc.	(23)
Legal – Software budget not required	(15)

Democratic Services – District Elections shortfall	25
Electoral Registration – Increase in IER funding and delayed boundary review	(47)
Leisure – Vacant posts etc. partly offset by utilities overspend	(7)
Revs and Bens – Various including reduced subsidy and salary savings	(9)
3 Rivers Impairment – Partly offset by a statutory reversal of £377k	503
Statutory Adjustments – Reversal of Capital impairment 3 Rivers	(377)
Statutory Adjustments – Reduction in Minimum Revenue Provision (less borrowing than anticipated)	(50)
Interest income – additional income	(150)
Earmarked Reserves transfers	(181)
Net Business Rates retention – more levy from increased growth	59

3.3 The major variances are highlighted at Appendix B. The current incomes from our major funding streams are shown at Appendix C, whilst current employee costs are shown at Appendix D.

4.0 Housing Revenue Account (HRA)

4.1 This is a ring-fenced account in respect of the Council's social housing function. Major variances and proposed corrective action are highlighted at Appendix F.

4.2 Appendix E shows that the reserve opening balance is £2m. It is anticipated that the forecast variance of £486k surplus will increase the budgeted transfer to the Housing Maintenance Fund and so the HRA reserve balance should remain at £2m.

4.3 Overall, the HRA is forecast to underspend by £486k in 2019/20, made up of several deficits and surpluses, the most significant of which comprise the following:

- £53k underspend relating to planned revenue works – Building Services (DLO)
- £150k underspend in relation to staffing within repairs team, Building Services (DLO)
- £40k forecast reduced activity on DFG works - Building Services (DLO)
- £90k underspend relating to staffing within Housing Services (tenancy)
- £230k underspend relating to future HRA projects

5.0 Capital Programme

5.1 Capital projects, by their very nature, often overlap financial years. The status of this year's capital programme is shown at Appendix G.

5.2 The approved Capital Programme amounts to £31.548m (this includes the approved 2019/20 Budget £14.597m, slippage rolled forward from 2018/19 of £12.077m and additional projects approved since Q1 amounting to £4.874m). These additional projects are as follows:

£0.050m MSCP – Top deck resurfacing increased cost

£0.050m	Contribution to South West Mutual Bank
£0.468m	3 Rivers Loan - Threwstones
£1.224m	3 Rivers Loan – Orchard House
£0.650m	Cullompton Town Centre Relief Road
£0.050m	Tiverton EUE A361 Junction Phase 2
£2.100m	GP Practice NHS Hub Building Crediton
£0.282m	RTB Buyback

£4.874m Total

- 5.3 The revenue monitoring report reflects the fact that the 3 Rivers project, Rear of Town Hall development (Riverside) is likely to overspend by c£377k. We have therefore impaired this loan by an equal amount. As this is a capital loan it is reversed in the revenue account but it will have an impact in 2020/21 when it will trigger Minimum Revenue Provision (MRP) payments over 3 years of £126k per annum. Any increase in this overspend will of course add a further pressure.
- 5.4 We also have a “working capital loan” with 3 Rivers which is currently at risk (£504k). This was due to be repaid over 5 years but as there is doubt over the ability of the company to repay this in this timescale, it is prudent to impair it over the remaining life of the loan, 4 years at £126k per annum. This is a real cost to the revenue account. Both the £377k and the £125k are shown against Corporate Management.
- 5.5 As stated in 5.1, some of these projects will overlap financial years. Managers have therefore given their best estimate of what is ‘deliverable’ for 19/20; this amounts to £11.782m (£7.277m in Quarter 1). Therefore, committed and actual expenditure will be monitored against this revised ‘deliverable’ budget for the remainder of the year.
- 5.6 The deliverable budget has been established following meetings with managers to determine a realistic forecast of spend based on known information at this point in the year. This will continue to be revisited for material changes.
- 5.7 Committed and Actual expenditure is currently £8.687m against a ‘deliverable’ Capital Programme of £11.782m leaving a variance of £3.095m uncommitted at this point in time.
- 5.8 Additional work has been undertaken to establish forecast slippage and potential underspends against the approved Capital Programme and are also detailed on Appendix G.
- 5.9 Forecast slippage amounts to £4.445m, which mainly relates to: £0.900m in relation to the Tiverton redevelopment project, £0.602m in relation to the 3 Rivers Project at the rear of the Town Hall which is forecast to be completed in 21/22, £0.547m for the 3 Rivers Project at Orchard House that will be completed in 20/21, £0.600m in relation to Land Acquisition for operational needs and £1.350m in relation to Council House building at Round Hill, Tiverton. For further detail please refer to Appendix G.

- 5.10 A comprehensive review of projects has also been undertaken to either remove them from the 19/20 Programme where no longer required or re-profile into the 20/21 to 23/24 MTFP that was presented at 17 October 2019 Cabinet. The forecast net underspend amounts to £11.738m, this mainly relates to: £3.7m for the District Wide Redevelopment Project, £2m for Waddeton Park, (this is now included in future years in the Capital MTFP presented at the October Cabinet), £2.1m to enable Social Housing projects and two Council House Building Projects at £2m each which have been further quantified in the forward MTFP. Again, for further detail please refer to Appendix G.

6.0 Revenue Contribution to Capital EMR

- 6.1 The Capital Earmarked Reserve has been set aside from Revenue to fund Capital Projects; the movement on this reserve is projected below:

	£k
Capital Earmarked Reserve at 1 April 2019	(415)
Funding required to support 2019/20 Capital Programme	185
Forecast uncommitted Balance at 31 March 2020	(230)

7.0 Capital Receipts Reserve (Used to fund future capital programmes)

- 7.1 Unapplied useable capital receipts are used to part fund the capital programme, the movement on this account for the year to date is given below:

	£k
Unapplied Useable Capital Receipts at 1 April 2019	(3,620)
Net Receipts to Q2 (includes 21 "Right to Buy" Council House sales)	(1,215)
Current Balance	(4,835)
Forecast further capital receipts in year	(600)
Forecast capital receipts required to support 2019/20 Capital Programme	603
Forecast Unapplied Capital Receipts 31 March 2020	(4,832)

- 7.2 The forecast reserve balance for the Revenue Contribution to Capital Reserve and the Capital Receipts Reserve includes the associated funding of the 19/20 Capital Programme, as these monies are committed. In reality, much of this will slip to 20/21. It is also important to note that these balances are likely to be fully utilised in order to balance the Capital Medium Term Financial Strategy.

8.0 Treasury Management

8.1 The interest position so far this financial year can be summarised as follows:

Interest Receivable:

	Budget £k	Forecast outturn £k	Forecast variance £k
Investment Income Received	(443)	(533)	(90)
Interest from HRA funding	(49)	(49)	0
Total Interest Receivable	(492)	(582)	(90)

8.2 The additional income from 3 Rivers loans and the interest rate is holding well due to the delay in Brexit. The interest saving in interest payable is due to the fact we have not taken out external borrowing (PWLB), as expenditure has been low and we have funded initially from internal resources.

9.0 Council Tax and Housing Benefits Collection Performance – 2018/19

9.1 We have added a new Appendix H to outline the performance in this area for the previous year and to compare collection rates to national averages. The statistics show that our results are commendable when compared to national averages.

10.0 Conclusion

10.1 Members are asked to note the revenue and capital forecasts for the financial year. Managers are working hard to offset overspends, some of which are unavoidable, with budget savings to deliver an outturn close to the budget. Members will be aware that management action has improved the position from Quarter 1 which was showing a projected overspend of £427k.

10.2 The work undertaken to produce this monitoring information to 30 Sept 2019 will be used to inform the 2020/21 Budget setting process where required.

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Circulation of the Report:

Cllr Alex White, Leadership Team

**GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER
2019**

General Fund Summary	Note	2019/2020	Full Year	Full Year	Variance
		Annual Budget	Forecast	Variance	
		£			(0 = On budget)
				£	%
Cllr Bob Deed					
Corporate Management	A	1,696,520	2,209,520	513,000	30.2%
Cllr Luke Taylor					
Grounds Maintenance	E	596,740	587,740	(9,000)	-1.5%
Cemeteries & Bereavement Services	D	(86,540)	(76,540)	10,000	-11.6%
Waste Services	H	1,983,480	1,797,307	(186,173)	-9.4%
Cllr Dennis Knowles					
Community Development	I	104,660	99,660	(5,000)	-4.8%
Environmental Services incl. Licensing	D	770,010	854,882	84,872	11.0%
IT Services	Q	972,610	989,210	16,600	1.7%
Land charges	N	(20,530)	(30,530)	(10,000)	48.7%
Open Spaces	F	91,800	97,112	5,312	5.8%
Recreation And Sport	J	740,302	746,618	6,316	0.9%
Cllr Alex White					
Finance And Performance	K	707,320	707,320	0	0.0%
Revenues And Benefits	L	430,400	422,525	(7,875)	-1.8%
Car Parks	C	(535,210)	(502,210)	33,000	6.2%
Cllr Simon Clist					
Private Sector Housing	D	(6,070)	12,820	18,890	-311.2%
General Fund Housing	M	212,630	75,650	(136,980)	-64.4%
Property Services	G	644,230	619,720	(24,510)	-3.8%
Cllr Graeme Barnell					
Community Development: Markets	I	50,180	65,180	15,000	29.9%
Planning And Regeneration	N	1,296,884	1,707,157	410,273	31.6%
Cllr Mrs Nikki Woollatt					
Customer Services	O	770,510	751,510	(19,000)	-2.5%
Human Resources	P	465,090	480,090	15,000	3.2%
Legal & Democratic Services	B	1,136,206	1,076,136	(60,070)	-5.3%
Public Health	D	(4,890)	(4,890)	0	0.0%
All General Fund Services		12,016,332	12,685,987	669,655	5.6%
Net recharge to HRA		(1,534,110)	(1,534,110)	0	
Statutory Adjustments (Capital charges)		333,280	(93,720)	(427,000)	
Net Cost of Services		10,815,502	11,058,157	242,655	2.2%
Finance Lease Interest Payable		44,420	44,420	0	
Interest from Funding provided for HRA		(49,000)	(49,000)	0	
Interest Receivable / Payable on Other Activities		167,580	107,580	(60,000)	
Interest Receivable on Investments		(442,540)	(532,540)	(90,000)	
Transfers into Earmarked Reserves	APP B	2,267,363	2,603,030	335,667	
Transfers from Earmarked Reserves	APP B	(2,036,744)	(2,552,996)	(516,252)	
Contribution from New Homes Bonus Reserve	APP B	(587,850)	(587,850)	0	
Total Budgeted Expenditure		10,178,731	10,090,801	(87,930)	-0.9%
Revenue Support Grant		0	0	0	
Rural Services Delivery Grant		(466,695)	(466,695)	0	
New Homes Bonus Grant		(1,243,503)	(1,243,503)	0	
Retained Business Rates		(3,247,005)	(3,125,195)	121,810	
Business Rates Deficit		778,906	778,906	0	
Business Rates Benefit from Devon Pool		(100,000)	(163,000)	(63,000)	
CTS Funding Parishes		0	0	0	
Collection Fund Surplus		(71,330)	(71,330)	0	
Council Tax		(5,829,104)	(5,829,104)	0	
Total Budgeted Funding		(10,178,731)	(10,119,921)	58,810	-1%
Forecast in year (Surplus) / Deficit		0	(29,120)	(29,120)	
General Fund Reserve 30/09/2019				(2,483,294)	
Forecast General Fund Balance 31/03/2020				(2,512,414)	

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GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2019

Note	Description of Major Movements	Full year variance (net of transfer to EMR)	PDG
A	Corporate Management		
	Forecast overspend on bank charges	10,000	Cabinet
	3 Rivers - Working capital impairment - IFRS 9 the risk of non-repayment of the loan	126,000	Cabinet
	3 Rivers - Riverside impairment - Relates to the potential overspend on the project leading to non-repayment of loan	377,000	Cabinet
		513,000	
B	Legal & Democratic Services		
	Legal Services-estimated underspend against the salary budget due to a vacant post	(5,500)	Cabinet
	Legal Services-estimated under recovery of S106 income	10,000	Cabinet
	Legal Services-fees and charges income higher than budget	(4,000)	Cabinet
	Legal Services-software budget not required	(15,400)	Cabinet
	Member Services-estimated savings against the salary budget due to carrying a vacancy for a number of months	(7,000)	Cabinet
	Electoral Registration-increase in IER funding above budget	(16,800)	Cabinet
	District Elections- After utilising earmarked reserves estimate of £25k shortfall in covering election spend	25,000	Cabinet
	Electoral Registration-saving against the salary budget due to vacancy	(5,000)	Cabinet
	Parish Elections- Recharging more of the costs to parishes than previously forecast	(7,500)	Cabinet
	Democratic Rep-savings on internet access payments and Members registration	(3,870)	Cabinet
	Electoral Registration- Budget for boundary review no longer required	(30,000)	Cabinet
		(60,070)	
C	Car Parks		
	P&D Income shortfall forecast in MSCP of £24k due to ongoing Premier Inn works, forecasting increased income in some of our P&D car parks of £5k.	19,000	Economy
	MSCP - Increased Security patrols to protect users and property from anti-social behaviour, has resulted in a budget overspend.	6,000	Economy
	Increased Electricity usage due to 24 hour opening of the MSCP and increased usage from contractors.	8,000	Economy
		33,000	
D	Public Health combined		
	Net of S106 Air Quality expenditure & income, covered by transfers from EMRs	71,872	Community
	One off unavoidable Employment costs in Public Health	4,900	Community
	Licensing - Salary overspend due to JE regrades. We will be able to adjust fees going forward and hope to recover some of this overspend this year.	8,100	Community
	External Legal costs associated with major Housing prosecution, some costs awarded by the Courts but remain outstanding.	18,890	Homes
	Cemetery Income below profile for 2nd Qtr, will review month by month.	5,000	Environment
	Reduced income on Regulatory Services	5,000	Environment
		113,762	
E	Grounds Maintenance		
	Salary savings - vacant Team Leader post not recruited to whilst service structure is being reviewed	(25,000)	Environment
	New vehicle contract - funded from earmarked reserve in year	16,000	Environment
		(9,000)	
F	Open Spaces		
	S106 Expenditure funded by transfer from an EMR	5,312	Community
		5,312	
G	Property Services		
	New vehicle contract - funded from earmarked reserve in year	6,000	Environment
	Public Conveniences Utility charges are lower than budgeted due to reduction in the number of PC's and more accurate billing from Laser.	(7,000)	Environment
	Historic Business Rates reduction applied to Phoenix House due to office mergers have resulted in a rates underspend.	(43,000)	Homes
	Un-budgeted costs for the upgrade of communication equipment in the Exe Room, off-set against underspend on Rates	14,000	Homes
	Security costs higher than budget for Phoenix House	6,600	Homes
	Salary savings within Property Services due to vacant posts (partially off-set by Agency costs)	(70,000)	Homes
	Agency overspend covering vacant posts within Property Services	14,500	Homes
	Loss of income from Fore Street Flats and rates from vacant shop unit	21,390	Economy
	Loss of rental income and increased costs from rates and service charges due to vacant units within Market Walk	33,000	Economy
		(24,510)	
H	Waste Services		
	Vacant posts part offset by agency	(28,000)	Environment
	Additional overtime in Recycling due to operational issues	10,000	Environment
	Waste - Shared Saving Scheme increase from budget. 2018-19 additional £79k and estimating an additional £46k for 2019-20	(125,000)	Environment
	S106 income, transferred to an EMR	827	Environment
	Trade Waste - Increase in customer base and reduced discounts - leading to increased income	(89,000)	Environment
	Trade Waste - Purchase of additional bins	20,000	Environment
	Trade Waste - Disposal costs up due to an increase in customer base	10,000	Environment
	Garden waste, permit sales up	(5,000)	Environment
	Recycling materials, paper tonnage and price down against budget	44,000	Environment
	Recycling materials, mixed plastics tonnage and price up against budget	(79,000)	Environment
	New vehicle contract - funded from earmarked reserve in year	55,000	Environment
		(186,173)	
I	Community Development		

Community Development grant funding	(5,000)	Community
Salaries - job evaluation and additional cover over the busy Christmas period	15,000	Community
	10,000	
J Recreation And Sport		
Salaries - vacant posts.	(80,000)	Community
Dryside - loss of income due to termination of contract with a 3rd party and recruitment issues re qualified staff.	20,000	Community
Over achieving membership targets for fitness.	(24,000)	Community
Vouchers cashed in against fitness and wetside income.	6,000	Community
Savings due to not renewing cascade communication software	(3,500)	Community
Wetside - reduction in casual swim as per the national trend within the industry	17,500	Community
Feasibility Study	11,716	Community
Utilities overspend due to Energy provider invoicing now is more accurate	58,600	Community
	6,316	
K Finance And Performance		
	0	
L Revenues And Benefits		
Housing Benefit Subsidy & Overpayment recovery	40,000	Community
Forecast income from Court Costs is anticipated to be lower than Budgeted	14,000	Community
Estimated income from Single Occupancy Discount penalties (not budgeted)	(20,000)	Community
Additional Forecast C/Tax Annexe Grant	(4,000)	Community
Revenues and Benefits forecast salary savings; in the main due to vacant posts in HB in part offset by additional overtime & temporary increases for supervisors acting up	(19,000)	Community
Software costs associated with Citizens Access	33,950	Community
Software costs associated with new CTR scheme	11,000	Community
Various New Burdens grants from DWP in respect of Housing Benefits initiatives delivered within existing resource	(49,000)	Community
Adjustment to CTB entitlement (re pre 01/04/13 CTB old scheme) not required to be repaid to DCLG & additional CTB admin grant than budgeted	(5,600)	Community
Additional New Burdens NNDR Grant for the administration of Retail Rate Relief delivered within existing resource	(9,225)	Community
	(7,875)	
M General Fund Housing		
Community Alarms: estimated surplus due to underspend on service overheads	(10,000)	Homes
GF Housing: grant funding received will be earmarked towards future service sustainability	(126,980)	Homes
	(136,980)	
N Planning And Regeneration		
Net of S106 Public Open Space expenditure & income, covered by transfers from EMRs	76,153	Community
Garden Village project consultancy spend funded by transfer from EMR	82,770	Community
Salary savings due to not recruiting for the secondment of the graphics technician, a delay in recruitment of the monitoring information officer and maternity savings	(17,000)	Community
Statutory Plan - saving on budgeted GESP contribution	(5,000)	Community
Statutory Plan - Local Plan costs funded by transfer from EMR	45,500	Community
Development Management - planning income. Consistently over the last 12 mths there has been a downturn in fees, this has been driven by external circumstances affecting the submission of larger fee earning applications. Officers are working with developers to try and bring forth applications via the pre application process. Most recently the forecast shortfall has in part been offset through a major fee bearing application	182,000	Community
Development Management - supplies & services. Main contributor being required advertising.	7,000	Community
Cullompton Town Centre Masterplan, funded by transfer from EMR	60,000	Community
Business Development Grant funding	(10,500)	Community
Income from Section 97 work	(10,650)	Community
Land charges Devon County Council searches	(10,000)	Community
	400,273	
O Customer Services		
Hardware support and maintenance - customer services and replacement of the self service kiosk (funded from reserve)	10,000	Community
Overtime budget not required	(4,000)	Community
Vacancy Savings	(25,000)	Community
	(19,000)	
P Human Resources		
Realignment of basic establishment prior to review of service needs	15,000	Cabinet
	15,000	
Q I.T. Services		
Digital services cloud software licence - expenditure covered by salary savings in the CS codes	7,500	Cabinet
Idox support fees more than budgeted	7,800	Cabinet
Central Government have delayed moving towards utilising the public internet for submission of statutory returns - meaning the Council has to pay for a private sector network connection to submit its returns	9,600	Cabinet
Vacant posts	(8,300)	Cabinet
	16,600	
FORECAST (SURPLUS)/DEFICIT AS AT 31/03/2020	669,655	

Cabinet	484,530
Community	479,898
Homes	(195,990)
Environment	(186,173)
Economy	87,390
	669,655

GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2019

Fees and Charges	2019/20	2019/20	2019/20	2019/20	Full Year	Variance
	Annual Budget	Profiled Budget	Actual	Variance	Forecast	
	£	£	£	£	Variation	%
Building Control Fees	(240,000)	(120,000)	(146,860)	(26,860)	0	0%
Planning Fees	(946,500)	(473,250)	(306,234)	167,016	182,000	-19%
Land Search Fees	(120,000)	(60,000)	(62,263)	(2,263)	0	0%
Car Parking Fees - See Below	(733,290)	(351,726)	(347,767)	3,960	19,000	-3%
Leisure Fees & Charges	(2,881,030)	(1,459,766)	(1,322,266)	137,499	26,000	-1%
Trade Waste Income	(699,000)	(694,810)	(771,317)	(76,507)	(89,000)	13%
Garden Waste	(482,100)	(170,030)	(171,800)	(1,770)	(5,000)	1%
Licensing	(145,190)	(58,660)	(55,459)	3,201	0	0%
Market Income	(83,350)	(30,397)	(35,346)	(4,949)	0	0%
	(6,330,460)	(3,418,639)	(3,219,312)	199,327	133,000	-2.1%

Car Parking Fees		2019/20	2019/20	2019/20	2019/20	Bud Income	
						Spaces	pa per space
Beck Square, Tiverton	(79,500)	(42,843)	(41,497)	1,345	40	(1,988)	
William Street, Tiverton	(26,280)	(13,266)	(12,675)	591	45	(584)	
Westexe South, Tiverton	(49,000)	(26,538)	(23,467)	3,071	51	(961)	
Wellbrook Street, Tiverton	(14,000)	(7,055)	(7,666)	(611)	27	(519)	
Market Street, Crediton	(37,500)	(19,928)	(18,501)	1,427	39	(962)	
High Street, Crediton	(75,000)	(38,310)	(40,664)	(2,354)	190	(395)	
Station Road, Cullompton	(33,500)	(18,720)	(20,540)	(1,820)	112	(299)	
Multistorey, Tiverton	(126,980)	(65,623)	(52,372)	13,251	631	(201)	
Market Car Park, Tiverton	(210,000)	(103,167)	(105,585)	(2,418)	122	(1,721)	
Phoenix House, Tiverton	(5,500)	(2,775)	(2,765)	10	15	(367)	
P&D Shorts & Overs	0	0	95	95	0	0	
Total Pay and Display	(657,260)	(338,224)	(325,637)	12,587	1,272	(7,995)	
Day Permits	(16,000)	(1,605)	(698)	908			
Allocated Space Permits	(41,500)	(2,702)	(9,442)	(6,740)			
Overnight Permits	(200)	0	(473)	(473)			
Day & Night Permits	(10,700)	(2,580)	(1,637)	943			
Other Income	(7,630)	(6,615)	(9,880)	(3,265)			
Total Permits	(76,030)	(13,502)	(22,130)	(8,628)			
Total Car Parking	(733,290)	(351,726)	(347,767)	3,960			
Standard Charge Notices (Off Street)	(48,000)	(24,000)	(20,130)	3,870	0	0%	

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GENERAL FUND FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO 30 SEPTEMBER 2019

Employee Costs	2019/20 Annual Budget £	2019/20 Profiled Budget £	2019/20 Actual £	2019/20 Variance £
General Fund				
Community Development	49,220	24,610	28,601	3,991
Corporate Management	1,457,520	728,760	712,884	(15,876)
Customer Services	688,440	344,220	312,921	(31,299)
Environmental Services	864,660	432,330	454,192	21,862
Finance And Performance	548,850	274,425	261,195	(13,230)
General Fund Housing	272,190	136,095	124,735	(11,360)
Grounds Maintenance	490,260	245,130	217,874	(27,256)
Human Resources	374,760	187,380	173,240	(14,140)
I.T. Services	548,920	274,460	271,300	(3,160)
Legal & Democratic Services	482,960	241,480	231,902	(9,578)
Planning And Regeneration	1,799,200	899,600	810,019	(89,581)
Property Services	628,270	314,135	301,926	(12,209)
Recreation And Sport	2,017,338	1,008,669	966,322	(42,347)
Revenues And Benefits	727,810	363,905	348,448	(15,457)
Waste Services	2,509,789	1,254,895	1,115,077	(139,818)
Total General Fund	13,460,187	6,730,094	6,330,637	(399,457)
Housing Revenue Account				
BHO09 Repairs And Maintenance	852,900	426,450	390,385	(36,065)
BHO10 Supervision & Management	1,508,730	754,365	691,713	(62,652)
BHO11 Special Services	0	0	0	0
Total Housing Revenue Account	2,361,630	1,180,815	1,082,098	(98,717)
Total Employee Costs	15,821,817	7,910,909	7,412,735	(498,174)

Agency Staff (within Employee costs)	2019/20 Annual Budget £	2019/20 Profiled Budget £	2019/20 Actual £	2019/20 Variance £
General Fund				
Car Parks	0	0	0	0
Community Development	0	0	0	0
Corporate Management	0	0	0	0
Customer Services	0	0	0	0
Environmental Services	0	0	0	0
Finance And Performance	0	0	0	0
General Fund Housing	0	0	0	0
Grounds Maintenance	25,000	12,500	28,896	16,396
Human Resources	0	0	9,962	9,962
I.T. Services	0	0	0	0
Legal & Democratic Services	0	0	0	0
Planning And Regeneration	0	0	0	0
Property Services	0	0	14,419	14,419
Recreation And Sport	0	0	0	0
Revenues And Benefits	0	0	3,788	3,788
Waste Services	121,641	60,821	178,299	117,478
Total General Fund	146,641	73,321	235,364	162,043
Housing Revenue Account				
BHO09 Repairs And Maintenance	0	0	0	0
BHO10 Supervision & Management	0	0	0	0
BHO11 Special Services	0	0	0	0
Total Housing Revenue Account	0	0	0	0
Total Agency Costs	146,641	73,321	235,364	162,043

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HOUSING REVENUE ACCOUNT FINANCIAL MONITORING INFORMATION FOR THE PERIOD FROM 01 APRIL TO
30 SEPTEMBER 2019

Planned Works extract				
Planned Works - Capital		2,285,000	0	0.0%
Planned Works - Revenue		1,325,500	(50,000)	-3.8%

Housing Revenue Account (HRA)	Notes	2019/2020 Annual Budget £	Forecast £	Variance %
Income				
SHO01 Dwelling Rents Income	A	(11,977,170)	0	0.0%
SHO04 Non Dwelling Rents Income	B	(564,870)	0	0.0%
SHO06 Tenant Charges For Services	C	0	0	0.0%
SHO07 Leaseholders' Service Charges	D	(21,640)	0	0.0%
SHO08 Contributions Towards Expenditure	E	(27,720)	0	0.0%
SHO09 Alarm Income - Non Tenants	F	0	0	0.0%
SHO10 H.R.A. Investment Income	G	(83,000)	(3,230)	3.9%
SHO11 Miscellaneous Income	H	(7,350)	0	0.0%
Services				
SHO13A Repairs & Maintenance	I	3,174,000	(163,000)	-5.1%
SHO17A Housing & Tenancy Services	J	1,732,360	(320,000)	-18.5%
Accounting entries 'below the line'				
SHO29 Bad Debt Provision Movement	L	53,000	0	0.0%
SHO30 Share Of Corporate And Democratic	M	199,100	0	0.0%
SHO32 H.R.A. Interest Payable	N	1,178,580		0.0%
SHO34 H.R.A. Transfers between earmarked reserves	O	1,713,350	0	0.0%
SHO36 H.R.A. Revenue Contribution to Capital	P	0	0	0.0%
SHO37 Capital Receipts Reserve Adjustment	Q	(26,000)	0	0.0%
SHO38 Major Repairs Allowance	R	2,285,000	0	0.0%
SHO45 Renewable Energy Transactions	S	(139,000)	0	0.0%
		(2,511,360)	(486,230)	-19.4%

Net recharge to HRA		1,534,110
Capital Charges		977,250
Net Housing Revenue Account Budget		0

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**HOUSING REVENUE ACCOUNT FINANCIAL MONITORING INFORMATION FOR THE PERIOD
FROM 01 APRIL TO 30 SEPTEMBER 2019**

Note	Description of Major Movements	Corrective Action	Forecast
			Variance £
G	Interest received on cash balances higher than anticipated	N/A	(3,230)
I	Planned Revenue works to underspend by £53k across various areas. Salary underspend is principally due to vacant posts, a number of staff on maternity leave and new staff starting on reduced spinal points (estimated circa £150k). Forecast reduced activity on DFG works of circa £40k		(163,000)
J	There is an underspend (£90k) due to a number of retirements and posts not being filled immediately. In addition, provision for two posts was made in the budget to ensure that there was capacity to mitigate the impact of welfare reform and legislative changes to tenure. These posts remain unfilled and a watching brief is being kept on performance and workloads. Additionally a budget for new projects is forecast to be underspent by £230k, this budget will then be refreshed in 20/21	N/A	(320,000)
		TOTAL	(486,230)

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Code	Scheme	Approved Capital Programme 2019/20	Total Slippage B/fwd & Adj to Approved Capital Programme 19/20	Budgeted Capital Programme 2019/20	Total Deliverable Programme 19/20	Actual Expenditure 2019/20	Committed Expenditure 2019/20	Total Actual & Committed Expenditure 2019/20	Variance to Deliverable Capital Programme	Forecast (Underspend)/ Overspend	Forecast Slippage to 20/21	Notes
		£	£	£	£	£	£	£	£	£	£	
General Fund Projects												
Exe Valley Leisure Centre												
CA633	Lords Meadow - Replace main pool filters	0	80,000	80,000	55,000	0	4,052	4,052	(50,948)			Project due to be completed by Q3 19/20
CA639	Spinning Room - New window - improve light	20,000	0	20,000	20,000	0	0	0	(20,000)			Project Complete Q2 19/20
CA640	Leisure Spinning Bike Replacement - all sites	60,000	0	60,000	60,000	60,000	0	60,000	0			Project Complete Q2 19/20
Culm Valley Leisure Centre												
CA641	Fitness Gym Kit Replacement	185,000	0	185,000	185,000	0	15,901	15,901	(169,099)			
MDDC Depot Sites												
CA829	Carlton Close - Air Conditioning units	25,000	0	25,000	20,000	308	0	308	(19,692)			Forecast project completion Q3 19/20
CA830	Carlton Close - Interceptor upgrade	30,000	0	30,000	30,000	371	1,430	1,801	(28,199)			Subject to EA - if required will be completed in Q3 19/20
CA831	Carlton Close - Solar PV options	20,000	0	20,000	20,000	308	600	908	(19,092)			Forecast project completion Q4 19/20
Play Areas												
CA472	Open Space Infrastructure (incl Play Areas)	0	50,000	50,000	50,000	0	1,360	1,360	(48,640)			Forecast project completion Q4 19/20
CA632	Play area refurbishment District wide - Amory Park Tiverton	0	50,000	50,000	50,000	0	0	0	(50,000)		50,000	Forecast project completion Q3 20/21
CA628	Play area refurbishment - West Exe Recreation Ground Tiverton	0	50,000	50,000	50,000	0	0	0	(50,000)			Forecast project completion Q4 19/20
Other Projects												
CA473	Land drainage flood defence schemes - St Marys Hemyock	0	25,000	25,000	25,000	0	0	0	(25,000)		25,000	Forecast project completion Q3 20/21
CA420	Land drainage flood defence schemes - Ashleigh Park Bampton	0	87,000	87,000	87,000	0	0	0	(87,000)		87,000	Forecast project completion Q3 20/21
CA574	Fore Street Flats refurbishment	0	47,000	47,000	47,000	150	2,463	2,613	(44,388)		45,000	
CA709	MSCP improvements (refer to Matrix condition report)	0	136,000	136,000	136,000	2,024	566	2,590	(133,410)			Phase 1 works will be complete by Q4 19/20
CA718	MSCP-Top Deck surfacing	70,000	50,000	120,000	70,000	0	0	0	(70,000)			Phase 1 works will be complete by Q4 19/20. Additional £50k approved at 22/08/19 Cabinet (minute 40)
CA476	Tiverton Cemetery - Infrastructure extension	80,000	0	80,000	80,000	0	0	0	(80,000)		40,000	Forecast project completion Q2 20/21
CA477	Land drainage flood defence schemes	25,000	0	25,000	25,000	0	0	0	(25,000)		25,000	Mary's Hemyock Project
CA202	Flexible Temporary Accommodation	75,000	0	75,000	75,000	0	0	0	(75,000)			
CA576	Tiverton Town Centre improvements	0	40,000	40,000	20,000	0	0	0	(20,000)			
CA579	Tiverton Town Centre - Street scene improvements	100,000	0	100,000	100,000	0	0	0	(100,000)			
CA832	Land acquisition for operational needs	600,000	0	600,000	0	0	0	0	0		600,000	This will be slipped into 2020/21
CA482	Contribution to South West Mutuals Bank	0	50,000	50,000	0	49,995	0	49,995	49,995			Per Cabinet report 07/03/19 to be funded by NNDR EMR
General Fund Development Schemes												
CA575	District Wide Redevelopment project - Asset acquisition	0	3,953,000	3,953,000	45,000	65,155	53,200	118,355	73,355	(3,700,000)		Detailed schemes identified as part of forthcoming MTFP
CA462	Rear of Town Hall Development site (Riverside) - 3 Rivers Loan	0	3,679,000	3,679,000	3,077,110	1,185,260	1,891,850	3,077,110	0		601,890	This Project will cross financial years and be completed in 21/22
	3 Rivers Loan - Threwstones	0	468,000	468,000	468,000	355,000	113,000	468,000	0			This project will complete in 19/20
	3 Rivers Loan - Orchard House	0	1,224,000	1,224,000	677,500	157,500	520,000	677,500	0		546,500	This Project will cross financial years and be completed in 20/21
CA580	Tiverton redevelopment project	1,200,000	0	1,200,000	1,200,000	3,576	0	3,576	(1,196,425)		900,000	It is anticipated that the majority of the spend on this project will occur in 20/21
CA581	Waddeton Park	2,000,000	0	2,000,000	0	0	0	0	0	(2,000,000)		This project is now detailed in its entirety in the MTFP that was presented to Cabinet on 17/10/19
CA719	Cullompton Town Centre Relief Road	0	650,000	650,000	0	0	0	0	0			
CA720	Tiverton EUE A361 Junction Phase 2	0	50,000	50,000	0	0	0	0	0			
	GP Practice NHS Hub Building Crediton	0	2,100,000	2,100,000	0	0	0	0	0			
Economic Development Schemes												
CA582	* Hydro Mills Electricity Project * All Economic Development schemes are subject to acceptable Business Case	680,000	0	680,000	0	0	0	0	0			
ICT Projects												
CA421	Desktop states replacement/refresh	0	6,000	6,000	6,000	6,594	0	6,594	594	600		Project complete
CA456	CRM replacement	0	175,000	175,000	175,000	0	0	0	(175,000)		175,000	It is anticipated that this project will slip into 20/21
CA474	Data centre hardware refresh servers/storage	0	120,000	120,000	100,000	97,854	0	97,854	(2,146)	(20,000)		Project complete
CA433	Unified Communications/telephony	0	107,000	107,000	32,000	32,554	0	32,554	554			Project to be delivered by Q4 19/20
CA464	Parking System Replacement (enforcement)	0	40,000	40,000	0	0	0	0	0	(40,000)		Project no longer required as coded to Revenue
CA465	Replacement Queue System	0	30,000	30,000	0	0	0	0	0			
CA423	Continued replacement of WAN/LAN	0	60,000	60,000	60,000	0	0	0	(60,000)	(60,000)		Project no longer required
CA425	Server farm expansion/upgrades	0	84,000	84,000	84,000	0	0	0	(84,000)			Project to be delivered by Q4 19/20
CA437	Digital Transformation	0	33,000	33,000	0	4	0	4	4			
CA478	UPS Power supplies refresh	25,000	0	25,000	20,000	19,925	0	19,925	(75)	(5,075)		Project complete
CA479	Continuous replacement/Upgrade of WAN/LAN (networking hardware switches)	100,000	0	100,000	0	0	0	0	0	(100,000)		Project no longer required. Core switches project will be flagged in MTFP that will be presented at 17/10/19 Cabinet
CA480	Lalpac Licensing System replacement (SN)	80,000	0	80,000	0	0	0	0	0			
CA481	Replacement Access Database - Property Services	100,000	0	100,000	0	0	0	0	0	(100,000)		This Project is timetabled for delivery in 21/22 & will be flagged as part of the forthcoming MTFP
Replacement Vehicles												
CA717	Van Tipper (Grounds Maintenance)	0	25,000	25,000	25,000	25,330	0	25,330	330	330		Project complete
CA715	Van Tipper (Grounds Maintenance)	0	25,000	25,000	25,000	25,330	0	25,330	330	330		Project complete
CA712	Iveco Tipper (or equivalent) 3.5T Tipper	0	28,000	28,000	28,000	27,830	0	27,830	(170)	(170)		Project complete
CA822	7.5T Tipper	0	45,000	45,000	45,000	44,773	0	44,773	(227)	(227)		Project complete
CA825	3.5T Tipper	0	28,000	28,000	28,000	27,830	0	27,830	(170)	(170)		Project complete
CA827	3.5T Tipper	0	28,000	28,000	28,000	27,830	0	27,830	(170)	(170)		Project complete
		5,475,000	13,623,000	19,098,000	7,328,610	2,215,503	2,604,422	4,819,924	(2,508,686)	(6,024,552)	3,095,390	

	Private Sector Housing Grants											
CG217	Empty homes and enforcement	108,000	0	108,000	30,000	0	0	0	(30,000)			
CG201	Disabled Facilities Grants-P/Sector	562,000	0	562,000	530,000	150,879	230,206	381,085	(148,915)			
CG208	Wessex					25,000		25,000	25,000			
		670,000	0	670,000	560,000	175,879	230,206	406,085	(153,915)	0	0	
	Affordable Housing Projects											
CA200	Grants to Housing Associations to provide units (funded by commuted sums)	117,000	0	117,000	17,000	8,720	0	8,720	(8,280)	(100,000)		This forecast underspend will remain in EMR
		117,000	0	117,000	17,000	8,720	-	8,720	(8,280)	(100,000)	0	
	Total General Fund Projects	6,262,000	13,623,000	19,885,000	7,905,610	2,400,102	2,834,628	5,234,730	(2,670,880)	(6,124,552)	3,095,390	
	HRA Projects - Existing Housing Stock											
CA100	Major repairs to Housing Stock	2,285,000	0	2,285,000	2,285,000	960,715	860,301	1,821,016	(463,984)			
CA111	Renewable Energy Fund	250,000	0	250,000	150,000	0	0	0	(150,000)	(100,000)		Currently recruiting to enable delivery for future, likely start date Oct '19 therefore will result in an underspend for 19/20
CG200	Home Adaptations - Disabled Facilities	300,000	0	300,000	300,000	129,524	0	129,524	(170,476)			
	Housing Development Schemes											
CA119	Palmerston Park - Additional budget required	0	634,000	634,000	634,000	1,161,425	58,888	1,220,313	586,313	586,313		Additional spend on this project will be in part offset by additional Homes England Grant of £441k
CA135	Land acquisition for affordable housing	0	2,100,000	2,100,000	0	0	0	0	0	(2,100,000)		Detailed schemes identified as part of forthcoming MTFP
CA124	Queensway (Beech Road) Tiverton (3 units)	0	287,000	287,000	0	0	0	0	0			Project tendered. Project financial feasibility being considered
CA126	Sewerage Treatment Works - Washfield	0	25,000	25,000	25,000	0	0	0	(25,000)			Forecast project completion Q4 19/20
CA139	Replace end of life HRA Assets	2,000,000	0	2,000,000	0	0	0	0	0	(2,000,000)		Detailed schemes identified as part of forthcoming MTFP
CA140	Council Housing building schemes to be identified	2,000,000	0	2,000,000	0	0	0	0	0	(2,000,000)		Detailed schemes identified as part of forthcoming MTFP
CA141	Round Hill Tiverton- Site	1,500,000	0	1,500,000	200,000	0	0	0	(200,000)		1,350,000	It is anticipated that the majority of the spend on this project will slip into 20/21
CA142	RTB Buyback - 6 Cherry Gardens	0	153,000	153,000	153,000	152,438	0	152,438	(562)			
CA143	RTB Buyback- 39 Cameron Close	0	129,000	129,000	129,000	128,940	0	128,940	(60)			
	Total HRA Projects	8,335,000	3,328,000	11,663,000	3,876,000	2,533,042	919,189	3,452,230	(423,770)	(5,613,687)	1,350,000	
	CAPITAL PROGRAMME GRAND TOTAL	14,597,000	16,951,000	31,548,000	11,781,610	4,933,144	3,753,817	8,686,961	(3,094,649)	(11,738,239)	4,445,390	

Housing Benefit Performance in 2018/19

Speed of Processing

The 2018/19 average time for processing new claims was 21 days and changes of circumstance (CoC) was 5 days. Both of these times are at or below national average of 21 days and 6 days respectively.

18/19	Q1	Q2	Q3	Q4	YEAR
NEW	20	23	20	21	21
CoC	5	7	6	3	5

Caseload

The numbers of Housing Benefit (HB) and Council Tax Reduction (CTR) claims have both fallen from the levels experienced in 2017/18. This is partially down to Tiverton Job Centre going to UC Full Service from July 2018 and Exeter Job Centre from September 2018.

18/19	Q1	Q2	Q3	Q4
HB	3,842	3,696	3,516	3,405
CTR	4,220	4,184	4,167	4,172

Total Housing Benefit paid to date

The table below shows the total sum of Housing Benefit paid during 2018/19.

18/19	Q1	Q2	Q3	Q4
£m	4.6	8.5	13.2	15.6

Note - The figures shown above are cumulative

Collection Rates - Comparison

Collection	CTAX	NDR
2017/18	98.00%	99.22%
2018/19	97.79%	99.29%
Difference	-0.21%	0.07%

National Position

In 2018-19 local authorities collected a total of £29.8 billion in council tax, irrespective of the year to which it related. This was an increase of £1.8 billion, or 6.5%, over 2017-18. By the end of March 2019, they had collected £29.3 billion of council tax that related to 2018-19 and achieved an average in-year collection rate of **97.0%**, a decrease of 0.1 percentage points over 2017-18. During 2018-19, local authorities collected £625 million in council tax arrears and wrote off £195 million of uncollectable council tax.

In 2018-19 authorities collected a total of £25.3 billion in **non-domestic rates**, irrespective of the year to which it related. This was an increase of £856 million, or 3.5% over the figure for 2017-18. By the end of March 2019, they had collected £25.7 billion in non-domestic rates that related to 2018-19 and achieved an average in-year collection rate of **98.3%** in 2018-19, a decrease of 0.1 percentage points over 2017-18. They also collected £645 million in non-domestic rates arrears and wrote off £213 million of uncollectable non-domestic rates in 2018-19.

**ECONOMY PDG
28 NOVEMBER 2019**

DRAFT 2020/21 GENERAL FUND AND CAPITAL BUDGETS

Cabinet Member Cllr Alex White
Responsible Officer Andrew Jarrett, Deputy Chief Executive (S151)

Reason for the report: To consider the initial draft 2020/21 Budget and options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2021/22 onwards.

RECOMMENDATION: To consider the draft budget proposals for 2020/21 and start to plan for additional savings as identified in the Medium Term Financial Plan.

Relationship to the Corporate Plan: To deliver our Corporate Plan's priorities within existing financial resources.

Financial Implications: The current budget for the General Fund shows a deficit of £346k. In addition we have predicted a funding deficit of £1.376m on our General Fund by 2023/24. This highlights the need to take steps to plan for further reductions to our ongoing expenditure levels.

Legal Implications: None directly arising from this report, although there is a legal obligation to balance the budget. There are legal implications arising from any future consequential decisions to change service provision, but these would be assessed at the time.

Risk Assessment: In order to comply with the requirement to set a balanced budget, management must ensure that the proposed savings are robust and achievable. We must also ensure that the assumptions we have used are realistic and prudent. Failure to set a robust deliverable budget puts the Council at risk of not being able to meet its commitments and casts doubt on its "going concern" and VFM status.

Equality Impact Assessment: There are no Equalities Impact implications relating to the content of this report.

Climate Change Assessment: The allocation of resources will impact upon the Council's ability to implement/fund new activities linked to climate change, as the MTFP sets the broad budgetary framework for the Council over the coming years.

1.0 Introduction

1.1 As 2019/20 was the fourth and final year of a four year fixed funding settlement, we awaited with some trepidation the outcome of the Fair Funding Review and Business Rates reset, which was due to be published in September of this year. Due to the pressures of Brexit, the Government has been unable to complete this piece of work and have instead, regrettably, confirmed that they will issue a

one-year settlement. This has therefore resulted in the Fair Funding Review etc. being postponed for a year.

1.2 This has had an inevitable impact on our ability to forecast for future years. We expect the Review to alter our funding but we have little indication of what this might involve. The areas we are particularly concerned with are:

- Business Rates baseline reset – how much of our growth are we likely to lose?
- When will we move to 100% Business Rates growth retention? In the Budget 2016, this was to be in place “before the end of Parliament”.
- What will 100% Retention mean in terms of losing other funding streams such as RSDG and what additional responsibilities will we have?
- New Homes Bonus – the mechanics of this will change and we may lose additional years’ (we lost 2 years payments in 2018/19). We expect more of the Bonus to be redirected to the Better Care Fund to help Upper Tier authorities cope with the pressures of Social Care.
- Will we lose funding in relation to our rurality (RSDG)?
- Will we be tasked with administering additional reliefs/services?

1.2 It is worth reflecting that our budgets are affected in a number of ways:

- a) The funding received from Central Government.
- b) Devon County Council (DCC) and other public bodies’ budgets are being reduced centrally and hence this pressure is passed on to us in areas we work collaboratively.
- c) The increasing pressure on social care budgets has a “knock-on” effect to the level of funding that is available to lower-tier authorities.
- d) Government departments such as Ministry of Housing, Communities and Local Government, Department of Work and Pensions also have lower budgets and reduced grants.
- e) Changes in customer demand/expectations in the context of the local/national economy.

1.3 Although the priority is to balance next year’s budget, strategic decisions will need to be made to accommodate reduced or changes to funding going forward.

1.4 Based on nine years of public sector austerity many services can no longer continue to reduce cost and still be expected to deliver “business as usual”. It is important to remember that some services are statutory and in some cases must breakeven, i.e. we cannot generate a profit. This restricts where savings/cuts can be imposed and section 8 below provides more details.

1.5 The proposed savings embodied in the draft budget will need to be agreed by Members, as every proposed saving that is rejected will need to be matched by a suggestion of where a similar saving could be made. Members will be aware that the budget is an evolving process. We have already made a range of assumptions relating to: pay awards, inflation, fees/charges, demand for services, property increases, etc. More information may well change/alter our assumptions in the months leading up to February, when the budget has to be finalised. So the current budget gap of £346k will be revised over the next few

months, but it is based on the most current information, in conjunction with professional guidance, that is available.

- 1.6 The Council continues to look at opportunities to reduce operational costs without immediately reducing service levels. However it remains a real possibility moving forward that some difficult decisions will have to be made relating to what the Council can and can't afford to deliver/support in the future.

2.0 The Draft 2020/21 Budget

- 2.1 The initial aggregation of all service budgets (which also includes assumptions surrounding predictions of interest receipts, contributions to our capital programme, transfers from/to reserves and Council Tax levels) currently indicates a General Fund budget gap of £346k (Appendix 1).

- 2.2 At this point it is worth summarising how we have arrived at this deficit. The table shown below shows the main budget variances affecting the 2020/21 draft budget.

Table 1 – Reconciliation of Major 2020/21 Budget Variances

Variances	Amount £k
<i>External items outside of our control</i>	
Estimated reduced formula grant settlement	126
Inflationary increases (excl HRA shown below)	43
Decrease in Housing Benefit Grant and CTRS Admin Grant	20
Pay award and pension increases	262
Pension lump sum increase	8
<i>Subtotal</i>	459
<i>Other changes</i>	
Reversal of 19/20 one-off pressures and EMR use	226
Transfer to EMR – Vehicle contract fund	150
Vehicle contract – funding from EMR	(549)
Fleet Contract pressure – funded from EMR	122
Increase in Leisure charges (inflationary)	(84)
Minimum Revenue Provision increase	477
Net recharge to HRA (after inflationary increases etc.)	(48)
Reduction in Planning income	150
Increase in New Homes Bonus	(102)
Increase in New Homes Bonus transferred to EMR	102
Increase in Business Rates income	(477)
Increase in Council Tax income – (assuming £5 Band D)	(112)
Interest payments increase	296
Additional interest income	(182)
Car Park income increase	(190)
Crediton masterplan - funded from EMR	62
Crediton masterplan – draw from EMR	(62)
Boundary commission one-off cost	15
Standby contract increase in relation to homelessness	10
Maintenance costs re IT and software	19
Leisure – essential maintenance – funded from EMR	347
Leisure – transfer from EMR	(347)

Property – essential maint (various areas) – funded from EMRs	210
Property – transfer from EMR	(210)
Leisure salaries - reduction in post and flat time budget	(95)
Reduction on housing benefit overpayment recovery	50
Salaries movements	42
Computer software AIM and ACR upgrade - finance	20
Increase in bad debt provision - homelessness	10
Asset management - external contractors	10
Shop rents - Fore Street - reduction in income	10
Service charge vacant units - Market Walk	20
Other minor adjustments - net	-3
Draft budget gap for 2020/21	346

2.3 In compiling the 2020/21 draft budget we have also examined budget performance during 2019/20 and then made any relevant budget corrections for staffing changes, levels of income, changes in legislation, increases in inflation, etc.

2.4 Due to the need to get budget information to all of the PDG and Cabinet meetings during October and November there are still a few key issues that have not been resolved or are still to be fully evaluated. These issues may either improve or worsen the summary budget position currently reported and can be summarised as follows.

- Performance of the Devon Business Rates Pool
- Ongoing impact of new Homelessness legislation from 01/04/18
- Ongoing impact of full rollout of Universal Credit from 01/04/18
- Autumn Statement announcement in November 2019
- Provisional Finance Settlement in December
- Ongoing service reviews (including changes to fees/charges)

3.0 The Past

3.1 Just to remind Members of the financial journey the Council has been on since the austerity programme in 2010/11, here is a list of some of the challenges that have been presented to MDDC in balancing budgets during recent years.

- Net loss of £4.2m in Formula Grant
- Loss of funding for Housing Benefit admin and Regional Housing Pot removed circa £0.6m
- Council Tax freezes accepted for a number of years
- Costs associated with Local Plan
- Tax and pension related pressures including:
 - Pay award
 - Increased pension back-funding costs
 - Government mandated auto-enrolment to the Pension Scheme
 - National Insurance change
- Apprentice Levy of £50k introduced (currently c£58k)

3.1 The following lists just some of the actions taken by MDDC to mitigate these funding reductions.

- Significant efficiency agenda has led to service reductions amounting to over £2m
- Increased income has been generated by a number of services
 - Waste shared savings agreement with DCC
 - Garden Waste Scheme
 - Improved recycling scheme
- Increased commercialisation
 - £200k profit from Market Walk and Fore Street properties
- Business Rates Devon Pool participation
- Profit from the Special Purpose Vehicle returned to the General Fund, along with a margin on interest received
- Increasing CCLA holding to £5m
- Colocation with Department for Work & Pensions (DWP)
- Revised Car Parking Strategy in 2016/17
- Rationalising MDDC property estate, including depots, parks, toilets and car parks
- Joint working with North Devon DC as part of the Building Control Partnership
- DCC Transfer Station located at Carlu Close

4.0 The Future

4.1 A lot of work has already been undertaken in order to deliver a draft budget gap of £346k. We now are set with two tasks: firstly, to deliver a balanced General Fund budget by February 2020 in order to formally set the Council Tax and secondly, and of equal importance, begin to plan how our future spending plans can be financed. The work with town and parish councils will continue.

5.0 Capital Programme

5.1 In addition to this revenue funding pressure, is our ongoing commitment to future capital programmes, not helped by the current low levels of capital receipts. Even greater pressure may be placed on future programmes if additional borrowing was made to fund new Council Houses, Depots, Sport Centre enhancements, Town Centre enhancement works, vehicle replacements, etc.

5.2 The draft Capital Programme for 2020/21 is attached at Appendix 3. Excluding the new commitments to fund town centre regeneration or further commercial/land acquisitions, the size of our current and future capital programmes remains very small, due to the reductions in funding and level of sale receipts and now only includes material projects that are essential maintenance, or asset replacement or income generating/cost reducing.

6.0 The Autumn PDGs and Cabinet meetings

6.1 The first round of draft budget meetings will allow discussions with Members, Senior Management, Group Managers and Finance Officers in order to review the proposed draft 2020/21 budget. This will include scrutinising and challenging the initial position (and confirming acceptance of all proposed savings put forward) and discussing any other budget areas that Members would like to see additional savings from.

6.2 Before the next round of PDGs and Cabinet in January the Council will receive formal confirmation regarding its; Formula Grant other emerging legislative changes, more information regarding the 2019/20 budget performance etc. At this point if any of the initial assumptions/estimates significantly worsen, then we will need to bring further savings options forward for consideration.

7.0 Public Consultation

7.1 Earlier years' consultations have consistently highlighted the three most valued services:

- REFUSE COLLECTION & RECYCLING - First
- PARKS, OPEN SPACES & PLAY AREAS - Second
- ENVIRONMENTAL HEALTH - Third

The three services valued the lowest comprised:

- COMMUNITY GRANTS - First
- PUBLIC CONVENIENCES - Equal second
- COMMUNITY SAFETY - Equal second

7.2 Working together with the Communications team the Group Manager for Financial Services is preparing a budget consultation survey which is due out this winter. The survey will provide valuable feedback to inform our future spending plans and ensure that we continue to provide services that are value for money to residents.

7.3 The survey will be circulated to all parish clerks, publicised in the local media and featured on our corporate website. It will also be published on social media. It is anticipated the survey will be open for a period of 6 weeks and once the results are analysed will form part of our budget setting process.

8.0 Statutory, Discretionary Services and the Level of Service Provision

8.1 Whilst the Council has a legal obligation to perform some activities, others are at the discretion of the elected members, subject to funding. Although some undertakings are clearly statutory and others clearly discretionary, there are some service areas that have elements of both.

8.2 The main *discretionary* services of the Council comprise:

- Business development (although a corporate priority)
- Community development (includes community group grants)
- Leisure facilities
- Parks and open spaces (identified as important to the public at 6.1)
- Shops and industrial units

What can we do to balance the budget?

8.3 An activity's net cost could be changed by one or more of these factors:

- a) Changing the frequency of service provision
- b) Changing the quality, instead of a “Platinum service” we may be forced to offer a “Silver service”
- c) Increasing fees or start charging for a service
- d) Reducing the overheads
- e) Stopping the activity entirely
- f) Different models of service delivery (including partnership)

8.4 Over the last five or six years the Authority has concentrated its efforts in maintaining frontline service levels across all sectors by reducing overheads and raising income. It is now clear that following those budgetary cuts some service areas are struggling to deliver their service plans, within their existing budgets. Indeed in a few cases external reviews have necessitated increasing the resources in a particular service area to meet our legal obligations.

What options are available if something is *statutory*?

8.5 Although we cannot stop the function, we may be able to approach it differently in terms of frequency or quality.

8.6 Some of our income streams are influenced by external market forces and in setting prices we have to be mindful of the going market rate. Aside from Council tax, the main income streams are:

- Building control fees
- Burial fees
- Car park charges
- Industrial unit rent
- Leisure centre fees
- Licence fees
- Market tolls
- Shop rents
- Planning fees
- Trade waste fees
- Garden waste

8.7 Any multi million pound business employing staff and utilising assets needs teams to support them and our frontline services are no different.

8.8 The key components, some statutory, others essential, include:

- Audit
- Accountancy
- Customer First
- Procurement (Buying goods and services)
- Human resources (Includes health and safety)
- IT
- Legal services
- Property services

8.9 For example our waste service has to have vehicles and depots to operate from, both of which need to be maintained. The staff need to be managed, to be paid, and legislation provides for health and safety considerations. Depots

and buildings such as Phoenix House are fixed costs, although even here we have created savings by renting out some space. The “back office” activities are therefore intrinsically linked to the “frontline” and savings from both areas have continued to be made.

9.0 Conclusion

- 9.1 The feedback from all of the PDGs and Scrutiny will be reported to the January Cabinet for consideration in order to set a balanced 2020/21 budget and agree a forward plan. Group Managers will be working with Leadership Team and elected members in order to determine ways in which savings of c£1.4m can be achieved over the next four years, based on the priorities identified in the Corporate Plan. Having identified possible savings, there will need to be careful consideration of their potential impact, probable lead times for delivery of that saving and any associated disengagement costs or possible ‘spend to save’ implications that would arise.

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Circulation of the Report: Leadership Team
Elected Members
Group Managers

GENERAL FUND REVENUE ACCOUNT DRAFT BUDGET SUMMARY 2020/21

	2019/2020 Proposed Budget	Movement	2020/2021 Proposed Budget
Notes	£	£	£
Cabinet	4,864,030	74,200	4,938,230
Community	3,526,058	(82,253)	3,443,805
Economy	(466,080)	(76,010)	(542,090)
Environment	2,735,050	222,740	2,957,790
Homes	1,169,080	36,940	1,206,020
TOTAL NET DIRECT COST OF SERVICES	11,828,138	175,617	12,003,755
Net recharge to HRA	(1,571,110)	(10,760)	(1,581,870)
Provision for the financing of capital spending	333,280	476,481	809,761
NET COST OF SERVICES	10,590,308	641,338	11,231,646
PWLB Bank Loan Interest Payable			
Finance Lease Interest Payable	44,420	-	44,420
Interest from Funding provided for HRA	(49,000)	-	(49,000)
Interest Receivable / Payable on Other Activities	167,580	295,604	463,184
Interest Received on Investments	(442,540)	(181,600)	(624,140)
Transfers into Earmarked Reserves	2,267,363	252,397	2,519,760
Transfers from Earmarked Reserves	(2,146,050)	514,000	(1,632,050)
Proposed Contribution from New Homes Bonus Reserve	(253,350)	253,350	-
TOTAL BUDGETED EXPENDITURE	10,178,731	1,775,089	11,953,820
Funded by: -			
Revenue Support Grant	-	-	-
Rural Services Delivery Grant	(466,695)	92,180	(374,515)
New Homes Bonus	(1,243,503)	(102,397)	(1,345,900)
BR Levy Re-distribution	(33,408)	33,408	-
Retained Business Rates	(3,213,597)	19,817	(3,193,780)
Business Rates Deficit	778,906	(1,178,906)	(400,000)
Business Rates Pooling Dividend	(100,000)	(50,000)	(150,000)
CTS Funding Parishes	-	-	-
Collection Fund Surplus	(71,330)	-	(71,330)
Council Tax (28,596.50 x £203.84)	(5,829,104)	(243,377)	(6,072,481)
TOTAL FUNDING	(10,178,731)	(1,429,275)	(11,608,006)
REQUIREMENT TO BALANCE THE BUDGET	-	345,814	345,814

Current Assumptions: -

1. Council Tax has been increased by £5 (the higher of £5 or 2%) from £203.84 to £208.84 with an increased property growth of 286.
2. 2020/21 Salary budgets include an assumed increase of 2% across all spinal scale points.
3. All earmarked reserves have been reviewed and adjustment made based upon existing need.
4. All income flows have been reviewed and adjusted for changes in demand and unit price.
5. Investment income has been based upon the existing lending criteria now in force.
6. Support services have been calculated in accordance with the annual process.
7. Car parking fees are based upon 2017/18 fees and vends.
8. New Homes Bonus receipts based on existing legislation changes.
9. BR Retained - The movement between the two years reflects 100% retention to 50% retention of growth
10. BR Deficit - 18/19 Significant increase in appeals provision resulted in a 19/20 Deficit. 19/20s growth although not reflected in year, results in a surplus in 20/21.

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2020-21 BUDGETS
 TRANSFERS INTO EARMARKED RESERVES

APPENDIX 2

SERVICE	EARMARKED RESERVE		MAINT 20/21 BUDGET	PLANT 20/21 BUDGET	EQUIPMENT 20/21 BUDGET	VEHICLES 20/21 BUDGET	OTHER 20/21	NEW HOMES BONUS	
CP540	EQ686	PAYING CAR PARKS (MACHINE REPLACEMENT SINKING FUND)			3,000				
EQ754	EQ754	PHOENIX PRINTERS EQUIP SFUND			2,200				
ES100	EQ766	CEMETERIES	25,000						
ES450	EQ767	PARKS & OPEN SPACES	25,000						
GM960	EQ760	GROUNDS MAINTENANCE - PLANT		14,360					
LD201	EQ720	ELECTION COSTS - DISTRICT					20,000		
LD300	EQ721	DEMOCRATIC REP & MANAGEMENT					5,000		
PR810	EQ728	STATUTORY DEVELOPMENT PLAN					100,000		
PS880	EQ765	BUS STATION	5,000						
PS990	EQ685	FORE STREET MAINT S.FUND	5,000						
PS992	EQ685	MARKET WALK MAINT S.FUND	20,000						
RS140	EQ837	LEISURE SINKING FUND			75,000				
WS725	EQ761	KERBSIDE RECYCLING		20,000					
WS725	EQ763	RECYCLING MAINT SINKING FUND (DEPOT FLOOR)	2,700						
WS650	EQ839	WASTE PRESSURE WASHER			2,500				
IT500	EQ755	ICT EQUIPMENT SINKING FUND			189,500				
IE435	EQ653	NEW HOMES BONUS GRANT						1,345,900	
VARIOUS	EQ837	PROPERTY MAINTENANCE	100,000						
VARIOUS	EQ756	FLEET CONTRACT FUND				559,600			
TOTAL			182,700	34,360	272,200	559,600	125,000	1,345,900	2,519,760
2019/20			182,700	34,360	272,200	409,600	125,000	1,243,500	2,267,360
MOVEMENT			-	-	-	150,000	-	102,400	252,400

TRANSFERS FROM EARMARKED RESERVES

SERVICE	RESERVE		UTILISE NHB	OTHER	
EQ638	EQ638	DEV CONT LINEAR PARK		(4,170)	
EQ640	EQ640	W52 POPHAM CLOSE COMM FUND		(1,950)	
EQ641	EQ641	W67 MOORHAYES COM DEV FUND		(1,630)	
EQ642	EQ642	W69 FAYRECROFT WILLAND EX WEST		(4,620)	
EQ643	EQ643	W70 DEVELOPERS CONTRIBUTION		(6,650)	
EQ644	EQ644	DEV CONT WINSWOOD CREDITON		(3,080)	
ES733	EQ652	PUBLIC HEALTH		(52,090)	
PR225	EQ824	GARDEN VILLAGE PROJECT (PR225)		(55,360)	
PR400	EQ653	BUSINESS DEVELOPMENT	(45,000)		
PR400	EQ653	BUSINESS DEVELOPMENT	(100,000)		
IT400	EQ653	ICT EQUIPMENT SINKING FUND	(189,500)		
PR810	EQ728	STATUTORY DEVELOPMENT PLAN (PR810)		(61,890)	
VARIOUS	EQ756	VEHICLE LEASE		(549,110)	
RS100	EQ837	PROPERTY MAINTENANCE		(347,000)	
PS992/PS995	EQ838	GENERAL FUND SHOPS		(100,000)	
VARIOUS	EQ653	NHB TO FUND ADDITIONAL PROJECTS FLAGGED IN CAPITAL - DEEMED REVENUE IN NATURE	(110,000)		
TOTAL			(444,500)	(1,187,550)	(1,632,050)

2019/20

(587,850) (1,811,550) (2,399,400)

MOVEMENT

143,350 624,000 767,350

Estates Management

Leisure - all sites

Reception infrastructure review - all sites	120
All Leisure Etarmis - Security Wipe - (linked to security project).	30
Total Leisure	150

Other MDDC Buildings

Pannier Market

Paving - Permanent Solution	150
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Phoenix House

Etarmis - Security Wipe - (linked to security project).	50
Boiler replacement & controls	90

General Car parks

MSCP Capital Project - Phase 2	589
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MDDC Depot sites

Carlu Close - Water containment for Waste Transfer Station	80
Land acquisition for operational needs	400

MDDC Shops/Industrial Units

Market Walk - Flat roof replacement	30
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Public Conveniences

West Exe South - Remodelling - additional parking spaces	90
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Other Projects

Fire dampeners - Corporate sites	40
Total Other	1,519

HIF Schemes

Cullompton Town Centre Relief Road (HIF) bid	3,705
Tiverton EUE A361 Junction Phase 2 (HIF (bid)	250
Total HIF Schemes	3,955

Affordable Housing Projects

Grants to housing associations to provide houses (covered by Commuted Sums)	17
Total Afford Housing	17

Private Sector Housing Grants

Disabled Facilities Grants-P/Sector	572
Wessex Reinvestment Trust Grants Scheme	75
Total PSH Grants	647

TOTAL GF PROJECTS

0

Other General Fund Development Projects

Other projected 3 Rivers Borrowing	13,757
3 Rivers scheme - Orchard House, Halberton	67
3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton	1,442
Waddeton Park, Post Hill, Tiverton	4,615
TOTAL GF OTHER DEVELOPMENT PROJECTS	19,881

HRA Projects

Existing Housing Stock

Major repairs to Housing Stock	2,260
Renewable Energy Fund	150
Home Adaptations - Disabled Facilities	300

*** Housing Development Schemes**

HRA regeneration scheme 1	2,000
Affordable Housing/ Purchase of ex RTB	500
* Proposed Council House Building / Other schemes subject to full appraisal	
Depot rationalisation	1,000
Total HRA Projects	6,210

HRA ICT Projects

Mobile working Hardware	25
Total HRA ICT Projects	25

GRAND TOTAL HRA PROJECTS

6,235

0

GRAND TOTAL GF + HRA Projects

32,404

0

MDDC Funding Summary

General Fund

	2020/21 £k
EXISTING FUNDS	
Capital Grants Unapplied Reserve	664
Capital Receipts Reserve	70
NHB Funding	1,157
Other Earmarked Reserves	42
HIF Funding	2,401
Subtotal	4,334
NEW FUNDS	
PWLB Borrowing	21,835
Subtotal	21,835
Total General Fund Funding	26,169

Housing Revenue Account

	2020/21 £k
EXISTING FUNDS	
Capital Receipts Reserve	1,861
NHB Funding	21
HRA Housing Maintenance Fund	1,846
Other Housing Earmarked Reserves	2,482
Subtotal	6,210
NEW FUNDS	
Revenue Contributions	25
Subtotal	25
Total Housing Revenue Account Funding	6,235

TOTAL FUNDING	32,404
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PDG SERVICE UNIT MOVEMENTS

APPENDIX 4

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2019/20	2020/21		
Cabinet					
SCM01	Leadership Team	485,280	487,810	2,530	0.5%
SCM02	Corporate Functions	83,810	85,530	1,720	2.1%
SCM03	Corporate Fees/Charges	217,990	226,720	8,730	4.0%
SCM06	Pension Backfunding	909,440	919,310	9,870	1.1%
SFP01	Accountancy Services	411,470	432,050	20,580	5.0%
SFP02	Internal Audit	92,100	92,100	0	0.0%
SFP03	Procurement	111,400	119,850	8,450	7.6%
SFP04	Purchase Ledger	46,990	46,650	(340)	-0.7%
SFP05	Sales Ledger	45,360	45,540	180	0.4%
SHR01	Human Resources	329,580	349,070	19,490	5.9%
SHR02	Mddc Staff Training	33,040	33,750	710	2.1%
SHR03	Payroll	56,300	48,550	(7,750)	-13.8%
SHR04	Learning And Development	46,170	52,580	6,410	13.9%
SIT01	It Gazetteer Management	70,580	72,040	1,460	2.1%
SIT03	It Information Technology	902,030	888,870	(13,160)	-1.5%
SLD01	Electoral Registration	197,020	202,250	5,230	2.7%
SLD02	Democratic Rep And Management	477,680	482,470	4,790	1.0%
SLD04	Legal Services	347,790	353,090	5,300	1.5%
		4,864,030	4,938,230	74,200	1.5%
Community PDG					
SCD01	Community Development	87,500	77,650	(9,850)	-11.3%
SCS20	Customer Services Admin	110,360	77,680	(32,680)	-29.6%
SCS22	Customer First	660,150	702,265	42,115	6.4%
SES01	Emergency Planning	8,280	7,500	(780)	-9.4%
SES04	Public Health	4,090	3,990	(100)	-2.4%
SES11	Pool Cara	-	2,830	2,830	N/A
SES16	Es Staff Units/Recharges	760,700	782,280	21,580	2.8%
SES17	Community Safety	6,350	6,220	(130)	-2.0%
SES18	Food Safety	(21,140)	(21,070)	70	-0.3%
SES21	Licensing	(3,250)	12,920	16,170	-497.5%
SES22	Pest Control	5,000	5,000	0	0.0%
SES23	Pollution Reduction	(720)	(650)	70	-9.7%
SPR01	Building Regulations	3,400	(8,720)	(12,120)	-356.5%
SPR02	Enforcement	105,820	108,900	3,080	2.9%
SPR03	Development Control	330,710	346,300	15,590	4.7%
SPR04	Local Land Charges	(20,530)	(20,040)	490	-2.4%
SPR09	Forward Planning	252,520	237,940	(14,580)	-5.8%
SPR11	Regional Planning	116,000	99,390	(16,610)	-14.3%
SRB01	Collection Of Council Tax	294,730	314,070	19,340	6.6%
SRB02	Collection Of Business Rates	(102,250)	(103,370)	(1,120)	1.1%
SRB03	Housing Benefit Admin & Fraud	177,740	199,680	21,940	12.3%
SRB04	Housing Benefit Subsidy	(45,000)	5,000	50,000	-111.1%
SRB06	Debt Recovery	105,180	106,620	1,440	1.4%
SRS01	Recreation And Sport	690,418	501,420	(188,998)	-27.4%
		3,526,058	3,443,805	(82,253)	-2.3%
Economy PDG					
SCD02	Economic Development - Markets	50,180	39,820	(10,360)	-20.6%
SCP01	Parking Services	(531,710)	(690,290)	(158,580)	29.8%
SES03	Community Safety - C.C.T.V.	2,310	6,010	3,700	160.2%
SPR06	Economic Development	444,000	433,500	(10,500)	-2.4%
SPS12	GF Properties Shops / Flats	(430,860)	(331,130)	99,730	-23.1%
		(466,080)	(542,090)	(76,010)	16.3%

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2019/20	2020/21		
	Environment PDG				
SES02	Cemeteries	(86,540)	(85,670)	870	-1.0%
SES05	Open Spaces	91,800	128,930	37,130	40.4%
SGM01	Grounds Maintenance	633,740	619,760	(13,980)	-2.2%
SPS01	Asset Management	30,000	40,000	10,000	33.3%
SPS03	Flood Defence And Land Drain	26,430	26,430	0	0.0%
SPS04	Street Naming & Numbering	7,560	7,730	170	2.2%
SPS07	Public Transport	(13,220)	(13,190)	30	-0.2%
SPS11	Public Conveniences	61,800	60,710	(1,090)	-1.8%
SWS01	Street Cleansing	483,130	502,010	18,880	3.9%
SWS02	Waste Collection	369,210	425,780	56,570	15.3%
SWS03	Recycling	824,550	863,020	38,470	4.7%
SWS04	Waste Management	306,590	382,280	75,690	24.7%
		2,735,050	2,957,790	222,740	8.1%
	Homes PDG				
SES15	Private Sector Housing Grants	(6,070)	(7,640)	(1,570)	25.9%
SHG03	Homelessness Accommodation	212,630	242,710	30,080	14.1%
SPS05	Administration Buildings	257,790	238,200	(19,590)	-7.6%
SPS06	Mddc Depots	38,040	38,190	150	0.4%
SPS08	Office Building Cleaning	65,980	61,980	(4,000)	-6.1%
SPS09	Property Services Staff Unit	600,710	632,580	31,870	5.3%
		1,169,080	1,206,020	36,940	3.2%
	GRAND TOTAL	11,828,138	12,003,755	175,617	1.48%

Summary of PDG

Service Unit	2018/19 Actual	2019/20 Budget	2020/21 Budget	Movement
SCM01 Leadership Team	504,097	485,280	487,810	2,530
SCM02 Corporate Functions	76,796	83,810	85,530	1,720
SCM03 Corporate Fees	239,282	217,990	226,720	8,730
SCM06 Pension Backfunding	1,340,967	909,440	919,310	9,870
SFP01 Accountancy Services	404,278	411,470	432,050	20,580
SFP02 Internal Audit	87,247	92,100	92,100	0
SFP03 Procurement	83,822	111,400	119,850	8,450
SFP04 Purchase Ledger	50,547	46,990	46,650	-340
SFP05 Sales Ledger	43,748	45,360	45,540	180
SHR01 Human Resources	318,453	329,580	349,070	19,490
SHR02 Mddc Staff Training	27,632	33,040	33,750	710
SHR03 Payroll	58,881	56,300	48,550	-7,750
SHR04 Learning And Development	49,685	46,170	52,580	6,410
SIT01 It Gazetteer Management	70,315	70,580	72,040	1,460
SIT03 It Information Technology	881,091	902,030	888,870	-13,160
SLD01 Electoral Registration	136,504	197,020	202,250	5,230
SLD02 Democratic Rep And Management	467,504	477,680	482,470	4,790
SLD04 Legal Services	280,518	347,790	353,090	5,300
	5,121,367	4,864,030	4,938,230	74,200

CABINET PDG 2020/21 Service Unit Budgets

SCM01 Leadership Team

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	492,628	483,260	485,790	2,530
3000	Transport	2,453	3,010	3,010	0
4000	Cost Of Goods And Services	16,030	6,010	6,010	0
7000	Income	(7,015)	(7,000)	(7,000)	0
	Sum:	504,097	485,280	487,810	2,530

Cost Centre	Cost Centre Name	2020/21 Budget
CM100	Leadership Team	487,810
	Sum:	487,810

Major cost increases

No movement to report

Major cost decreases and changes in income

No movement to report

SCM02 Corporate Functions

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	83,883	83,210	84,830	1,620
3000	Transport	258	100	200	100
4000	Cost Of Goods And Services	757	500	500	0
7000	Income	(8,103)	0	0	0
	Sum:	76,796	83,810	85,530	1,720

Cost Centre	Cost Centre Name	2020/21 Budget
CM210	Performance, Governance & Data	85,530
CM220	Brexit	0
	Sum:	85,530

Major cost increases

No movement to report

Major cost decreases and changes in income

No movement to report

SCM03 Corporate Fees

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	45,493	69,200	56,820	(12,380)
4000	Cost Of Goods And Services	173,386	148,790	169,900	21,110
7000	Income	20,403	0	0	0
	Sum:	239,282	217,990	226,720	8,730

Cost Centre	Cost Centre Name	2020/21 Budget
CM300	Corporate Fees	218,030
CM340	Unison	8,690
	Sum:	226,720

Major cost increases

Primarily relates to an increase in the external audit fees

Major cost decreases and changes in income

Apportionment of Apprenticeship Levy across the Council

SCM06 Pension Backfunding

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	1,339,912	908,040	917,910	9,870
4000	Cost Of Goods And Services	1,055	1,400	1,400	0
	Sum:	1,340,967	909,440	919,310	9,870

Cost Centre	Cost Centre Name	2020/21 Budget
CM600	Pension Backfunding	919,310
	Sum:	919,310

Major cost increases

No movement to report

Major cost decreases and changes in income

No movement to report

SFP01 Accountancy Services

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	363,671	363,590	364,240	650
3000	Transport	798	800	700	(100)
4000	Cost Of Goods And Services	40,313	47,080	67,710	20,630
7000	Income	(505)	0	(600)	(600)
	Sum:	404,278	411,470	432,050	20,580

Cost Centre	Cost Centre Name	2020/21 Budget
FP100	Accountancy Services	432,050
	Sum:	432,050

Major cost increases

Increase in software budget (£20k) for the upgrade of AIM (access income management system) is **fully funded** from the ICT replacement sinking fund.

Major cost decreases and changes in income

No movement to report

SFP02 Internal Audit

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
4000	Cost Of Goods And Services	87,247	92,100	92,100	0
	Sum:	87,247	92,100	92,100	0

Cost Centre	Cost Centre Name	2020/21 Budget
FP200	Internal Audit	92,100
	Sum:	92,100

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SFP03 Procurement

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	83,014	106,510	114,960	8,450
3000	Transport	639	400	400	0
4000	Cost Of Goods And Services	5,029	4,490	4,490	0
7000	Income	(4,859)	0	0	0
	Sum:	83,822	111,400	119,850	8,450

Cost Centre	Cost Centre Name	2020/21 Budget
FP300	Procurement	119,850
	Sum:	119,850

Major cost increases

Salaries - Increase in SCP and Apprentice rate

Major cost decreases and changes in income

No movement to report.

SFP04 Purchase Ledger

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	47,535	43,750	43,940	190
3000	Transport	25	40	40	0
4000	Cost Of Goods And Services	2,988	3,200	2,670	(530)
	Sum:	50,547	46,990	46,650	(340)

Cost Centre	Cost Centre Name	2020/21 Budget
FP400	Purchase Ledger	46,650
	Sum:	46,650

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SFP05 Sales Ledger

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	42,240	43,750	43,940	190
3000	Transport	25	40	30	(10)
4000	Cost Of Goods And Services	1,484	1,570	1,570	0
	Sum:	43,748	45,360	45,540	180

Cost Centre	Cost Centre Name	2020/21 Budget
FP500	Sales Ledger	45,540
	Sum:	45,540

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SHR01 Human Resources

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	260,363	294,990	316,610	21,620
3000	Transport	2,723	2,120	2,970	850
4000	Cost Of Goods And Services	55,367	32,470	29,490	(2,980)
	Sum:	318,453	329,580	349,070	19,490

Cost Centre	Cost Centre Name	2020/21 Budget
HR100	Human Resources	314,420
HR500	Health & Wellbeing	0
HR600	Health & Safety Officer	34,650
	Sum:	349,070

Major cost increases

Salaries - Inflation & approved restructure has increased salary base - partially off-set by salary savings within Payroll.

Major cost decreases and changes in income

No movement to report.

SHR02 Mddc Staff Training

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	28,081	33,040	33,750	710
4000	Cost Of Goods And Services	76	0	0	0
7000	Income	(525)	0	0	0
	Sum:	27,632	33,040	33,750	710

Cost Centre	Cost Centre Name	2020/21 Budget
HR200	Staff Development Training	33,750
	Sum:	33,750

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SHR03 Payroll

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	58,470	56,100	48,350	(7,750)
4000	Cost Of Goods And Services	411	200	200	0
	Sum:	58,881	56,300	48,550	(7,750)

Cost Centre	Cost Centre Name	2020/21 Budget
HR300	Payroll	48,550
	Sum:	48,550

Major cost increases

Salaries - Approved restructure has resulted in a salary decrease.

Major cost decreases and changes in income

No movement to report.

SHR04 Learning And Development

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	38,496	34,600	41,010	6,410
3000	Transport	448	380	380	0
4000	Cost Of Goods And Services	10,741	11,190	11,190	0

	Sum:	49,685	46,170	52,580	6,410
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Cost Centre	Cost Centre Name	2020/21 Budget
HR400	Learning & Development	52,580
	Sum:	52,580

Major cost increases

Salaries - Approved restructure has resulted in salary increase.

Major cost decreases and changes in income

No movement to report.

SIT01 It Gazetteer Management

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	67,546	66,490	67,830	1,340
3000	Transport	31	50	50	0
4000	Cost Of Goods And Services	4,241	4,040	4,160	120
7000	Income	(1,503)	0	0	0
	Sum:	70,315	70,580	72,040	1,460

Cost Centre	Cost Centre Name	2020/21 Budget
IT100	Gazetteer Management	72,040
	Sum:	72,040

Major cost increases

No major movement to report.

Major cost decreases and changes in income

No major movement to report.

SIT03 It Information Technology

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	501,837	483,710	496,800	13,090
3000	Transport	639	970	970	0
4000	Cost Of Goods And Services	378,619	417,350	391,700	(25,650)
7000	Income	(4)	0	(600)	(600)
	Sum:	881,091	902,030	888,870	(13,160)

Cost Centre	Cost Centre Name	2020/21 Budget
IT300	Central Telephones	31,000
IT400	I.T. Network & Hardware	74,000
IT500	I.T. Software Support & Maint.	235,430
IT600	I.T. Staff Unit	309,440
IT700	Cyber Security	32,300
IT800	Phoenix House Printing	16,300
IT900	Digital Services	190,400
	Sum:	888,870

Major cost increases

Employees - salary inflation and movement in SCP.
Software - Idox support fees, increase budget for enterprise element £11k.
Support and maintenance for new contact centre £8k.

Major cost decreases and changes in income

Software - Client access licence which was a perpetual licence purchased in 19-20, so budget can be removed in 20-21 (£45k).

SLD01A Election Costs

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	4,861	0	0	0
2000	Premises	0	0	0	0
4000	Cost Of Goods And Services	12,015	0	0	0
7000	Income	(9,592)	0	0	0
	Sum:	7,284	0	0	0

Cost Centre	Cost Centre Name	2020/21 Budget
LD200	Election Costs - Parishes	0
LD201	Election Costs - District	0
LD202	Election Costs - General	0
LD203	Election Costs - European	0
LD204	Election Costs - County	0
LD206	Police Com Election	0
	Sum:	0

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

SLD01 Electoral Registration

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	108,053	108,370	110,990	2,620
3000	Transport	231	300	300	0
4000	Cost Of Goods And Services	67,088	105,350	115,960	10,610
7000	Income	(38,868)	(17,000)	(25,000)	(8,000)
	Sum:	136,504	197,020	202,250	5,230

Cost Centre	Cost Centre Name	2020/21 Budget
LD100	Electoral Registration	202,250
	Sum:	202,250

Major cost increases

Electoral boundary works - £30k budget in 2019/20 increasing to £45k in 2020/21.

Major cost decreases and changes in income

Electoral registration funding increase of £8k.

SLD02 Democratic Rep And Management

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	122,971	122,510	123,840	1,330
2000	Premises	150	200	0	(200)
3000	Transport	14,021	17,100	17,100	0
4000	Cost Of Goods And Services	331,902	337,870	342,030	4,160
7000	Income	(1,540)	0	(500)	(500)
	Sum:	467,504	477,680	482,470	4,790

Cost Centre	Cost Centre Name	2020/21 Budget
LD300	Democratic Rep & Management	360,210
LD400	Committee Services	122,260
	Sum:	482,470

Major cost increases

No major movement to report.

Major cost decreases and changes in income

No major movement to report.

SLD04 Legal Services

Group	Description	2018/19 Actuals	2019/20 Budget	2020/21 Budget	Movement
1000	Employees	297,318	264,100	324,220	60,120
3000	Transport	144	300	300	0
4000	Cost Of Goods And Services	15,155	110,590	47,770	(62,820)
7000	Income	(32,098)	(27,200)	(19,200)	8,000
	Sum:	280,518	347,790	353,090	5,300

Cost Centre	Cost Centre Name	2020/21 Budget
LD600	Legal Services	353,090
	Sum:	353,090

Major cost increases

No movement to report.

Major cost decreases and changes in income

No movement to report.

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ECONOMY POLICY DEVELOPMENT GROUP 28 NOVEMBER 2019

Draft Corporate Plan 2020-24

Cabinet Member(s): Leader, Cllr Bob Deed
Responsible Officer: Chief Executive, Stephen Walford

Reason for Report: To consider the first draft text of a new corporate plan for the council, which will replace the current plan (expiring in March 2020).

RECOMMENDATION:

That the PDG considers the draft text and provides its views and comments to the Cabinet in order that a revised draft can be considered in advance of recommendations to full council.

Relationship to Corporate Plan: This report introduces a first draft of what will replace the current corporate plan. The new corporate plan will set the overarching direction of travel for the council and will guide all future decision-making for the next four year cycle.

Financial Implications: The adoption of a new corporate plan will set the direction of policy travel for the council at a strategic level. However, it does not have any direct actions associated with it at this point, and the council's financial context will continue to be set at a strategic level via the annual budget and Medium Term Financial Planning processes. To that end, subsequent decisions that may be taken to realign activity to the new corporate plan in due course, will each be subject to the appropriate impact assessments given to decisions made by the council in the normal way.

Legal Implications: As above.

Equalities Impact Assessment: As above

Risk Assessment: As above.

Climate Change: As above.

1.0 Introduction

- 1.1 The current council Corporate Plan expires in March 2020. The council administration has substantially changed following the election in May 2019, and a cabinet of mixed political makeup now forms the executive.
- 1.2 As part of the arrangements for renewing the Corporate Plan, the new approach was discussed at an early stage with the new cabinet once those members had collectively had the chance to consider shared priorities. It was then the subject of an all-member workshop session on 6th September 2019, where the whole membership had the opportunity to contribute.

2.0 **Direction of Travel**

- 2.1 The member ‘away day’ produced not only a range of content, but also confirmed that there was cross-party support for a continuation of the four ‘thematic’ headings of the council’s current Corporate Plan approach (Community, Economy, Environment, Homes). This is notable since it also goes in some way to the format of governance arrangements of the council, since the four Policy Development Groups (PDGs) are based on these overarching headings. By agreeing to continue with the overarching themes, the council is giving clarity and certainty to the PDGs that are currently in place – making the most of experience and knowledge already clustered around these themes as a format for continuing policy development and onwards recommendations to cabinet. It is worthwhile recalling at this point that the council’s most recent Corporate Peer Review (March 2017) described the PDGs as *‘a novel concept that provides an opportunity for wider member involvement in the work of the council...[providing] a resource for the council to develop new policy ideas and recommend these to cabinet’*.
- 2.2 Alongside the four headings, there was an almost universally-agreed notion of embedding sustainability more prominently within the new plan. This would seem to be supported by a range of discussions and motions discussed by full council in recent months. This has been effected by introducing the plan as a matrix model rather than being presented as a purely thematic-based approach. There is no (and no need for) exact science about the formatting, but bearing in mind this will be the top-level public-facing expression of the council’s approach to prioritising outcomes, it is important for it to be well-understood without a lengthy supporting narrative.
- 2.3 Since the member workshop, the content has been refined in discussion with the cabinet to try and balance the many and varied priorities that were put forward, with the result that the first draft of a new Corporate Plan is attached at Appendix A for members’ consideration.

3.0 **Next Steps**

- 3.1 The draft text at Appendix A forms the bare content of what the council will be seeking to try and achieve over the next four-year term. Officers in the communications team have already been tasked with starting work on layout and imagery to turn the raw content into a viable public-facing document, but it was felt that members’ time would be best focused on discussing and debating content rather than considering the types of pictures, layouts, fonts used etc.
- 3.2 This will be going to each of the four PDGs, with a report then being taken to cabinet to try and take on board all viewpoints and comments made, so that the final version is seen as a genuinely co-produced document, as part of an open and transparent process.

- 3.3 As the final document forms the headline document in the council's adopted policy framework, the new Corporate Plan will need to be approved by full council, so the decision of cabinet will be to recommend to full council in due course.
- 3.4 Ideally, the new Corporate Plan will be in a position to be adopted by full council alongside the budget at February's meeting of full council.
- 3.5 It is proposed that the current system of publicising 'priority activities' each year and publishing these online, continues as per the delegations agreed under the previous administration – in order to be transparent on delivery activity while ensuring the document is kept 'live' on an annual basis.

List of Background Papers:

Appendix A – draft corporate plan text

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Appendix A - Draft 2020-24 Corporate Plan (text only)				
'Sustainability and Regeneration'				
	Environment	Homes	Economy	Community
Sustainable and Prosperous Communities	<i>Our villages and towns need affordable housing for local people. We aim to build more social rented housing and housing for purchase that is truly affordable. We seek to bring higher skilled and better paid jobs to the district, promoting economic development and greater economic diversity. Local businesses need incubation space, grow-on space, and places to expand - and digital businesses need the capability and capacity to work from home as well as a business park. Long distance commuting will have to drastically reduce in future to deliver on our carbon objectives, and we will support people seeking to lead a more 'local' life; living, working, eating, shopping, and spending locally. We aim to ensure that new housing and commercial developments support, and are consistent with, the Council's policies on Climate Change. These objectives will be achieved by encouraging and, where necessary, intervening in the market to deliver the jobs and sustainable communities, and by working in partnership with statutory and non statutory bodies to win the resources we need.</i>			
	Encourage retro-fitting of measures to reduce energy use in buildings	Deliver more affordable housing and greater numbers of social rented homes	Work with developers to secure our ambitious plans for J27 'Devon Gateway' development site	Work with developers and DCC to deliver strategic cycle routes between settlements and key destinations
	Encourage "green" sources of energy supply new policies and develop plans to decarbonise energy consumption in Mid Devon	Work with Community Land Trusts and other organisations to deliver homes retained in perpetuity for local need	Consider acquiring or creating new business parks to accelerate economic growth	Secure decent digital connectivity for all of Mid Devon
	Identify opportunities to work with landowners to secure additional hedgerow planting, biodiversity and reforestation	Work with landlords to ensure the quality of homes in the private rented sector	Identify strategic and tactical interventions to create economic and community confidence and pride in the places we live. This includes a continued focus on Town Centre Regeneration.	Work with education providers to secure appropriate post-16 provision within the district to minimise the need to commute out for A/T level studies
	Consider promoting the designation of the Exe Valley as an Area of Outstanding Natural Beauty (AONB).	Lobby to see the abolition of the 'Right-to-Buy' or the devolvement of discounting powers to individual local housing authorities	Facilitate the creation of exciting new commercial opportunities within strategic developments at Culm Garden Village and Tiverton Eastern Urban Extension	Lobby DCC and others to introduce 20mph speed limits where children play, and take opportunities to pilot car-free days/routes
Sustainable Planet	Encourage new housing and commercial developments to be "exemplars" in terms of increasing biodiversity and reducing carbon use.	Promote the regeneration of our Town Centres by working with landlords and property developers to improve and increase the supply of quality housing	Produce business plans for the creation of a commercial Economic Development function perhaps in partnership with other agencies	Promote new, more integrated approaches to promoting good health and healthier living especially in the context of planned new developments.
			Explore commercial opportunities that deliver new or innovative services for customers that can generate revenue for the council	Seek opportunities to address public health issues and disparities to improve the health and wellbeing of everyone in Mid Devon
	<i>Rural Devon is a great gift to us and the planet. We will challenge the suburbanisation of the countryside while encouraging growth in locations that provide low carbon homes for our children, our relatives, our colleagues and the communities of tomorrow. This will sit alongside the economic opportunities of greater digital connectivity in rural areas, our support for clean growth industry sectors, and a thriving agricultural industry that showcases sustainable food-to-fork practices and low food-miles to market.</i>			
	Increase recycling rates and reduce the amounts of residual waste generated	Introduce zero carbon policies for new development	Promote zero carbon exemplar sites within commercial settings	Enable communities to deliver their own projects to reduce carbon emissions
	Explore large-scale tree-planting projects and re-wilding to enhance biodiversity and address carbon pressures	Encourage the piloting of Modern Methods of Construction (MMC) and self-build opportunities	Use car park pricing mechanism to effectively balance the needs of vehicular access with those of reducing car use	Facilitate networking across volunteer and community groups to spread knowledge, expertise and awareness on climate issues
Sustainable Participation	Promote sustainable farming practices in partnership with local farmers, District and County Councils; including research into best practice re better soil management and animal husbandry.	Use new development as opportunities to help communities to become increasingly sustainable and self-sustaining at neighbourhood level (district heating, energy use, recycling/re-use systems etc)	Promote the development of the farming economy and local food production. Working in partnership with farmers to develop and grow markets on the principle of reducing carbon emissions and sustainability.	
	<i>We will enable and support local decisions made by local councillors using local funds and resources aimed at local problems in our community. Working in partnership with parish and town councils, voluntary and community groups, we will seek to deliver positive outcomes where the district no longer has the means to directly commission services.</i>			
	Work with Parish and Town councils to promote the development and retention of parks and play areas across the district	Work with local stakeholders to initiate delivery of the new garden village at Culm	Support the creation of South West Mutual Bank and seek opportunities to encourage new branches being opened in areas that aren't well-served by existing banking services providers	Work with the NHS and other health bodies to promote use of our leisure centres
	Support community activities that improve the environment such as litter-picks, guerilla gardening, or community adoption of assets	Support and grow active tenancy engagement	Develop and deliver regeneration plans for all 3 main towns in partnership with Town and Parish Councils	Promote community involvement in council activity
		Support the establishment of Community Land Trusts in partnership with Parish Councils and other local bodies		Promote new approaches to Rural Transport in partnership with Town and Parish Councils through the deployment of emerging technologies
			Work with County, Town and Parish Councils to identify safer walking journeys to school	

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**ECONOMY PDG
28TH NOVEMBER 2019**

REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGNERATION

ECONOMIC DEVELOPMENT SERVICE UPDATE

Cabinet Member: Cllr Graeme Barnell

Responsible Officer: Mrs Jenny Clifford, Head of Planning, Economy and Regeneration

Reason for Report: To update members on progress with Economic Development Service activities.

RECOMMENDATION: That the report be noted

Relationship to Corporate Plan: The work of the Growth, Economy and Delivery team supports the corporate objectives for the economy:

- Bringing new businesses into the District
- Business development and growth
- Improving and regenerating our town centres
- Growing the tourism sector

Financial Implications: There are no additional financial implications arising from this information report.

Legal Implications: There are no legal implications arising from this information report.

Risk Assessment: Risks related to the individual projects are noted in the update spreadsheet

Equality Impact Assessment: None anticipated

Impact on Climate Change: The impact of individual projects on climate change will need to be factored into their business plans.

1.0 Introduction

1.1 The report provides members with an update on progress with Economic Development projects as identified in the Council's Economic Strategy Year 1 Action Plan. The spreadsheet gives a summary of the latest activities, next steps and key risks / issues relating to each project. Projects have been given a RAG (Red, Amber, Green) rating according to whether they are on track (Green), generally on track but delayed or facing issues that might delay their implementation (Amber), not on track and facing issues that will jeopardise their implementation (Red).

Contact for more Information: John Bodley Scott, Economic Development Team
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Circulation of the Report: Cllr Graeme Barnell
Leadership Team

List of Background Papers: None

	Theme	Econ Strategy Targets	Update 28/11/19	Next Action	Risks / Issues	Status
Employment & Skills	Investment and Growth Packages	Develop a core business support 'offer' by Sept 2019 & develop sector specific investment packages by Apr 2020 (including identifying possible financial incentives)	MDDC webpages have been reviewed.	Collect information on Commercial properties.	Further work is needed on identifying business needs.	AMBER
Employment & Skills	Business Champions Group	Business Champions Group established by Dec 2019	List of strategic businesses has been created	To discuss with SW	Businesses unwilling to engage	AMBER
Employment & Skills	Incubation Space	Develop a detailed business plan by Sept 2019	MDDC supported a bid which was submitted at the end of September. Though we are not directly involved in the project, it is of strategic importance to the District and to ensure the delivery of supported employment space for small, growing businesses.	Awaiting outcome which is likely to be announced late December.	Bids may not be successful, which will mean other options will have to be considered	GREEN
Employment & Skills	Business Awards	To undertake a Mid Devon Business Awards Event by Dec 2019	Due to the lack of private sector interest for a formal award ceremony we can no longer proceed with a full award format. Therefore we are looking at other options to achieving the original goals. Following our meeting with Reach PLC we have decided to postpone the event to next year. We will meet in the New Year and discuss a plan of action.	Meet with media partner w/b 16/09 and agree a plan of action	It will be delayed / postponed / cancelled	RED
Place	Cullompton Historic England Bid	Develop a partnership scheme with Historic England to commence April 2020	Cullompton High Streets Heritage Action Zone 1st stage bid has been successful.	A detailed Delivery Plan is being developed for submission by 20th December 2019	A successful bid is contingent on progress to delivering the Eastern Relief Road	GREEN
Place	Future High Streets Fund	To submit a Future High Streets Bid for Tiverton (Cabinet decision 16th March)	Future High Streets Fund bid submitted on 22nd March	COMPLETE - Bid Unsuccessful	Other opportunities for will be sought	GREEN
Place	Tiverton Public Realm	Scope and costing exercise to commence with a view to produce a public realm plan	Stage 1: Scope and costing exercise (Dec 1st)	Draft Public Realm Plan	Ensuring S106 monies are spent within the requisite time period. Ensuring appropriate consultation is undertaken prior to member sign off.	GREEN
Place	Crediton and Cullompton Town Centre Partnerships	To work with local town centre bodies in Cullompton and Crediton to set up functioning town centre partnerships by April 2020	Crediton - has a successful Town Team which leads on several popular events and projects. Cullompton also has a Town Team delivering a number of projects including the food and drink festivals in the highstreet. Cullompton Food and Drink	In Cullompton it is proposed to have a Town Centre Regeneration Partnership to advise on HAZ bid and masterplanning exercises (Draft TOR to be circulated).	Dependent on the willingness of partners to participate	AMBER
Place	Tiverton Masterplan	Deliver early milestones for Tiverton Town Centre Masterplan	Draft masterplan being reviewed by Officers prior to Stage 2 public consultation.	Stage 2 public consultation to take place over March / April 2020	Less coordinated development & uncertainty over delivery	AMBER
Place	Cullompton Masterplan	To complete a masterplanning process in Cullompton with adoption in June 2020	Stakeholder event undertaken 04.09.19 (48 attendees). Comments collated ahead of Stage 1 public consultation.	Stage 1 public consultation in Jan/ Feb 2020	Less coordinated development & uncertainty over delivery. Less co ordination with the HAZ bid	GREEN

Place	Tiverton EUE. Area B Masterplan	To complete a masterplanning process for Area B of the Tiverton Eastern Urban Extension with adoption in Spring 2020	Landowner and stakeholder consultation event (Sept 2019). Stage 2 public consultation Jan 2020	Stage 2 public consultation to take place over Jan / Feb 2020		GREEN
Place	Shopfront Schemes	Deliver shopfront grant schemes in Tiverton, Cullompton and Crediton	£30,000 S106 funding has been identified to extend the scheme in Tiverton. £20,000 funding for scheme in Cullompton has been written into HSHAZ bid. No further progress on finding funding for Crediton.	Identify match funding to support a shopfront grant scheme in Crediton.	Dependant on identifying match funding	GREEN
Place	Destination Website	Develop a destination website to promote the district by Jun 2019	There has been a delay due to management changes at the web company. We have engaged with all Town and Parish councils for information which we are currently uploading. We are also resolving legal requirements for this project.	To finalise all the legal documents / agreements. Continue to upload content. Activate launch!	The website is scheduled to be handed over to Visit Mid Devon at the end of November, but there is a risk that there could be further tweaks required before the official,	AMBER
Place	Connecting the Culm	Deliver three year Interreg funded partnership programme	Work on a whole catchment survey is underway to provide a baseline for further studies. A stakeholder engagement plan is being developed. D8		ON TRACK	GREEN
Infrastructure	Town Centre Wi-fi	Develop a clear project plan for delivering a free public wi-fi network in Tiverton by Sept 2019	Meetings have been taking place with procurement and IT teams to help shape up the way forward and the tendering steps required.	Tender document to be developed, scoping the project and seeing what added value delivery partners could bring to the project.	The S106 should be enough to cover the cost of installation, but we will need to consider ways to avoid on-going maintenance / management costs.	GREEN
Infrastructure	Broadband - Gigabit Voucher	Promote Gigabit Voucher Scheme from Jan 2019	Promotional materials produced and Gigabit Voucher Scheme advertised through social media campaign	COMPLETE	COMPLETE	GREEN
Hi-Tech, Innovation and Green Energy	Hydromills Project Tiverton Weir	Deliver a hydro-project on Tiverton Weir by 2022	All documentation submitted to EA, along with letter of support from Neil Parish.	Work will be ongoing to design the housing structure to sit over the turbines. This will be completed in December to enable a planning application to be submitted.	EA permissions not being granted.	GREEN
Agriculture / Food & Drink	Food and Drink Promotion	Create a database of local food and drink businesses by Dec 2019; Work with partners to create two Food & Drink campaigns by Jun 2020; Organise a Mid Devon Food and Drink forum event by Dec 2020.	The database is populated and entering its completion ready for December 2019.	End point of research: Exploring the district to ensure all businesses are included. We are creating a questionnaire to take out with topics to discuss with businesses e.g to identify the need etc.		GREEN