

Public Document Pack

Mid Devon District Council

Economy Policy Development Group

Thursday, 5 November 2020 at 5.30 pm
Remote meeting

Next meeting
Thursday, 14 January 2021 at 5.30 pm

Important - this meeting will be conducted and recorded by Zoom only. Please do not attend Phoenix House. The attached Protocol for Remote Meetings explains how this will work.

To join the Zoom Meeting please use the following link:

<https://zoom.us/j/97415185633?pwd=YmMrNTZpNGITNjd6S1VUZWN4Sks4Zz09>

Meeting ID: 974 1518 5633
Passcode: 310101

One tap mobile

08003582817,,97415185633#,,,,,0#,,310101# United Kingdom Toll-free

08000315717,,97415185633#,,,,,0#,,310101# United Kingdom Toll-free

Dial by your location

0 800 358 2817 United Kingdom Toll-free

0 800 031 5717 United Kingdom Toll-free

0 800 260 5801 United Kingdom Toll-free

Meeting ID: 974 1518 5633
Passcode: 310101

Membership

Cllr J M Downes (Chairman)

Cllr N V Davey

Cllr R J Dolley

Cllr Mrs S Griggs

Cllr B Holdman

Cllr T G Hughes

Cllr D F Pugsley

Cllr R F Radford

Cllr J Wright

AGENDA

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 **Protocol for remote meetings** *(Pages 5 - 10)*
The Group to note the protocol for remote meetings.
- 3 **Public Question Time**
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
- 4 **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.
- 5 **Minutes** *(Pages 11 - 16)*
Members to consider whether to approve the minutes as a correct record of the meeting held on 10 September 2020.
- 6 **Chairman's Announcements**
To receive any announcements that the Chairman may wish to make.
- 7 **Presentation from Phil Mayer from Hydromatch**
The Group to receive a presentation from Phil Mayer from Hydromatch on the proposed hydroelectric scheme at Tiverton Town Weir.
- 8 **Performance and Risk Report** *(Pages 17 - 32)*
To receive a report from the Group Manager for Performance, Governance and Data Security providing Members with an update on performance against the Corporate Plan and local service targets for 2020-21 as well as providing an update on the key business risks.
- 9 **Financial Monitoring**
To receive a verbal update on financial monitoring from the Group Manager for Finance.
- 10 **Draft 2021/22 General Fund and Capital Budgets** *(Pages 33 - 72)*
To receive a report from the Deputy Chief Executive (S151) considering the initial draft for the 2021/2022 budget and the options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2022/2023 onwards.

- 11 **COVID 19 Economic Response Update** (Pages 73 - 82)
To receive a report from the Head of Planning, Economy and Regeneration providing Members with update information regarding the Growth, Economy & Delivery team's latest COVID19 emergency economic and community response activities, to update members on the Devon-wide economic recovery work and seek members' endorsement for the current business support and economic recovery 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
 - Covid 19 – Response from the Economic Development Team

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

Stephen Walford
Chief Executive
Wednesday, 28 October 2020

Covid-19 and meetings

The Council will be holding some meetings in the next few weeks, but these will not be in person at Phoenix House until the Covid-19 crisis eases. Instead, the meetings will be held remotely via Zoom and you will be able to join these meetings via the internet. Please see the instructions on each agenda and read the Protocol on Remote Meetings before you join.

If you want to ask a question or speak, email your full name to Committee@middevon.gov.uk by **no later than 4pm on the day before the meeting**. This will ensure that your name is on the list to speak and will help us ensure that you are not missed – as you can imagine, it is easier to see and manage public speaking when everyone is physically present in the same room. Notification in this way will ensure the meeting runs as smoothly as possible.

If you require any further information, please contact Sarah Lees on:
slees@middevon.gov.uk

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Mid Devon District Council - Remote Meetings Protocol

1. Introduction

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations permit remote attendance in Local Authority meetings.

Remote attendance is permitted as long as certain conditions are satisfied. These include that the Member is able to hear and be heard by the other Members in attendance. Also, being able to hear and be heard by any members of the public entitled to attend the meeting (in line with the public participation scheme). A visual solution is preferred, but audio is sufficient.

This also relates to members of the public attending the meeting also being heard. The regulations are clear that a meeting is not limited to those present in the same place, but includes electronic, digital or virtual locations (internet locations, web addresses or conference call telephone numbers).

2. Zoom

Zoom is the system the Council will be using for the time-being to host remote / virtual meetings. It has functionality for audio, video, and screen sharing and you do not need to be a member of the Council or have a Zoom account to join a Zoom meeting.

3. Access to documents

Member Services will publish the agenda and reports for committee meetings on the Council's website in line with usual practice. Paper copies of agendas will only be made available to those who have previously requested this and also the Chair of a virtual meeting.

If any other Member wishes to have a paper copy, they must notify the Member Services before the agenda is published, so they can arrange to post directly – it may take longer to organise printing, so as much notice as possible is appreciated. Printed copies will not be available for inspection at the Council's offices and this requirement was removed by the Regulations.

4. Setting up the Meeting

This will be done by Member Services. They will send a meeting request via Outlook which will appear in Members' Outlook calendar. Members will receive a URL link to click on to join the meeting.

5. Public Access

Members of the public will be able to use a weblink and standard internet browser. This will be displayed on the front of the agenda.

6. Joining the Meeting

Councillors must join the meeting early (i.e. at least five minutes before the scheduled start time) in order to avoid disrupting or delaying the meeting. Councillors should remember that they may be visible and heard by others, including the public, during this time.

7. Starting the Meeting

At the start of the meeting, the Member Services Officer will check all required attendees are present (viewing the participant list) and that there is a quorum. If there is no quorum, the meeting will be adjourned. This applies if, during the meeting, it becomes inquorate for whatever reason.

The Chair will remind all Members, Officers and the Public that **all microphones will be automatically muted**, unless and until they are speaking. This prevents background noise, coughing etc. which is intrusive and disruptive during the meeting. The Hosting Officer will enforce this and will be able to turn off participant mics when they are not in use. Members would then need to turn their microphones back on when they wish to speak.

8. Public Participation

Participation by members of the public will continue in line with the Council's current arrangements as far as is practicable. However, to ensure that the meeting runs smoothly and that no member of the public is missed, all those who wish to speak must register **by 4pm on the day before the meeting**. They should email their full name to Committee@middevon.gov.uk. If they wish to circulate their question in advance, that would be helpful.

At public question time, the Chair will invite the public by name to speak at the appropriate time. At that point, all public microphones will be enabled. This means that, to avoid private conversations being overheard, no member of the public should speak until it is their turn and they should then refrain from speaking until the end of public question time, when all microphones will be muted again. In the normal way, the public should state their full name, the agenda item they wish to speak to **before** they proceed with their question.

Unless they have registered, a member of the public will not be called to speak.

If a member of the public wishes to ask a question but cannot attend the meeting for whatever reason, there is nothing to prevent them from emailing members of the Committee with their question, views or concern in advance. However, if they do so, it would be helpful if a copy could be sent to Committee@middevon.gov.uk as well.

9. Declaration of Interests

Councillors should declare their interests in the usual way. A councillor with a disclosable pecuniary interest is required to leave the room. For remote meetings, this means that they will be moved to a break-out room for the duration

of this item and will only be invited back into the meeting when discussion on the relevant item has finished.

10. The Meeting and Debate

The Council will not be using the Chat function.

The Chair will call each member of the Committee to speak - the Chair can choose to do this either by calling (i) each member in turn and continuing in this way until no member has anything more to add, or (ii) only those members who indicate a wish to speak using the 'raise hand' function within Zoom. This choice will be left entirely to the Chair's discretion depending on how they wish to manage the meeting and how comfortable they are using the one or the other approach.

Members are discouraged from physically raising their hand in the video to indicate a wish to speak – it can be distracting and easily missed/misinterpreted. No decision or outcome will be invalidated by a failure of the Chair to call a member to speak – the remote management of meetings is intensive and it is reasonable to expect that some requests will be inadvertently missed from time to time.

When referring to reports or making specific comments, Councillors should refer to the report and page number, so that all Members of the Committee have a clear understanding of what is being discussed at all times.

11. Voting

On a recommendation or motion being put to the vote, the Chair will go round the virtual room and ask each member entitled to vote to say whether they are for or against or whether they abstain. The Member Services Officer will announce the numerical result of the vote.

12. Meeting Etiquette Reminder

- Mute your microphone – you will still be able to hear what is being said.
- Only speak when invited to do so by the Chair.
- Speak clearly and please state your name each time you speak
- If you're referring to a specific page, mention the page number.

13. Part 2 Reports and Debate

There are times when council meetings are not open to the public, when confidential, or "exempt" issues – as defined in Schedule 12A of the Local Government Act 1972 – are under consideration. It is important to ensure that there are no members of the public at remote locations able to hear or see the proceedings during such meetings.

Any Councillor in remote attendance must ensure that there is no other person present – a failure to do so could be in breach of the Council's Code of Conduct.

If there are members of the public and press listening to the open part of the meeting, then the Member Services Officer will, at the appropriate time, remove them to a break-out room for the duration of that item. They can then be invited back in when the business returns to Part 1.

Please turn off smart speakers such as Amazon Echo (Alexa), Google Home or smart music devices. These could inadvertently record phone or video conversations, which would not be appropriate during the consideration of confidential items.

14. Interpretation of standing orders

Where the Chair is required to interpret the Council's Constitution and procedural rules in light of the requirements of remote participation, they may take advice from the Member Services Officer or Monitoring Officer prior to making a ruling. However, the Chair's decision shall be final.

15. Disorderly Conduct by Members

If a Member behaves in the manner as outlined in the Constitution (persistently ignoring or disobeying the ruling of the Chair or behaving irregularly, improperly or offensively or deliberately obstructs the business of the meeting), any other Member may move 'That the member named be not further heard' which, if seconded, must be put to the vote without discussion.

If the same behaviour persists and a Motion is approved 'that the member named do leave the meeting', then they will be removed as a participant by the Member Services Officer.

16. Disturbance from Members of the Public

If any member of the public interrupts a meeting the Chair will warn them accordingly. If that person continues to interrupt or disrupt proceedings the Chair will ask the Member Services Officer to remove them as a participant from the meeting.

17. After the meeting

Please ensure you leave the meeting promptly by clicking on the red phone button to hang up.

18. Technical issues – meeting management

If the Chair, the Hosting Officer or the Member Services Officer identifies a problem with the systems from the Council's side, the Chair should either declare a recess while the fault is addressed or, if the fault is minor (e.g. unable to bring up a presentation), it may be appropriate to move onto the next item of business in order to progress through the agenda. If it is not possible to address the fault and the meeting becomes inquorate through this fault, the meeting will be adjourned until such time as it can be reconvened.

If the meeting was due to determine an urgent matter or one which is time-limited and it has not been possible to continue because of technical difficulties, the Chief Executive, Leader and relevant Cabinet Member, in consultation with the Monitoring Officer, shall explore such other means of taking the decision as may be permitted by the Council's constitution.

For members of the public and press who experience problems during the course of a meeting e.g. through internet connectivity or otherwise, the meeting will not be suspended or adjourned.

19. Technical issues – Individual Responsibility (Members and Officers)

Many members and officers live in places where broadband speeds are poor, but technical issues can arise at any time for a number of reasons. The following guidelines, if followed, should help reduce disruption. Separate guidance will be issued on how to manage connectivity – this paragraph focusses on the procedural steps. Joining early will help identify problems – see paragraph 6.

- Join public Zoom meetings by telephone if there is a problem with the internet. Before all meetings, note down or take a photograph of the front page of the agenda which has the necessary telephone numbers. Annex 1 to this protocol contains a brief step-by-step guide to what to expect
- Consider an alternative location from which to join the meeting, but staying safe and keeping confidential information secure. For officers, this may mean considering whether to come into the office, subject to this being safe and practicable (childcare etc.)
- If hosting a meeting via Zoom (briefings etc.), consider creating an additional host when setting up the meeting. The additional host can step in if the main host has problems – remember that without a host, the meeting cannot close and any information on the screens will remain on view
- Have to hand the telephone number of another member or officer expected in the meeting – and contact them if necessary to explain the problem in connecting
- Officers should have an 'understudy' or deputy briefed and on standby to attend and present as needed (and their telephone numbers to hand)
- For informal meetings and as a last resort, members and officers may be able to call another member or officer in the meeting who can put the 'phone on loudspeaker for all to hear – not ideal, but it ensures some degree of participation and continuity
- Member Services will hold a list of contact details for all senior officers

Phone only access to zoom meetings

(Before you start **make sure you know the Meeting ID and the Meeting Password**) – Both of these are available on the agenda for the meeting

Call the toll free number either on the meeting agenda or on the Outlook appointment (this will start with 0800 --- ----)

(Ensure your phone is on 'speaker' if you can)

A message will sound saying *"Welcome to Zoom, enter your meeting ID followed by the hash button"*

- **Enter Meeting ID followed by #**

Wait for next message which will say *"If you are a participant, please press hash to continue"*

- **Press #**

Wait for next message which will say *"Enter Meeting Password followed by hash"*

- **Enter 6 digit Meeting Password followed by #**

Wait for the following two messages:

"You are currently being held in a waiting room, the Host will release you from 'hold' in a minute"

Wait.....

"You have now entered the meeting"

Important notes for participating in meetings

Press ***6** to toggle between **'mute' and 'unmute'** (you should always ensure you are muted until you are called upon to speak)

If you wish to speak you can **'raise your hand'** by pressing ***9**. Wait for the Chairman to call you to speak. The Host will lower your hand after you have spoken. Make sure you mute yourself afterwards.

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 10 September 2020 at 5.30 pm

Present

Councillors

J M Downes (Chairman)
N V Davey, R J Dolley, Mrs S Griggs,
B Holdman, R F Radford and J Wright

Also Present

Councillor(s)

R J Chesterton and R Evans

Also Present

Officer(s):

Stephen Walford (Chief Executive), Adrian Welsh (Group Manager for Growth, Economy and Delivery), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Ian Chilver (Group Manager for Financial Services), Dean Emery (Group Manager for Revenues and Benefits), John Bodley-Scott (Economic Development Team Leader), Chris Shears (Economic Development Officer) and Sarah Lees (Member Services Officer)

24 **APOLOGIES AND SUBSTITUTE MEMBERS**

There were no apologies for absence.

It was explained that Cllr D F Pugsley would not be attending the meeting as he was no longer a member of the Independent Group and therefore was not entitled to take the Independent seat on this Policy Development Group. A new allocation would be taken to full Council at the earliest opportunity in order to approve any changes to committee membership.

25 **PROTOCOL FOR REMOTE MEETINGS**

The protocol for remote meetings was noted.

26 **PUBLIC QUESTION TIME**

There were no members of the public present.

27 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT**

No interests were declared under this item.

28 **MINUTES**

The minutes of the meeting held on 16 July 2020 were confirmed as a true and accurate record.

29 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had the following announcements to make:

1. He welcomed Cllr Ben Holdman to the Group since he had recently replaced Cllr Andi Wyer as a Liberal Democrat representative and this was his first meeting. He thanked Cllr Wyer for his contribution to the work of the Group in the past.
2. A Hydro Mills planning application would shortly be presented to the Planning Committee. Environmental groups interested in this initiative were encouraged to make their representations known through the appropriate channels.
3. A company supplying fresh farm milk through vending machines in Crediton had recently won a gold medal in the Taste of the South West award scheme.

30 PERFORMANCE AND RISK REPORT (00:07:00)

The Group had before it, and **NOTED**, a report * from the Group Manager for Performance, Governance and Data Security presenting it with an update on performance against the Corporate Plan and local service targets for 2020-2021 as well as providing an update on the key business risks.

The contents of the report were outlined with particular reference to the following:

- This was the second performance report in the current year.
- There had been limited progress on conducting counts for empty shops.
- Two of the new aims in the Corporate Plan were being progressed, these were:
 - **Work with local stakeholders to initiate delivery of the new garden village at Culm.** An engagement meeting had been held including the Connecting the Culm project.
 - **Work with developers and DCC to deliver strategic cycle routes between settlements and key destinations.**

Discussion took place regarding the empty shops within the towns:

- It was explained that there were 5 more shop vacancies in Tiverton and 2 more in both Crediton and Cullompton than last year.
- The Shop Front Scheme had enabled improvements to the appearance of some shops in Gold Street, Tiverton.
- National business chains had been affected by the pandemic such as 'Carphone Warehouse' who had now pulled out of Tiverton. However, several new businesses had opened up in Market Walk which was encouraging.
- Several businesses had opened up within Tiverton with the 'green agenda' at the heart of what they offered. Hot desking was also taking place in various premises.
- An update regarding the premises previously occupied by Londis was not available at the current time.
- The question was asked as to whether the free parking offered within the town had had an effect on footfall? This was being regularly reviewed and the number of vends being analysed. Current signs were encouraging but concern was raised as to what would happen in the winter when people would be

required to queue outside in inclement weather. This would need to be addressed.

- The use of school art work to brighten up shop fronts which were looking shabby.
- The end of the furlough scheme having an effect on the number of empty shops.
- What was being done to encourage new businesses to Mid Devon? It was explained that a number of media campaigns were underway trying to raise the profile of Mid Devon's towns.
- Nationally, the number of shop opening hours had reduced with many remaining closed at the start of each week. This was also being seen within Mid Devon towns. Concern was raised for the sustainability of businesses going forwards as a result of this and the fact that this may lead to a rise in the number of empty shops.

It was **AGREED** that further discussion take place at the next meeting regarding the number of empty shops, the 'health' of businesses within the towns and town centre regeneration generally given the current circumstances of the pandemic and local responses to it.

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

31 **FINANCIAL MONITORING (00:34:00)**

The Group Manager for Finance provided the Group with a verbal update regarding the financial position so far in the year and highlighted the following key pieces of information:

- Information was now available from 1 April to the end of July 2020 showing the effect of the pandemic on the Council's finances so far.
- As at the end of June the Council had been looking at a deficit of £1.5m, however, this had reduced to a deficit of £1.2m as at the end of July.
- In respect of the General Fund services which fell under the remit of this Group, significant income deficits were predicted in the areas of car parking, Property Services (Fore Street flats and Market Walk) and also in the Planning and Regeneration areas. Against this some salary savings had been identified and the opening up of the Leisure Centres was helping to improve the position month by month.
- A number of grant receipts had been received from central Government to help local Councils. This would include assistance under the Income Protection Scheme. The Council would receive 75p in every pound for predicted income losses over 5%. Work was currently being undertaken to predict these losses and it was anticipated that the deficit predicted of £1.2m may reduce to £0.4m as a result of the Income Protection Scheme with the balance having to be found elsewhere.
- Post lockdown recovery was continuing but the Council remained very cautious as the upward trajectory was very slow and there was still a lot of uncertainty.
- With regard to the Housing Revenue Account, the predicted deficit was just over £1m with the vast majority of this being related to the loss of housing rental income.

Consideration was given to:

- Staff costs being factored into all financial predictions.
- During the initial phase of lockdown market traders had not been charged a toll.
- According to a national survey, the Mid Devon response during these initial stages had been proportionate.
- The Tiverton Pannier Market had been a useful base from which to distribute essential food packages to those in need.

32 COVID 19 ECONOMIC RESPONSE UPDATE (00:53:00)

The Group had before it, and **NOTED**, a report * from the Head of Planning, Economy and Regeneration providing members with update information regarding the Growth, Economy & Delivery team's latest COVID19 emergency, economic and community response activities. It also updated the Group on the Devon-wide economic recovery work and sought Members endorsement for the current business support and economic recovery activities.

The contents of the report were outlined, with updates provided as follows:

- The country was now officially in recession, unemployment was a particular worry with rises in the numbers of people out of work.
- It was expected that the end of the furlough scheme would lead to a significant rise in the number of people claiming unemployment benefit. The Mid Devon area currently had 9,000 people on the furlough scheme but the effect of its cessation would not be known for several months yet. The Council would work closely with DWP, local business and colleagues across the county to support and offer advice wherever possible.
- Liaising with the organisers of food banks provided a useful indicator of how the community was being affected financially.
- In terms of the Initial Emergency Response it was explained that the Discretionary and Business Grant scheme had now come to an end and the amounts that had been distributed had been communicated to Members on a regular basis throughout the pandemic.
- It was explained that, as of this week, the Government had announced a new grants scheme for local lockdowns and targeted areas. There would obviously be qualification rules but it would be possible for grants to be issued up to the sum of £1500. Pubs, for example, would be likely to qualify if they were required to close because of a local lockdown. As a precaution officers in the Growth, Economy and Delivery team plus the Revenues and Benefits area were making the necessary preparations in advance should Mid Devon become a targeted area.
- **Community Outbreak Plan:** It wasn't possible to know what a local lockdown would look like therefore a lot of contingency plans were having to be made. There would be a greater focus on 'need' rather than 'vulnerability'. Initially there had been a focus on supporting people with a medical need but often these people had been able to support themselves. The end of the furlough scheme was raising considerable concern in terms of the predicted number of people who would experience financial hardship. Greater homelessness was a particular concern. The Council was working closely with CHAT regarding food banks, money advice and plans for the future. The Government would be

providing a pot of money in the region of £757k across Devon to support financially vulnerable people. CHAT had the necessary technical and professional skills to assess applicants in terms of the eligibility to access these small grants. Up till now uptake had not been as much as expected with the local assistance fund. There had been more need for support and advice generally.

- **Town centres:** close liaison continued with Town Mayors and Town Clerks Clerks. A recent focus had been on the re-opening of schools. There had been some very positive conversations with schools especially in relation to transport, student congregation points and helpful messaging to students and parents. However, it was too early to predict how the re-opening of schools would affect COVID numbers going forwards, however, initial signs were encouraging.
- **Planning for Recovery:** 120 business across the Tiverton and Honiton constituency had registered for the 'Eat Out to Help Out' scheme and £128k had been claimed. The average customer spend had been £4.50. However feedback from some businesses had been that August would normally be a good month for them anyway and that really assistance was needed in the autumn and winter months. Ministers were lobbying Government at the current time to see if the scheme could be extended. Nationally there had been increases in positive COVID cases, it was vital that the team continued to work with colleagues across Devon and the Local Enterprise Partnership. The Government was frequently bringing in new approaches and schemes which local authorities were having to adapt to and deliver swiftly. This included skills support packages for those likely to be made redundant. Also initiatives for apprenticeships since there were significant concerns that younger people would be disproportionately affected by unemployment. A number of 'kick start' schemes were proposed aimed at young people and smaller businesses. The 'Solar Together' scheme was also described as an initiative designed to help with economies of scale benefiting those wanting to install solar panels. Funding initiatives, other than those already described were also listed including LEP initiatives, Inward Investment and an ERDF of £900k being made available to small and medium enterprises.
- **Recovery interventions and prioritisation:** the team were committed to getting the best funding deals for Mid Devon and in exploring all opportunities to support Mid Devon residents. The team needed to be flexible in order to respond and adapt to constantly changing circumstances. Economic recovery as a result of COVID was a top priority with other work needing to take a back seat for the moment.

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

33 IDENTIFICATION OF ITEMS FOR FUTURE MEETINGS POST COVID 19 (01:14:00)

The Group continued to request that priority be given to COVID19 related activities for the immediate future with a request that there be an item on the next agenda to specifically discuss town centre and high street regeneration as a result of the pandemic and its effect upon businesses and the number of empty shops. Performance and Risk and Financial Monitoring were also required to come to the next meeting as a matter of course.

(The meeting ended at 7.15 pm)

CHAIRMAN

ECONOMY PDG 5 NOVEMBER 2020

PERFORMANCE AND RISK REPORT

Cabinet Member Cllr Richard Chesterton
Responsible Officer Catherine Yandle, Group Manager for Performance, Governance and Data Security

Reason for Report: To provide Members with an update on performance against the corporate plan and local service targets for 2020-21 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.

The PDG is invited to review the measures suggested for inclusion in the Corporate Plan Performance framework and recommend their approval to Cabinet. (Appendix 4)

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 2020-21 financial year.
- 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 Appendix 1

- 2.1 Regarding the Corporate Plan Aim: **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: Empty shops**; we are now giving data on retail units owned by MDDC, occupancy rates are reasonable.
- 2.2 There has been positive movement on the number of Business rate accounts and empty NNDR properties.
- 2.3 Regarding the Corporate Plan Aim: **Work with local stakeholders to initiate delivery of the new garden village at Culm**: Engagement with the various stakeholder groups has re-started with 2 Stakeholder Forum events on the subjects of Building with Nature, held on 11 August and Connecting the Culm project (9 September). The project team will be focusing on preparing a draft masterplan over the next 6-12 months, and considering the planning policy context.
- 2.4 Regarding the Corporate Plan Aim: **Work with developers and DCC to deliver strategic cycle routes between settlements and key destinations**: Walking and cycling provision needs to be prioritised as set out in the Culm garden village vision and objectives.

3.0 Risk

- 3.1 Risk reports to committees include strategic risks with a current score of 10 or more in accordance with the Risk and Opportunity Management Strategy. (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 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 2020-21 that are outlined in this report and feeds back any areas of concern to the Cabinet.
- 4.2 The PDG is invited to review the measures suggested for inclusion in the Corporate Plan Performance framework and recommend their approval to Cabinet. (Appendix 4)

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 2020-2021
 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: Incubator and start-up space

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>Incubator and Start-up space</u>	n/a	Target not yet set as initial work required													Jenny Clifford	
<u>Sites for Commercial Development</u>	n/a	2						0							Andrew Busby	(October) New target no movement to report yet (CY)

Aims: Improve and regenerate our town centres

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>Number of business rate accounts</u>	3,155 (6/12)	3,250						3,339							Dean Emery	
<u>Business Rates RV</u>	n/a							£45,519,079							Dean Emery	
<u>Empty Business Properties</u>	n/a							267	258						Dean Emery	
<u>Tiverton Town Centre Masterplan</u>	n/a	Masterplan subject to consultation to start in first quarter 2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Jenny Clifford, Adrian Welsh	
<u>Cullompton Town Centre Masterplan</u>	n/a		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Jenny Clifford, Adrian Welsh	(2020 - 2021) Due to Cabinet 4 February (CY)	
<u>Pannier Market Regular Traders</u>	n/a	Varies from 75 to 80% depending on the day							77.7%						Adrian Welsh	(October) Tuesday 77% (target occupancy 75%) Friday 82% (target occupancy 80%)

Corporate Plan PI Report Economy																
Priorities: Economy																
Aims: Improve and regenerate our town centres																
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
																Saturday 74% (target occupancy 80%) (CY)
<u>West Exe North and South</u>	n/a		n/a	n/a	13	n/a	n/a	13	n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 2) 92% 1 vacant (CY)
<u>Fore St Tiverton</u>	n/a		n/a	n/a	4	n/a	n/a	4	n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 2) 80% 1 vacant (CY)
<u>Market Walk Tiverton</u>	n/a		n/a	n/a	13	n/a	n/a	13	n/a	n/a		n/a	n/a		Andrew Busby	(Quarter 2) 87%, 2 vacant; 1 under offer (CY)

Aims: Community Land Trusts																
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>Community Land Trusts Assisted</u>	n/a	2	n/a	n/a		n/a	n/a	1	n/a	n/a		n/a	n/a		Jenny Clifford	(Quarter 2) Actively working with Chawleigh (CY)

Economy PDG Risk Management Report - Appendix 2

Report for 2020-2021

For Economy - Cllr Richard Chesterton 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	In progress	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: Commercial Land supply Insufficient diversity in commercial land provided to meet changing business needs

Service: Planning

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
In progress	Business and landowner engagement	Continued brokering of sites and identification of creative opportunities to meet business demands can be very effective in addressing this risk	Adrian Welsh	10/06/2019	19/08/2020	Positive(2)
In progress	Incubator/Flexible workspace project	This project should help identify opportunities to help the delivery of new flexible workspace	Adrian Welsh	10/06/2019	19/08/2020	Positive(2)
In progress	Plan for recovery	Develop a recovery plan/ strategy in conjunction with partners	Jenny Clifford	12/05/2020	19/08/2020	Positive(2)
Current Status: Medium (10)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 2 - Low		

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Economy PDG Risk Management Report - Appendix 2

Service Manager: Jenny Clifford

Risk: Economic Development Service The macro economic position might necessitate a reactive response, impacting on the Council's resourcing and reducing its ability to deploy resources as planned.

Service: Growth, Economy and Development

Mitigating Action records

Mitigation Status	Mitigating Action	Info	Responsible Person	Date Identified	Last Review Date	Current Effectiveness of Actions
Completed and evaluated	Distribution and processing of Gov business support funding.	To assist businesses through these difficult initial stages.	Adrian Welsh	12/05/2020	19/08/2020	Positive(2)
In progress	Hardship funding	To support individuals/households but also crucial for self employed and furloughed staff	Adrian Welsh	12/05/2020	19/08/2020	Positive(2)
In progress	Recovery plans	Work underway to develop recovery plans to assist positive impacts on local economy.	Adrian Welsh	12/05/2020	19/08/2020	Positive(2)
Current Status: High (25)		Current Risk Severity: 5 - Very High		Current Risk Likelihood: 5 - Very High		
Service Manager: Adrian Welsh						

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
In progress	Continue to seek out existing and new funding opportunities	To assist in ensuring adequate funding for delivery.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	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	12/05/2020	Positive(2)
In progress	Project Management	Continue rigorous project management, monitoring and reporting	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	Recovery Plans	Recovery Plans will be put in place to aid recovery.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
In progress	Review and re-prioritisation	Part of review of projects for Year 2 actions. This will consider maximising investment and prioritising officer time.	Adrian Welsh	31/01/2020	12/05/2020	Positive(2)
Current Status: High (20)		Current Risk Severity: 4 - High		Current Risk Likelihood: 5 - Very High		
Service Manager: Jenny Clifford, Adrian Welsh						

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
In progress	Lobbying	Officers will continue to review funding opportunities and seek opportunities to work closely with local partners and the HotSWLEP to seek additional funding support for key infrastructure.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
In progress	Officers have reprioritised work programmes to explore new funding opportunities	End of European funding sources	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High
Service Manager: Adrian Welsh

Economy PDG Risk Management Report - Appendix 2

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
In progress	Partnership working	Close working with delivery partners to attempt to mitigate risks.	Adrian Welsh	12/05/2020	12/05/2020	Positive (2)
In progress	Partnership working with infrastructure providers and statutory bodies	Reduce risk of delays and communication.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	target funding opportunities	To seek to bring forward delivery	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High						
Service Manager: Jenny Clifford, Adrian Welsh						

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
In progress	Continue to retain and prioritise market budget	To ensure most efficient use of resources	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	continue to work with traders on promotion	To increase footfall.	Adrian Welsh	10/06/2019	12/05/2020	Positive(2)
In progress	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	12/05/2020	Positive(2)
In progress	Masterplan Implementation	To realise benefits from the Masterplan to increase visibility of market and increase footfall.	Adrian Welsh	10/06/2019	12/05/2020	Poor - action required(3)

Current Status: High (16) Current Risk Severity: 4 - High Current Risk Likelihood: 4 - High

Service Manager: Jenny Clifford

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Risk Matrix Economy Appendix 3

Report
For Economy - Cllr Richard Chesterton Portfolio
For MDDC - Services
Current settings

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

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Corporate References			KPI Details				Context / Narrative			Lead Officer	Approvals		
KPI ref	PDG or Corporate	Cabinet Member	Description of Indicator	Measurement	Proposed Target	Current / Historical Performance	Benchmarking	Any other Comments	Responsible Officer	Approved by LT	Approved by PDG	Approved by Cabinet	
		<i>Name of relevant member</i>	<i>Written description</i>	<i>How it is measured? (RAG, %, weight, number, deadline?)</i>	<i>insert</i>	<i>Give last year's data, or previous trend, or explain new indicator?</i>	<i>Why have we proposed the target at this level? Comparison with Devon districts PLUS LG benchmarking family (not just Devon!)</i>	<i>Any other relevant comments from the service</i>	<i>Name of relevant Manager</i>	<i>Needs to go green before PDG/Cab</i>	<i>Needs to go green before Cab</i>	<i>Goes green once new performance framework is adopted</i>	
01	ENV	Colin Slade	Residual Waste per Household	Weight	362 kg	365 (365) kg	Devon average 351.5KG we are third highest	Improvement unlikely without round changes: Work on education and enforcement	Darren Beer				
02	ENV	Colin Slade	% Waste Reused, Recycled & Composted	%	54.50%	53 (54) %	Devon average 51% we are third lowest. DCC Stretch target 70% by 2025		Darren Beer				
03	ENV	Colin Slade	Number of FPNS Issued	Number	None	18	Responsive	Target not appropriate	Darren Beer				
04	ENV	Colin Slade	Missed collections waste	%	0.03%	0.02 (0.03) %	L-T target	1st exceeded 19/20	Darren Beer				
05	ENV	Colin Slade	Missed collections recycle	%	0.03%	0.02 (0.03) %	L-T target	1st exceeded 18/19	Darren Beer				
06	ENV	Colin Slade	Garden Waste Customers	Number	11100	10007 (10000)	Internal 2016/20 CP target	5% new customers 19/20	Darren Beer				
07	Climate	Elizabeth Wainwright	Council Carbon Footprint	Number	19000 CO2t	20402 baseline	Initiatives identified for 20/21 from the action Plan	Refer to Adopted Climate Change Action Plan	Andrew Busby				
08	Climate	Elizabeth Wainwright	New Solar Initiatives	Number	250	211	Sign-ups to Solar Together	2500 Devon wide so far	Andrew Busby				
09	Climate	Elizabeth Wainwright	Corporate Renewable Energy Projects	Number	1	New	Carlu close 20/21		Andrew Busby				
10	Climate	Elizabeth Wainwright	Electric Car Charger usage	Number	2000	2000	Number of uses per year		Andrew Busby				
11	Climate	Elizabeth Wainwright	Electric Car Charger units	Number	8	New	2 per main town and 2 more		Andrew Busby				
12	Climate	Elizabeth Wainwright	Eco Flex sign ups	Number	600	New	Each LA sets its own grant criteria (Statement of Intent) based on their local circumstances	May cease after 21/22 target 300 next year	Simon Newcombe				
13	Climate	Elizabeth Wainwright	Home Improvement Loans Lendology CIC scheme	Number	5	New	Will be 10 in future. MDDC currently third highest in number of loans approved.	Subject to ongoing capital injections via surplus BCF funding	Simon Newcombe				
14	Climate	Elizabeth Wainwright	Housing Assistance Policy	Number	5	New	Major schemes ECO Flex top-ups. See ECO Flex for benchmarking challenges	Vulnerable persons only	Simon Newcombe				
15	Climate	Elizabeth Wainwright	Corporate Tree Planting Scheme	RAG	Yes/No	New	Develop scheme/Secure funding	Numbers to be reported in future target 500-1000	Andrew Busby				
16	Climate	Elizabeth Wainwright	Community Climate & Biodiversity Grants	RAG	Yes/No	New	Agreeing funding is the first stage	Numbers to be reported in future	Andrew Busby				
17	Climate	Elizabeth Wainwright	Community Schemes	Number	4	New	Work with TCs to improve public assets	Climate conversations	Andrew Busby				
18	ECON	Richard Chesterton	Tiverton Town Centre Masterplan	RAG	Yes/No	New	Suite of town centre health check indicators to be developed which will aid understanding of health in relation to others and impact of recovery/ regeneration efforts	Review of TC vision, reassess geographic areas for intervention, prioritiation and id of quick win projects, adoption of SPD and delivery plan	Jenny Clifford				
19	ECON	Richard Chesterton	Cullompton Town Centre Masterplan	RAG	Yes/No	New	Suite of town centre health check indicators to be developed which will aid understanding of health in relation to others and impact of recovery/ regeneration efforts	Adopt the masterplan following stage 2 consultation	Jenny Clifford				
20	ECON	Richard Chesterton	Incubator/Start-up Space planning applications	Number	see note	New	Sites already in operation in Cullompton and Tiverton	Target not yet set as initial work required with the business community to better understand the extent of need over and above sites already in operation	Jenny Clifford				
21	ECON	Bob Evans	Sites for Commercial Development	Number	2 acres	New	Acreage acquired		Andrew Busby				
22	ECON	Richard Chesterton	Business Rates Accounts	Number	3250	3241 (3150)	Proxy for business births and deaths	To monitor change	Dean Emery				
23	ECON	Richard Chesterton	Rateable Value NNDR	£	None	New	Financial measure	To monitor change	Dean Emery				
24	ECON	Richard Chesterton	Empty Properties (EPR)	Number	None	New	Instead of Empty shops	To monitor change	Dean Emery				
25	ECON	Richard Chesterton	Pannier Market Regular traders	%	None	New	Varies between markets on different days. 75% trader occupation Tues, 80% trader occupation	To monitor change	Adrian Welsh				
26	ECON	Richard Chesterton	Community Land Trusts assisted	Number	1	New	There are few CLTs operating in the District currently	Monitor CLT activity	Jenny Clifford				

27	ECON	Bob Evans	Corporate Retail Units Occupancy rates	Number	None	New	3 separate PIs for MDDC units	To monitor change	Andrew Busby			
28	HOMES	Bob Evans/Richard chesterton	Net Additional Homes	Number	393	New	National benchmarking via Housing Delivery Test and Local Plan Review annual delivery rate. HDT target exceeded last 2 years	Link to Housing Delivery Test and monitoring of Local Plan delivery	Jenny Clifford			
29	HOMES	Bob Evans	Affordable Homes	Number	94	94 (100)	Local Plan and Housing Strategy	Target derived from Local Plan	Jenny Clifford/ Simon Newcombe			
30	HOMES	Bob Evans	Build Council Houses	Number	None	26 (26)	Secure Planning permission	Numbers to be reported from 21/22	Andrew Busby/Simon Newcombe			
31	HOMES	Richard Chesterton	Self build plots	Number	5	New	Number of plots delivered	Local Plan	Jenny Clifford			
32	HOMES	Richard Chesterton	Gypsy & traveller pitches	Number	2	New	Number of pitches	Local Plan	Jenny Clifford			
33	HOMES	Bob Evans	Empty Homes brought back into use	Number	72	138 (72)	Comparison with national average benchmark of 0.85% of all registered properties	May cease after 21/22	Simon Newcombe			
34	HOMES	Bob Evans	HMOs investigations	Number	None	New	All potential HMOs reported investigated	Average period to date	Simon Newcombe			
35	HOMES	Bob Evans	Landlord Engagement	Number	9	New	Events/webinars		Simon Newcombe			
36	HOMES	Bob Evans	Homeless Approaches	Number	None	721	Benchmarking is done on prevention duty accommodation secured for 6+ months we are 74% v South West 61%	Monitor due to increased risk	Simon Newcombe			
37	HOMES	Bob Evans	Tenant Census Response Rate	%	34%	New	Census is based on a selection of agreed national Qs.	Carry out and analyse results	Simon Newcombe			
38	HOMES	Bob Evans	% Properties With a Valid Gas Safety Certificate	%	100%	99.9 (100)%	Statutory Target		Simon Newcombe			
39	HOMES	Bob Evans	Complaints responded to on time	%	100%	100 (100)%	Housing Ombudsman Service Complaints Handling Code		Simon Newcombe			
40	HOMES	Bob Evans	Emergency Repairs	%	95%	100 (100)%	Other Councils >95%		Simon Newcombe			
41	HOMES	Bob Evans	Urgent Repairs	%	95%	100 (100)%	Other Councils >95%		Simon Newcombe			
42	HOMES	Bob Evans	Routine repairs	%	95%	99.3 (100)%	Other Councils >95%		Simon Newcombe			
43	HOMES	Bob Evans	Repairs appointments kept	%	95%	98.9 (100)%	Other Councils >95%		Simon Newcombe			
44	COMM	Dennis Knowles	Community Safety Partnership Action Plan	Number	None	New	Actions identified in plan		Simon Newcombe			
45	COMM	Dennis Knowles	Safeguarding Standards for Drivers (Licensing)	%	100%	New	DBS checks/Safeguarding Training		Simon Newcombe			
46	COMM	Dennis Knowles	Mental Health 1st Aiders trained	Number	5	New	Estimate 15 (up from 10)		Matthew Page			
47	COMM	Dennis Knowles	National and Regional Promotions	Number	5	New	Monitor success in engagement with promotions through SM contacts and web hits	Re Health & Wellbeing	Simon Newcombe			
48	COMM	Dennis Knowles/Richard Chesterton	Digital Connectivity Super fast Coverage	%	>24 Mbps	New	Superfast broadband definition by Govnt >24 Mbps, CDS >30 Mbps	Superfast broadband coverage	Adrian Welsh			
49	COMM	Nikki Woollatt	Health Referral Initiatives Starters	Number	15	New	Suspended because of Covid	All Schemes: Cancer Rehab Escape Pain (not funded) Strength & Balance Cardiac Rehab & GP referrals	Lee Chester			
50	COMM	Nikki Woollatt	Health Referral Initiatives Completers	Number	10	New	Suspended because of Covid		Lee Chester			
51	COMM	Nikki Woollatt	Health Referral Initiatives Conversions	Number	5	New	Suspended because of Covid		Lee Chester			
52	COMM	Nikki Woollatt	Complaints received	Number	None	313	A spike may indicate service delivery issues		Lisa Lewis			
53	COMM	Nikki Woollatt	Complaints resolved on time (stage 1)	%	90%	94 (90)%	Indications so far are other councils monitor satisfaction not time taken	Being reviewed may be more useful to monitor stage 2 complaints	Lisa Lewis			
54	CORP	Andrew Moore	South West Mutual Bank	RAG	None	New	Monitor Progress		Andrew Jarrett			
55	CORP	Bob Evans	Corporate Commercial Units Occupancy rates	Number	None	New	2 separate PIs MDDC units	To monitor change	Andrew Busby			
56	CORP	Nikki Woollatt	Working days Sick	Number	7 days	8 (7)	National Average public sector		Matthew Page			
57	CORP	Nikki Woollatt	Sickness Absence	%	2.78%	2.78 (3.27)%	SW Councils		Matthew Page			
58	CORP	Nikki Woollatt	Staff Turnover	%	14%	18%	SW Councils	Staff Retention strategy	Matthew Page			
59	CORP	Nikki Woollatt	Appraisals completed	%	100.00%	New	By 30 September annually	Collection starting	Matthew Page			
60	CORP	Andrew Moore	Council Tax Collection rate	%	98.50%	98.5 (98.5)%	Broadly the same across Devon/Somerset		Dean Emery			
61	CORP	Andrew Moore	NNDR Collection rate	%	99.20%	99.2 (99.2)%	Broadly the same across Devon/Somerset		Dean Emery			
62	CORP	Dennis Knowles	FOI on time	%	100%	100 (100)%	Statutory target		Catherine Yandle			
63	CORP	Richard Chesterton	Major applications overturned at Appeal	%	<10%	2 (10)%	National Target allowing benchmarking	Measured on a 2 year rolling basis	Eileen Patterson			

64	CORP	Richard Chesterton	Major Appeals	%	None	10%	% of appeals. Can be tracked, but as this is not a national indicator we are not able to benchmark against others	Locally requested	Eileen Patterson			
65	CORP	Richard Chesterton	Minor applications overturned at Appeal	%	<10%	0 (10)%	National Target allowing benchmarking	Measured on a 2 year rolling basis	Eileen Patterson			
66	CORP	Richard Chesterton	Minor Appeals	%	None	13%	% of appeals. Can be tracked, but as this is not a national indicator we are not able to benchmark against others	Locally requested	Eileen Patterson			
67	CORP	Richard Chesterton	Cost of Appeals	£	None	New	Cannot be benchmarked against other Councils. Data not readily available	Cost to MDDC arising from Planning Inspector decisions over appeal cost claims	Eileen Patterson			
68	CORP	Richard Chesterton	Performance Planning Guarantee	%	100%	99 (100)%	Statutory target. Widespread use of extensions of time across Councils to meet planning guarantee	Addressed through seeking extensions of time to reduce risk of planning fee return. Need to reduce reliance upon extensions of time and determine within target timescale of application	Eileen Patterson			

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**ECONOMY PDG
05 NOVEMBER 2020**

DRAFT 2021/22 GENERAL FUND AND CAPITAL BUDGETS

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

Reason for the report: To consider the initial draft 2021/22 Budget and options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2022/23 onwards.

RECOMMENDATION: To consider the draft budget proposals for 2021/22 and start to plan for additional savings.

Reason for the recommendation: The Local Government Finance Act 1992 places a legal requirement on the Council to approve a balanced budget. These draft budget proposals assist the Council in understanding the extent of the budgetary imbalance and offers options to how this may be addressed.

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 £3.012M. This highlights the need to take steps to plan for reductions to our expenditure levels, although any remedial measures will need to take account of the unprecedented situation that is currently being faced.

Legal Implications: None directly arising from this report. However, 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.

1.0 Introduction

- 1.1 2019/20 was the fourth and final year of a four year fixed funding settlement. The Fair Funding Review together with the business rates baseline reset, originally set for publication in September 2019, were

delayed a year due to Brexit pressures. That intention to publish in 2020/21 for implementation in 2021/22 is now further delayed due to the Covid 19 pandemic.

1.2 As a result, we are awaiting details of the funding that will be received for 2021/22. This also has a significant 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, or even whether, 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?

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

- The funding received from Central Government.
- 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.
- The increasing pressure on social care budgets has a “knock-on” effect to the level of funding that is available to lower-tier authorities.
- Government departments such as Ministry of Housing, Communities and Local Government, Department of Work and Pensions also have lower budgets and reduced grants.
- Changes in customer demand/expectations in the context of the local/national economy.

1.4 No financial report in these times, would be complete without reference to the implications of Covid 19. The pandemic and the effects of the measures to combat it, have structurally altered the services that we offer, the delivery channels that we employ and our funding mechanisms. In the context of budget setting for 2021/22 and beyond in respect of the MTFP, the question becomes an issue of what assumptions should our expectations be based upon:

- The country was placed into lock down largely for the first quarter of 2020/21. This significantly impacted service delivery and those income streams that depend on this activity. Since that time, services have been able to resume but often with new ways of working especially in our leisure centres.
- Further both the ongoing health and economic implications of the virus have impacted residents’ habits and expectations. This can be seen in planning for example where economic uncertainty has

seen a slowdown in the larger development applications, whilst the smaller home improvement type of application have seen an increase in activity.

- A great deal of uncertainty remains regarding the reoccurrence of the virus in the coming months, if not years, and the measures that may be taken to contain it.
- Since the end of lockdown, we now have 3 months of data which give some indication as to how our income streams may behave going forward. This report is based on those trends continuing. It is quite possible, however, that another infection peak over the winter months, say, could result in measures which further limit service activity and significantly disrupt these trends. In this case our assumptions would prove to be over optimistic and income expectations would need to be downgraded accordingly.
- It is noted that the 2020/21 budget was set before Covid 19 was a consideration. Hence when we look at the major budget variances in section 2 below, we are comparing a pre Covid view of 2020/21 with a post Covid recovery scenario in 2021/22. Even without possible further disruption, income is not expected to recover to pre pandemic levels before the start of 2021/22, resulting in losses from budget year to budget year.
- The Collection Fund is another area of deep uncertainty. Collection rates have been impacted with some residents and businesses struggling to make payments on council tax and NNDR respectively. Whilst we have extrapolated the emerging trends, the robustness of this approach will be tested in the face of the risks mentioned above regarding rising infection rates; along with the ending of the original furlough scheme and a generally declining economy.
- In the face of these threats, Council funding has been supported by grants from government. So far £994k has been received in 3 tranches in Covid 19 emergency funding. A fourth tranche of £1 billion has just been announced and we are waiting to hear what the Mid Devon share of this will be. The Council has also benefited from the Job Protection Scheme and a first application of £608k has recently been made under the government's Income Compensation Scheme. There have also been hints at support in relation to collection fund losses although nothing more substantive as yet. There is however no indication from government that any of this support will continue into 2021/22. As stated above, significant income losses are expected to run into next year but there is no certainty as to how these will be funded.

1.5 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.

1.6 Based on 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.

- 1.7 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 £3.012M 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.
- 1.8 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 2021/22 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 £3.012m (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 2021/22 draft budget.

Table 1 – Reconciliation of Major 2021/22 Budget Variances

Variances	Pressure £k	Saving £k
<i>Covid 19 Losses</i>		
Income - Leisure	644	
Income – Waste	66	
Income - Parking	58	
Income – Environmental Services (Licencing)	40	
Income - Planning	201	
Income – Council Tax Collection	46	
Income - Other	28	
	1,083	
Collection Fund – Council Tax	138	
Collection Fund - NNDR	405	
	543	
<i>Subtotal</i>	1,626	
<i>Operational</i>		
Income – Waste - SSA		-30
Income - Waste - Garden		-25
Inflationary increases (excl HRA shown below)	46	
Pay award and pension increases	266	

Pension lump sum increase	26	
Pay – CMT increment	39	
Pay – remove DOO (50%)		-46
Pay – CS – Pay movements	25	
Pay – CS – Pay movements - EMR utilisation (vulnerability grant re Customer Welfare Officer)		-15
Pay - FP – revert GM role to full time	13	
Pay – HG - Rough Sleeper Navigator Post & Rough Sleeper Housing Options Accommodation Officer	72	
Pay – HG – Housing Options Officer	38	
Pay – HG – EMR utilisation		-110
Pay – HR – JE’s & officer joining the pension scheme	21	
Pay – PS – Climate Change Co-ordinator	23	
Pay – R&B - Restructure		-29
Pay – RS – Covid pressures	42	
Pay - Other	11	
Premises - Blue Frog cleaning contract additional cost	25	
Property Maintenance - 30 year programme	323	
Transport costs		-61
Software upgrade - Efin	52	
Cullompton HAZ – Costs net of grants	169	
Cullompton HAZ – EMR utilisation		-169
Local plan costs	78	
Local plan costs – EMR utilisation		-78
Crediton Masterplan	60	
Crediton Masterplan – EMR utilisation		-60
Garden Village Project	283	
Garden Village Project – EMR utilisation		-283
Other planning projects	64	
Other planning projects – EMR utilisation		-94
Net recharge to HRA (after inflationary increases etc.)		-44
	1,676	-1,044
Other		
Interest Receivable (3RDL + CCLA + Temp investments)		-133
Interest Payable		-123
Finance Lease Interest	111	
3 Rivers Impairment		-131
Capital MRP		-185
NHB - decrease	641	
NHB – EMR transfer		-641
Other EMR utilisation	1,162	
Other small variances	53	
	1,967	-1,213
	5,269	2,257

Deficit	3,012
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2.3 In compiling the 2021/22 draft budget we have also examined budget performance during 2020/21 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 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.

- Ongoing impact of Covid 19 on service activity and income streams
- Ongoing impact of Covid 19 and the economic consequences on collection fund receipts
- Further government announcements regarding financial support for the impacts of the pandemic.
- 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 introduced (currently c£49k)
- Covid 19 impacts across all budgets, significantly with regard to income and the collection fund.

3.2 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 £2.5m
- 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
- Set up a Special Purpose Vehicle to return profits 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 2019/20
- Rationalising MDDC property estate, including depots, parks, toilets and car parks (which has involved significant work with third parties – especially Town and Parish Councils)
- Significant renewable energy investment across the corporate estate to reduce utility expenditure
- Joint working with North Devon DC as part of the Building Control Partnership and providing recent waste management support
- DCC Transfer Station located at Carlu Close

4.0 The Future

4.1 Already a lot of work has been undertaken to understand the current position, which indicates a draft budget gap of £3.012m. The task now is to develop our spending plans together with an associated funding plan so that we may deliver a balanced General Fund budget by February 2021 in order to formally set the Council Tax. 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 and the assumed future phasing out of New Homes Bonus funding stream. Even greater pressure may be placed on future programmes if additional borrowing is made to fund new Council Houses, Depots, Sport Centre and Town Centre enhancement works, etc.

5.2 The draft Capital Programme for 2021/22 is attached at Appendix 3. Excluding the HIF infrastructure schemes and further housing development projects, 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 2021/22 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 2020/21 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 Last year's consultation highlighted the most valued statutory services were:

1. Refuse Collection & Recycling - 93%
2. Street Cleaning - 59%
3. Planning & Building Control - 58%

And those least appreciated were:

1. Licencing - 11%
2. Electoral Services - 15%
3. Benefit Claim Processing - 20%

Similarly for discretionary services, the most valued were:

1. Parks, Playgrounds and Open Spaces - 69%
2. Town Centre Regeneration - 56%
3. Public Toilets - 48%

And least appreciated:

1. Tourism - 19%
2. CCTV - 28%
3. Outdoor Leisure eg tennis courts and football pitches - 34%

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 7.1)
- 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, for example 3 weekly waste collection
- b) Changing the quality, instead of a "Platinum service" we may be forced to offer a "Silver service"

- c) Rescheduling activities to less difficult years. This could apply to some aspects of property maintenance. However, with so many funding challenges ahead, it is not clear when the “less difficult years” might be. In the meantime, our capital assets would be declining and costs would likely escalate as a result.
- d) Reducing the overheads and maximising a lean approach to operations. Whilst this is already the case, we are always exploring new ways of working to improve service delivery and drive savings. One option would be to include a vacancy management policy although in many cases this already happens informally.
- e) Stopping the activity entirely
- f) Different models of service delivery (including partnership)

When considering options which contribute to balancing the budget, operational changes require careful planning, possible trials and implementation periods which add up to a lead time which, along with the costs of implementation, will likely reduce the benefit arising in 2021/22.

- 8.4 Over recent years, this Council has prudently built up its general fund reserve and associated ear marked reserves. These reserves have been built up to prudently provide for the maintenance of services to our residents. They also provide a financial buffer to weather any kind of temporary storm associated with changes to the FF review, business rate review and changes to NHB. Whilst nobody predicted the pandemic, its financial effects could justify utilising this contingency in order to maintain the delivery of critical services when our residents need them the most. If we do this, we must be mindful, that all the other challenges remain and must be met with reduced financial resilience.
- 8.5 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.
- 8.6 **What options are available if something is *statutory*?** Although we cannot stop the function, we may be able to approach it differently in terms of frequency or quality.
- 8.7 Increasing fees (or start charging for a service). 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. This option becomes further limited in the current environment of reduced demand and economic uncertainty. There is an opportunity to revisit legacy dual use agreements for leisure centres to ensure they represent good value for money. 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

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

8.9 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

8.10 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 continue to be made.

8.11 In section 2 we see that even under the assumption of ongoing recovery from the Covid 19 measures, this draft budget predicts losses arising from the pandemic in the region of £1.6m. Government has shown a willingness to assist local authorities through the worst effects of these difficult times, not least in the form of emergency grants and the Income Compensation Scheme. No announcement has yet been made relating to schemes which would alleviate pressures in 2021/22. However, with many local authorities unable to rely on their reserve base to get through the crisis, it is conceivable that further support will be forthcoming.

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 2021/22 budget. Faced with such a daunting budget gap this is likely to require difficult choices. The Medium Term Financial Plan is in process for presentation to Cabinet in December so that the savings programme for the next 4 years can be achieved 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

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GENERAL FUND REVENUE ACCOUNT DRAFT BUDGET SUMMARY 2021/22

	Budget 2020/2021	Movement	Draft Budget 2021/2022
Notes	£	£	£
Cabinet	5,433,721	292,620	5,726,341
Community	2,890,445	1,546,959	4,437,404
Economy	(549,012)	261,002	(288,010)
Environment	3,736,850	318,215	4,055,065
Homes	303,880	69,180	373,060
TOTAL NET DIRECT COST OF SERVICES	11,815,884	2,487,976	14,303,860
Net recharge to HRA	(1,481,630)	(44,449)	(1,526,079)
Provision for the financing of capital spending	1,052,154	(184,144)	868,010
NET COST OF SERVICES	11,386,408	2,259,383	13,645,791
PWLB Bank Loan Interest Payable			
Finance Lease Interest Payable	48,340	111,070	159,410
Interest from Funding provided for HRA	(49,000)	2,600	(46,400)
Interest Receivable / Payable on Other Activities	439,878	(122,998)	316,880
Interest Received on Investments	(568,322)	(135,968)	(704,290)
Transfers into Earmarked Reserves	2,597,050	(639,978)	1,957,072
Transfers from Earmarked Reserves	(1,369,370)	(169,025)	(1,538,395)
Proposed Contribution from New Homes Bonus Reserve	(960,540)	522,040	(438,500)
TOTAL BUDGETED EXPENDITURE	11,524,444	1,827,124	13,351,568
Funded by: -			
Revenue Support Grant	-	-	-
Rural Services Delivery Grant	(466,700)	-	(466,700)
New Homes Bonus	(1,418,190)	641,440	(776,750)
Retained Business Rates	(3,312,727)	255,320	(3,057,407)
Business Rates Pooling Dividend	(150,000)	150,000	-
CTS Funding Parishes	-	-	-
Collection Fund Surplus	(112,000)	112,000	-
Council Tax (28,239.34 x £213.84)	(6,064,827)	26,127	(6,038,700)
TOTAL FUNDING	(11,524,444)	1,184,887	(10,339,557)
REQUIREMENT TO BALANCE THE BUDGET	-	3,012,011	3,012,011

Current Assumptions: -

- 2020/21 Salary budgets include an assumed increase of 2% across all spinal scale points.
- Income flows have been reviewed and adjusted for changes in demand and unit price and so reflect the estimated impacts of the pandemic assuming recovery continues according to current trends.
- Investment income has been based upon the existing lending criteria now in force.
- Support services have been calculated in accordance with the annual process.
- All earmarked reserves have been reviewed and adjustment made based upon existing need.
- New Homes Bonus receipts based on existing legislation changes.
- Retained Business Rates - s31 grant relating to 100% relief for Retail, hospitality and Leisure in 2020/21 will compensate for deficit brought forward and has been included in this line.
- Any business rates deficit brought forward from 2020/21 is expected to be funded from EMR and so is not included as a pressure above.
- It is assumed that in the shadow of Covid 19, there will be no dividend from the Devon Business Rates Pool in 2021/22.
- Council Tax has been increased by £5 (the higher of £5 or 2%) from £208.84 to £213.84.
- As with NNDR, any Council Tax deficit brought forward from 2020/21 is expected to be funded from EMR and so is not included as a pressure above.

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2021-22 BUDGETS

Transfers into Earmarked Reserves

SERVICE	EMR		TOTAL	MAINTENANCE BUDGET	PLANT BUDGET	EQUIPMENT BUDGET	VEHICLES BUDGET	OTHER BUDGET	NEW HOMES BONUS
IE435	EQ653	NEW HOMES BONUS GRANT	776,752						776,752
PS990	EQ685	FORE STREET MAINT S.FUND	5,000	5,000					
PS992	EQ685	MARKET WALK MAINT S.FUND	20,000	20,000					
CP540	EQ686	PAYING CAR PARKS (MACHINE REPLACEMENT SINKING FU	3,000			3,000			
LD201	EQ720	ELECTION COSTS - DISTRICT	25,000					25,000	
LD300	EQ721	DEMOCRATIC REP & MANAGEMENT	5,000					5,000	
PR810	EQ728	STATUTORY DEVELOPMENT PLAN	100,000					100,000	
EQ754	EQ754	PHOENIX PRINTERS EQUIP SFUND	2,200			2,200			
EQ755	EQ755	ICT EQUIPMENT SINKING FUND	189,500			189,500			
EQ756	EQ756	FLEET CONTRACT FUND	559,600				559,600		
GM960	EQ760	GROUNDS MAINTENANCE	15,820		15,820				
EQ761	EQ761	RECYCLING PLANT SFUND	20,000		20,000				
EQ763	EQ763	RECYCLING MAINTENANCE SINKING FUND	2,700	2,700					
PS880	EQ765	BUS STATION	5,000	5,000					
ES100	EQ766	CEMETERIES	25,000	25,000					
ES450	EQ767	PARKS & OPEN SPACES	25,000	25,000					
RS140	EQ837	LEISURE SINKING FUND	75,000			75,000			
PS980	EQ837	Property maintenance - new	100,000	100,000					
WS710	EQ839	WASTE PRESSURE WASHER	2,500			2,500			
TOTAL			1,957,072	182,700	35,820	272,200	559,600	130,000	776,752

Page 47

2020/2021 Budget	2,597,050	182,700	34,360	272,200	559,600	130,000	1,418,190
Movement	(639,978)	-	1,460	-	-	-	(641,438)

Transfers from Earmarked Reserves

SERVICE	EMR	Description	TOTAL	UTILISE NHB	OTHER
EQ638	EQ638	DEV CONT LINEAR PARK	(4,170)		(4,170)
EQ640	EQ640	W52 POPHAM CLOSE COMM FUND	(1,950)		(1,950)
EQ641	EQ641	W67 MOORHAYES COM DEV FUND	(1,630)		(1,630)
EQ642	EQ642	W69 FAYRECROFT WILLAND EX WEST	(4,620)		(4,620)
EQ643	EQ643	W70 DEVELOPERS CONTRIBUTION	(6,650)		(6,650)
EQ644	EQ644	DEV CONT WINSWOOD CREDITON	(3,080)		(3,080)
ES733	EQ652	PUBLIC HEALTH	(65,400)		(65,400)
PR402	EQ652	CULLOMPTON HAZ	(15,000)		(15,000)
CD200	EQ653	COMMUNITY DEVELOPMENT	(45,000)	(45,000)	
PR400	EQ653	BUSINESS DEVELOPMENT	(80,000)	(80,000)	
EQ755	EQ653	ICT EQUIPMENT SINKING FUND	(189,500)	(189,500)	
PR402	EQ653	CULLOMPTON HAZ	(124,000)	(124,000)	
CM300	EQ653	CORPORATE MANAGEMENT	(58,000)		(58,000)
PR402	EQ722	CULLOMPTON HAZ	(30,000)		(30,000)
PR810	EQ726	BROWNFIELD SHARED PLAN	(36,263)		(36,263)
PR400	EQ728	BUSINESS DEVELOPMENT	(60,000)		(60,000)
PR810	EQ728	STATUTORY DEVELOPMENT PLAN	(86,270)		(86,270)
PR810	EQ729	CUSTOM & SELF BUILD	(45,000)		(45,000)
HG320	EQ742	HOMELESSNESS EMR	(160,740)		(160,740)
FP100	EQ755	ICT EQUIPMENT SINKING FUND	(20,000)		(20,000)
EQ756	EQ756	FLEET CONTRACT FUND	(524,060)		(524,060)
CS932	EQ766	CUSTOMER FIRST	(19,362)		(19,362)
PR810	EQ821	NEIGHBOURHOOD PLANNING FUNDING	(13,200)		(13,200)
PR225	EQ824	GARDEN VILLAGE PROJECT	(338,000)		(338,000)
LD100	NEW	ELECTIONS	(45,000)		(45,000)
	EQ740	RELEASING OF RESERVES TO FUND THE 21/22 GF BUDGET	-		
APPENDIX ONE SUB TOTAL			(1,976,895)	-438,500	(1,538,395)
IE440	EQ659	NNDR Smoothing EMR	(2,976,607)		(2,976,607)
IE420	NEW	C/TAX SMOOTHING EMR	(180,653)		(180,653)
TOTAL			(5,134,155)	(438,500)	(4,695,655)

2020/2021 Budget

(2,329,910) **(960,540)** **(1,369,370)**

Movement

(2,804,245) **522,040** **(3,326,285)**

Note:

- EMR reserves will be created in 2020/21 for Collection Fund deficits arising from Covid 19. These reserves will then be released in 2021/22 from the NNDR Smoothing Fund and the Council Tax Smoothing Fund to offset the realisation of these deficits.
- The NNDR release of £2.98m includes £2.5m being that deficit arising from the Retail Hospitality and Leisure 100% Relief Scheme which has been funded by s31 grants.
- These deficits and their associated EMR releases offset and are not therefore included in Appendix 1. This leaves only budget year impacts and thus aids clarity.

**MDDC Budget - Draft 1
Capital Program**

Appendix 3

**Estimated
2021/22
£k**

Exe Valley Leisure Centre

Evlc - Boilers and CHP	122
Evlc - Fitness Studio renewal of equipment	153

Culm Valley sports centre

Cvsc - remodelling dance studio *	153
Cvsc - Squash court conversion to fitness *	204

**Subject to the ongoing discussions with the school/DCC regarding dual use.*

Total Leisure 632

MDDC Shops/industrial Units

Market Walk Unit 17 - remodelling options	510
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Other Projects

Hydromills Electricity generation Project - Tiverton Weir	800
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Total Other 1,310

HIF Schemes

Cullompton Town Centre Relief Road (HIF bid)	4,141
Tiverton EUE A361 Junction Phase 2 (HIF bid)	4,700

Total HIF Schemes 8,841

ICT Projects

Additional Unified Communications budget	30
Hardware replacement of Network Core Switch	80

Total ICT 110

Private Sector Housing Grants

Disabled Facilities Grants-P/Sector	577
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Total PSH Grants 577

TOTAL GF PROJECTS 11,470

Other General Fund Development Projects

Other projected 3 Rivers Borrowing*	651
3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton*	358

3 Rivers scheme - Knowle Lane, Cullompton (note slippage from 20/21 will fund planned spend in 21/22)*	0
Waddeton Park, Post Hill, Tiverton (note slippage from 20/21 will fund planned spend in 21/22)	0

TOTAL GF OTHER DEVELOPMENT PROJECTS 1,009

**To be updated after the Cabinet meeting 29/10 considering the company's interim trading request.*

GRAND TOTAL GF PROJECTS 12,479

HRA Projects

Existing Housing Stock

Major repairs to Housing Stock	2,275
Renewable Energy Fund	250
Home Adaptations - Disabled Facilities	300

*** Housing Development Schemes**

HRA Building Schemes - to be identified (note slippage from 20/21 will fund schemes in 21/22)	0
Garages Block - Redevelopment	408
Affordable Housing/ Purchase of ex RTB	500

** Proposed Council House Building / Other schemes subject to full appraisal - update to Homes PDG & next Cabinet meeting.*

Total HRA Projects 3,733

HRA ICT Projects

Total HRA ICT Projects 0

GRAND TOTAL HRA PROJECTS 3,733

GRAND TOTAL GF + HRA Projects 16,212

MDDC Funding Summary

General Fund

	2021/22 £k
EXISTING FUNDS	
Capital Grants Unapplied Reserve	577
Capital Receipts Reserve	70
NHB Funding	1,030
Other Earmarked Reserves	152
HIF Funding	8,358
Other Funding	0
Subtotal	10,187
NEW FUNDS	
PWLB Borrowing	2,292
Revenue Contributions	0
Subtotal	2,292
Total General Fund Funding	12,479

Housing Revenue Account

	2021/22 £k
EXISTING FUNDS	
Capital Grants Unapplied Reserve	0
Capital Receipts Reserve	1,115
NHB Funding	21
HRA Housing Maintenance Fund	0
Other Housing Earmarked Reserves	2,597
Subtotal	3,733
NEW FUNDS	
PWLB Borrowing	0
Revenue Contributions	0
Subtotal	0
Total Housing Revenue Account Funding	3,733
TOTAL FUNDING	16,212

PDG SERVICE UNIT MOVEMENTS

APPENDIX 4

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2020/21	2021/22		
Cabinet					
SCM01	Leadership Team	442,690	414,540	(28,150)	-6.4%
SCM02	Corporate Functions	86,790	89,770	2,980	3.4%
SCM03	Corporate Fees/Charges	365,110	302,060	(63,050)	-17.3%
SCM06	Pension Backfunding	753,571	779,690	26,119	3.5%
SES01	Emergency Planning	7,500	8,150	650	
SFP01	Accountancy Services	436,790	543,590	106,800	24.5%
SFP02	Internal Audit	92,100	94,410	2,310	2.5%
SFP03	Procurement	121,580	112,660	(8,920)	-7.3%
SFP04	Purchase Ledger	47,320	46,500	(820)	-1.7%
SFP05	Sales Ledger	46,210	45,360	(850)	-1.8%
SHR01	Human Resources	377,680	378,570	890	0.2%
SHR02	Mddc Staff Training	33,750	29,870	(3,880)	-11.5%
SHR03	Payroll	48,870	50,880	2,010	4.1%
SHR04	Learning And Development	53,190	48,530	(4,660)	-8.8%
SIT01	It Gazetteer Management	74,880	71,800	(3,080)	-4.1%
SIT03	It Information Technology	919,770	977,590	57,820	6.3%
SLD01	Electoral Registration	203,830	224,019	20,189	9.9%
SLD02	Democratic Rep And Management	490,630	506,910	16,280	3.3%
SLD04	Legal Services	357,890	375,672	17,782	5.0%
SPR01	Building Regulations	(6,430)	47,580	54,010	-840.0%
SPR04	Local Land Charges	(19,200)	(16,050)	3,150	-16.4%
SRB01	Collection Of Council Tax	397,010	430,870	33,860	8.5%
SRB02	Collection Of Business Rates	(103,370)	(105,360)	(1,990)	1.9%
SRB03	Housing Benefit Admin & Fraud	132,520	131,300	(1,220)	-0.9%
SRB04	Housing Benefit Subsidy	5,000	65,000	60,000	1200.0%
SRB06	Debt Recovery	68,040	72,430	4,390	6.5%
		5,433,721	5,726,341	292,620	363.4%
Community PDG					
SCD01	Community Development	77,650	154,150	76,500	98.5%
SCS20	Customer Services Admin	23,350	23,350	-	0.0%
SCS22	Customer First	716,935	755,120	38,185	5.3%
SES03	Community Safety - C.C.T.V.	6,010	43,590	37,580	625.3%
SES04	Public Health	3,990	3,990	-	0.0%
SES11	Pool Cara	1,280	280	(1,000)	N/A
SES16	Es Staff Units/Recharges	788,210	805,600	17,390	2.2%
SES17	Community Safety	6,220	6,220	-	0.0%
SES18	Food Safety	(25,070)	(24,200)	870	-3.5%
SES21	Licensing	14,400	50,840	36,440	253.1%
SES22	Pest Control	5,000	5,000	0	0.0%
SES23	Pollution Reduction	(650)	(580)	70	-10.8%
SPR02	Enforcement	110,370	93,420	(16,950)	-15.4%
SPR03	Development Control	357,990	856,440	498,450	139.2%
SPR09	Forward Planning	270,620	270,570	(50)	0.0%
SPR11	Regional Planning	99,390	248,273	148,883	149.8%
SRS01	Recreation And Sport	434,750	1,145,341	710,591	163.4%
		2,890,445	4,437,404	1,546,959	53.5%
Economy PDG					
SCD02	Economic Development - Markets	60,640	81,020	20,380	33.6%
SCP01	Parking Services	(632,962)	(529,250)	103,712	-16.4%
SPR06	Economic Development	427,810	561,280	133,470	31.2%
SPS12	GF Properties Shops / Flats	(404,500)	(401,060)	3,440	-0.9%
		(549,012)	(288,010)	261,002	-47.5%

GENERAL FUND SUMMARY		Budget Net Direct Cost	Current Budgeted Net Direct Cost	Movement	+/- %
		2020/21	2021/22		
Environment PDG					
SES02	Cemeteries	(85,300)	(62,110)	23,190	-27.2%
SES05	Open Spaces	126,120	236,220	110,100	87.3%
SGM01	Grounds Maintenance	567,810	560,176	(7,634)	-1.3%
SPS01	Asset Management	40,000	40,000	0	0.0%
SPS03	Flood Defence And Land Drain	26,430	26,430	0	0.0%
SPS04	Street Naming & Numbering	7,830	7,940	110	1.4%
SPS05	Administration Buildings	241,380	324,420	83,040	34.4%
SPS06	Mddc Depots	38,190	74,990	36,800	96.4%
SPS07	Public Transport	(15,690)	(15,280)	410	-2.6%
SPS08	Office Building Cleaning	62,250	0	(62,250)	-100.0%
SPS09	Property Services Staff Unit	687,640	729,530	41,890	6.1%
SPS11	Public Conveniences	50,710	63,980	13,270	26.2%
SWS01	Street Cleansing	449,720	424,150	(25,570)	-5.7%
SWS02	Waste Collection	290,450	302,399	11,949	4.1%
SWS03	Recycling	879,630	967,470	87,840	10.0%
SWS04	Waste Management	369,680	374,750	5,070	1.4%
		3,736,850	4,055,065	318,215	8.5%
Homes PDG					
SES15	Private Sector Housing Grants	(11,640)	(3,890)	7,750	-66.6%
SHG03	Homelessness Accommodation	315,520	376,950	61,430	19.5%
		303,880	373,060	69,180	22.8%
	GRAND TOTAL	11,815,884	14,303,860	2,487,976	21.06%

SCM01 Leadership Team

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	506,234	440,670	406,520	(34,150)
3000	Transport	1,611	3,010	2,010	(1,000)
4000	Cost Of Goods And Services	7,567	6,010	6,010	0
7000	Income	(7,182)	(7,000)	0	7,000
	Sum:	508,229	442,690	414,540	(28,150)

Cost Centre	Cost Centre Name	2021/22 Budget
CM100	Leadership Team	414,540
	Sum:	414,540

Major cost increases

0.50 FTE salary saving in part offset by salary inflation.

Major cost decreases and changes in income

No significant variance to report

SCM02 Corporate Functions

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	106,752	86,090	89,070	2,980
3000	Transport	297	200	200	0
4000	Cost Of Goods And Services	2,782	500	500	0
7000	Income	(43,071)	0	0	0
	Sum:	66,759	86,790	89,770	2,980

Cost Centre	Cost Centre Name	2021/22 Budget
CM210	Performance, Governance & Data	89,770
CM220	Brexit	0
CM800	Tiverton Hub	0
	Sum:	89,770

Major cost increases

No significant variance to report

Major cost decreases and changes in income

No significant variance to report

SCM03 Corporate Fees

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	53,427	56,960	58,090	1,130
4000	Cost Of Goods And Services	987,377	176,900	243,970	67,070
7000	Income	58,890	131,250	0	(131,250)
	Sum:	1,099,695	365,110	302,060	(63,050)

Cost Centre	Cost Centre Name	2021/22 Budget
CM300	Corporate Fees	293,060
CM340	Unison	9,000
	Sum:	302,060

Major cost increases

£58k in respect of digital platform for CRM

Major cost decreases and changes in income

Removal of 3 Rivers impairment £131k in respect of the Working Capital loan.

SCM06 Pension Backfunding

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	1,691,667	752,171	778,290	26,119
4000	Cost Of Goods And Services	0	1,400	1,400	0
	Sum:	1,691,667	753,571	779,690	26,119

Cost Centre	Cost Centre Name	2021/22 Budget
CM600	Pension Backfunding	779,690
	Sum:	779,690

Major cost increases

Additional Pension back funding contributions (year 2 of 3 year agreed cost)

Major cost decreases and changes in income

No significant variance to report

SES01 Emergency Planning

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
4000	Cost Of Goods And Services	7,510	7,500	8,150	650
	Sum:	7,510	7,500	8,150	650

Cost Centre	Cost Centre Name	2021/22 Budget
ES500	Emergency Planning	8,150
	Sum:	8,150

Major cost increases

None.

Major cost decreases and changes in income

None.

SFP01 Accountancy Services

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	399,170	368,980	424,260	55,280
3000	Transport	1,293	700	700	0
4000	Cost Of Goods And Services	53,048	67,710	119,630	51,920
7000	Income	(7,754)	(600)	(1,000)	(400)
	Sum:	445,757	436,790	543,590	106,800

Cost Centre	Cost Centre Name	2021/22 Budget
FP100	Accountancy Services	543,590
	Sum:	543,590

Major cost increases

Salary increase due to Apprentice post moved from Procurement into this budget, CMT uplift, increased hours for vacant GM post & increased overtime budget.

Increased cost of goods and services budget is due to the upgrade of E-Financials.

Major cost decreases and changes in income

SFP02 Internal Audit

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
4000	Cost Of Goods And Services	88,991	92,100	94,410	2,310
	Sum:	88,991	92,100	94,410	2,310

Cost Centre	Cost Centre Name	2021/22 Budget
FP200	Internal Audit	94,410
	Sum:	94,410

Major cost increases

None.

Major cost decreases and changes in income

None.

SFP03 Procurement

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	105,355	116,690	107,700	(8,990)
3000	Transport	531	400	400	0
4000	Cost Of Goods And Services	3,954	4,490	4,560	70
	Sum:	109,840	121,580	112,660	(8,920)

Cost Centre	Cost Centre Name	2021/22 Budget
FP300	Procurement	112,660
	Sum:	112,660

Major cost increases

Major cost decreases and changes in income

Apprentice post has been moved into Accountancy Services budget.

SFP04 Purchase Ledger

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	40,693	44,610	43,760	(850)
3000	Transport	51	40	40	0
4000	Cost Of Goods And Services	2,744	2,670	2,700	30
	Sum:	43,488	47,320	46,500	(820)

Cost Centre	Cost Centre Name	2021/22 Budget
FP400	Purchase Ledger	46,500
	Sum:	46,500

Major cost increases

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Major cost decreases and changes in income

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SFP05 Sales Ledger

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	41,987	44,610	43,760	(850)
3000	Transport	51	30	30	0
4000	Cost Of Goods And Services	1,788	1,570	1,570	0
	Sum:	43,827	46,210	45,360	(850)

Cost Centre	Cost Centre Name	2021/22 Budget
FP500	Sales Ledger	45,360
	Sum:	45,360

Major cost increases

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Major cost decreases and changes in income

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SHR01 Human Resources

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	340,275	320,220	349,060	28,840
3000	Transport	3,006	2,970	2,820	(150)
4000	Cost Of Goods And Services	30,241	54,490	26,690	(27,800)
7000	Income	(3,260)	0	0	0
	Sum:	370,263	377,680	378,570	890

Cost Centre	Cost Centre Name	2021/22 Budget
HR100	Human Resources	338,980
HR500	Health & Wellbeing	0
HR600	Health & Safety Officer	39,590
	Sum:	378,570

Major cost increases

Increased Employee costs are a result of a restructure within HR and CMT uplift.

Major cost decreases and changes in income

Reduction in the software budget due to no planned system upgrade during 21-22.

SHR02 Mddc Staff Training

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	32,580	33,750	29,870	(3,880)
7000	Income	(3,875)	0	0	0
	Sum:	28,705	33,750	29,870	(3,880)

Cost Centre	Cost Centre Name	2021/22 Budget
HR200	Staff Development Training	29,870
	Sum:	29,870

Major cost increases

Major cost decreases and changes in income

SHR03 Payroll

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	48,920	48,670	50,680	2,010
4000	Cost Of Goods And Services	20	200	200	0
	Sum:	48,940	48,870	50,880	2,010

Cost Centre	Cost Centre Name	2021/22 Budget
HR300	Payroll	50,880
	Sum:	50,880

Major cost increases

Major cost decreases and changes in income

SHR04 Learning And Development

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	36,825	41,620	38,030	(3,590)
3000	Transport	391	380	380	0
4000	Cost Of Goods And Services	10,171	11,190	10,120	(1,070)
	Sum:	47,387	53,190	48,530	(4,660)

Cost Centre	Cost Centre Name	2021/22 Budget
HR400	Learning & Development	48,530
	Sum:	48,530

Major cost increases

Major cost decreases and changes in income

SIT01 It Gazetteer Management

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	67,995	70,670	67,470	(3,200)
3000	Transport	64	50	50	0
4000	Cost Of Goods And Services	4,377	4,160	4,280	120
	Sum:	72,436	74,880	71,800	(3,080)

Cost Centre	Cost Centre Name	2021/22 Budget
IT100	Gazetteer Management	71,800
	Sum:	71,800

Major cost increases

None.

Major cost decreases and changes in income

None.

SIT03 It Information Technology

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	535,368	520,200	531,760	11,560
3000	Transport	1,792	970	970	0
4000	Cost Of Goods And Services	418,468	399,200	445,460	46,260
7000	Income	(4,170)	(600)	(600)	0
	Sum:	951,458	919,770	977,590	57,820

Cost Centre	Cost Centre Name	2021/22 Budget
IT300	Central Telephones	41,500
IT400	I.T. Network & Hardware	98,140
IT500	I.T. Software Support & Maint.	237,860
IT600	I.T. Staff Unit	332,750
IT700	Cyber Security	43,690
IT800	Phoenix House Printing	11,300
IT900	Digital Services	212,350
	Sum:	977,590

Major cost increases

Increased cost due to a one off installation fee of 20k for computer hardware, increased broadband width provision and additional line rental due to delays in the transfer to the new system.

Major cost decreases and changes in income

None.

SLD01 Electoral Registration

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	112,937	112,570	115,599	3,029
3000	Transport	384	300	300	0
4000	Cost Of Goods And Services	90,254	115,960	115,960	0
7000	Income	(38,119)	(25,000)	(7,840)	17,160
	Sum:	165,457	203,830	224,019	20,189

Cost Centre	Cost Centre Name	2021/22 Budget
LD100	Electoral Registration	224,019
	Sum:	224,019

Major cost increases

Major cost decreases and changes in income

SLD02 Democratic Rep And Management

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	129,954	125,610	133,230	7,620
3000	Transport	16,981	17,100	17,100	0
4000	Cost Of Goods And Services	328,776	348,420	357,080	8,660
7000	Income	(2,661)	(500)	(500)	0
	Sum:	473,050	490,630	506,910	16,280

Cost Centre	Cost Centre Name	2021/22 Budget
LD300	Democratic Rep & Management	375,440
LD400	Committee Services	131,470
	Sum:	506,910

Major cost increases

Only increases are down to pay award for staff & members.

Major cost decreases and changes in income

None

SLD04 Legal Services

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	281,549	329,020	351,802	22,782
3000	Transport	334	300	300	0
4000	Cost Of Goods And Services	54,574	47,770	42,770	(5,000)
7000	Income	(28,815)	(19,200)	(19,200)	0
	Sum:	307,642	357,890	375,672	17,782

Cost Centre	Cost Centre Name	2021/22 Budget
LD600	Legal Services	375,672
	Sum:	375,672

Major cost increases

Post of Legal Services Team Leader created, uplift of salary for LT and pay award increases.

Major cost decreases and changes in income

Reduction in software costs

SPR01 Building Regulations

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	216,527	208,700	216,410	7,710
3000	Transport	14,075	14,390	14,390	0
4000	Cost Of Goods And Services	15,496	10,480	17,780	7,300
7000	Income	(274,204)	(240,000)	(201,000)	39,000
	Sum:	(28,106)	(6,430)	47,580	54,010

Cost Centre	Cost Centre Name	2021/22 Budget
PR100	Building Regulations	45,840
PR900	Dangerous Buildings And Trees	1,740
	Sum:	47,580

Major cost increases

None

Major cost decreases and changes in income

PR100 - Income £39k, reduction based on Covid19 recovery and increase of 2% on fees.

SPR04 Local Land Charges

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	59,782	56,200	57,730	1,530
3000	Transport	128	100	100	0
4000	Cost Of Goods And Services	27,491	44,500	44,620	120
7000	Income	(118,376)	(120,000)	(118,500)	1,500
	Sum:	(30,975)	(19,200)	(16,050)	3,150

Cost Centre	Cost Centre Name	2021/22 Budget
PR210	Local Land Charges	(16,050)
	Sum:	(16,050)

Major cost increases

Only increases are down to pay award for staff.

Major cost decreases and changes in income

SRB01 Collection Of Council Tax

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	338,753	367,610	359,420	(8,190)
2000	Premises	975	0	0	0
3000	Transport	4,258	4,070	4,200	130
4000	Cost Of Goods And Services	138,170	134,130	130,250	(3,880)
7000	Income	(113,648)	(108,800)	(63,000)	45,800
	Sum:	368,509	397,010	430,870	33,860

Cost Centre	Cost Centre Name	2021/22 Budget
RB100	Collection Of Council Tax	430,870
RB800	Ctax Hardship Fund	0
	Sum:	430,870

Major cost increases

0.78 FTE salary saving in part offset by salary inflation.

Major cost decreases and changes in income

Forecast reduction of £40k in Court Costs income and £10k in Single Occupancy Discount Penalty income - linked to COVID19 Pandemic and resulting sensitivity on recovery and effect on number of Courts and the volumes they can cope with.

SRB02 Collection Of Business Rates

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	88	90	90	0
4000	Cost Of Goods And Services	6,555	6,760	6,660	(100)
7000	Income	(120,957)	(110,220)	(112,110)	(1,890)
	Sum:	(114,314)	(103,370)	(105,360)	(1,990)

Cost Centre	Cost Centre Name	2021/22 Budget
RB200	Collection Of Business Rates	(105,360)
RB700	Nndr - Business Support Grant	0
	Sum:	(105,360)

Major cost increases

No significant variance to report

Major cost decreases and changes in income

No significant variance to report

SRB03 Housing Benefit Admin & Frau

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	319,731	266,260	262,050	(4,210)
3000	Transport	160	600	230	(370)
4000	Cost Of Goods And Services	82,906	80,410	89,070	8,660
7000	Income	(308,094)	(214,750)	(220,050)	(5,300)
	Sum:	94,702	132,520	131,300	(1,220)

Cost Centre	Cost Centre Name	2021/22 Budget
RB300	Housing Benefit Admin	116,300
RB340	Local Welfare Assist Scheme	15,000
RB900	Economic Vuln&Financial H/Ship	0
	Sum:	131,300

Major cost increases

0.30 FTE salary saving in part offset by salary inflation.

Major cost decreases and changes in income

No significant variance to report

SRB04 Housing Benefit Subsidy

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
4000	Cost Of Goods And Services	13,547,856	11,651,970	12,975,160	1,323,190
7000	Income	(13,417,592)	(11,646,970)	(12,910,160)	(1,263,190)
	Sum:	130,264	5,000	65,000	60,000

Cost Centre	Cost Centre Name	2021/22 Budget
RB400	Housing Rent Allowances	65,000
	Sum:	65,000

Major cost increases

Forecast Housing Benefit payments have been realigned to reflect current and projected spend; although it remains difficult to predict how many claims will move to Universal Credit and what the increase in claims will be as a result of the COVID19 Pandemic.

Major cost decreases and changes in income

Forecast Housing Benefit Subsidy income has been realigned to reflect current and projected spend in this area & also to factor in uncertainty with further claims moving to Universal Credit and additional claims as a result of the COVID 19 Pandemic

SRB06 Debt Recovery

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	125,128	65,720	69,770	4,050
3000	Transport	226	0	240	240
4000	Cost Of Goods And Services	2,452	2,320	2,420	100
	Sum:	127,806	68,040	72,430	4,390

Cost Centre	Cost Centre Name	2021/22 Budget
RB600	Revenues Misc Income Team	72,430
	Sum:	72,430

Major cost increases

No significant variance to report

Major cost decreases and changes in income

No significant variance to report

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ECONOMY PDG 2021/22 Service Unit Budgets

Summary Economy of PDG

Service Unit	2019/20 Actual	2020/21 Budget	2021/22 Budget	Movement
SCD02 Economic Development	42,698	60,640	81,020	20,380
SCP01 Parking Services	(518,213)	(632,962)	(529,250)	103,712
SPR06 Economic Development	489,671	427,810	561,280	133,470
SPS12 Gf Properties Shops/Flats	(419,489)	(404,500)	(401,060)	3,440
TOTALS	(405,333)	(549,012)	(288,010)	261,002

ECONOMY PDG 2020/21 Service Unit Budgets

SCD02 Economic Development

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	68,832	61,170	84,640	23,470
2000	Premises	39,307	65,700	48,730	(16,970)
4000	Cost Of Goods And Services	19,847	22,120	22,210	90
7000	Income	(85,288)	(88,350)	(74,560)	13,790
	Sum:	42,698	60,640	81,020	20,380

Cost Centre	Cost Centre Name	2021/22 Budget
CD300	Tiverton Pannier Market	93,020
CD305	Market - Electric Nights	0
	TOTAL	93,020

Major cost increases

CD300 - Salaries £21.5k increase, due to moving the full cost of the Market Manager to this cost centre. Previously only 50% charged to CD300.

Major cost decreases and changes in income

CD300 - Reduction in premises cost is the removal of specific revenue maintenance projects budget as no projects have been identified for 21-22.
CD300 - Income £14k reduction based on forecasted Covid19 recovery.

SCP01 Parking Services

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	2	0	0	0
2000	Premises	183,046	213,450	254,720	41,270
4000	Cost Of Goods And Services	95,794	67,510	71,800	4,290
7000	Income	(797,055)	(913,922)	(855,770)	58,152
	Sum:	(518,213)	(632,962)	(529,250)	103,712

Cost Centre	Cost Centre Name	2021/22 Budget
CP510	Market Car Park	0
CP520	Multi-Storey Car Park	(81,410)
CP530	Amenity Car Parks	38,530
CP540	Paying Car Parks	(486,370)
	TOTAL	(529,250)

Major cost increases

Increase in Premises budget is due to specific revenue projects identified for 21-22.

Major cost decreases and changes in income

Reduction in P&D income - reduced footfall in our car parks due to the pandemic.

SPR06 Economic Development

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
1000	Employees	284,319	273,550	300,420	26,870
2000	Premises	1,380	0	0	0
3000	Transport	1,449	1,700	1,470	(230)
4000	Cost Of Goods And Services	223,746	158,560	392,280	233,720
7000	Income	(21,223)	(6,000)	(132,890)	(126,890)
	Sum:	489,671	427,810	561,280	133,470

Cost Centre	Cost Centre Name	2021/22 Budget
PR400	Business Development	392,280
PR402	Cullompton Haz	169,000
	TOTAL	561,280

Major cost increases

PR400 - Cost of Goods and Services, £60k of costs moved here from PR810 for the Crediton Masterplan.

PR402 - Salaries £48k, for the Cullompton HAZ Project Officer.

PR402 - Cost of Goods and Services, £250k for the Cullompton HAZ project.

Major cost decreases and changes in income

PR400 - Salaries £21.5k decrease, due to moving costs for the Market Manager to CD300.

PR400 - Cost of Goods and Services, £77k of grant costs for Tiverton Canal, Museum and TIC moved to CD200.

PR402 - Income - Cullompton HAZ grant funding £129k (remainder funded by EMR - £169k)

SPS12 Gf Properties Shops/Flats

Group	Description	2019/20 Actuals	2020/21 Budget	2021/22 Budget	Movement
2000	Premises	99,395	118,930	135,140	16,210
4000	Cost Of Goods And Services	18,763	7,110	7,140	30
7000	Income	(537,647)	(530,540)	(543,340)	(12,800)
	Sum:	(419,489)	(404,500)	(401,060)	3,440

Cost Centre	Cost Centre Name	2021/22 Budget
PS890	10 Phoenix Lane	(10,690)
PS990	30-38 Fore Street	(99,910)
PS991	Industrial Units	(99,010)
PS992	Market Walk	(162,450)
PS993	Lowman Green Unit	(10,000)
PS994	Moorhayes Community Centre	0
PS995	Coggans Well	(19,000)
	TOTAL	(401,060)

Major cost increases

Increase in Premises budget is due to specific revenue projects identified for 21-22.

Major cost decreases and changes in income

Increased income from Fore Street shops and flats.

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**ECONOMY PDG
5TH NOVEMBER 2020**

REPORT OF THE HEAD OF PLANNING, ECONOMY AND REGENERATION

COVID 19 ECONOMIC RESPONSE UPDATE

Cabinet Member(s): Cllr Richard Chesterton

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

Reason for Report: To continue to provide members with update information regarding the Growth, Economy & Delivery team's latest COVID19 emergency economic and community response activities, to update members on the Devon-wide economic recovery work and seek members' endorsement for the current business support and economic recovery activities.

RECOMMENDATION: That the report be noted and that members endorse the current support and economic recovery activities set out in this report.

Financial Implications: There have been extreme impacts on the local economy, individual businesses, and the wider community as a result of the pandemic and the resulting lockdown. These problems could be exacerbated by potentially leaving the EU without a deal.

The Government's emergency financial response has been to make grant funding available to help support businesses. Many of these grants have been administered by the District Council. Members have previously been advised of the distribution of over £21 million of government grants by the District Council. This includes over £1 million made available in the form of the Discretionary grant scheme. In addition £73,686 has been granted by the Government to this Council through the European Regional Development Fund (ERDF) to implement a range of measures that will allow for the safe reopening of high streets and to also provide business advice and support in terms of the same. There has also been over £7 million worth of retail rate relief provided to local businesses.

Further grant assistance will be made available from Government should the District be subject to local lockdown restrictions. It is currently unknown how much grant support will be made available; however it is likely to be a similar amount to that previously made available for the discretionary scheme referred to above. Arrangements for a possible local lockdown grant are explained in more detail later in the report.

Budget and Policy Framework: The focus of this report is on the wider economic impacts rather than on how the Council's own budget and income have been affected. These latter issues will be addressed within financial reports to Cabinet as part of a mid-year budget update.

Work is underway to review Economic Strategies as a result of the pandemic. A future report will update members on any suggested changes to policy. In the meantime the current economic strategies will inform the focus of some of the

recovery plans read in conjunction with the Devon Economic Recovery Prospectus. Importantly there is a high degree of synergy between the themes in our existing Economic Strategy and those emerging through the Devon-wide recovery work.

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

Risk Assessment: The impact on the economy has been significant. Ongoing work will be focussed on mitigating risk to aid recovery.

In considering measures to support the safe reopening of the high streets within the District as a result of COVID-19, a risk assessment led approach has purposely been followed. Risk assessments have been carried out for all towns within the district incorporating a series of on-site assessments. Guidance and advice on safety in a post COVID-19 world has been at the core of this risk assessment process and is vital to ensure that risk is reduced and customer and trader confidence restored.

Advice has also been provided on our website to assist businesses in undertaking their own risk assessments before reopening.

Equality Impact Assessment: There have been unequitable impacts of the lockdown with it being felt greatest by many economically vulnerable individuals and households. There have been huge impacts on the medically vulnerable as a result of the need to be shielded from the wider community.

A range of initiatives have been put in place to seek to reduce the impact on the economically and medically vulnerable such as the The Mid Devon Covid 19 Support Fund (Devon County Council funded).

Recovery impacts need to continue to consider equality issues carefully.

Relationship to Corporate Plan: The work of the Growth, Economy and Delivery team supports the Corporate Plan priority strand: the economy, and specifically:

- Developing and delivering regeneration plans for our town centres
- Economic opportunities
- Economic and community confidence
- Promoting the development of the farming economy and local food production

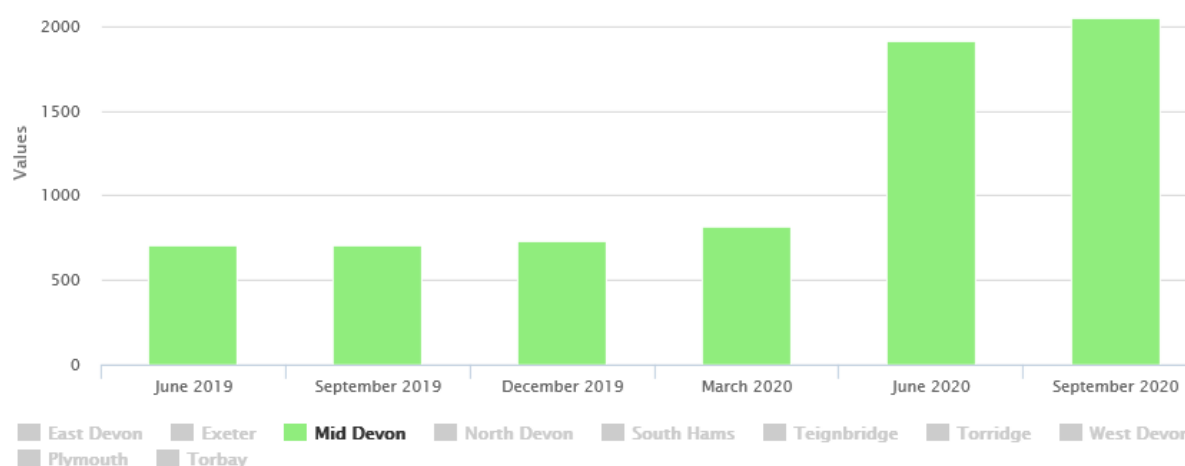
These objectives have even greater significance following the effects of the COVID19 pandemic.

Impact on Climate Change: Putting recovery plans in place to rebuild the local economy will present opportunities to further the climate change agenda, encourage greater use of renewables and support green tech businesses.

1.0 Introduction

1.1 At the time of writing there were 353 tested cases in Mid Devon and 19 deaths (with a COVID-19 positive test result). There were 3,829 in Devon (excluding Plymouth and Torbay) out of a total population of 802,375. In terms of the national situation, the UK has more than 789,229 confirmed cases and 44,158 deaths (Total deaths within 28 days of a positive test result for COVID-19).

- 1.2 At the time of writing this report data on the Devon County Council website indicates a total of 517 confirmed new cases in Devon in the last 7 days (of which 41 were in Mid Devon), 135 in Torbay, 247 in Plymouth and 149 in Cornwall over the same period.
- 1.3 The effect of the pandemic continues to have an enormous impact on the national economy. As reported at the last meeting the UK has now formally entered a recession, having had two consecutive quarters of economic decline. Between the first and second quarter, the economy has shrunk by 20.4%, the largest decline seen in the UK since quarterly records began.
- 1.4 Despite early signs of encouraging recovery it has been reported that the rate of recovery across the UK has significantly slowed, and in some cases further declined, after reaching a peak on September 4th 2020. At the time of writing the latest quarterly figures were not available. These will be reported to members once released.
- 1.5 At a local level, Devon County Council modelling evidence suggests that the Mid Devon economy will retract by around 10% (roughly 3% more than the rest of the UK) and it anticipates a 5-year recovery journey. The effects of the pandemic continue to have a significant impact on Mid Devon businesses. In terms of resilience, micro and small businesses with premises have had greater protection than some other businesses. This is because many of them have been eligible for Government grants and benefit from the furloughing scheme. These initiatives have enabled many small businesses to cover essential bills during lockdown and keep staff on. However, as these schemes have started to wind down, the effect on the labour market is significant.
- 1.6 The biggest concern for the District is the rise in unemployment. Between March 2020 and September 2020, the claimant count for Mid Devon has risen from 820 claimants to 2,055 claimants.



Source: DCC Website - Office for National Statistics. © Crown copyright.

- 1.7 With almost 9,000 Mid Devon employees currently furloughed, there is a significant risk that the number of claimants could substantially increase at the end of October as the extended scheme comes to a close. Work undertaken

by Devon County Council predicts that the effect on the Unemployment Claimant Count (% of Workforce 16-64) could range from an increase from 1.7% in March 2020 to between 6.1% and 9% in March 2021.

- 1.8 To counter this risk, the team is exploring projects with the Department for Work and Pensions and Devon County Council to provide support to help people get back into work as quickly as possible. We will report to members on the development of any jobs support programmes as they advance.

2.0 Emergency Responses Pending

- 2.1 As explained earlier in the report since the start of the pandemic there has been a wide range of emergency support activities undertaken by the District Council for local businesses and for the vulnerable. These have largely been funded from central government funds; many of which have now closed. The following paragraphs summarise additional emergency response activities that may be either triggered by a local lockdown, or are a continuation of pre-existing schemes. Throughout this period the Council's website has been continuously updated to reflect the current situation and help signpost opportunities for businesses such as those provided through the Growth Hub.

Business Assistance

- 2.2 The Growth, Economy and Delivery (GED) team is developing the application process for the next Government grant scheme. The scheme will be delivered to local businesses mandated to close if a local lockdown is put in place. It is likely that any local lockdown would cover the whole of Mid Devon rather than a smaller geographical area, though it may be sector focused, for example mandating pubs and restaurants to close. Mid Devon is leading on the development of the application process and has been sharing this work with other Devon local authorities to ensure as far as possible that the application process is consistent across the County.
- 2.3 The new scheme will be less generous than the previous grant programmes delivered between April and September. However, instead of a one-off payment, these grants would be made payable on a fortnightly basis (in arrears). The level of grant payable will be determined by the rateable value of business premises. For those businesses which are forced to close but which do not operate from rateable premises, there will be a discretionary scheme. The pot for the discretionary scheme is likely to only be a few thousand pounds. It is therefore likely that only a handful of businesses will receive support.
- 2.4 The GED team continues to signpost businesses to the Growth Hub for information relating to Government loan schemes and other support. The team has also been liaising with members and local MPs in circumstances where businesses are still falling through the gaps in support provision.

Community Support Plan for Vulnerable Residents

- 2.5 Up until the end of July, when 'shielding' formally came to an end, the Council's Shielding Hub did exceptional work to support vulnerable residents with essential food supplies and other support. Over that period the hub received 136 referrals, 295 enquiries and delivered 130 emergency food

packs and 105 top-up packs. Although August and early September saw a pause in activity, plans were being developed with Devon Council County and other Devon Districts to manage potential local outbreaks.

- 2.6 Following the recent surge in coronavirus nationally, these preparations have been accelerated, and officers are now actively engaging with voluntary sector partners and town and parish councils to put in place a community support plan for vulnerable residents in the event of a local or national lockdown. The emphasis will be on local support rather than centralised food distribution. The level of support being offered is potentially very different than during the first lockdown, with a greater emphasis on helping people remain independent.
- 2.7 The Government has recently updated its advice to those who are clinically extremely vulnerable (the 'shielding' group) but it is anticipated that a formal shielding programme will only be re-instated in the most serious situation. There are currently no areas in the country who have re-instated shielding.
- 2.8 The Mid Devon COVID 19 Support Fund is a Devon County Council funded hardship fund administered by CHAT and Navigate Charity on behalf of Mid Devon District Council. The fund allows for emergency payments to those in financial hardship due to the Covid19 outbreak to pay for essentials such as food, energy costs, essential travel etc. The scheme continues to receive a steady stream of applications. To date we have received 200 applications and distributed £16,234.62 in emergency funding. Demand has been slow over the last couple of months, but we are expecting an upturn in the autumn as further restrictions create more economic hardship

3.0 Town Centre and High Street Regeneration

- 3.1 At the last meeting of the Economy Policy Development Group it was requested that future meetings should regularly consider Town Centre and High Street regeneration. The following paragraphs provide a brief update on various initiatives; however importantly the GED team, is about to embark on a series of **Town Centre Health Checks** commencing with Cullompton in November 2020. This information will comprise both quantitative and qualitative data which will form a basis for regular review at future agenda items and will inform emerging Masterplan proposals for the three main towns.

Reopening our High Streets Safely

- 3.2 Members may recall that the Reopening High Streets Safely Fund (RHSSF) was launched by Government earlier in the year, funded by the European Regional Development Fund (ERDF). This initiative is to put in place measures to establish a safe trading environment for businesses and customers, particularly in high streets. Eligible interventions include communications/public information, business facing awareness raising activities and temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely. Liaison continues with the Town Councils and other partners with regard to ongoing review of the risk assessments for the towns. For example, in Cullompton issues identified at Exeter Hill have been further examined, in conjunction with both

the Town and County Council, and a temporary pavement widening scheme will be trialled shortly.

- 3.3 Our Communication Strategy continues to guide the approach to publicising the changes to the town centres, reinforce safety messages and provide increased confidence to visitors. Further to our previous media campaigns and adverts we will intend to be running additional campaigns over the coming months promoting Mid Devon towns and crucially reinforcing safety measures. Social media updates have also been used through the campaign and our website is regularly updated.

Cullompton HAZ Project

- 3.4 An important element of Cullompton's town centre regeneration is the ambitious heritage project. Cullompton's successful bid for High Street Heritage Action Zone (HAZ) project funding was formally announced by Historic England on the 19th September 2020. A Cullompton HAZ Project Officer has been appointed and commenced duties on the 14th September 2020.

- 3.5 Key projects within the programme are as follows:

- Initial contact with landlords of high and medium priority buildings (Oct – Nov 2020)
- Cultural Programme funding application deadline (December 2020)
- Monitoring and evaluation plan (December 2020)
- Grants guidelines and applications open (January 2021)
- Cullompton Conservation Area Management Plan update (March 2021)
- Mid Devon Shopfront Design guide (March 2021)

- 3.6 The first Cullompton Town Centre Regeneration Partnership Group meeting is taking place on the 28th October 2020, with membership from MDDC, the Town Council and local economy/ community groups. It will be chaired by Cllr Richard Chesterton. This group will act as a forum where partners can work together to further Cullompton's regeneration, enabling consultation, discussion and collaboration between key stakeholders.

'Love Your Town Centres'

- 3.7 The second round of the 'Love your Town Centre Fund' opened for applications on Thursday 1 October 2020. Applications will go to a Funding Panel for assessment with funding decisions announced by 13 November 2020.

- 3.8 Love Your Town Centre is a funding initiative to support ideas from local businesses, town councils or organisations with projects that will help revive high streets and help them to flourish for the future. Funding cannot be used for projects already delivered or initiated unless it is for a separate phase of a wider project. Applications must be for projects delivered within designated Mid Devon town centres or within Mid Devon town boundaries with a demonstrable direct positive effect on the town centre.

4.0 Team Devon Recovery Update

- 4.1 Within previous reports presented to the Economy PDG information has been provided with regard to the 'Team Devon' approach to economic recovery. Team Devon is a public and private sector partnership drawing in expertise from business, education, skills and public sector organisations to prepare a plan for economic recovery in the County. Mid Devon Officers have been active partners in the process. Other contributors to the 'Team Devon' recovery work include business representatives, Devon's County, District and City Councils, the Heart of the South West Local Enterprise Partnership, Dartmoor National Park and Devon's MP's.
- 4.2 A range of national announcements have occurred in recent weeks and Officers have worked with partners to consider these and have started to scope the opportunities for our recovery and implementing the Team Devon Recovery Prospectus.
- 4.3 The County Council is setting out a package of support and seeking funding of circa £6million to take forward a number of the priorities, working with Team Devon partners to deliver the 'Team Devon' COVID-19 Economy and Business Recovery Prospectus. The prospectus focuses upon securing support and delivering relief in four core areas: Our Businesses, Our Places, Our People and Our Opportunities.

Business and Sectors update

- 4.4 The '**Made in Devon**' initiative is a brand for businesses looking to demonstrate their quality promoted through a comprehensive marketing campaign and coupled with an approved trader scheme, which indicates to customers that the business is legal, honest and fair. District Council Officers continue to liaise with County Council colleagues with this emerging scheme.
- 4.5 The Small and Medium Enterprises and Tourism **Kick Start Grants** were launched on 1st September 2020 and have been administered on behalf of the HOTSW LEP by Devon County Council. To date 314 grant award letters have been issued across the area with an average grant size of £2,449.17. The funding for these grants is from the European Regional Development Fund and there are conditions on what the funds can be spent on. After the initial launch more than 600 applications were received in 3 days and the schemes were closed to allow time for processing and consider if there was sufficient funds to re-open. The tourism grants received less take up and was re-opened for 48 hours to additional applications. This second call has now been closed.
- 4.6 The County Council is identifying the degree of over-subscription, and noting the support required by businesses that is currently not eligible for funding under these schemes. This will be used to support additional funding requests to aid our businesses in line with the actions identified in the Recovery Prospectus.
- 4.7 Work continues across the partnership to develop and deliver programmes to assist those sectors that are most vulnerable.

Place update

- 4.8 There have been a number of areas of activity in which Mid Devon officers have been engaged with furthering the 'Team Devon' place agenda.
- 4.9 **The One Public Estate (OPE) programme** is a partnership between the Office of Government Property in Cabinet Office, the Local Government Association (LGA) and the Ministry of Housing, Communities and Local Government (MHCLG). The joint aim is to bring public sector bodies together, to create better places by using public assets more efficiently, creating service and financial benefits for partners and releasing land for housing and development. The partnership also delivers the Land Release Fund (LRF), a programme which enables councils to bring forward council-owned land for housing development. Officers have been pursuing funding opportunities through these channels and will provide further updates in due course.
- 4.10 Work on the **Getting Building Funding** continues with the Heart of the South West Local Enterprise Partnership. This includes 11 projects based in Devon. If projects are successful they will be able to proceed quickly as the funding has to all be spent by March 2022.
- 4.11 **Towns Study** - the HotSW LEP has allocated funding to a study on town centre regeneration post Covid-19 with 4 towns put forward for more in-depth study as part of the exercise, 2 in Devon and 2 in Somerset. Ilfracombe and Dawlish were put forward for Devon as two of the hardest hit areas. Lessons learnt will be applicable to Mid Devon towns.

Opportunities update

- 4.12 Work has begun on developing ideas around entrepreneurship and business start-ups, including building on Student Entrepreneurship activity led by Exeter University, promoting new social entrepreneurs working with the Dartington School of Social Entrepreneurs.
- 4.13 Similarly work has started to scope in more details green technology opportunities and how to stimulate ideas and innovation, through a potential grant or challenge fund if investment can be sourced.

People update

- 4.14 Significant additional activity around the People strand has continued over the past month. The majority of this activity has related to the delivery of the Chancellor's various announcements around people and skills during July / August, seeking to take forward the implementation of relevant elements. Core elements include:
- 4.15 Work has been ongoing on the implementation and arrangement of the **Kickstart** Programme within Devon. The Kickstart Scheme provides work placements for young people. It is a £2bn programme to support employers to create 6 month work placements for young people (16-24) to commence in November 2020. The scheme covers a young person's wages for 6 months at minimum wage for up to 25 hours a week. Also provides £1,500 of additional support to the employer towards training and other costs of employment. Devon County officers are currently developing the scheme with partners for a launch in November.

- 4.16 Following the beginning of the new term, Devon's Careers Hub staff are currently working across the County to implement the **Careers Hubs expansion**. This has included recruitment of additional staff to cover the Devon area, following a redistribution of capacity and the picking up of circa 20- 30 additional schools. Though still feeling a significant level of disruption from COVID, Schools have responded well to the offer to date.
- 4.17 **Redundancy and Employment Support** – Following discussions with partners Devon County Council has employed and deployed two additional members of staff to support emerging redundancy and employment support activity across the County. Staff are currently focused on both working with employers, but also seeking to put in place new processes and systems for addressing larger shocks which may occur later in the year. In addition, DCC is currently in discussions with colleagues at DWP about extra provision and projects in support of vulnerable groups, including youth employment support, mental health provision and support for older workers.
- 4.18 Additional work has been taken forward over the past month on **NEET** (Not in Education, Employment, or Training) **monitoring and support** as young people have returned to formal learning and vocational training. This has included specific activity focused on tracking and support individual interested in undertaking an apprenticeship across Devon, working with young people facing a barrier to progression, and enhanced tracking activity to capture and provide both the authority and partners with as complete a picture of young people destinations as possible.
- 4.19 **Digital Bootcamps / National Retraining Scheme** – Led by the Digital Skills Partnership, a formal application for £1.75m of support for 10 fast tracked training opportunities into high demand jobs within the Digital and Engineering sectors has been submitted to DfE on the 2 October 2020. This included 7 proposals covering the Devon and Plymouth area, across digital health careers, cyber security, electrical engineering and photonics and wider digital and coding options.
- 4.20 Whilst subject to national formula and regional decision making, **Devon Colleges have benefitted from additional capital support** over the summer period, including around £5m of direct support from DfE towards capital renewal, and £3m of funding from the HotSW LEP through the Get Building Fund towards new projects. This includes additional provision at Exeter College (Future Skills Centre), South Devon College (High Tech Centre) and City College Plymouth (Welding Centre).
- 4.21 In addition to the above, work has been ongoing to consider the recent announcements by the Prime Minister around future skills provision and resourcing. This includes the Government proposed universal offer to provide a Level 3 qualification to all those who have not currently achieved one (within a higher demand area), as well as additional investment in skills capital and other activity. Facilitation of this provision will provide a key focus for the People group over the next period, seeking to align the immediate support packages put forward by the Government to this new provision.

4.22 Clearly all of the above activities are moving forward within the dynamic of a constantly changing situation. As more information emerges the Economy PDG members will be updated.

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awelsh@middevon.gov.uk

Circulation of the Report: Cllr Richard Chesterton
Cllr John Downes

List of Background Papers:

<https://www.middevon.gov.uk/residents/coronavirus-support-for-communities-and-businesses/>

<https://www.gov.uk/government/publications/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19>

<https://www.devonsomersettradingstandards.gov.uk/made-in-devon/>.