

# Public Document Pack

## Mid Devon District Council

### Cabinet

Tuesday, 26 October 2021 at 10.00 am  
Phoenix Chamber, Phoenix House, Tiverton

Next ordinary meeting  
Tuesday, 30 November 2021 at 10.00 am

**PLEASE NOTE:** - this meeting will take place at Phoenix House and members of the Public and Press are encouraged to attend via Zoom wherever possible. The Protocol for Hybrid Meetings explains how this will work. Please do not attend Phoenix House without contacting the committee clerk in advance, in order that numbers of people can be appropriately managed in physical meeting rooms.

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## Membership

Cllr R M Deed

Cllr R J Chesterton

Cllr Mrs C P Daw

Cllr R Evans

Cllr D J Knowles

Cllr B A Moore

Cllr C R Slade

Cllr Mrs N Woollatt

## **A G E N D A**

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

1. **Apologies**  
To receive any apologies for absence.
2. **Public Question Time**  
To receive any questions relating to items on the Agenda from members of the public and replies thereto.
3. **Declarations of Interest under the Code of Conduct**  
Councillors are reminded of the requirement to declare any interest, including the type of interest, and reason for that interest, either at this stage of the meeting or as soon as they become aware of that interest.
4. **Minutes of the Previous Meeting** (*Pages 5 - 14*)  
Members to consider whether to approve the minutes as a correct record of the meeting held on 28 September 2021.
5. **Housing Strategy** (*Pages 15 - 40*)  
To consider a report of the Corporate Manager for Public Health, Regulation and Housing providing Members of the Cabinet with an opportunity to adopt the proposed revised corporate Housing Strategy (Annex 1) following the recent completion of external and public consultation. Details of the consultation are set out within the report. The consultation responses and outcomes are set out in Annex 2.
6. **South West Bank Update** (*Pages 41 - 44*)  
To consider a report of the Deputy Chief Executive (S151) providing an update on the formation of South West Mutual.
7. **Medium Term Financial Plan - 2022/23 - 2026/7** (*Pages 45 - 82*)  
To consider a report of the Deputy Chief Executive (S151) presenting to Member's the updated Medium Term Financial Plan (MTFP) which covers the period 2022/23 to 2026/27 and takes account of the Council's key strategies (i.e. the Corporate Plan, Business Plans, Treasury Management Plan, Asset Management Plan, Work Force Plan and Capital Strategy) and demonstrates it has the financial resources to deliver the Corporate Plan. This models potential changes in funding levels, new initiatives, unavoidable costs and proposed service savings.
8. **Beech Road, Tiverton - Project Delivery** (*Pages 83 - 96*)  
To consider a report of the Corporate Manager for Property, Leisure and Climate Change. Following the withdrawal of the original Contractor number 2, for Cabinet to award the contract for the construction of three Council properties, using a JCT Design & Build 2016 Contract (as amended) to Contractor number 1.

9. **Annual Report of Complaints and Compliments** (Pages 97 - 110)  
To receive the annual report of Complaints and Compliments.
10. **Update from the Cabinet Member for Continuous Improvement**  
To receive a verbal update from the Cabinet Member on the progress in driving improvement in services across the Council.
11. **Notification of Key Decisions** (Pages 111 - 126)  
To note the contents of the Forward Plan.
12. **3 Rivers Developments Limited Update Report** (Pages 127 - 152)  
To consider an update report from the Deputy Chief Executive (S151).

**Stephen Walford**  
Chief Executive  
Monday, 18 October 2021

### Covid-19 and meetings

From 7 May 2021, the law requires all councils to hold formal meetings in person. However, the Council is also required to follow government guidance about safety during the pandemic. The Council will enable all people to continue to participate in meetings via Zoom.

You are strongly encouraged to participate via Zoom to keep everyone safe - there is limited capacity in meeting rooms if safety requirements are to be met. There are restrictions and conditions which apply to those in the building and the use of the building. You must not attend a meeting at Phoenix House without complying with the requirements in the new protocol for meetings. You must follow any directions you are given.

Please read the new meeting protocol which is available here:  
<https://democracy.middevon.gov.uk/documents/s23135/MeetingProtocolUpdateOct2021nextreviewFeb2022.pdf>

If you want to ask a question or speak, email your full name to [Committee@middevon.gov.uk](mailto: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 would like a copy of the Agenda in another format (for example in large print) please contact Sally Gabriel on:

E-Mail: [sgabriel@middevon.gov.uk](mailto:sgabriel@middevon.gov.uk)

Public Wi-Fi is available in all meeting rooms.

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## MID DEVON DISTRICT COUNCIL

**MINUTES** of a **MEETING** of the **CABINET** held on 28 September 2021 at 10.00 am

### **Present**

**Councillors** R M Deed (Leader)  
R J Chesterton, Mrs C P Daw, D J Knowles,  
B A Moore, C R Slade and Mrs N Woollatt

### **Apologies**

**Councillor(s)** R Evans

### **Also Present**

**Councillor(s)** S J Clist, L J Cruwys, R J Dolley, B Holdman and  
B G J Warren

### **Also Present**

**Officer(s):** Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Jill May (Director of Business Improvement and Operations), Karen Trickey (District Solicitor and Monitoring Officer), Paul Deal (Corporate Manager for Finance), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Matthew Page (Corporate Manager for People, Governance and Waste), Tristan Peat (Forward Planning Team Leader), Catherine Yandle (Operations Manager for Performance, Governance and Health & Safety), Sylvia Holme (Executive Assistant) and Sally Gabriel (Member Services Manager)

#### **68. APOLOGIES (00-03.30)**

Apologies were received from Cllr R B Evans.

#### **69. PROTOCOL FOR HYBRID MEETINGS (00-03-36)**

The protocol for remote meetings was noted.

#### **70. MEETING MANAGEMENT**

As the member of the public was having connection issues attending the meeting remotely, the Public Question Time item was moved until that member of the public was available to ask her question.

#### **71. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00-04-40)**

Members were reminded to make any declarations of interest when necessary.

72. **MINUTES OF THE PREVIOUS MEETING (00-05-00)**

The minutes of the previous meeting were approved as a correct record and signed by the Chairman.

73. **DEVON AND TORBAY WASTE STRATEGY MANAGEMENT PLAN (00-05-31)**

Following a report of the Operations Manager for Street Scene, the Environment Policy Development Group had made the following recommendations:

- a) That the proposed amendment to reduce the waste prevention target to 400kg/head/year by 2030 be approved and;
- b) The final Strategy be approved

The Cabinet Member for the Environment and Climate Change outlined the contents of the report stating that the draft Resource and Waste Strategy for Devon and Torbay was published for consultation in March 2021, 214 responses had been received. The Devon Authorities Strategic Waste Committee had resolved that the strategy be endorsed and recommended for final approval to the partner authorities. He made reference to Government proposals and how any legislation might impact on the strategy; once the Government had confirmed its position, the strategy could be reviewed to see if any changes were required.

Consideration was given to:

- The Deposit Return Scheme and the position highlighted within the strategy with regard to concerns about the implications on collection authorities and whether the cost of the proposed scheme was justified as the initiative could reduce the Devon recycling rate by 0.7% and whether this approach was justified when the scheme could actually increase recycling and reduce littering
- The use of Smart Bins
- Whether there was an omission from the strategy in that the authority should be working with the planning department with regard to new developments
- Whether the recycling of textiles in collection bins were being exported

**RESOLVED** that the recommendation of the Policy Development Group be approved.

(Proposed by Cllr C R Slade and seconded by Cllr D J Knowles)

**Reason for the decision** - the Authority has a duty to arrange collection for household waste

Note: \*Report previously circulated, copy attached to minutes.

74. **PUBLIC QUESTION TIME (00-15-57)**

Liz Pole referring to Item 7 (Playing Pitch Strategy) on the agenda stated that I'd like to thank everyone who has contributed their work and expertise towards delivering this Play Pitch Strategy report for the district.

I am particularly concerned about the lack of urgency for upgrading infrastructure at Tiverton High School. Residents will be aware that we have been waiting for a planned upgrade to the Tiverton High School site since 2010 – due to political decisions by this government that seem to do down the South West – but may be less aware that we have been waiting for the play pitch recommendations in a 2010 strategy report for the same period. The current Play Pitch Strategy report fails to capture the urgency for remedial provision of facilities at Tiverton High School – for instance in tennis where there is a large, evidenced demand unsupported by the five Tiverton High School tennis courts which have been condemned on health and safety grounds.

The report also fails to capture the THS Head of PE's broad vision for a shared and multi-use regional sports hub at the THS site. I have a concern about the commitment in the document to provision of several multi-use sports pitches in the Eastern Urban Extension, compared to the lack of similar commitment to the THS and the existing community in Tiverton. It is notable that the report mentions Blundells 31 times, but Tiverton High School only 18 times, and Amory Park only 9 times, and I hope that doesn't foretell a political presumption in the siting of a future 3G pitch.

As I mentioned at last month's Cabinet meeting, I am concerned about the lack of urgency in the document and so ask Cabinet to please give some firm undertakings on delivery, particularly of a 3G multi-sports pitch for convenient use by Tiverton High School students, for all residents of Tiverton and for our well supported sports clubs.

The Chairman indicated that answers would be provided under the next agenda item.

#### **75. PLAYING PITCH STRATEGY (00-19-29)**

The Cabinet had before it a \*report of the Forward Planning Team Leader (deferred from the previous meeting) requesting Cabinet to consider the strategy for further public consultation.

The Cabinet Member for Planning and Economic Regeneration outlined the contents of the report stating that a new Playing Pitch Strategy was needed for Mid Devon to meet the national planning policy framework requirement, where relevant planning policies should be based on robust and up to date assessments of the need for sport and recreation facilities.

This included quantitative or qualitative deficits or surpluses, and opportunities for new provision. Information gained from the assessments should be used to determine what sport and recreational provision was needed, which plans should then seek to accommodate.

The Playing Pitch Strategy would also need to be consistent with Sport England's guidance (2013) for preparing playing pitch strategies. This guidance included 5 key stages for the preparation of a Playing Pitch Strategy and indicated that the work be taken forward by a project Steering Group. A project Steering Group had been set up to oversee the production of the Mid Devon Playing Pitch Strategy and for approval at the key stages. This had included an elected Member and relevant officers from the Council, Devon County Council, representatives in the South West from national-

governing bodies for the main pitch sports, and Sport England. The Council had used an external consultant, Bennett Leisure and Planning to undertake the technical assessment.

The Mid Devon Playing Pitch Strategy had now been completed. Its findings had been informed through engagement with pitch sports clubs, sports National-Governing Bodies and providers of playing pitch facilities in Mid Devon. This had included contacting town and parish councils and had involved meetings with the main schools and community colleges at Tiverton, Cullompton and Crediton.

The Playing Pitch Strategy included a vision, 6 key objectives and a section for each main pitch sport. Its findings for the district were also split into sub-areas for Tiverton, Cullompton and Crediton, which included actions plans with options and recommendations.

The Playing Pitch Strategy included two appendices which set out recommendations for actions in relation to the masterplanning of strategic planned development at East Cullompton / Culm Garden Village, and at the Tiverton Eastern Urban Extension.

The Planning Policy Advisory Group had met on the 4<sup>th</sup> August 2021. The group noted the contents of the Playing Pitch Strategy and had expressed a wish that it be subject to public consultation before it was finalised and that this forms part of the recommendation to Cabinet. The Forward Planning Team Leader had subsequently received clarification from Sport England that a wider community consultation was needed on the Playing Pitch Strategy.

It was therefore recommended that in light of Sport England's clarification the Playing Pitch Strategy be published on the Council's website and a minimum 6 week period provided in which public comments could be made on its content. The Playing Pitch Strategy would be amended where necessary before a sign-off was sought from the project Steering Group. A subsequent report would then be brought to the Cabinet to endorse the Playing Pitch Strategy as a technical document.

The Planning Policy Advisory Group has also expressed a wish that a further study was undertaken of built sports facilities, which together with the Playing Pitch Strategy could be used to help inform the preparation of Sports Supplementary Planning Document (SPD) and that this SPD would be subject to public consultation. Cabinet were advised that officers would need to investigate what technical study may be needed for built sports facilities and how this could be used to inform the preparation of a new Local Plan. Officers intended to review SPD needs in connection with the adopted Mid Devon Local Plan at a future meeting of the PPAG so that prioritisation, resources and timing may be considered.

One of the Playing Pitch Strategy's recommendations was to establish a Playing Pitch Strategy Delivery Group with membership of the current Steering Group and other key stakeholders, including main Secondary Schools and Blundells School representatives. To meet on a six monthly basis and progress, monitor and review the Priority Projects and Actions Plans. Officers would investigate how this recommendation could be taken forward. This matter could then be considered at a future meeting of the Council's Development Delivery Advisory Group.



He informed the meeting that officers had received a request from the consultant subsequent to the draft reports being published for this meeting that several amendments be made to the Playing Pitch Strategy before it was consulted on. This followed comments received from representatives for the national sports governing body for rugby:

The consultant has requested that Appendix 1 Mid Devon Playing Pitch Strategy Main Strategy Document September 2021 be amended as follows in relation to:

At paragraph 5.5 Cullompton Sub Area be amended - the third bullet in the table to read:

- The club has the freehold and therefore secured use of the stand and adult pitch on the current site but the other adult pitch and 5 junior pitches it uses are rented privately and may be subject to development proposals in the future. The club has been looking for an alternative site within the area with long term security and which can accommodate enough pitches and appropriate ancillary facilities to cater for growth for some time.

Amend paragraph 5.10 to read:

5.10 The current proposals for Pedlarspool are for four adult pitches plus a training area, with the club exploring the possibility of one of these pitches being 3G FTP. The club will retain the floodlit adult pitch at Creedy Bridge, making five adult pitches and a training area in total. Critically one of the new pitches would be floodlit, crucial to addressing the severe midweek overplay of the current supply.

Amend paragraph 5.11 to read:

5.11 The drainage and pitch maintenance for the proposed pitches at Pedlarspool should be carefully considered to ensure these pitches can accommodate expected growth in the numbers of teams over the life of the strategy.

The consultant had also requested that Appendix 1 Mid Devon Playing Pitch Strategy Site Action Plans September 2021 also be amended for consistency, as follows in relation to the provision of pitches for the Crediton Rugby Club:

Amend the Table D Draft Action Plans – Crediton Sub Area at site reference MDCR.91 by replacing the text in the sixth column, second and third bullets with same text for the amended paragraphs 5.10 and 5.11.

The Forward Planning Team Leader then provided responses to the questions raised in public question time:

- He and the consultant had met the Heads of 4 of the main schools in Mid Devon via video call in February/March of this year, several of those meetings had been with the heads of the PE departments. Those conversations had informed many of the findings in the strategy and those findings had also been considered by the Steering Group. The consultant had been very pleased with the cooperation of all the schools with regard to this work.
- With regard to the 3G football turf pitch provision – the Playing Pitch Strategy did include recommendations for provision in the three main towns and he

confirmed that the 3G football turf pitches were needed and that the recommendations did highlight locations for these and that this would be picked up by the Delivery Group.

- With regard to funding for sports provision, the Council's current Infrastructure Funding Statement identifies Tiverton High School as a priority in the list of infrastructure items needed. The Infrastructure Funding Statement was currently being reviewed and would be presented to the Cabinet later in the year.

Consideration was given to:

- The efforts being made by Tiverton High School, Devon County Council and the MP to progress the relocation of the High School
- Whether there was to be a strategy for swimming and internal sports facilities
- Whether Uffculme School had been consulted as part of the work undertaken
- The consultation process and how this would be advertised using various platforms and how the schools would be engaged

**RESOLVED** that the content and recommendations within the Mid Devon Playing Pitch Strategy be noted including the amendments at paragraphs 5.5, 5.10, 5.11 and MDCR.91 and that the document be approved for public consultation. Also that officers investigate the need for a built sport facilities study and the merits for a Sports Supplementary Planning Document.

(Proposed by Cllr R J Chesterton and seconded by Cllr C R Slade)

**Reason for the decision** – to allow for a further consultation process to take place.

Note: \*Report previously circulated, copy attached to minutes.

#### 76. **HACKNEY CARRIAGE TARIFF (00-48-00)**

The Cabinet had before it a \* report of the Corporate Manager for Public Health, Regulation and Housing putting forward a proposal to increase the maximum table of fares that may be charged to users of Hackney Carriages in Mid Devon.

The Cabinet Member for Community Well-Being outlined the contents of the report stating that: under the Local Government (Miscellaneous Provisions) Act 1976, district councils were able to set the fares that Hackney Carriage vehicles could charge the public for journeys in their area. The Council did not set the fares for Private Hire Vehicles. In setting the fares for taxis, what the Council was trying to do was to strike a balance between the public interest and the interests of the drivers.

He informed the meeting that most issues relating to the licensing of the hackney carriage and private hire trade were matters for the Regulatory Committee to consider. However, in this particular case, the adoption of a Hackney Carriage Tariff was a Cabinet function.

He stated that as set out in the report, Mid Devon previously reviewed the taxi fares in 2010 and the current tariff was attached to the report as Annex 1. Section 3 of the report compared the current Mid Devon tariff with neighbouring authorities and that this was specifically based on a 2 mile journey at tariff 1. This highlighted that Mid

Devon was now the lowest charge regionally. Additionally, Table 1 also showed that the current tariff placed the authority 242nd nationally, out of 362 authorities. Section 4 of the report gave details of the discussions that the Licensing Team had with the trade and the proposals put forward. He then set out the detail of the consultation that had taken place with the trade as highlighted within the report

He asked that the Cabinet agree a tariff for adoption and direct the Licensing Team to carry out all required work to adopt it. As part of the process, the Council needed to advertise the proposed tariff and at that point, any party could make objections against it. If there were any objections, then the matter would be referred back to Cabinet to consider.

He then made the following recommendations for consideration:

- That Proposal A be adopted
- That Tariff 2 starts at 19:00 hours
- That the luggage charge stay as it is (at £0.20)
- That the fouling charge be increased to £100

Consideration was given to:

- Proposal A and the need to consider the times within tariff 2 and 3. It was felt that the daytime tariff was used by the public for necessary daytime trips whereas the later tariff would be used mostly for leisure activities
- Whether 11pm was a suitable time for the tariffs to start or whether 9pm was more suitable
- How the consultation process would be advertised
- The length of time between reviews and that 10 years was rather a long time and whether a five year review would be more appropriate

**RESOLVED** that:

- a) Proposal A be adopted (as set out in Appendix 1 of the report) subject to an amendment to Tariff 2 so as to read that 'Journeys begun between 9.00pm and 7.00am - all day Sunday and Bank Holidays'; and an amendment to Tariff 3 so as to read that 'Journeys begun between 9.00pm and midnight on Christmas Eve and New Year's Eve; all day Christmas Day, Boxing Day and New Year's Day';
- b) The luggage charge stay as it is at £0.20;
- c) The fouling charge be increased to £100;
- d) Hackney Carriage tariffs be reviewed every 5 years.

(Proposed by Cllr D J Knowles and seconded by Cllr C R Slade)

**Reason for the decision** – there is a need to set the table of fares that may be charged to users of Hackney Carriages in Mid Devon.

Note: \*Report previously circulated, copy attached to minutes.

## 77. **FINANCIAL MONITORING (1-00-00)**

The Cabinet had before it and **NOTED** a \*briefing paper from the Deputy Chief Executive (S151) presenting a financial update in respect of the income and expenditure so far in the year.

The Deputy Chief Executive outlined the contents of the report stating that Council Tax, Business Rates and rent income were above budget. Most of the other budgets were static however leisure and car parking were showing a reduction of income. He had been notified that there would be a 3 year funding settlement but that this would not include Business Rates or the New Homes Bonus. The outcome of the Levelling Up Fund (possibly December) and the Community Renewal Fund bids were still awaited.

Consideration was given to:

- Cabinet would receive the Medium Term Financial Plan in October and that the budget rounds would begin in November
- The impact of the delay on the outcome of the Levelling Up Fund bid on the delivery dates of the Housing Infrastructure Fund for the Cullompton Relief Road

Note: \*Briefing paper previously circulated, copy attached to minutes.

## 78. **PERFORMANCE AND RISK (1-17-39)**

The Cabinet had before it and **NOTED** a \* report of the Operations Manager for Performance, Governance and Health and Safety providing Members with an update on the performance against the Corporate Plan and local service targets.

Consideration was given to:

- Missed refuse collections and new drivers being provided with a route map
- The fuel crisis and whether this had been considered as a risk – the meeting was informed that any fuel crisis was acknowledged within the Business Continuity Plans
- The percentage rates of missed collections and whether the actual numbers were available – the meeting was informed that percentage rates were used as part of industry standards and also it allowed benchmarking against other authorities.
- The lack of data for the South West Mutual Bank – this work had been delayed but quarterly updates would be available
- Missed waste collections and if reported the issue would be addressed on the same day if possible
- Replacement recycling boxes and how such replacements could be requested

Note: \*Report previously circulated, copy attached to minutes.

## 79. **UPDATE FROM THE CABINET MEMBER FOR CONTINUOUS IMPROVEMENT (1-34-35)**

The Cabinet Member for Continuous Improvement informed the meeting that:

30 cases were being worked on, 6 of which had now been closed and 18 had been actioned and were being monitored, the remaining cases were with the directors for further action.

She added that overall 40 cases had now been closed, those cases had included planning applications, enforcement cases, waste issues, parking, environmental health issues and empty properties.

80. **NOTIFICATION OF KEY DECISIONS (1-37-53)**

The Cabinet had before it and **NOTED** it's \*rolling plan for October/November 2021 containing future key decisions.

Note: \*Plan previously circulated, copy attached to minutes.

(The meeting ended at 11.40 am)

**CHAIRMAN**

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**CABINET**  
**26 OCTOBER 2021**

## **HOUSING STRATEGY 2021-25**

**Cabinet Member(s):** Councillor Bob Evans  
**Responsible Officer:** Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing

**Reason for Report and Recommendation:** To provide Members of the Cabinet with an opportunity to adopt the proposed revised corporate Housing Strategy (Annex 1) following the recent completion of external and public consultation. Details of the consultation are set out within the report. The consultation responses and outcomes are set out in Annex 2.

The reason for the recommendation is to ensure the updated strategy is formally adopted allowing for delivery against the strategic priorities and objectives over the strategy period 5-year period.

**Recommendation: Members approve the final Housing Strategy 2021-25 attached in Annex 1**

**Financial Implications:** None directly arising from this report.

**Budget and Policy Framework:** There are no direct budget implications of this report.

This strategy sets out those opportunities and challenges in respect of several key delivery functions; housing delivery, enabling and renewal/standards alongside housing needs and homelessness. As such it links with a much wider policy framework, adopted or in development.

The current strategy was adopted in 2015 and ran for the period 2015-20. It was therefore due for review and updating to reflect the current priorities, needs and aspirations of our community in respect of having access to affordable, safe and healthy housing.

**Legal Implications:** The strategy has no formal basis and is no legal requirement for have one. Nonetheless, it will provide links to a number of statutory requirements on the Council, for example in acting as the Strategic Housing Authority and as registered social housing provider alongside being the Local Planning Authority.

**Risk Assessment:** The new strategy provides a framework for the delivery of those key functions and priorities outlined above. In doing so, it will help in the development of a coherent and consistent approach to housing across the district.

**Equality Impact Assessment:** An EIA has been completed and is attached in Annex 3. No protected characteristics are negatively impacted by this strategy. Conversely, the strategy does propose several objectives aimed at improving access to suitable housing for vulnerable people, whether this is due to financial circumstances (affordable housing) or physical or mental-health disabilities

(supporting specific needs, Housing Assistance Policy and adapting for neuro-diversity in social housing).

**Relationship to Corporate Plan:** Our Corporate Plan for 2020-2024 has four key priority areas one of which is Homes. Within each priority strand the Council has committed to ensuring we are working towards sustainable and prosperous communities. This includes a recognition that our villages and towns need affordable housing for local people. There are number of specific actions that underpin this commitment includes targets for the delivery of affordable housing, working with community land trusts and private sector landlords and working to improve the supply of quality housing.

**Impact on Climate Change:** Decisions relating to the management and maintenance of the homes belonging to the Council and influence the carbon performance of market or community led housing will enable officers and Members of the Council to influence the direction of travel against appropriate targets. We can use new development as opportunities to help communities to become increasingly sustainable and self-sustaining at neighbourhood level.

## 1.0 Introduction

1.1 Homes are a basic necessity and a fundamental requirement for everybody. Local authorities have a broad role to play in supporting and regulating the housing sector, and in facilitating the delivery of new housing.

1.2 All agencies, including the NHS and social care are impacted by housing - in relation to its availability, quality and suitability where poor housing leads to significant health inequalities. In short, good quality housing is the foundation of upon which people can build happy and successful lives. The economy also relies on a sufficient supply of housing in order to attract and retain a skilled workforce.

1.3 Tackling our housing needs and requirements are not something that one service or organisation can achieve on its own. Local authorities, registered social landlords, developers, the NHS, social care and the voluntary/ community sectors all have important roles to play.

1.4 With budgets are under pressure, and economic reality of the Covid-19 pandemic just starting to be realised there is an increasing demand for our services and safe, affordable accommodation. Having a clear, coherent strategy in place that sets out our leadership and direction is more important than ever where effective internal and external partnerships are in place.

1.5 This report follows on from a previous update provided to members in January 2021 and sets out the proposed consultation draft of the updated Housing Strategy 2021-25.

1.6 As agreed by the Homes Policy Development Group in January, the development of the draft, consultation document has been led by a Strategy Working Group with a wide range of internal stakeholders and contributors as set out below on page 11 of the Strategy (Introduction).



## 2.0 Strategy overview

2.1 The Housing Strategy sets out our vision a Council for the provision and management of housing over the next five years. In particular, as set out in the document foreword, it puts forward the following vision.

*Our vision is to meet the housing needs and aspirations of our residents through a greater choice of high-quality new and adapted homes. This will help us to support the social wellbeing needs of everyone who lives in Mid Devon and provide high quality growth in a high quality environment*

### Purpose

2.2 Building on this vision, the purpose of the Strategy is to provide a clear direction, for the next five years, to offer more housing with more choice by developing new homes and improving existing homes and communities. There is a particular focus on affordable and social rent properties alongside a strong commitment to having low-carbon, accessible and adaptable homes. This means we can support our most vulnerable residents to access and maintain good quality housing which meets their needs.

### Strategic context

2.3 The Housing Strategy for Mid Devon does not stand alone and most of the priorities and actions within it operate alongside existing strategies, delivery plans and policies. In particular, it is guided by policies and priorities outlined in the Mid Devon Local Plan 2013-2033 and the Corporate Plan 2020-24.

2.4 This Strategy has also been developed in the context of the role of the Heart of the South West Local Enterprise Partnership which aims to boost the regional economy across the Devon, Plymouth, Somerset and Torbay region with high living standards and outstanding quality of life.

2.5 It is important that Mid Devon continues to contribute towards regional ambitions for growth by continuing to work with other Local Authorities and regional partners. From a national perspective, in recent years the Government has introduced a raft of new legislation to stimulate and speed up housing supply across all forms of tenure and to reform the welfare system. Most recently, in November 2020 we saw the publication of the Government's Social Housing White Paper which will place new responsibilities on us as a Social Landlord and direct provider of social housing.

2.6 We have taken these changes, opportunities and strategic direction of travel into account within the development of this draft document. It is also important that we are responsive to further legislative changes as they emerge and shape these policies to meet the needs of our local housing market. This Strategy sets out Mid Devon District Council's considered housing plans and actions for the period 2021-2025 taking into account the national, regional and local context as discussed in more detail in the introduction to the Strategy itself.

## **Priorities and objectives**

- 2.7 In recognising the above context, the following 'HOME' priorities were developed, taking into account the supporting evidence and documents that underpin the Strategy.

**Housing** - increase delivery of quality designed, well-built homes across the housing market to meet identified needs

**Optimise** - fit for purpose healthy, sustainable, adaptable homes optimised for high energy efficiency and low carbon impact

**Making the most** - making the most of our existing homes across the private and public sector in all forms of tenure

**Engage** - engaging and working with others including partner organisations to deliver our aims

- 2.8 Consequently, the Strategy is divided into four chapters which expand upon each of our key housing priorities. All priorities have equal weighting; each impacts on the other and much of the work around these priorities will necessarily be overlapping and interdependent.

- 2.9 Within each chapter are specific objectives and targets to deliver the different elements that make up each priority.

- 2.10 Overall, some 40 objectives are described within the Strategy and ultimately this provides a detailed but strong framework; setting direction for each of our partners and stakeholders involved in housing; residents, ward members, housing associations, developers, government bodies, regulators, investors, private landlords, charities, voluntary groups and the Council – to provide the right type of homes that are needed.

- 2.11 Members will therefore need to consider the document and the objectives set out holistically within boundaries of where we have an influencing, commissioning or direct delivery role with regard to the provision of housing. Within the latter, members have previously expressed a direct interest in the delivery of new Council Houses. These are covered in Chapter One of the document and Objectives 5 and 6 specifically.

## **3.0 Proposed adoption timeline and consultation**

- 3.1 The Mid Devon Scrutiny committee meeting in June 2021 considered the pending adoption of an updated Housing Strategy and noted that the document would be considered by this PDG and Cabinet in its first round for approval to go to consultation and then be considered by Scrutiny committee prior to it coming back to the PDG ahead of a final recommendation to Cabinet to adopt the final Strategy.

3.2 Accordingly, the following consultation roadmap and timeline was agreed at the 20 July Homes Policy Development Group (PDG):

- 20 July – Homes PDG with recommendation that Cabinet approve draft for consultation
- 16 August – Scrutiny Committee
- 31 August – Cabinet with recommendation to approve draft for consultation
- September external consultation
- 20 September – verbal update to Housing PDG on initial consultation feedback
- Late September – early October – final updates to Strategy document
- 26 October – Cabinet recommendation to adopt final strategy

3.3 In addition to general public consultation, it was agreed that a targeted consultation on the draft Strategy would be carried out with a wide range of interested regional and local organisations as set out in Page 11 of the Strategy.

3.4 On the 16 August Scrutiny Committee supported the draft, updated Housing Strategy and recommended to the Cabinet that: the strategy be approved subject to:

- Net Zero Carbon terminology be consistent throughout the strategy
- The Project Board to only reference job titles and not named individuals

3.5 At the 31 August Cabinet meeting, an updated draft Housing Strategy was considered with the above recommendations from Scrutiny addressed. Cabinet resolved that the consultation draft Housing Strategy 2021-25 be approved for external and public consultation and further noted the timeline and stages for adoption of the Strategy as set out above.

#### 4.0 Consultation and outcomes

4.1 The external and public consultation on the proposed Strategy commenced on the 8 September 2021, immediately after 31 August Cabinet decision call-in period had elapsed.

4.2 Public consultation was completed via a dedicated web-site page which can currently still be viewed at <https://www.middevon.gov.uk/council-s-housing-plans-for-next-five-years-need-community-input/>

This page set out a summary of the strategy and invited comment and response via a web form on each of the four key priorities (Housing, Optimise, Make and Engage) and the specific Objectives set out within together with a general comments field. A link to the full strategy and more about how to respond in writing if preferred was included on the page. This page was accompanied by a media press release that was also circulated to all members internally and to all town and parish councils.

4.3 In addition to the above, a targeted email was sent to over thirty organisational contacts containing links to the above page. This included

Devon County Council, other Devon local authorities, local Housing charities including existing partners, Housing Partnerships, Devon Home Choice, local Housing Associations, the Gypsy and Traveller Forum and relevant local/partner Community Interest Companies.

4.4 Finally, targeted communications through existing channels including social media were sent to all of the Council's housing tenants (approaching 4,000 residents).

4.5 A follow-up, reminder email was sent to all organisational email contacts mid-point during the consultation and a verbal update on the consultation process was also provided to the Homes PDG on 14 September 2021 as agreed.

4.6 The consultation through all channels closed on the 30 September 2021.

4.7 Despite a three-week consultation period and a tailored, but extensive, consultation exercise only 15 responses were received. This may be indicative of a general, wide support for the Strategy and its proposals (comments are generally provided if people object rather than approve of change) but also the relative breadth of the document, containing several themes and some 40 specific Objectives.

4.8 In terms of respondent types, it has been possible to categorise these as follows, however no personal data was requested. Two Council tenant respondents did provide contact information which was used to arrange a direct response and follow-up on any points raised not directly relevant to the Strategy i.e. property specific concerns.

Residents/tenants – 5 response

Residents - 4 responses

Parish Council – 3 responses

Organisation – 2 responses

MDDC councillor – 1 response

4.9 The full response from each respondent is set out in Annex 2 of this report with all comments provided in full/verbatim as received but with any personal data removed. Annex 2 also sets out a specific response from the Strategy lead/responsible officer, supported by the wider project team.

4.10 In terms of general themes from the 15 responses, then there was clear overall support for the Strategy and the priority themes and specific objectives were broadly welcomed. There was one response from a parish council that did not support the Strategy format and style.

4.11 There was specific, common support for the following specific priorities and Objectives:

**Priority/Chapter One: Homes** – especially the delivery of new affordable and/or social housing. More Council housing specifically was frequently mentioned. There was some challenge around perceived quotas or % allocations of market development provided affordable homes (Local Plan policy) versus delivery.

**Priority/Chapter Two: Optimise** – there was wide support for the specific carbon Objectives regarding optimising standards in new build properties. There was specific support for new adaptability standards for mental-health needs and general approach to ‘living well at home’ and flexible properties able to meet varying, long-term needs of occupants.

**Priority/Chapter Three: Make** – there was wide support for the environmental/sustainability and specifically carbon Objectives within this chapter and the general improvement of existing housing stock across all ownerships and tenure. There was specific support of retro-fit initiatives to decarbonise the Council housing stock alongside specific work to improve access to and standard of adapted property (physical disabilities).

**Priority Chapter Four: Engage** – there was wide recognition of the benefits and need to engage widely and work with partners identified to deliver the Strategy aims in the widest sense. These was challenge around consistency of approach and ensuring set standards across agencies.

**General responses** – there were several questions from one respondent in respect of the relationship between the Strategy/Objectives and the Homes England Affordable Homes Programme. These were responded to directly in detail at the time, highlighting the positive detail set out within the strategy and further opportunities to accelerate social housing provision through the programme. This response is duplicated in full within the Annex 2 table.

A further general Parish council response provided overall support for the Strategy but challenged the overall housing target/provision for Mid Devon as set out in planning policy. In response, it has been highlighted that the Housing Strategy must be consistent and have due regard the adopted Local Plan. Furthermore, it cannot (and should not) be purpose of this Strategy to separately address principles of development and planning policy that have been legally and extensively addressed through the strategic planning process.

4.12 No respondents suggested alternative priorities for the Strategy and there were no comments on the proposal that these priorities have equal weighting where each will impacts on the other and much of the work around these priorities will necessarily be overlapping and interdependent.

## 5.0 Conclusions

5.1 The internal and external development of the proposed Strategy has been thorough with effective and strong joint-working across services, functions, officers and members. This has been welcomed and supported.

5.2 With the exception of one response, internal and external consultation has demonstrated support for the overall format and approach of the Strategy. The priority themes have been endorsed and the Objectives are considered appropriate and clear, albeit with some debate respectively around over or under-ambition with regard to targets set.

- 5.3 The level of response to targeted and general external consultation was disappointing. There will always be lessons that can be learnt from how consultation has been carried out and how to secure effective engagement, striking a difficult balance between informing, developing and delivering timely change.
- 5.4 In this instance, the external consultation was largely targeted to interest groups, residents and organisations and was tailored to help support and focus responses through different channels. The excellent support and input of the Council's Communications Team must be acknowledged here. Potential reasons for the low response are explored briefly in section 4.7 and despite this, many of those responses received were informative, considered and detailed.
- 5.5 Overall, support for the proposed Strategy, its format including the priority areas and specific Objectives were strongly welcomed.
- 5.6 In the context of the above, no further changes aside from those already incorporated in the Strategy prior to external/public consultation are proposed and the Strategy presented in Annex 1 is unchanged from the approved consultation draft, other than the consultation section on Page 11 has been updated to reflect the completed consultation exercise.

## 6.0 Recommendation

- 6.1 In accordance with the above, the following recommendation is therefore made:

Members approve the final Housing Strategy 2021-25 attached in Annex 1.

## 7.0 Next steps

- 7.1 Should members agree to the adoption of the updated Strategy then delivery of the Strategy will commence in full. Details of how it is proposed to monitor and achieve this are set out on Page 56 of the Strategy document.
- 7.2 This Strategy and any specific priorities or Objectives will be reviewed annually. This is a fast-paced area of work with frequent policy and legislative changes alongside new and emerging opportunities to expand or change how the overarching aims of Strategy are delivered. The annual review will also provide an opportunity to inform members and our residents/local organisations on progress with delivery against our targets.

**Contact for more Information:** Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing [snewcombe@middevon.gov.uk](mailto:snewcombe@middevon.gov.uk)

## Circulation of the Report:

Members of the Housing PDG  
Cllr Bob Evans, Cabinet Member for Housing and Property Services  
Leadership Team  
Corporate Management Team

Service/Operations Managers  
Legal Services  
Housing Strategy Officer Working Group

**List of Background Papers:**

Current MDDC Housing Strategy  
<https://www.middevon.gov.uk/residents/housing/housing-strategy/>

**Annex 1 – Proposed final Housing Strategy 2021-25 (attached separately)**

## Annex 2

### Summary of Housing Strategy Consultation responses and outcomes

#### Web form responses (verbatim)

No.	Consultee type	Q1. Priority 1 – <b>HOUSING</b> - increase delivery of quality designed, well-built homes across the housing market to meet identified needs	Q2. Priority 2 – <b>OPTIMISE</b> - fit for purpose healthy, sustainable, adaptable homes optimised for high energy efficiency and low carbon impact	Q3. Priority 3 – <b>MAKE</b> - making the most of our existing homes across private and public sector in all forms of tenure	Q4. Priority 4 – <b>ENGAGE</b> - engaging and working with others including partner organisations to deliver our aims	Q5. Additional comments	Feedback and outcomes
1	Resident	The Priority should be on social housing. Families desperate for a home continue to languish in unsuitable housing. There should also be a firm commitment to making these homes 'homes for life' by considering the ageing process and any disabilities that might occur	Carbon zero homes; no nonsense, no questions. The earth cannot afford to be fobbed off.	Where possible, housing should be bought back by the council, particularly bungalows for the disabled, in order that it can be made safe and clean for future social rent tenants. Reliance on the private sector should be less of a priority. The private rental sector is unaffordable and shambolic, not to mention discriminatory and sometimes unhealthy.	Some fine housing charities exist that could be asked to assist; Habinteg for instance believe in homes for life. Corporate players should be avoided as they work merely for profit.	Respondent skipped this question	<p>Q1. The response is supportive of the priority and Objectives 5 and 6 in particular</p> <p>Q2. The response is supportive of the priority and Objectives 26 and 27 in particular</p> <p>Q3. The response is broadly supportive of the priority. Specific points raised are supported by Priority 1 and several Objectives</p> <p>Q4. The principle of working with Housing charities is well established within this priority so the response is support. MDDC have existing relationships with CHAT for example and not-for-profit Housing Associations. Habinteg is a specialist, accessible property Housing Association. It is not known if they operate with Mid Devon but a property search on their corporate website found the closest available property to be</p>



							in Sedgemoor area of Somerset
2	Parish Council	<p>I note that there seems to be a problem caused by older residents blocking the access of younger residents to large family homes. One solution is to provide specific housing for older residents however my experience of most existing schemes is that they are unattractive to older residents who often appreciate, for example, good sized living and kitchen areas and some garden. Older does not mean immobile and prepared to live in a solitary box somewhere out of the area.</p>	<p>We really don't take climate change seriously enough. There should be absolutely no building on flood plains. We need to look at the cost of using concrete in our building, a huge generator of carbon dioxide. New housing must be all electric and have a minimum of solar panels and use ground source heat pumps. But also they should be built to take advantage of natural light e.g. large windows to the south small to the north.</p>	<p>Here is the way to minimise the impact on our climate. It's far more efficient to update an old house than start from scratch</p>	<p>Parish councils can have a real role here please. We know what's needed and where it will fit.</p>	<p>Thanks for letting me comment</p>	<p>Q1. The response notes the tension between ownership or secure tenure in all forms (private sector, social rent, tenanted and owner occupied) where older residents may be living in family homes too large for their needs. This is not straightforward and there are many rights. Priority 2 is more applicable here and Objectives 20 – 23 recognise and address different needs</p> <p>Q2. The response is supportive of the priority and Objectives 26 and 27 in particular</p> <p>Q3. The response is supportive of priority 2 and Objectives 26 and 27 in particular. The strategy recognises the benefits of improving existing stock through Objectives 26-27</p> <p>Q4. This is noted, agreed and consistent with the priority overall</p>
3	Resident	<p>If these are affordable or social rent then good. If not then no expansion of the area should benefit local</p>	<p>Good</p>	<p>Again this should be affordable, ring fenced for locals, Single, couples and families. There should be a decrease in 2nd homes these effects both the community, and services with reduced income</p>	<p>Linked up planning us good, there needs to be a system that ensures no one in need is missed</p>	<p>I would say that the culm garden village will not in my opinion create many issues. This includes lack of infrastructure, the new road planned still leaves vehicles accessing the m5 at the same slip roads. Having had, on many</p>	<p>Q1. The response is supportive of the priority and Objectives 5 and 6 in particular</p> <p>Q2. The response is supportive of the priority and Objectives 26 and 27 in particular</p> <p>Q3. The response is supportive of priority 1 and Objectives 5 and 6 in particular. It also supportive of Objectives 4, 7 and 8</p>

				from council tax and local economy spending		occasions to "park" in the near side lane to exist m5 to cullompton i cs n voucher its unsave. The railway line opening is good but too far off to assist with traffic from the new houses. Also there us little or limited facilities in cullompton so traveling out of the town is normal. Cullompton could i feel easily become a commuter town losing it heart	<p>Q4. Is supportive of the priority</p> <p>Q5. The response lacks clarity in respect of objection or support for the Culm Garden Village. Whilst village can help deliver several objectives within the strategy and notably Objective 3, infrastructure and transport issues are addressed directly through the Local Plan and masterplanning</p>
Page 26	Resident/tenant	Respondent skipped this question	Whilst I really like and enjoy living in our little bungalow, I feel that an update would vastly improve me and my wife's living conditions. Thing like removal of the bank at the rear of the property would give you feeling of a much larger property and the same at the front of the property which could be adapted for the electric vehicles of the future. Solar Panels fitted to the rooves would help with carbon footprint as would	Respondent skipped this question	Respondent skipped this question	Whilst I've enjoyed living in Mid Devon with all the local conveniences, I think the local council have done a marvellous job on the whole and it seems to really look after it's tenants. As items 1,3 and 4 don't really concern me I think it would be unfair of me to comment	<p>Q2. The response is largely property specific as a tenant, however is supportive of the priority and Objectives 26 and 27 in particular</p> <p>Q5. This is supportive of the work of the Council as a landlord</p>

			light tubes fitted through the back roof into the kitchen. I think it would be beneficial if all the outside walls were insulated and re-plastered to reduce the feeling of dampness. I think that's it for now.				
5	Organisation	MDDC are missing a source of housing that is very similar to putting abandoned homes back into use. This is the conversion of buildings standing on the curtilage of existing properties. Class Q allows barns standing alone in fields to be converted into full market value residences, which does, in fact, create new isolated homes in the countryside. Yet currently, outbuildings standing on the residential curtilage of existing properties outside of settlement boundaries can only be made into new homes if they are to be sold a	I would like to see all new buildings (industrial, retail and residential) having solar panels on the roof - it's a no-brainer. As is rain water storage tanks underground.  It's also important that estate developers stop putting up these rabbit hutches where garages and stairs up to first floor kitchens are the only things on the ground floor. These do not cater for disabled people and they cram too many people in together on uncomfortably packed estates.	Respondent skipped this question	Respondent skipped this question	As already stated, policy S3 part (c) needs a rethink. It rather smugly implies that self builders should be happy that their all hard work and financial commitment can go into an affordable home - almost like they ought to be happy they've been allowed to self build at all.  There are no self build options within settlement boundaries as, by the nature of the beast, the everything within the boundary has already been built. Therefore, self builders have no self build options available. As this is the only way many will ever be able to afford their own homes, and that the	Q1. The response is supportive of several objectives including Objective 8 and 18-19 in particular. The planning system and the Local Plan are supportive of the appropriate development of redundant agricultural buildings within existing residential curtilages and are consistent with permitted development changes nationally/national planning policy. The response highlights the challenges around land availability, price and development costs which are often difficult for small/self-builders. Objective 18 and 19 seek to address these points specifically  Q2. The response is supportive of the priority and Objectives 26 and 27 in particular. Objectives 9 and 10 within priority 1 also seek to address specific points around accessibility and design standards  Q5. Refer to response to Q1. In addition, there is a need to strike a careful balance between supporting self-builders and

		<p>reduced market value in perpetuity. This seems very unbalanced, and certainly does not encourage self builders to invest their own money into building/converting their own homes. After all, why should a self builder have to accept that their financial outlay will never reap the returns seen by the estate builders snapping up land set aside for development around the towns and villages in Mid Devon's Local Plan 2017-33? If you want to encourage self building, then you have to provide fair opportunities for the self builder to create their own home and invest in their families' financial future by doing so. Forcing a self builder to never make money on the home they've build is wrong, especially when there are no</p>				<p>government's white paper wants to see the gentle densification of villages where suitable plots in and around them are identified, MDDC should reconsider their stance on insisting on affordable homes if a new build/conversion is outside of a settlement boundary (which, by the way, are often lamentably out of date)</p>	<p>ensuring sustainable patterns of development across district, recognising the cumulative impact of such developments. The existing Local Plan seeks to achieve this through Policy S3 which helps make land available for open market custom and self-build developments on allocated sites and Policy DM6 'Rural Exception Sites' which make exceptions to the normal restrictions on housing development outside defined settlements, to support opportunities for low cost housing including self-build in rural areas where there is a need. The new Local Plan (Plan Mid Devon) will consider how to further support custom and self-builders across the district and the Council will be inviting views on this through an 'Issues' consultation in due course.</p>
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		<p>serviced plots available in the villages where they live/want to build their homes as the plots that are earmarked for development go to the estate builders. At least allowing outbuildings on existing residential curtilages, even though they be outside of settlement boundaries, to be made into homes (full market value homes) gives self-builders a chance at obtaining their own homes and benefitting by their financial investment and hard work.</p>					
6	Resident/tenant	<p>Offer new well built houses to people who have been good tenants and who live in houses that need to be rebuilt because of how old they are because of the problems they have.</p>	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Respondent skipped this question	Q1. The response is broadly supportive and many of the objectives within this priority, and Objectives 5 and 6 in particular
7	Resident/tenant	<p>Upgrade - existing properties - no showers / baths</p>	<p>Agree - existing homes do not have showers</p>	<p>Long term tenure remove 5 year tenure</p>	<p>As long as the quotes are not the cheapest items</p>	<p>5000 houses along the culm valley is a place of outstanding</p>	<p>Q1 and Q2 both relate to priority 2 and are addressed through the MDDC stock planned</p>

		<p>are not environmentally friendly and old . Heating - no ground source heating - using electricity is not efficient .</p> <p>- asbestos on sheds and not removing it -</p> <p>- sockets - not in the right places</p> <p>In efficient toilets</p>	<p>- heaters from 1970</p> <p>- storage heaters not big enough for size of the property</p> <p>- no ground source heating being used</p> <p>- no showers - environmental concerns need to be cx addressed other housing associations across Devon provide all of this already</p>		<p>which it seems to be. This is not cost effective and does not improve the well being of tenants .</p> <p>Eg - kitchens not finished off</p> <p>Bathrooms not finished off</p> <p>Exposed pipes work - depressing or not boxed in .</p> <p>Humiliating</p> <p>Poor building work</p> <p>They need major upgrades not up to standard some were built in 1927.</p> <p>This is a definite need</p>	<p>beauty and all villages in this area will fight against it .</p> <p>It is already over housed in this area .</p>	<p>maintenance programme rather than the strategy directly. The exception is carbon and environment concerns addressed by Objectives 24 and 26-27</p> <p>Q3. The response is supporting long-term tenure of social housing which is already provided for under legislation. The overall tenancy strategy for Council housing and short-term, flexible tenancies v longer-term will be addressed by Objective 31</p> <p>Q4. See response to Q1 – Q2.</p> <p>Q5. The response is an objection to the Council's proposals for the Culm Garden Village. The planning of the Garden Village will be taken forward through the preparation of a new Local Plan for Mid Devon. It will also be subject to masterplanning work. This will include opportunities for public comment on proposals at key stages over the next several years.</p>
8	Resident	<p>Council housing should be the priority.</p> <p>Ensure developers cannot backtrack on quotas of "affordable" homes.</p>	<p>Agreed!</p>	<p>Again, please prioritise traditional council houses.</p>	<p>Insist on unchangeable quota of affordable homes.</p>	<p>Council houses desperately needed. Put a stop to second home ownership.</p>	<p>Q1. This is supportive of several Objectives within the priority. The response also highlights the impression of 'quota' or fixed % of market deliverable affordable houses versus the Local Plan policy and a site-by-site viability assessment</p> <p>Q2. Non-specific but supportive response to this priority</p> <p>Q3-Q5. See response to Q1</p>

9	Organisation	<p>The identified needs have to be very specific and when new homes are submitted for planning approval, whether multiple homes on brownfield sites through to single isolated houses in the open countryside if they do not strictly meet the previously identified need then they should be refused.</p> <p>An identified need for all new builds should be environmentally friendly heating and roof mounted solar panels. No house should be approved without meeting these requirements.</p> <p>Climate greenhouse gas minimisation should be a red line test for any new build approval.</p>	<p>Fully agree. However it's your Planning Department and the Planning Committee, that need to take on board this message. Planning approval is frequently given with no mention whatsoever about energy efficiency.</p>	<p>Should this not have been a priority for decades. With the cost of house purchase and rent being so high both in real terms and in inflationary terms I cannot believe that we still have empty homes available. Severe penalties need to be available to levy against empty house owners. Second homes not used for rental should have council tax levied at a very high rate x5 or x10 of the normal rate.</p>	<p>Respondent skipped this question</p>	<p>The local plan is a well-constructed document with some very good policies. However I am frequently frustrated at planning permission being granted with a case officer comment that is complies with policy when it plainly does not. These policies have to be applied rigorously by the officials and audits should be frequent to ensure this happens to prevent houses being constructed against the declared policies and aims of the council.</p>	<p>Q1. The response aligns need to build for new housing, In this sense the evidence base for the Local Plan and the Housing Strategy provide assurance here but they are by their nature strategic documents not intended to be (and should not be) a process map for individual planning decisions. The response also highlights environmental concerns and therefore is support of Objectives 26 and 27 specifically</p> <p>Q3. It is uncertain whether the respondent intended to say whether the priority and making the most of existing housing stock should (rather than should not) have been priority for decades. The remainder of the response lends itself to being supportive of the priority overall and in particular Objectives 28 and 29 and empty homes initiatives</p> <p>Q5. See response to Q1.</p>
10	Resident/tenant	<p>Improving current properties should be the first priority</p>	<p>General repairs to bring houses to a proper standard should be added to this</p>	<p>Okay</p>	<p>Only if set standards can be met</p>	<p>The older properties already owned by MDDC need to be bought up to standards.</p>	

### Other responses (verbatim)

No.	Consultee type	Open field	Comments and outcomes
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<p>11</p>	<p>MDDC member</p>	<p>As part of the consultation on the new Housing Strategy I'm asking what will the MDDC approach be to the latest iteration of the Government's Affordable Homes programme (see link above)? In particular:-</p> <ol style="list-style-type: none"> <li>1. How might the Government's programme support increased numbers of affordable and social rented homes over and above those contained in the Strategy?</li> <li>2. What bids for these funds are being considered both now and for the future and to what ends?</li> <li>3. What evidence of local housing need can be provided to support bids for these funds?</li> </ol>	<p>These questions have, in other wording, been asked separately of officers during the consultation timeframe. In a direct response to the MDDC member, the following information was provided:</p> <p>The 5-year 1-4-1 programme set out in the draft housing strategy (Objective 5), as also set out in detail at the recent HPDG and Scrutiny meetings contains details of a further 14-pods in 2024/25. We are also looking at options for several other 1-4-1 sites due earlier in the programme (for example Beech Road) to see if they are viable for alternative modular build rather than traditional and any cost/carbon benefits etc.</p> <p>Beyond the above, we are currently working on a much more expansive plans to consider many other redundant or development HRA sites not currently listed in the 1-4-1 plan or the non-1-4-1 plan which currently includes Post Hill. These formative plans are considering an even more ambitious social rent build programme beyond the target set out in the current draft housing strategy. Given we have fully allocated our 1-4-1 receipts already and we have the major Post Hill coming forward, then these additional sites will be reliant on closing the budget/viability gap via bids into the Homes England (HE) Affordable Homes Programme. We have already held discussions with HE to agree principles and will be informally submitting 3-4 feasibility studies on a mix of different sites in the next couple of months with a view to obtaining firm figures from them on potential HE % funding – this will enable us to develop an overall business case within the HRA. Once we have this key information then we can start specifying numbers and sites over an additional HE-modular build 5-year programme that will move beyond the existing HRA growth targets in Objective 6 of the housing strategy. Once formalised, this will come to LT and members in due course – I therefore can't provide any more detail on this work in progress at this stage, nonetheless we are moving as quickly as possible and aiming to provide details during Q4 21/22, subject to HE response times.</p> <p>I have further responded to a request from Andrew Jarrett (MDDC s151 officer) reflect the above and provide some very outline figures on potential MDDC budget requirements that can appear in the emerging, updated MTFP for 22/23 onwards, which of course will also be subject to member approval in entirety later in the year. There will be some caveats on this, for example due to the fact that the HE work will overlap and may not be complete.</p> <p>The location of future schemes will be determined by available land</p>
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			<p>with priority given to sites where housing need (as evidenced by the different mechanisms set out in the strategy – for example Devon Home Choice data). This will inform the mix and make-up of each site, for example no. of 1,2,3 and 4 bed properties and level of adaption etc.</p>
12	Parish Council	<p>Having studied the Draft Housing Strategy for Mid-Devon, we find it necessary to communicate concern that the document falls seriously short in terms of content and structure.</p> <p>The problem with the document starts with the curious attempt to fit the chapters within the acronym H.O.M.E. It becomes quickly clear that each of these four categories causes considerable duplication and restricts easy comprehension by the reader since each subject of importance is ruthlessly divided into four parts.</p> <p>Clarity emerges when this proposed draft is compared to a study of the predecessor document (2015-2020). At first glance the previous version shows a clarity of organisation which is missing in the new draft; the detailed discussion contained under “Housing Priorities” in the 2015-2020 document was helpfully supported by Appendixes containing data on Strategic context, Local Context, Planning Policies in Mid Devon, Action Plan, &amp; Registered Providers.</p> <p>This comparison immediately highlighted the obvious error whereby the new draft has no Action Plan, as in Appendix 4 of the 2015-2020 version. Further inspection showed that the new draft also fails to match this expiring version which had excellent data for population, GTAA, spare bedroom deduction, housing benefit claimants, requests for Local Welfare assistance, population change, no of dwellings, tenure profile, meeting decent standard, average monthly rents, households in need (A-D), bedroom need of needy applicants. And perhaps the crucial table which is now missing is the SHMA assessment for social and Affordable Rented needs. This showed 45% of the need in 2015 was for single bed accommodation, which should now be combined in 2021 with data of increased aging population as a need for built bungalow accommodation</p> <p>Among surprising changes in the 2021 draft is the downward adjustment of the Affordable Home annual target (section 1.13) which has been reduced to 94 from the 124 shown in the Local Plan; obviously a well-written strategy would have found ways to propose increase, rather than target a decrease in this fundamental target.</p> <p>Among other targets which would merit investigation is that set for</p>	<p>The name of the Parish Council was provided.</p> <p>This is an interesting response as it largely draws comparison with the format of the preceding Strategy. The main concern appears to be that the proposed Strategy is less of a data-centric, academic paper with an Action Plan and more of a delineated, strategic document with prescribed priorities and objectives but no delivery plan.</p> <p>In reply, the strategy is designed to be exactly that i.e. strategic and set out the key priorities alongside specific, target based objectives upon which a subsequent delivery plan can be measured against whilst providing a coherent purpose and direction of travel.</p> <p>The overall feedback from the MDDC Homes Policy Development Group, Scrutiny and Cabinet committee reviews of the draft Strategy welcomed the change in format and approach in the consultation document, recognising it’s integrated but focussed, outcome based approach.</p> <p>No other respondents to the public, external consultation have commented in the same way or raised any concerns in respect of comprehending the Strategy approach and what it is intended to deliver (and why).</p> <p>Overall, whilst the feedback is welcome, this element of the feedback is largely subjective and the overall internal and external consultation process firmly supports the format proposed.</p> <p>MDDC is working partners ECC, TDC and EDDC towards a new Gypsy and Traveller Accommodation Needs Assessment (GTAA) which we anticipate will be completed in 2022, as noted in the Strategy.</p> <p>MDDC is also working partners ECC, TDC and EDDC towards a new Local Housing Needs Assessment (LHMA) which we anticipate will be completed later this year, as noted in the Strategy.</p> <p>There is no error that the Strategy has no Action Plan and it is not agreed that the targets have been applied too loosely to be of use.</p>

		<p>Objective 26 (Climate change &amp; existing Council Housing stock) which has been “redefined” to refurbish only 15% of the current Council housing stock to a zero-carbon standard by 2030.</p> <p>Overall the targets have been applied too loosely to be of use to management. This is especially relevant since there is no Action Plan in which the targets can be summarised.</p> <p>In summary the proposed draft is greatly inferior to the published version 2015-2020 and should be re-written in a similar style, together with updated sets of Data and a workable Action Plan.</p>	<p>Conversely, the Strategy contains 40 specific Objectives which are can be directly monitored and measured with numerical and/or defined outputs for the most part. Furthermore, the Strategy addresses the issue of deliverability in its Conclusion setting out a specific framework to deliver and review strategy. This includes bringing together working groups focussed one of each of the four priorities within the Strategy tasking the development and implementation of specific Action Plans around each suite of Objectives and targets.</p> <p>In respect of housing need, the Strategy reflects the updated information available since the preceding 2015 document was developed and identifies new information that will become available in the lifetime of the proposed Strategy and how that information will be used to refine housing need and delivery.</p> <p>On the matter of the different between the Housing Strategy target for market delivered affordable homes and that set out in the Local Plan is specifically addressed within the Strategy itself and the challenges around viability and deliverability versus aspiration. The Housing Strategy target takes into account that the ability to secure affordable housing through the planning process will be subject to the viability of development proposals More detail is provided in Section 1.13 of the Strategy.</p> <p>The response around Objective 26 is noted and the specific carbon target contained therein is based around affordability and budget (alongside technical constraints) in respect of retrospective improvements to existing Council Housing Stock and with a zero-carbon target for new build going forward.</p>
13	Resident	I'm very happy that you are providing more affordable housing, a better record than many councils! Also that your bringing empty properties back into use.	This supports Priority 1 (Homes) and Objectives 3-6 in particular
14	Resident/tenant	<p>I fell you should concentrate on the homes you already have.</p> <p>Our house is moldy, been waiting 2 years for you to fix the problem. In fact most houses in crediton are damp and moldy.</p> <p>Our stairs are falling down also.</p> <p>I really think you should upgrade the houses you have got so that they are suitable for the tenants you already have. Not try get more tenets.</p> <p>We have had nothing but trouble due to lack of funding your end now your putting your funding into new homes not existing ones. Sounds like</p>	The response is largely property specific as a tenant, however is supportive of the priority of making the most of our existing stock. Information provided around the property has been fed back to our Building Services team but is not a matter for this Strategy to address directly

		we are going to continue having problems in our home we already rent from you	
15	Parish Council	<p>The Parish Council agrees with most of the principles underlying the Housing Strategy.</p> <p>In respect of Objectives 1 and 2, it continues to believe that the housing target is higher than is justified by statistical analysis and that the decision to concentrate half of Mid Devon's new housing on Cullompton is unfortunate.</p>	<p>The name of the Parish Council was provided.</p> <p>The response provide overall support for the Strategy, though it comments upon matters correctly addressed by the adopted Local Plan around overall housing need and location/sustainability of development. It cannot and should not be the purpose of this Strategy to separately address principles of development and planning policy that have been legally and extensively addressed through the strategic planning process.</p>

## Annex 3

### Equality Impact Assessment

<b>Title of review</b>	Housing Strategy 2021-25
<b>Service</b>	Corporate Management Team. Delivery of the strategy is organisational and sits across several services including Public Health, Mid Devon Housing, Development Management, Forward Planning, Assets Management and Property Services
<b>Date of review</b>	06/10/2021
<b>Date of next review</b>	Annually as required if the Strategy is amended
<b>Lead officer, Job Title and Service</b>	Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing
<b>Review team</b>	Housing Strategy project officer group – see Strategy
<b>Scope of the analysis</b>	The purpose of this review is to consider the equality implications of the Housing Strategy 2021-25
<b>Beneficiaries</b>	The residents of, and those that visit and work in, Mid Devon. All protected characteristics are represented within the beneficiaries.
<b>Stakeholders</b>	Stakeholders include: <ul style="list-style-type: none"> <li>• Residents;</li> <li>• Partner Agencies;</li> <li>• Council Members;</li> <li>• Council staff;</li> <li>• Community and voluntary organisations.</li> </ul>
<b>Relevant data and research</b>	N/A
<b>Access complaints</b>	None recorded
<b>Consultation</b>	See report and public/external consultation on the Strategy during September 2021. A specific, draft EIA consultation was held remotely with the Officer working group in October 2021 following the public consultation exercise.
<b>Results of consultation</b>	The attached Housing Strategy 2021-25

**Relevance to the duty** - Do your proposals contribute towards or impact on any of the aims of the duty?

There is impact as some of the activities are directed at vulnerable groups within our communities in order to offer support and improve access to appropriate housing.

**1. Eliminate unlawful discrimination** – harassment, victimisation and any other conduct prohibited by the Act;

Some of the activities within the plan specifically target members of the community, such as vulnerable people, whether this is through financial poverty or physical disabilities or mental health concerns. The Strategy priorities and specific Objectives are designed to provide guidance, advice and support and improve access to appropriate, safe and secure accommodation relevant to these vulnerable groups

**2. Advance equality of opportunity** – between people who share a protected characteristic and people who do not share it by;

- removing or minimising disadvantages suffered by people due to their protected characteristics;
- meeting the needs of people with protected characteristics; and
- encouraging people with protected characteristics to participate in public life or in other activities where their participation is low.

Some residents groups and localities have been identified by Devon Home Choice data, internal and external consultation and will further emerge through planned analysis of census data alongside the Local Housing Needs Assessment.

**3. Foster good relations** – between people who share a protected characteristic and people who do not share it, by; tackling prejudice and promoting understanding between people with a protected characteristic and others.

Engage is one of four key priorities within the Strategy. This will involve both informal and more formal joint-working across partner agencies including neighbouring LAs, Devon County Council, local registered Social Housing Providers, other Housing Providers and Housing charities.

**Equality impacts raised or identified:**

The proposed Housing Strategy 2021-25 will target groups that have been identified in respect of some of the protected characteristics.

Protected Characteristic	Commentary	
Age	Impact	Yes.  Through links to the Local Housing Needs Assessment and the following Objectives:

		<p>14 - Increasing accommodation options  15 - Improving health and wellbeing by supporting those with complex needs  20 - Identifying needs and trends  21 - Supporting specific needs  22 - Housing Assistance Policy</p> <p>Note: Age is just one characteristic alongside several others that are relevant to these elements of the Strategy.</p>
	<b>Mitigation</b>	None required. These are positive actions to support individuals and groups within the protected characteristics that do not discriminate against those with no protected characteristics.
<b>Gender</b>	<b>Impact</b>	<p>No.</p> <p>The Housing Strategy 2021-25 does not discriminate against gender.</p>
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Race</b>	<b>Impact</b>	<p>No.</p> <p>The Housing Strategy 2021-25 not discriminate against race.</p>
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Disability</b>	<b>Impact</b>	<p>Yes.</p> <p>Through links to adapted accommodations – new build and optimisation and existing stock. A key aim is to provide sustainable, lifetime accommodation that flexible meets the changing needs of those with physical and mental-health disabilities. Specific Objectives are:</p> <p>14 - Increasing accommodation options  15 - Improving health and wellbeing by supporting those with complex needs  20 - Identifying needs and trends  21 - Supporting specific needs  22 - Housing Assistance Policy  23 - Adapting for neuro-diversity in social housing  38 - Better Care Fund</p>
	<b>Mitigation</b>	None required. These are positive actions to support

		individuals and groups within the protected characteristics that do not discriminate against those with no protected characteristics.
<b>Religion or belief</b>	<b>Impact</b>	No.  The Housing Strategy 2021-25 does not discriminate against religion or belief.
	<b>Mitigation</b>	Not required as no impact has been identified, negative or positive.
<b>Gender reassignment</b>	<b>Impact</b>	Generally no, however Objective 15 does address those with specific and/or complex needs. This is a positive discrimination that does not impact on others without this protected characteristic.  The Housing Strategy 2021-25 does not negatively discriminate against gender reassignment.
	<b>Mitigation</b>	Not required.
<b>Sexual orientation</b>	<b>Impact</b>	No.  The Housing Strategy does not discriminate against sexual orientation.
	<b>Mitigation</b>	Not required.
<b>Marriage and civil partnership</b>	<b>Impact</b>	No.  The Housing Strategy 2021-25 does not discriminate against Marriage or Civil Partnerships.
	<b>Mitigation</b>	Not required.
<b>Pregnancy and maternity</b>	<b>Impact</b>	No.  The Housing Strategy 2021-25 not discriminate against pregnancy and maternity.
	<b>Mitigation</b>	Not required.
<p><b>Overall conclusions and options to be put before decision maker or to take forward to develop your service:</b></p> <p>Some of the protected characteristics are likely to be impacted by the delivery of the priorities and specific Objectives of the Housing Strategy 2021-25. The Strategy is positively targeting specific vulnerabilities in respect of access to appropriate housing.</p>		

<b>Actions arising from analysis:</b>		
<b>Action</b>	<b>Officer Responsible</b>	<b>Deadline</b>
None		

**Acceptance**

Name and signature of assessing officer and date of assessment

**Name:** Jill May

**Position:** Director of Business Improvement and Operations

**Signed:**

**Date:** xx/10/2021



## CABINET

26 OCTOBER 2021

### UPDATE ON THE FORMATION OF SOUTH WEST MUTUAL

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

**Reason for Report:** To provide an update on the formation of South West Mutual.

**RECOMMENDATION:** That the Cabinet note the update.

**Financial Implications:** The £50,000 invested in this project to support the local economy bought 3,333 £15 ordinary shares. Should it succeed, the community should benefit and the Council may benefit financially through dividends. Should it fail, this will be a sunk cost.

**Legal Implications:** No equality issues identified for this report

**Risk Assessment:** Regular updates will be brought to Members to keep them informed of progress.

**Equality Impact Assessment:** No equality issues identified for this report. The project could provide a positive contribution by making banking services more readily available in the District.

**Relationship to Corporate Plan:** The proposal supports the Corporate Plan priority of Economy, encouraging business development and growth and also Community by helping the local community to access banking services, which are disappearing from the high streets across the District.

#### 1.0 Introduction/Background

1.1 On 7 March 2019, Cabinet agreed to grant £50,000 towards the creation of the South West Mutual– a regional bank for inclusive growth.

1.2 The mutual sought initial investment in order to progress its Banking Licence application. It will then need to find an estimated £2.5m to set up operations and complete the banking authorisation process, and finally a further investment of £17.5m to capitalise the bank and enable it to commence trading.

#### 2.0 The Market Context

2.1 Cabinet has not received an update on the South West Mutual for a while. This is largely due to Covid-19 which has impacted on the planned timetable for securing the Banking Licence. Members of the South West Mutual team have been furloughed during March - July 2020, December 2020 - January 2021 and June - September 2021.

- 2.2 Alongside, economic conditions have been less favourable, with interest rates at historic low levels and pressure on savings meant less funds were available to be invested; therefore attracting further funding to support the project has proven difficult.
- 2.3 This may also hamper gaining the investment to capitalise the bank, which also needs to increase as profitability assumptions have tightened to reflect the economic conditions and the costs of entry to banking are now significantly higher than originally forecast.
- 2.4 Another potential long term implication is the accelerated shift to online banking, which could have a knock-on effect on the future business operating model. The costs associated with cyber security and mitigating banking fraud have increased.
- 2.5 Despite the above issues, a further £125,000 investment was secured during the last financial year. At the same time, costs were reduced due to the furlough scheme and other scaling back leading to less of the up-front investment being required.
- 2.6 The Mutual has also increased its membership. At incorporation, the Society had 26 individual members and at 31 March 2021 the Society had 110 members comprising 12 corporate and 98 individual members.
- 2.7 The Mutual were still able to submit the draft regulatory business plan and meet with regulators before the end of 2020 with most of the feedback points already addressed.

### **3.0 Change in Directors**

- 3.1 Roger Cawse (Non-Executive Director) resigned in November 2020, following a leave of absence due to ill health. The Board sought to replace him with another senior banker and was delighted to appoint Robin Foale, former Managing Director of Santander Business Banking and a Non-Executive Director of Reliance Bank in February 2021. Robin brings considerable banking and leadership skills and experience to the Board.
- 3.2 David Thomas (Chair of the Board) did not seek re-election to the Board at the 2021 AGM for health reasons. In the interim, Robin Foale took over duties as Chair of the Board.

### **4.0 Regulations**

- 4.1 Another challenge that the Mutual has been grappling with is the regulations. As a co-operative society, the key piece of legislation is the Co-operative and Community Benefit Societies Act 2014. However, in May 2021 the Mutual received an unfavourable ruling from the FCA Mutuals Register on its ability to make capital gains on shares. Therefore the legal structure of the Mutual is being reviewed and may ultimately be amended before completing the application for the Banking Licence.

- 4.2 After considering the implications of competition law on the basis of expert legal advice, the Directors have concluded that the regional focus of the Society's banking activities will be better managed through applying geographical criteria to each product, where relevant, rather than to the location of the customer at the time at which they first become a member. This should improve commercial viability and member benefit.
- 4.3 Therefore the Mutual is examining how it can strike the right balance between the advantages of big (in regulation, compliance, technology costs and access to capital) and the advantages of being small (better customer service, local knowledge and lending quality).
- 4.4 The latest estimate on the time being taken to review licence applications is a maximum 12 months for the licence application, with a further 12 months provisional licence period required before trading can commence fully. This would mean mid-2024 before the first product openings. Any further update will be brought back to Cabinet.
- 4.5 As outlined in the original report to Cabinet, the risks remain that without successfully obtaining the Banking Licence, or failing to secure sufficient capital investment, the Mutual will be wound up and the South West will not have its own regional bank.

**Contact for more Information:**

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**Circulation of the Report:** Cabinet Member - Leadership Team

**List of Background Papers:**

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**CABINET**  
**26 OCTOBER 2021**

**MEDIUM TERM FINANCIAL PLAN – General Fund (GF), Housing Revenue Account (HRA) and Capital Programme PROGRAMME**

**Cabinet Member** Cllr Andrew Moore, Cabinet Member for Finance  
**Responsible Officer** Andrew Jarrett – Deputy Chief Executive (S151)

**Reason for Report:** To present to Member's the updated Medium Term Financial Plan (MTFP) which covers the period 2022/23 to 2026/27 and takes account of the Council's key strategies (i.e. the Corporate Plan, Business Plans, Treasury Management Plan, Asset Management Plan, Work Force Plan and Capital Strategy) and demonstrates it has the financial resources to deliver the Corporate Plan. This models potential changes in funding levels, new initiatives, unavoidable costs and proposed service savings.

**RECOMMENDATION:** Members note the updated MTFP's for the General Fund and Housing Revenue Account and the updated Capital Programme all covering the five years 2022/23 to 2026/27 and endorse the proposals outlined in paragraph 9.2 as the approach to balancing the General Fund Revenue Budget.

**Relationship to Corporate Plan:** The Medium Term Financial Plan (MTFP) sets out the financial resources available to deliver the Council's ongoing Corporate Plan priorities.

**Financial Implications:** By undertaking an annual review of the MTFP the Council can ensure that its Corporate Plan priorities are affordable. The implications of the revised budget gap are set out within the paper. Many areas require greater clarity, particularly around national funding including the Comprehensive Spending Review 2021, Fair Funding Review, Business Rates Retention and any on-going Covid-19 impact. Therefore a number of key assumptions underpin the reported position, which will be refined as greater clarity is received through the budget setting process.

**Budget and Policy Framework:** The Council has an annual legal requirement to set a balanced budget. The MTFP provides an overarching steer of what the Council can afford to deliver over a rolling five year period and is instrumental in setting the budgetary context for next year's budget setting process.

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

**Risk Assessment:** The MTFP makes a number of financial assumptions based on a sensible/prudent approach, taking account of the most up to date professional advice that is available. However, many of these assumptions are open to challenge and

due to this fact **Appendix 1** of this report shows the financial effect on key items in the plan if assumptions were to change (this is referred to as sensitivity analysis).

**Equality Impact Assessment:** No implications arising from this report.

**Climate Change Assessment:** The allocation of resources will impact upon the Council's ability to implement/fund new activities linked to climate change, as the MTFP sets the broad budgetary framework for the Council over the coming years. However, some provision has already been included in the base budget and further evaluation/consideration will be made as the draft budget passes through the PDGs over the next few months. Significant investment is currently forecast within the Capital Programme, however this will be dependent upon full options appraisals and levels of Grant funding available.

- 1.1 The main purpose of the MTFP is to show how the Council will strategically manage its finances in order to support the delivery of the priorities detailed in the Corporate Plan 2020 – 2024 and future years beyond that plan.
- 1.2 The MTFP links the financial requirements, constraints and objectives included in all the key planning documents of the Council (i.e. Asset Management Plan, Treasury Management Strategy, Work Force Plan, and Business Plans) which culminate in the Corporate Plan.
- 1.3 The MTFP has been a key corporate requirement for a number of years and is an essential part of the budget setting process. It provides a financial model which forecasts the cost of providing Council services over a future rolling five year period, together with an estimate of the financial resources that will be available. This model provides an early warning mechanism if there is a significant budget gap between estimated costs and available resources.
- 1.4 The MTFP helps strategically plan the budget setting process, but of equal importance, gives Management and Members an overview of future budget gaps so strategic decisions can be made over levels of future spending, Council Tax levels, policies for fees and charges, asset investment or disposal, etc.
- 1.5 In addition to considering the General Fund financial position, the MTFP also reviews the affordability of the Council's Capital Programme over the same five year period. It forecasts required capital projects (in the main focusing on essential asset replacement and health and safety items) matched against potential capital receipts and grant funding.
- 1.6 In addition to these two key areas of Council expenditure the Council also prepares an MTFP for the Housing Revenue Account. This also shows a five year programme and outlines the key issues affecting the HRA costs and income streams from April 2022 onwards.

- 2.1 The starting base for the MTFP is the 2021/22 approved budget, which is then adjusted for any supplementary estimates approved by the Council or any significant budget variances identified in the monthly budget monitoring report to the Cabinet.
- 2.2 This base then has to be adjusted for unavoidable costs, such as, pay increases, inflation, service pressures associated with new legislation, a growing residential or business property base or improving performance, etc. The MTFP will also consider forecasts for investment receipts and income from fees and charges.
- 2.3 Finally the MTFP considers and makes assumptions regarding future levels of funding, in particular Council Tax including the potential growth in tax base, Business Rates again including any movement in the baseline as well as changes in the reliefs, multipliers and overall retention levels. Forecasts are also made for the likely level of future Central Government funding.
- 2.4 The MTFP models an overall aggregated position for the Council based on a range of assumptions. This then predicts an overall budget position, which can highlight a potential budget gap and then propose remedial action which can be taken to resolve it. Clearly, these assumptions can be challenged. They will vary due to changes in the local, national and international economic position and of course, the ongoing consequences of the Covid-19 crisis will have implications, not only for the current year, but also for the years to come.
- 2.5 The development of a five year financial model is based on a number of assumptions and perceived risks. These become more difficult to predict the further into the future you consider. In general terms a prudent/reasonable approach has been taken regarding forecasts, professional accounting guidance has been followed and external technical opinion has been sought where necessary. As a consequence, **Appendix 1** illustrates possible risks within the plan and the potential financial sensitivity to changes in the assumptions.
- 2.6 The following underlying principals have been adopted as a base assumption during the life of the MTFP:

2.6.1 Principal 1 – General Fund Reserves

- Each year the Council will target a balanced revenue budget without the use of General Fund reserve balances. The level of predicted deficits over the period of this plan may ultimately require the application of reserves to a degree to achieve the mandatory balance. However, this option is not reflected in the numbers presented;
- The Council faces considerable financial risks that can have a potentially significant and immediate impact on its finances. The MTFP will attempt to ensure that the General Fund Reserve balance does not fall below the

current minimum agreed level (£2m). However, as above, this floor may well be breached as a last resort to achieve a balanced budget.

#### 2.6.2 Principal 2 – Optimise Income Generation

- Council Tax funds the largest share of the Council's budget. Annual increases will be kept within Government set guidelines. In reality this now gives the Council very little scope to significantly increase Council Tax income as the current nationally prescribed referendum rate is likely to be a maximum of 2% or £5 for the 2022/23 financial year. This plan assumes that the current rate will remain unaltered throughout the five year cycle;
- The Council will continue to look at opportunities to generate additional sustainable income. This could be through reviews of existing Fees and Charges or through new charges for discretionary services. Such charges should be set at levels that are appropriate and proportionate to the costs of the service they are delivering and the market within which they operate. The Council will continue to explore new commercial opportunities (as a 'business as usual' model is clearly no longer deliverable).

#### 2.6.3 Principal 3 – Allocation of Revenue Resources

- Resources will be directed to high priority services and hence away from low priority services. With the exception of spend to save projects on lower priority services that can either cut future costs or increase revenue to enable cross subsidisation of higher priority services;
- It will seek to deliver further efficiency in its service delivery models and secure procurement savings in its new contractual arrangements which will then be factored into future spending plans.

#### 2.6.4 Principal 4 – Allocation of Capital Resources

- The Council will continue to prioritise schemes, for instance to generate income, to meet corporate objectives and to enhance its asset base;
- The Council will continue to ensure it provides Value for Money through the efficient and effective use of its assets. The Council will look to dispose of surplus assets in order to maximise capital receipts and reduce ongoing revenue maintenance costs associated with holding the asset. Careful consideration will also need to be used to ensure the maximum market value is achieved when disposing of assets;
- Prudential borrowing will only be made during the life of the MTFP after the production of a fully costed business case that demonstrates how the investment meets the Council's policy objectives, has exhausted all other external funding routes and delivers measurable improvement within a reasonable payback period;



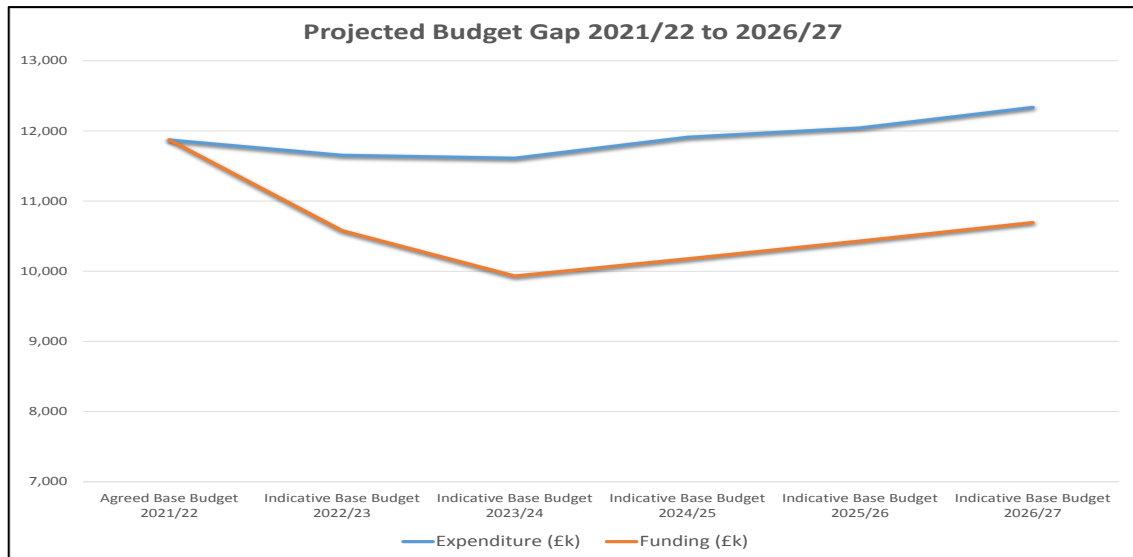
- The Council will keep its internal borrowing under review and when appropriate will consider the potential to fix rates in the medium to long term to manage the risk and potential financial impact of interest rate increases. The Council continues to consult specialist advice to keep this under review.
- 2.7 These are all underpinned by a culture of Budget Ownership across all services.
- 3.1 Members will be aware that this MTFP has been developed against a backdrop of an aggregate cut in Central Government Grant of c£5m between 2010/11 and 2020/21, and an international pandemic that has had an unprecedented impact on the Council in terms of its finances, the allocation of its resources and ways in which it delivers its services; yet the Council continues to deliver a wide range of well performing services.
- 3.2 This Medium Term Financial Plan (MTFP) has been developed to provide a financial framework within which the Council can deliver the priorities in the Corporate Plan. This strategy focuses on the forward financial issues/pressures facing the General Fund and Capital Programme.
- 3.3 There are still some fundamental 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 are covered in Section 7 of this report, but can be summarised as follows:
- Impact of the Comprehensive Spending Review (SR21) and the Autumn Budget and their consequences for the Local Government Financial Settlement due in December;
  - Changes to Central Government funding schemes including New Homes Bonus and Business Rate allocations/mechanics;
  - Longer term implications of Covid-19
  - Ongoing service reviews (including changes to fees and charges) as services look to improve the efficiency and effectiveness of their delivery.
- 3.4 Although SR21 will cover the period 2022/23 to 2024/25 and therefore a 3-year financial settlement is expected, many aspects of the government's reforms to the Local Government Finance system are unlikely to be resolved in time for April 2022. For example, the Business Rates revaluation has been delayed until 2023/24. Sector expectations are that the Business Rates Reset and New Homes Bonus Scheme replacement will also apply from 2023/24. This clearly makes forecasting for future years very difficult.

- 3.5 An element of the previous multi-year financial settlement was “Negative RSG”. This arose when a Council’s Revenue Support Grant had been reduced to nil, yet further austerity cuts were required so a downward adjustment is applied to the Business Rates tariff. Following lobbying, the financial impact of this adjustment has been mitigated with additional funding. However, due to the delay in the Fair Funding Review, the permanent resolution to this issue has not been announced. Therefore, at this time “Negative RSG” remains in the assumptions.
- 3.6 Members will appreciate that some of the indicative savings will require political support and therefore if some suggestions are deemed to be unacceptable then other savings will need to be proposed.
- 3.7 The MTFP shows the strong inter-relation between the General Fund and delivering a sustainable Capital Programme. The significant increase in the forecast capital expenditure has implications for the Revenue budget that are captured by this MTFP. Any variation to, or slippage in, that programme will also need to be reflected.
- 4.1 Table 1 and the associated graph shown below, gives a summary position for the MTFP over the next five years, with greater detailed information is shown in **Appendix 2**. This shows an overall deficit of £1,643k over the life of the plan, although the peak deficit occurs in 2024/25 at £1,732k. This future budget gap is equivalent to approximately 13% of the projected budget requirement by 2026/27.

**Table 1 – MTFP General Fund Summary**

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£000		£000	£000	£000	£000	£000
11,870	<b>Expenditure</b>	11,651	11,612	11,909	12,041	12,335
(11,870)	<b>Funding</b>	(10,579)	(9,932)	(10,178)	(10,429)	(10,692)
0	<b>Annual Shortfall</b>	<b>1,072</b>	<b>607</b>	<b>52</b>	<b>(119)</b>	<b>30</b>
0	<b>Cumulative Shortfall</b>	<b>1,072</b>	<b>1,680</b>	<b>1,732</b>	<b>1,612</b>	<b>1,643</b>

**Graph 1 – Projected MTFP Budget Gap 2021/22 to 2026/27**



- 4.2 Due to the cumulative nature of this plan, if the Council balances its revenue spend to its available funding, each subsequent year will only then need to find the difference. However, if no remedial action is taken to reduce the overall level of spend, the MTFP predicts an estimated cumulative shortfall on the General Fund budget of £7,739k (made up of the cumulative amounts required to balance the budget each year). At present the General Fund reserve of £2,186k would be insufficient to absorb the deficits over this period, although is sufficient to cover any individual year's shortfall.
- 4.3 This deficit is almost all accumulated during the first two years of the MTFP timeframe. In 2022/23, there is a significant reduction in funding forecast as the one-off Covid-19 funding and Lower Tier Services Grant is removed, along with the expected reduction in New Homes Bonus. This is partially offset by forecast increases in Business Rates and Council Tax income. In 2023/24, a significant reduction in Business Rates income is included to reflect the reforms to the Retention Scheme the Government are considering, including the Revaluation and Baseline Reset.
- 4.4 This is clearly a challenge based upon a number of assumptions, caveats, decisions based upon external advice and the most up to date information available at this time. These predictions have included amounts to fund the future Capital Programme and estimates of future cost movements.
- 4.5 There is some small mitigation in that the forecast Outturn for 2021/22 (shown separately on this meeting agenda) is expected to be around the breakeven mark.
- 4.6 Clearly, any major variations in these assumptions would require a fundamental review of the Council's MTFP and would be reported back to Cabinet and the wider Membership as soon as practical, coupled with proposed courses of action that could be implemented.

- 4.7 The Council has a legal requirement to set a balance budget and needs to ensure its overall costs are affordable i.e. they can be funded through income and planned use of reserves. Members therefore need to take the necessary decisions and actions to manage net spending within affordable limits.
- 5.1 The Capital Programme includes new bids for capital funding to support new programmes as well as 'rolling' items already highlighted in the current year's Capital Programme (i.e. Affordable Housing/Private Sector Housing Grants, the Major Repairs Account and the 30 year modernisation programme). There is no inclusion of slippage within the MTFP; approval is sought at Outturn to carry forward the approval, and the financial impact is added to the current financial year. Therefore all schemes included with this Capital Programme are new and have not yet started or received formal approval. In February, Member's will be asked to approve the Year 1 programme and note the indicative future years.
- 5.2 Table 2 below, shows the capital funding position during the life of the MTFP. A more detailed analysis of the overall schemes and potential funding is attached as **Appendix 3**.

**Table 2 – MTFP Capital Programme**

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£000		£000	£000	£000	£000	£000
	<b>General Fund:</b>					
<b>10,755</b>	<b>Capital Requirement</b>	<b>25,158</b>	<b>38,293</b>	<b>17,013</b>	<b>14,050</b>	<b>7,574</b>
	<b>Funded by:</b>					
2,094	Existing Funds	14,360	15,386	1,698	665	644
8,661	PWLB Borrowing	10,798	22,907	15,315	13,385	6,930
<b>10,755</b>	<b>Total Funding</b>	<b>25,158</b>	<b>38,293</b>	<b>17,013</b>	<b>14,050</b>	<b>7,574</b>
	<b>Housing Revenue Account:</b>					
<b>6,950</b>	<b>Capital Requirement</b>	<b>29,462</b>	<b>19,930</b>	<b>17,790</b>	<b>21,830</b>	<b>17,100</b>
	<b>Funded by:</b>					
3,733	Existing Funds	10,237	10,175	10,266	10,667	9,272
3,217	PWLB Borrowing	19,225	9,755	7,524	11,163	7,828
<b>6,950</b>	<b>Total Funding</b>	<b>29,462</b>	<b>19,930</b>	<b>17,790</b>	<b>21,830</b>	<b>17,100</b>
<b>17,705</b>	<b>Overall Capital Requirement</b>	<b>54,620</b>	<b>58,223</b>	<b>34,803</b>	<b>35,880</b>	<b>24,674</b>
<b>17,705</b>	<b>Overall Funding</b>	<b>54,620</b>	<b>58,223</b>	<b>34,803</b>	<b>35,880</b>	<b>24,674</b>

- 5.3 The available receipts are based on a prudent basis, with no major asset sales (other than right to buy sales) factored into the model. Similarly, prudent assumptions are included for the availability of Capital Grant to help mitigate some of the proposed costs. If additional receipts are generated, or grant received, the capital prioritisation list could be revisited to bring forward new schemes into the programme or decrease the contribution from New Homes Bonus or reduced/repay any borrowing requirement. The draft Capital

Programme will also be reviewed/challenged by the Capital Strategy Asset Group (CSAG).

- 5.4 This forecast shows a marked increase in the borrowing requirement over the duration of the MTFP. This is largely due to a significant plan to increase the HRA Housing stock through the HRA and plans to fund housing developments through 3Rivers. As with all capital projects, these are all subject to a full appraisal. A prudent assumption has been included for the utilisation of 1-4-1 receipts or for additional grant funding to be made available from Homes England; although a substantial element of the cost remains with the Council.
- 5.5 Similarly, a number of bids are included that will help the Council deliver its commitment to climate change and reducing carbon emissions. Again, it is anticipated that external funding will also assist with the funding of these bids, but at present the prudent position of undertaking borrowing is shown.
- 5.6 There is an assumption included in respect of the Housing Infrastructure Funded (HIF) projects. Currently, funding has been received to cover the initial projected estimated cost of the projects. However, costs have dramatically increased since that funding was received. Therefore the Council has submitted a bid to the Levelling Up Fund to cover the forecast difference for the Cullompton project. The Council awaits the outcome of this bid, but the assumption is that it will be successful and the Capital Programme reflects both the increase in costs and the additional Levelling Up funding. However for the Tiverton project, the assumption is that the shortfall (currently estimated to be £1.9m) will be funded through borrowing.
- 5.7 Currently there is no revenue contribution to the Capital Programme. Instead, the New Homes Bonus is earmarked for funding elements of the Capital Programme. However, as previously stated, the current New Homes Bonus scheme is due to cease in 2022/23 and a replacement is expected. Depending on the level of funding gained from this replacement scheme the Council will need to consider how it might be able to make a revenue contribution. Ultimately, any outstanding funding requirement after utilising revenue contributions, reserves and any external funding sources will need to be funded through Prudential Borrowing.
- 5.8 The Council currently operates a policy of “internal borrowing” whereby it utilises its cash balances rather than undertaking new loans. It is recommended that the Council continues to maximise its use of internal borrowing rather than seeking to fund projects through new external borrowing whilst cash balances remain above £10m. However, given the scale of the proposed Capital Programme, this will not be sufficient to fund all bids. Therefore, the Council will consider the potential to fix rates in the medium to long term to manage the risk and potential financial impact of interest rate increases.

6.1 The HRA is a ring-fenced account within Mid Devon’s financial accounting system. This means that a balanced budget must be set each year including all income and expenditure pertinent to the Council’s landlord function and excluding all other income and expenditure (since this would be captured as part of the General Fund budget).

6.2 The draft HRA MTFP for 2022/23 to 2026/27 is summarised below, with greater detail included within **Appendix 4**.

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£000		£000	£000	£000	£000	£000
7,059	Direct Expenditure	7,978	8,137	8,348	8,564	8,787
(13,218)	External Income	(13,576)	(14,247)	(14,824)	(15,692)	(16,273)
<b>(6,159)</b>	<b>Net Cost Of Services</b>	<b>(5,598)</b>	<b>(6,110)</b>	<b>(6,476)</b>	<b>(7,128)</b>	<b>(7,486)</b>
6,159	Indirect Expenditure	5,499	6,109	6,775	7,196	7,705
<b>0</b>	<b>Budget (Surplus) / Deficit</b>	<b>(99)</b>	<b>(1)</b>	<b>299</b>	<b>68</b>	<b>219</b>
<b>0</b>	<b>Cumulative (Surplus) / Deficit</b>	<b>(99)</b>	<b>(100)</b>	<b>199</b>	<b>267</b>	<b>486</b>

6.3 This shows that only the first two years of the forecast is able to generate a surplus and therefore contribute to the Housing Maintenance Fund (HMF). In the remaining years there is a deficit that needs to be addressed, rising to £486k if no remedial action is taken.

6.3.1 In addition to the above, recent legislation post Grenfell is likely to place significant additional budgetary pressure across the whole of the HRA. Similarly, there is remedial action required to mitigate the recommendations from the recent Fire Assessment Audit. Work is underway to evaluate the size and scope of this new burden and it is hoped will be available to be assimilated into the 2022/23 budget setting process. This is assumed to be funded from drawdowns from the Housing Maintenance Programme.

6.3.2 £200k has also been included to begin to address Carbon reduction in line with the Council’s commitment. This is assumed to be funded through external bids to the Government’s Decarbonisation Scheme.

6.4 As per the General Fund budget, Covid-19 continues to impact the HRA in terms of delayed maintenance, rent arrears and income collection. It is unclear how long any impact will continue, or how any wider economic uncertainties might impact. Therefore, the budget has been set with prudent assumptions so the above position could improve.

#### 6.5 Direct Expenditure

6.5.1 Pay inflation has been included at 3.75% in year 1 and then 2% across the remainder of the timeframe. In addition, two new posts are included to address Health and Safety responsibilities and £100k has been added to address the current pressure on Recruitment and Retention. Other non-staffing related costs of providing both the repairs and tenancy services are increased by 3% in line with CPI.

6.5.2 The Council's policy is to lease vehicles meaning that the cost of running and maintaining a fleet falls on the budget. Overtime as more of the fleet is replaced the pressure on the budget grows, therefore £50k is included to top up the budget and create a sinking fund that will help with future costs.

6.5.3 During the 2019/20 year end, at the beginning of the Covid-19 pandemic, the Council increased its provision for bad debts by £100k in 2023/24, £50k of that increase is expected to be reversed as debts recover to pre-Covid-19 levels. There could also be the option of fully reversing that increase, but again a prudent assumption has been applied at this time.

## 6.6 Income

6.6.1 Rent policy set out by central government states that existing rents must be increased annually by the previous September's CPI rate, plus an additional 1%. At present this rate is not yet known so an assumption of 3% has been applied in 2022/23. Given CPI is currently at 3% (August 2021), this is prudent but also allows for the ongoing impact of Covid-19 and economic constraints, including:

- Lost rental income as houses are sold through the Right to Buy scheme – assumed net loss of 12 units per annum after including those that the Council re-purchase;
- Increased void turnaround times mean that more properties sit empty at any one time, thus generating no rent;
- Income collection has become more challenging since the pandemic impacted and this could lead to increased write-offs of arrears.
- Similarly, the ongoing transition to Universal Credit means that some rents that would have been received automatically are now recoverable from the tenant. Where tenants suffer a financial impact from the current climate, arrears are likely to increase with the potential for further write-offs, which represent a cost to the Council;
- The £20 reduction per week to Universal Credit will impact those most vulnerable and could lead to lower collection levels.

Future years uplifts pair back from this value, with 2.5% in 2023/24 and 1.5% in future years. This is felt to be appropriately prudent.

6.6.2 Due to the current economic climate it is also assumed that garage ground rents will be retained at their current level, £275 per annum. This can be reviewed in a year's time when we may have more economic certainty.

6.6.3 With interest rates at historic lows and not forecast to increase dramatically over the MTFP period, income generated from interest

where cash balances have been invested is also assumed to be at prudent levels.

## 6.7 Indirect Expenditure

6.7.1 There is a marked increase in the cost of Capital Financing reflecting the proposed investment in housing shown in the Capital Programme. As stated within Section 5 above, assumptions have been made on the opportunity to increase the number of units, the cost of these units, the timing of the build programme, and the impact on the HRA finances including debt financing and additional rental income generated based upon Social Rent. This is also a prudent view as any units deemed to be Affordable will generate higher rentals.

6.7.2 As stated in 6.3.1 and 6.3.2 above, as assumption has been made to draw down £200k per annum from the Housing Maintenance Programme and a further £200k will be obtained through bids to the Governments Decarbonisation Scheme.

6.8 Any surpluses generated by the HRA are used to contribute to the Housing Maintenance Fund (HMF). This fund is designed to meet any spikes in the cost of major works in the HRA's plan to 2048. The combination of inflating expenditure more than income, along with the consequence of the significant capital investment only leaves an assumed value to be transferred to the HMF in year one. The remaining years all forecast a deficit and therefore a drawn on the HMF at this time. However, the HMF currently holds over £15.1m but in order for this to avoid reducing too far, savings or further income generation proposals will need to be identified.

7.1 The Council currently has an uncommitted General Fund Balance of £2,186k which is slightly above the current balance of £2m set by Full Council. Therefore the Council should look to match on-going spending plans to available in-year resources.

7.2 A Council holds this reserve for a number of reasons. Firstly to deal with any short term cash flow or funding issues. Secondly to provide a contingency for exceptional one-off acts (i.e. flooding, fire, terrorism, business rate failure, etc.) and, thirdly to provide a buffer for known circumstances whose final effect is unknown (i.e. changes in legislation or major funding changes). Clearly, the more uncertainty that exists, the higher the balance required to mitigate this risk. This level of minimum reserves is assessed annually to ensure it is adequate.

7.3 As stated above, this plan does not include any utilisation of these reserves. However, with the scale of the deficit in the initial years, it is conceivable that some utilisation could be necessary. If so, this should be on the basis that the reserve is replenished by the end of the MTFP period.



7.4 The Council also holds Earmarked Reserves which have been set aside for a specific purpose, such as sinking funds for asset replacement. The overall balance has increased markedly in 2020/21 largely due to the Council holding balances relating to Covid-19 grant funding that will be utilised over the current year and future years in line with government requirements. As such, these reserves are not available to support the budget. However, a review of all earmarked Reserves is undertaken annually and any identification of funding no longer required to be earmarked can be released and could be used to support the budget. As these funds are one-off, they should not be used to support ongoing expenditure and therefore only delay the requirement for the identification and implementation of a sustainable saving.

8.1 Ongoing risks and uncertainty for the budget at this stage include:

**8.1.1 Comprehensive Spending Review (SR21) and the Autumn Budget**

– the Council await the announcement of government spending limits over the years 2022/23 to 2024/25. The headline is that spending should grow in real terms by 4% per annum, yet Government have already announced higher funding for some key departments such as NHS, Education and Defence, therefore unprotected Departments such as Local Government are likely to see in excess of 1% real terms cuts. Although it is not possible to interpret what this might mean for Mid Devon District Council, it should give a guide and signpost the direction of travel for Local Government Finance;

**8.1.2 Local Government Finance Settlement (LGFS)**

– the Council await the Provisional Settlement expected to cover 2022/23 to 2024/25 and be announced in December. The previous multi-year settlement expired in 2019/20 and for the last two years has simply been rolled forwards as the sector awaits the outcomes of the much delayed Fair Funding Review. Whilst a multi-year settlement offers some certainty over the level of grants, there will be further risks and changes which will affect 2022/23 budget setting.

**8.1.3 New Homes Bonus (NHB)**

– The NHB scheme has been more favourable to District Council's than other tiers due to its underlying formulae. However, due to the success of the scheme, and critically the associated cost, the scheme has been reduced. The calculation of NHB was changed in the 2017/18 Finance Settlement and a "top-slice" of 0.4% of growth was introduced alongside the reduction from six years to five years. The allocation was reduced to four years in 2018/19 and it is expected receipts under this scheme to end in 2022/23. The Government has consulted on various options to replace NHB, but as yet there is no clarity on whether there will be a replacement grant with a housing incentive. If the formulae used is closer to the main needs assessment mechanism used in the Revenue Support Grant, District Councils will receive less. Therefore, is it not possible to predict

whether Mid Devon District Council will continue to receive any of this funding allocation.

- 8.1.4 **Council Tax** – The MTFP is based on the assumption of a maximum £5 increase on a Band D property each year. This may of course not be possible due to Central Government restrictions. This is only likely to be known on an annual basis as each Settlement is announced. There is lobbying to remove, or relax, the referendum limit
- 8.1.5 **Council Tax Base** – The 2021/22 budget assumed a reduction in the collection rate. This MTFP forecasts a prudent recovery, rising from the current 96% to 97% in 2022/23 and then back to the normal 98% in 2023/24. Future long term growth relies on the large scale infrastructure projects such as J28, Tiverton Eastern Urban Extension and Culm Garden Village.
- 8.1.6 **100% Business Rates Retention** – In the Autumn Statement 2015 the Government confirmed its intention to allow local authorities to keep 100% of business rates income by 2020. As with the fair funding Review, any proposed changes have been significantly delayed, with current understanding indicating that they will not be brought in before 2023/24.

The aspects of the scheme being reviewed include the level of income retained (i.e. increasing from 50% to 100%) and the frequency of Revaluations and Baseline Resets. The latter could significantly impact the Council as growth in the business rates baseline since 2013 is currently retained. A full or partial reset of this baseline will divert resources away from Mid Devon. The sector also awaits what transitional measures will be included to smooth this detrimental impact.

- 8.1.7 **Levelling up / Community Renewal Fund** – At present, the Council is awaiting the outcome of these bids for substantial funding. Should the bids not be successful, plans to deliver major infrastructure projects will require rethinking and the identification of other funding sources. Even if successful, there may be knock-on implications as yet unknown that come to light that have financial consequences.
- 8.1.8 **Covid-19** – Although all forms of financial support from Government have ceased, the Council is still experiencing a significant drop in service income levels. Leisure and wellbeing provision has been put at significant risk with patronage levels being slow to recover. Car parking income is affected as many continue to work from home, or shop online instead of on the high street. These “new ways of working” may signal a step change in behaviour and income levels may be permanently lowered. It is difficult to project if and when full recovery may occur but this is unlikely to be for a couple of years. Now the Council is focused on aiding the economic recovery, further cost pressures are likely to occur. However, there are also some financial savings that have been

realised such as reduced travel costs. The Council will need to continue to realise these savings where possible.

## **8.2 Other Uncertainties:**

- 8.2.1 **National Insurance** – The announcement of the new Health and Social Care increase in National Insurance was accompanied by a commitment to cover this additional direct cost for Councils. However, all organisations will see an impact from this including the Council's contractors. Will they be able to absorb this cost or will it inevitably be passed on to the customer, i.e. the Council.
- 8.2.2 **Housing and Homelessness** – during Covid-19, additional funding was received to support Homelessness. In addition, rules preventing evictions by private landlords were applied. Now these have both stopped, along with other financial measures that supported households such as Furlough and the additional £20 Universal Credit, along with likely increased utilities bills, will the service see increased pressure?
- 8.2.3 **Inflation** – currently rates are increasing rapidly, with August showing the largest ever recorded in the 12-month CPIH series. However, this is likely to be a temporary increase due to the implications of Covid-19 measures taken in August 2020 by the government, such as Eat Out to Help Out and reduction in VAT. This could be critical though for the Council as it will feed into 3<sup>rd</sup> party contracts prices and pay inflation.
- 8.2.4 **Waste Strategy** – The Government are currently considering what waste should be collected, how frequently it should be collected and whether Council's can charge for particular elements of the waste collected, i.e. Garden Waste. The Council is currently piloting a 3-weekly collection programme and collects over £500k through charging for Garden Waste. Should the government change its requirements, how will the financial implications for the council be offset?
- 8.2.5 **Capital Programme** – the attached programme covers the next five years. Any amendment to spending proposals could contain further revenue budget implications such as borrowing costs.
- 8.2.6 **Growth of property and commercial base** – stepped cost impact but additional revenue based on current Government incentives (payment by results of delivery).
- 8.2.7 **Further cuts to Welfare system** and impact of the roll-out of Universal Credit Scheme.
- 8.2.8 **Risk of spend to save projects** and commercial investments – will projected savings and incomes materialise?

- 8.2.9 **Changes to DCC funding** provision of specific services that could have a knock on effect to Mid Devon (e.g. Grounds Maintenance contributions, support for recycling activities and changes to municipal tips).
- 8.2.10 **“Spend to save” costs** associated with the business and digital transformation projects and ongoing savings delivered in subsequent years.
- 8.3 All of the above items highlight once again just how difficult it is to forecast ahead with any degree of accuracy. Nevertheless, the MTFP helps us examine the likely trends to assist in setting realistic capital and revenue budgets going forward.
- 9.1 Many of the issues, assumptions and sensitivity of items included within the MTFP are complex, often inter-related and will undoubtedly be subject to variation and ultimately fundamental review depending on the levels of future funding reductions. However, strategic decisions have been ongoing to reduce the current and future operational costs.
- 9.2 The level of uncertainty in funding and external pressures as outlined in Section 8 makes forecasting difficult and with it a need to highlight risks and the need to push for further efficiencies within services. The MTFP shows an overall funding gap of £1,643k up to 2026/27 with a spike in 2024/25 of £1,732k. In order to reduce this deficit the Council will strive to constantly manage its costs and revenues by:
- 9.2.1 A continued reduction of service and employee costs – which may incur short term upfront costs.
- 9.2.2 Ensure fees/charges are revisited regularly and that the Council are charging appropriately for all items possible.
- 9.2.3 Continue and expand partnership working where practical.
- 9.2.4 Investigation of a number of spend to save projects.
- 9.2.5 Review the current and future property asset requirements.
- 9.2.6 Maximise procurement efficiencies.
- 9.2.7 Explore new commercial opportunities.
- 9.2.8 Examine different ways of delivering services to reduce costs.
- 9.2.9 Continued benchmarking and learning from best practice.

- 9.2.10 Consideration of growing the commercial property base to align delivery with Government funding priorities.
- 9.3 The above plans will require all service areas to play an active role in securing future savings and the Council will also continue to consult with all of its major stakeholders, especially the tax payers, to ensure all future budgetary decisions accord with their priorities.
- 9.4 During the summer, Leadership Team and services have been reviewing a range of budget options that could be considered in order to help mitigate that remaining budget shortfall across the five years of this MTFP. This also includes some possible additional costs that could arise. These Budget Options can be found in **Appendix 5** and will form the basis of the discussions with the Policy Development Groups (PDG's). In addition the PDG's will be asked to identify further options to resolve the immediate budget gap for 2022/23 and future years.
- 10.1 Clearly there is a very strong link between finance and corporate/service performance. By integrating the MTFP, the Work Force Plan and the Corporate Plan, the Council can demonstrate how it will afford to deliver its key objectives. This will also shape the ongoing priorities of the Council, as with finite resources it will need to decide on what its key priorities are.
- 11.1 The MTFP will continue to be updated on an annual basis. This will ensure that it will be a live document, subject to amendment and review by Leadership Team and Members and will provide a clear guide prior to commencing the annual budget setting process in future years.
- 12.1 Like all councils, Mid Devon is facing an ongoing and very challenging financial future. One of the many implications of the pandemic is the effect it will have on the Council's finances. The Corporate Plan will need to be aligned to available financial resources (which will include a regularly updated Work Force Plan) so that the District can be best placed to maximise cost effective delivery of its services that are valued by its residents.
- 12.2 It should also be noted that Management will continue to play a pro-active role in both reducing ongoing service costs and exploring new possibilities to raise additional income.
- 12.3 Having a realistic financial plan for the next five years will enable the Council to ensure it is allocating its limited financial resources to its key priorities. The current Corporate Plan sets out the Council's goals/objectives over a four year period and must clearly be matched by the financial resources that are available. The Government's move from a relatively fixed core funding system

to more of a '*payment by results*' process has introduced a lot more uncertainty and volatility for the future of the Council's funding streams, which makes medium term financial planning an even more challenging process.

- 12.4 Like any strategic plan, the MTFP has been compiled based upon all available information at a fixed point in time. Clearly, as time moves on assumptions will change, Central Government will set new targets, bring in new legislation and adjust funding levels. The Council is aware that the Fair Funding Review may bring significant changes in its core funding including a full or partial Baseline reset in Business Rates. Residents expectations will change, Member priorities will alter and therefore any plans must be flexible enough to cope with major changes. As the Council is already in a period of major financial uncertainty, now compounded by Covid-19, it is not only prudent but imperative that it seeks to maintain its reserve levels to the fullest extent possible. Moving forward Members must be provided with regular updates on the financial impact of any variation to what has been previously assumed.

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### Key Assumptions used in Medium Term Financial Plan

A number of assumptions have been made in formulating the strategy. Clearly some of these are harder to predict than others and in addition the magnitude of the “error” of prediction may be greater in certain specific areas. Detailed below are the main assumptions made and importantly an analysis of the sensitivity to variance.

As previously mentioned, many of the assumptions could be subject to challenge and may well alter during the life of the MTFP. Therefore, it is important to show the magnitude (or sensitivity) in financial terms of minor alterations to assumptions made.

#### Localised Tax Funding

Internal estimates have used to project the levels of Council Tax and Business Rates income over the five year period.

The Council Tax taxbase forecasts a prudent recovery, rising from the current 96% to 97% in 2022/23 and then back to the normal 98% in 2023/24. Each additional 1% equates to approximately 300 homes and contributes approximately £65k. The assumed increase in the Band D charge is in line with the Governments referendum limits. Each £1 increase in Council Tax generates approximately £30k. It should be noted that extra housing also affects the Council’s cost base too.

The Business rates estimate is for a prudent 1% growth in the Rateable Value and the national multiplier in all years except 2023/24. In 2023/24 the Government are indicating the implementation of the Revaluation and a possible Baseline Reset. In theory the Revaluation is cost neutral nationally, but this is difficult to prove and inevitably there will be winners and losers at locality level. The Baseline reset will update the baseline year(s) used in their funding model. Given the impact of Covid-19, the latest year this is likely to use is 2019/20 and therefore a degree of local growth will be lost depending on the method of the reset applied. The assumption within the MTFP is that the Council will lose a little under 4% in yield, which equates to approximately £450k. Therefore, a 1% variation from this assumption equates to +/- £120k.

#### Government Funding

Most forms of Government funding is included within the Local Government Financial Settlement provided by the Department for Levelling Up, Housing and Communities (DLUHC), formerly Ministry of Housing, Communities and Local Government (MHCLG). This includes:

- Rural Services Delivery Grant – this has generally been static over the last 4 years, so has been assumed to remain at previous levels.
- Lower Tier Services Grant – was announced as one-off so is assumed to not be applicable in this MTFP. The loss is £179k
- New Homes Bonus Scheme – as documented in the report. Current allocations will cease in 2022/23 and a replacement is unknown. Therefore, future years are excluded.

- Improved Better Care Fund, which contained Disabled Facilities Grant - this has generally been static over the last 4 years, so has been assumed to remain at previous levels.
- Social Care Grant (upper tier authorities) – not relevant so excluded.

We await the Provisional Settlement in December and the Final Settlement in the following February for the definitive figures to use in our final budget calculations. These invariably change from the previous year's future forecasts.

### **Inflation**

Future inflation is of course an unknown quantity. The level of inflation assumed in this plan is moderate and it could come to pass that the actual inflation figures are higher, having a significant impact on our medium terms projections. The sensitivity analysis below provides some context for the scale of any variation from the forecast.

The Pay inflation also includes an increase in respect of 2021/22 at 1.75% based upon the understanding that a pay award is currently being negotiated. The insurance inflation in year one is because of retendering the cover.

A change in the inflation factors causes the following movements:

<b>2022/23</b>	<b>Budget £k</b>	<b>Inflation Assumption %</b>	<b>2022/23 Forecast Financial Impact £k</b>	<b>1% Change £k</b>	<b>5% Change £k</b>
Staffing	12,660	3.75%*	475	127	633
NDR on Council Properties	703	1%	7	7	35
Gas	99	1%	1	1	5
Electric	293	1%	3	3	15
Water	148	1%	1	1	7
Members Allowances	323	3.75%*	12	3	16
Insurance	203	20%	41	2	10
Fuel	355	2%	7	4	18
Leisure Fees and Charges	(3,093)	3%	(93)	(31)	(155)
Support Service Recharge to HRA	(1,501)	3.75%*	(56)	(15)	(75)
<b>TOTAL</b>	<b>10,190</b>		<b>398</b>	<b>102</b>	<b>509</b>

### **Investment Return**

The model assumes that interest rates will remain low and relatively static both in terms of investments and borrowing. This has been confirmed by looking at a broad spectrum of advice and forecasts from a number of treasury specialists. Current expectations are for the base rate is to rise slightly, perhaps to 0.25% in 2022/23, by a further 0.25% in 2023/24 and again a further 0.25% in 2024/25. These would remain as relatively historic low levels over the whole MTFP. A 0.25% movement in interest rates equates to £2,500 additional interest earned/cost for every £1m lent/borrowed.

### **Covid-19**

The pandemic and the measures taken to combat it create an extremely volatile environment in which to make financial forecasts. In such times the need for financial planning becomes even more critical whilst acknowledging that it is probable that there will be significant swings in the numbers as events unfold. In order to



understand and track these movements, it is important that we have clear assumptions.

The unprecedented nature of the pandemic is that we cannot refer to historic data to make future predictions and so can only rely on unfolding data to fine tune our expectations.

The basic assumption that has been applied in this model is full recovery in many service activities (and so also in the income arising) in 2022/23. This includes Planning, Local Land Charges, Building Control, Licensing, Tiverton Pannier Market and Waste and Recycling. However, only a partial recovery is included for Car Parks and Leisure, which have been set at levels akin to 2019/20. Therefore, income is currently forecast to recover by £770k out of the £1,239k reduction included within the 2021/22 budget. This leaves the potential for a further £469k income to be included to return to the 2020/21 budgeted income. At this time, this is not included and income remains akin to 2019/20 pre-Covid-19 levels.

There is an underlying assumption of inflationary growth from 2023/24 onwards across all service areas, with an additional expectation that cumulatively growth of £50k can be generated.

As stated in the main report, all Covid-19 funding support has ceased. However, even assuming a steady recovery in income streams, there will be losses in 2022/23 and in some areas likely beyond this. There is currently no indication from Government that it will provide any more support Local Authorities and that is reflected in this model. However, given the uncertainty surrounding future funding, it is conceivable that some level of government support will be forthcoming. This could be to benefit LAs directly, whilst any ongoing support to businesses will assist the local economy.

### **Collection Fund**

The impact on the Collection Fund arising from Covid-19 is covered by Section 31 Grant and legislation on how it should be accounted for. As the Government announced significant Business Rates reliefs for businesses within the retail, hospitality and leisure sectors in 2020/21, the value of income collected fell dramatically in 2020/21, by c£7m. To offset this the Council was given Section 31 grant. Normally, the surplus/deficit on the Collection Fund is distributed to Preceptors during the following financial year. However, given the scale of the deficit, Government have legislated that it should be spread over 3 financial years. Therefore, the value cover the future two financial years is held in reserves and will be drawn down in the relevant year.

The reliefs have continued into 2021/22 and a further c£4m Section 31 Grant has been received to offset the loss. However at this time there is no clarity on whether the deficit on the Collection Fund will again be spread over a longer timeframe.

### **Capital Programme**

As stated in the covering report, the Capital Programme is proposed to increase substantially, with external borrowing forecast to be in excess of £50m across both the General Fund and the Housing Revenue Account. Given the scale of the

borrowing, the assumptions around interest rates are critical. An increase of 0.2% in rates is assumed to occur in each financial year, therefore the rates included in 2026/27 are a full 1% above current rates. The cumulative financial implication of this is an extra £400k across the MTFP period in the General Fund and £575k for the HRA.

### **Housing Revenue Account**

An assumption has been included for substantial growth in Housing over the MTFP timeframe. The exact timing of the delivery of these houses is subject to an acceptable business case and the availability of external funding.

An Assumption has been made for the external funding available from Homes England. Each extra 1% of grant funding that could be obtained reduces the borrowing requirement by approximately £125k per annum. Therefore it will be critical that the Council maximised this opportunity.

### **Risk**

All of the assumptions made in the MTFP have been examined for risk and estimates of expenditure and income have been made on a prudent/most likely occurrence. This has been based on previous experience, evidence in the current financial year, consultation with specialist advisers and taking account of all known market factors at the time of finalising the plan.

## Appendix 2

The Table below gives an overall summary of the Council's General Fund MTFP position (which includes a wide range of assumptions).

### MTFP General Fund Summary

2021/22 £'000		Notes	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
<b>13,667</b>	<b>Net Direct Cost of Services</b>		<b>12,870</b>	<b>12,789</b>	<b>12,918</b>	<b>13,125</b>	<b>13,335</b>
(1,501)	Net recharge to HRA		(1,558)	(1,589)	(1,621)	(1,653)	(1,686)
732	Provision for Repayment of Borrowing	1	819	980	794	789	787
<b>12,898</b>	<b>Net Service Costs</b>		<b>12,131</b>	<b>12,180</b>	<b>12,091</b>	<b>12,261</b>	<b>12,436</b>
(539)	Net Interest Costs/(Receipts)	2	(802)	(698)	(571)	(623)	(495)
159	Finance Lease Interest Payable		169	177	170	174	164
(648)	Net Transfers to/(from) Earmarked Reserves	3	153	(48)	219	230	230
<b>11,870</b>	<b>Total Budget Requirement</b>		<b>11,651</b>	<b>11,612</b>	<b>11,909</b>	<b>12,041</b>	<b>12,335</b>
	<b>Funded By:</b>						
(3,150)	Retained Business Rates	4	(3,306)	(2,859)	(2,904)	(2,950)	(3,002)
(179)	Lower Tier Services Grant	5	0	0	0	0	0
0	Revenue Support Grant	6	0	0	0	0	0
(490)	Rural Services Delivery Grant		(467)	(467)	(467)	(467)	(467)
(978)	Covid-19 Funding	7	0	0	0	0	0
(959)	New Homes Bonus	8	(460)	0	0	0	0
(6,114)	Council Tax–MDDC	9	(6,346)	(6,606)	(6,807)	(7,012)	(7,223)
<b>(11,870)</b>	<b>Total Funding</b>		<b>(10,579)</b>	<b>(9,932)</b>	<b>(10,178)</b>	<b>(10,429)</b>	<b>(10,692)</b>
<b>0</b>	<b>Annual Gap – Increase/(Decrease) In-year</b>		<b>1,072</b>	<b>607</b>	<b>52</b>	<b>(119)</b>	<b>30</b>
<b>0</b>	<b>Cumulative Gap</b>		<b>1,072</b>	<b>1,680</b>	<b>1,732</b>	<b>1,612</b>	<b>1,643</b>

#### Notes:

1. The Provision for repayment of borrowing incorporates the financial implications of the proposed Capital Programme shown in Appendix 3.
2. The reduction in Net Interest Costs/(Receipts) reflects a prudent assumption of the interest earned from 3 Rivers Developments Ltd. Once each new loan becomes live, the true interest due will be incorporated into the assumptions, until such point only 60% is included to offset the cost of the loan.
3. Net Transfers to/(from) Earmarked Reserves reflects planned contributions to, or drawdowns from reserves. The movement in 2023/24 reflects the loss of New Homes Bonus that has been previously added to an Earmarked Reserve prior to be utilised to fund the Capital Programme.
4. The Retained Business Rates income drops in 2023/24 to reflect the potential changes the Government might implement to the Business Rates Retention Scheme. These include Revaluation, Re-Baselining and Resource Equalisation.
5. Lower Tier Services Grant was announced as one-off, so has not be include within future years. MDDC is hopeful that this funding stream may continue.

6. Revenue Support Grant is shown despite MDDC not receiving it any longer. This is because MDDC may get it again in the future once the Government has concluded the Fair Funding Review and established the new funding mechanisms for the sector.
7. All funding for Covid-19 support has ceased.
8. New Homes Funding is due to cease in 2022/23 hence no inclusion in future years. MDDC is hopeful that this funding stream may continue in some form.
9. Council Tax income is forecast assuming Band D charge increases in line with assumed referendum limits, and a prudent return to Pre-Covid-19 collection rates

## CAPITAL PROGRAMME - Medium Term Financial Plan 2022/23 - 2026/27

	Estimated Capital Programme 2022/23 £k	Estimated Capital Programme 2023/24 £k	Estimated Capital Programme 2024/25 £k	Estimated Capital Programme 2025/26 £k	Estimated Capital Programme 2026/27 £k	Total £k	Notes
<b>General Fund Estates Management</b>							
<b>Lords Meadow Leisure Centre</b>							
Dance Studio space challenge (Relocation of dance studio)		902				902	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Fitness Studio renewal of equipment		150				150	
ATP surface replacement		150				150	
Spin Bikes		24				24	
<b>Exe Valley Leisure Centre</b>							
ATP replacement (50% share with DCC)				150		150	50% Funded by DCC
Spin Bikes		32				32	
<b>Culm Valley sports centre</b>							
Remodelling dance studio		153				153	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
ATP replacement (50% share with DCC)			150			150	50% Funded by DCC
Ceiling - asset review	260					260	
Fitness Studio renewal of equipment			150			150	
Spin Bikes		24				24	
<b>Leisure - Climate Change-Net Zero Target (incl heat- decarbonisation)</b>							
EVLC - Boilers & CHP					80	80	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
EVLC - Air Source Heat Pumps				420		420	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
EVLC - Solar Car Park Cover					390	390	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
EVLC -Ground Source Heat Pumps					520	520	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
EVLC - Building Fabric - Insulation improvements				350		350	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
LMLC -Solar Car Park Cover		640				640	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
LMLC -Ground Source Heat Pump -(for whole site)				170		170	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
LMLC - Building Fabric -insulation improvements					350	350	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
CVSC - Biomass Boiler installation			160			160	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
CVSC -Air Source Heat Pump				170		170	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
CVSC -Ground Source Heat Pumps					220	220	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
CVSC -Building Fabric -Insulation improvements				200		200	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
<b>Total Leisure</b>	<b>260</b>	<b>2,075</b>	<b>460</b>	<b>1,460</b>	<b>1,560</b>	<b>5,815</b>	
<b>Other MDDC Buildings</b>							
Cemetery Lodge - Structural solution for damp	62					62	
<b>Phoenix House</b>							
Cooling options Air Handling Unit			150			150	
Phoenix House - Air Source Heat Pumps and ducting			450			450	Subject to acceptable Business Case/Financial appraisal and success of External/Salix funding bids
<b>General Car parks</b>							
MSCP -Solar carport and additional security					370	370	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
<b>MDDC Depot sites</b>							
Depot Design & Build - Waste & Recycling	250	3,500				3,750	Subject to identification of appropriate site
Recycling Baler replacement			480			480	
<b>MDDC Shops/industrial Units</b>							
36 & 38 Fore Street including Flat above structure & cosmetic works	250					250	This is in addition to the £47k identified in 2021/22.

	Estimated Capital Programme 2022/23 £k	Estimated Capital Programme 2023/24 £k	Estimated Capital Programme 2024/25 £k	Estimated Capital Programme 2025/26 £k	Estimated Capital Programme 2026/27 £k	Total £k	Notes
<b>Parks &amp; Play Areas</b>							
Amory Park - Hard Court Area		64				64	
Play Area's - schemes tbc		50	50		50	150	
<b>Public Conveniences</b>							
Phoenix Lane Toilets - new construction in fresh position - funding options to be pursued	125					125	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Westexe Rec Toilets - Replacement		159				159	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
<b>Other Projects</b>							
Hydromills Electricity generation Project - Tiverton Weir	420					420	Funding options to be explored - subject to acceptable Business Case/Financial appraisal. This is in addition to £800k identified in 2021/22 that is forecast to slip into 2022/23.
Tiverton Market Paving - Permanent Solution		150				150	
<b>Total Other</b>	<b>1,107</b>	<b>3,923</b>	<b>1,130</b>	<b>0</b>	<b>420</b>	<b>6,580</b>	
<b>HIF Schemes</b>							
Cullompton Town Centre Relief Road (HIF bid)	8,414	11,038	597			20,049	Revised Project costs/funding have been incorporated per Cabinet Report 03/08/21 and latest forecast from DCC (July 2021). Revised total project costs £24.9m. 'Levelling Up' funding bid has been submitted for £13.6m, if successful this funding will be used to partially fund costs in this forward looking MTFP but also budgeted costs in 2021/22 (which depending on the speed in which this project progresses may slip into 2022/23). Total project costs in this plan take into account monies already spent in 2019/20 & 2020/21 and the budgeted spend in 2021/22 Capital Programme.
Tiverton EUE A361 Junction Phase 2 (HIF bid)	4,640	5,100				9,740	Additional £1.9m projected costs assumed in 2023/24 per Cabinet Report 03/08/21 (Total revised project forecast £10.1m). At this stage for illustrative purposes to be funded by borrowing until tendering process complete and revised report brought back to Cabinet regarding delivery contract and associated funding and revised estimated profile of spend.
<b>Total HIF Schemes</b>	<b>13,054</b>	<b>16,138</b>	<b>597</b>	<b>0</b>	<b>0</b>	<b>29,789</b>	
<b>ICT Projects</b>							
Laptop/desktop refresh	50					50	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Workstation refresh		50				50	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Secure WIFI Replacement	50					50	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Server hardware/software Citrix Replacement	40					40	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
MS365 Licensing	100	100	100			300	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Multi-Factor Authentication	20					20	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Sophos Security Software	30					30	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Cyber/Veeam Backup Software/Disaster Recovery	80					80	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Uninterruptible Power Supply Refresh			20			20	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
VM/Storage Area Network			120			120	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
<b>Other ICT Service related projects</b>							
Replacement Access Database - Property Services	100					100	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Replacement HR Data base	80					80	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
Leisure management project- System hardware/ software	150					150	Further consideration required as to whether Projects classified in Capital or Revenue; this will be undertaken during the budget process.
<b>Total ICT</b>	<b>700</b>	<b>150</b>	<b>240</b>	<b>0</b>	<b>0</b>	<b>1,090</b>	

	Estimated Capital Programme 2022/23 £k	Estimated Capital Programme 2023/24 £k	Estimated Capital Programme 2024/25 £k	Estimated Capital Programme 2025/26 £k	Estimated Capital Programme 2026/27 £k	Total £k	Notes
<b>Private Sector Housing Grants</b>							
Disabled Facilities Grants–P/Sector	577	581	586	590	594	2,928	
<b>Total PSH Grants</b>	<b>577</b>	<b>581</b>	<b>586</b>	<b>590</b>	<b>594</b>	<b>2,928</b>	
<b>TOTAL GF PROJECTS</b>	<b>15,698</b>	<b>22,867</b>	<b>3,013</b>	<b>2,050</b>	<b>2,574</b>	<b>46,202</b>	
<b>Other General Fund Development Projects</b>							
3 Rivers Scheme - Bampton	1,206					1,206	Linked to 3 Rivers Business Plan V10
3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton	356					356	Linked to 3 Rivers Business Plan V10
* 3 Rivers scheme - Knowle Lane, Cullompton (note slippage from 2020/21 will fund planned spend in 2021/22)	1,298	1,426				2,724	Linked to 3 Rivers Business Plan V10
* 3 Rivers Schemes - Future Projects	4,800	11,500	14,000	12,000	5,000	47,300	Linked to 3 Rivers Business Plan V10
* These schemes require signed loan agreements before they can be progressed further							
Park Road (Delivery of this project is yet to be determined until conclusion of marketing exercise & therefore maybe a Capital Receipt)	1,300					1,300	
Regeneration Project 1		2,500				2,500	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Regeneration Project 2	500					500	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
<b>TOTAL GF OTHER DEVELOPMENT PROJECTS</b>	<b>9,460</b>	<b>15,426</b>	<b>14,000</b>	<b>12,000</b>	<b>5,000</b>	<b>55,886</b>	
<b>GRAND TOTAL GF PROJECTS</b>	<b>25,158</b>	<b>38,293</b>	<b>17,013</b>	<b>14,050</b>	<b>7,574</b>	<b>102,088</b>	

	Estimated Capital Programme 2022/23 £k	Estimated Capital Programme 2023/24 £k	Estimated Capital Programme 2024/25 £k	Estimated Capital Programme 2025/26 £k	Estimated Capital Programme 2026/27 £k	Total £k	Notes
<b>HRA Projects</b>							
<b>Existing Housing Stock</b>							
Major repairs to Housing Stock	2,255	2,240	2,260	2,280	2,300	11,335	
*Renewable Energy Fund	250	250	250	250	250	1,250	
Home Adaptations - Disabled Facilities	300	300	300	300	300	1,500	
* 22/23 & 23/24 are dependent on SHDF Funding bid in 21/22 - if successful this spend will be b/fwd to 21/22							
<b>** Housing Schemes (1:4:1 Receipt) Projects</b>							
Housing Scheme - Project 1	35						Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional 35 funding options to be explored
Housing Scheme - Project 2	130					130	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
Housing Scheme - Project 3	750					750	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
Future Housing schemes - 1:4:1 Projects		140	430	2,400		2,970	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
Affordable Housing/ Purchase of ex RTB	400	400	400	400	400	2,000	Subject to acceptable Business Case/Financial appraisal - 40% Funded through 1:4:1 Monies, additional funding options to be explored
<b>** Housing Development Schemes</b>							
Housing Scheme - Project 9	1300					1,300	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 10	1300					1,300	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 11	1500					1,500	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 12	1500					1,500	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 13	1100					1,100	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 14	800					800	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 15	4600					4,600	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 16	900					900	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 17	1000					1,000	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 18	900					900	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Housing Scheme - Project 19	1400					1,400	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
Future Housing development Schemes		14000	13900	16100	13800	57,800	Subject to acceptable Business Case/Financial appraisal - Assumed 45% Homes England Funding in respect of additional units created, additional funding options to be explored
<b>** Proposed Council House 1:4:1 &amp; Housing Development schemes subject to full appraisal</b>							
Westexe - Structural Communal area work (stairwells, steps)	100	350				450	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Garages Block - Redevelopment	92					92	This is in addition to the £408k identified in 2021/22, the majority of which is projected to slip into 2022/23
Post Hill, Tiverton	8,800	2,200				11,000	Original timescales/costs have been assumed - subject to scheduling of delivery provider. Planning application to be submitted Jan/Feb 2022
Old Road Depot remodelling options - forecast expenditure to maintain operations	50	50	250	100	50	500	Assumed Costs to keep building operational
<b>GRAND TOTAL HRA PROJECTS</b>	<b>29,462</b>	<b>19,930</b>	<b>17,790</b>	<b>21,830</b>	<b>17,100</b>	<b>106,112</b>	
<b>GRAND TOTAL GF + HRA Projects</b>	<b>54,620</b>	<b>58,223</b>	<b>34,803</b>	<b>35,880</b>	<b>24,674</b>	<b>208,200</b>	



	Estimated Capital Programme 2022/23 £k	Estimated Capital Programme 2023/24 £k	Estimated Capital Programme 2024/25 £k	Estimated Capital Programme 2025/26 £k	Estimated Capital Programme 2026/27 £k	Total £k	Notes
<b>FUNDING</b>							
<b>MDDC Funding Summary</b>							
<b>General Fund</b>							
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>	
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	
<b>EXISTING FUNDS</b>							
Capital Grants Unapplied Reserve	577	581	661	665	594	3,078	
Capital Receipts Reserve	130	130	65	0	0	325	
NHB Funding	181	237	110	0	50	578	
Other Earmarked Reserves	418	200	265	0	0	883	
HIF Funding (Tiverton & Cullompton schemes)	6,465	10,550	0	0	0	17,015	
Levelling Up funding bid (Cullompton Relief Road Project)	6,436	3,438	0	0	0	9,874	
DCC Funding (Cullompton Relief Road Project)	153	250	597	0	0	1,000	
<b>Subtotal</b>	<b>14,360</b>	<b>15,386</b>	<b>1,698</b>	<b>665</b>	<b>644</b>	<b>32,753</b>	
<b>NEW FUNDS</b>							
PWLB Borrowing (50 years)	750	6,000	0	0	0	6,750	
PWLB Borrowing (25 years)	758	1,851	610	1,310	1,930	6,459	
PWLB Borrowing (10 years)	330	0	555	75	0	960	
PWLB Borrowing (5 years)	0	230	150	0	0	380	
PWLB Borrowing (3 years)	8,960	12,926	14,000	12,000	5,000	52,886	
Tiverton HIF Scheme - Assumed funded through borrowing from Public Works Loan Board		1,900				1,900	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
<b>Subtotal</b>	<b>10,798</b>	<b>22,907</b>	<b>15,315</b>	<b>13,385</b>	<b>6,930</b>	<b>69,335</b>	
<b>Total General Fund Funding</b>	<b>25,158</b>	<b>38,293</b>	<b>17,013</b>	<b>14,050</b>	<b>7,574</b>	<b>102,088</b>	
<b>Housing Revenue Account</b>							
	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Total</b>	
	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>	
<b>EXISTING FUNDS</b>							
Homes England Funding	5,862	6,300	6,255	5,848	5,393	29,658	
Capital Grants Unapplied Reserve	170	168	168	168	168	842	
Capital Receipts Reserve	1,380	1,071	1,187	1,975	1,015	6,628	
NHB Funding	21	21	21	21	21	105	
HRA Housing Maintenance Fund	0	0	0	0	0	0	
Other Housing Earmarked Reserves	2,804	2,615	2,635	2,655	2,675	13,384	
<b>Subtotal</b>	<b>10,237</b>	<b>10,175</b>	<b>10,266</b>	<b>10,667</b>	<b>9,272</b>	<b>50,617</b>	
<b>NEW FUNDS</b>							
PWLB Borrowing (50 years)	19,225	9,755	7,524	11,163	7,828	55,495	
<b>Subtotal</b>	<b>19,225</b>	<b>9,755</b>	<b>7,524</b>	<b>11,163</b>	<b>7,828</b>	<b>55,495</b>	
<b>Total Housing Revenue Account Funding</b>	<b>29,462</b>	<b>19,930</b>	<b>17,790</b>	<b>21,830</b>	<b>17,100</b>	<b>106,112</b>	
<b>TOTAL FUNDING</b>	<b>54,620</b>	<b>58,223</b>	<b>34,803</b>	<b>35,880</b>	<b>24,674</b>	<b>208,200</b>	

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**MID DEVON DISTRICT COUNCIL**  
**HRA MEDIUM TERM FINANCIAL PLAN 2021-22 TO 2026-27**

	Current Base					
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	£	£	£	£	£	£
<b>Employee costs</b>						
Cost pressures - New posts + Recruitment/Retention funding		185,000	-	-	-	-
Savings		-	-	-	-	-
Base budget	2,976,890	3,088,523	3,338,994	3,405,774	3,473,889	3,543,367
<i>Inflation base</i>	2,976,890	3,273,523	3,338,994	3,405,774	3,473,889	3,543,367
One off initiatives						
<b>Total in year cost</b>	<b>2,976,890</b>	<b>3,273,523</b>	<b>3,338,994</b>	<b>3,405,774</b>	<b>3,473,889</b>	<b>3,543,367</b>
<b>Premises costs</b>						
Cost pressures - Post Grenfell Legislation Costs, Fire Risk Assessment Audit Recommendations, Carbon Reduction Initiatives		450,000	-	-	-	-
Savings		-	-	-	-	-
Base budget	235,500	242,565	713,342	734,742	756,784	779,488
<i>Inflation base</i>	235,500	692,565	713,342	734,742	756,784	779,488
One off initiatives						
<b>Total in year cost</b>	<b>235,500</b>	<b>692,565</b>	<b>713,342</b>	<b>734,742</b>	<b>756,784</b>	<b>779,488</b>
<b>Transport related costs</b>						
Cost pressures - Vehicle Leasing Sinking Fund		50,000	-	-	-	-
Savings		-	-	-	-	-
Base budget	238,860	246,026	304,907	314,054	323,475	333,180
<i>Inflation base</i>	238,860	296,026	304,907	314,054	323,475	333,180
One off initiatives						
<b>Total in year cost</b>	<b>238,860</b>	<b>296,026</b>	<b>304,907</b>	<b>314,054</b>	<b>323,475</b>	<b>333,180</b>
<b>Supplies and services</b>						
Cost pressures		-	2,320	-	-	-
Savings - Impairment Allowance - balance returning to normal post Covid-19		-	(50,000)	-	-	-
Base budget	2,106,640	2,169,839	2,234,934	2,252,872	2,320,458	2,390,072
<i>Inflation base</i>	2,106,640	2,169,839	2,187,254	2,252,872	2,320,458	2,390,072
One off initiatives						
<b>Total in year cost</b>	<b>2,106,640</b>	<b>2,169,839</b>	<b>2,187,254</b>	<b>2,252,872</b>	<b>2,320,458</b>	<b>2,390,072</b>
<b>Support services</b>	<b>1,501,410</b>	<b>1,546,452</b>	<b>1,592,846</b>	<b>1,640,631</b>	<b>1,689,850</b>	<b>1,740,546</b>
<b>Total gross expenditure</b>	<b>7,059,300</b>	<b>7,978,406</b>	<b>8,137,343</b>	<b>8,348,073</b>	<b>8,564,457</b>	<b>8,786,652</b>
<b>Rents , fees, charges and grants</b>						
Income reductions - Units lost through Right-to-Buy		64,834	66,455	67,452	68,464	69,491
Income increases - Growth in units		(26,000)	(398,180)	(430,370)	(714,560)	(414,750)
Base budget	(13,218,490)	(13,615,045)	(13,915,616)	(14,461,050)	(15,046,328)	(15,927,810)
<i>Inflation base</i>	(13,218,490)	(13,576,210)	(14,247,340)	(14,823,968)	(15,692,424)	(16,273,070)
One off initiatives						
<b>Total in year cost</b>	<b>(13,218,490)</b>	<b>(13,576,210)</b>	<b>(14,247,340)</b>	<b>(14,823,968)</b>	<b>(15,692,424)</b>	<b>(16,273,070)</b>
<b>NET COST OF SERVICES</b>	<b>(6,159,190)</b>	<b>(5,597,805)</b>	<b>(6,109,998)</b>	<b>(6,475,895)</b>	<b>(7,127,967)</b>	<b>(7,486,417)</b>
Capital Financing	973,660	973,660	1,182,160	1,617,600	1,768,080	1,991,340
Interest Payable (PWLb)	974,570	1,197,770	1,543,530	1,718,170	1,929,790	2,156,800
Interest Payable HRA to GF	44,190	41,952	39,654	37,294	34,869	32,377
Interest Payable (finance leases)	7,670	7,670	7,670	7,670	7,670	7,670
Contribution to Capital - MRA	2,260,000	2,596,290	2,596,290	2,596,290	2,596,290	2,596,290
Renewable energy surplus	105,000	128,750	132,610	136,590	140,690	144,910
Affordable Rent surplus	144,790	149,134	152,862	155,155	157,482	159,845
Principal adjustment	753,820	803,282	854,210	906,646	960,635	1,016,223
Utilisation of the 30 Year Maintenance Programme	-	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
External Funding from Decarbonisation Scheme	-	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Transfer to Housing Maintenance Fund (HMF)	895,490					
<b>Indirect costs/reserve transfers</b>	<b>6,159,190</b>	<b>5,498,507</b>	<b>6,108,986</b>	<b>6,775,414</b>	<b>7,195,505</b>	<b>7,705,454</b>
<b>Annual (Surplus) / Savings to be found</b>	<b>0</b>	<b>(99,298)</b>	<b>(1,012)</b>	<b>299,519</b>	<b>67,539</b>	<b>219,036</b>
<b>Cumulative (Surplus) / Savings to be found</b>	<b>0</b>	<b>(99,298)</b>	<b>(100,310)</b>	<b>199,209</b>	<b>266,748</b>	<b>485,785</b>

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**Mid Devon District Council - Medium Term Financial Plan**

Description	Budget Gap					TOTAL £
	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	
v1 Annual Budget Shortfall	1,332,295	604,197	49,238	(122,368)	27,276	<b>1,890,638</b>
v2 Inclusion of 60% of 3R interest charges	(180,000)		60,000	(120,000)	60,000	<b>(180,000)</b>
v2 Inclusion of GP Surgery loan interest	(80,000)	3,000	3,000	3,000	3,000	<b>(68,000)</b>
<b>v2 CURRENT BUDGET GAP</b>	<b>1,072,295</b>	<b>607,197</b>	<b>112,238</b>	<b>(239,368)</b>	<b>90,276</b>	<b>1,642,638</b>
<b>v2 Cumulative Budget Shortfall</b>	<b>1,072,295</b>	<b>1,679,492</b>	<b>1,791,730</b>	<b>1,552,362</b>	<b>1,642,638</b>	

**Budget Options to address the MTFP Budget Gap**

Previous Options	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £
1 Recruitment freeze / 12 month ban on filling any vacancies unless proof that the service would fall below legal minimum level	(75,000)	(50,000)	(50,000)	0	0	<b>(175,000)</b>
2 Leisure centres. Additional income above general inflation increase based upon new capital expenditure	0		(50,000)	0	0	<b>(50,000)</b>
3 Reduce waste collections to encourage more recycling	0	(136,000)	(75,000)	0	0	<b>(211,000)</b>
4 Close Public Toilets - Market Sq Crediton, TTC complete ownership of PC, Down St Mary remodel?	(25,000)	(25,000)	0	0	0	<b>(50,000)</b>
5 Review agency spend and look at why we need to rely on agencies/do things differently	(50,000)	0	0	0	0	<b>(50,000)</b>
6 Review Court Costs - Amount/Process - Also Recovery to pre COVID levels	(38,000)	0	0	0	0	<b>(38,000)</b>
7 Phoenix House – sublet office space; creating hot desk areas combined with WFH becoming the normal working practice	0	(30,000)	(50,000)	0	0	<b>(80,000)</b>
8 Invest in our own hydro scheme	0	0	(49,000)	0	0	<b>(49,000)</b>
9 Move staff out of Old Road, GF purchase building and lease back to HRA until decommissioned	0	(38,000)	0	0	0	<b>(38,000)</b>
10 Reduce grants to charitable organisations, other than those who support our statutory obligations	(13,000)	(13,000)	0	0	0	<b>(26,000)</b>
	<b>(201,000)</b>	<b>(292,000)</b>	<b>(274,000)</b>	<b>0</b>	<b>0</b>	<b>(767,000)</b>

**New Options to be review / worked up**

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £
<b>1 Funding</b>						
a Council Tax Collection Fund gain (one-off)	(200,000)	200,000	0	0	0	0
b Council Tax Recovery/Growth - refine assumptions	£???	£???	£???	£???	£???	0
c Business Rates Collection Fund gain	(100,000)	100,000	0	0	0	0
d Business Rates Recovery/Growth - refine assumptions (particularly retention/reset)	(100,000)	£???	£???	£???	£???	(100,000)
e Future Business Rates Growth - both Costs and Income in relation to: Hitchcotts (30%), J27, J28, EUE, North Western Cullompton Expansion, Hartnells etc	0	(200,000)	(100,000)	(100,000)	(100,000)	(500,000)
f Continuation of Lower Tier Services Grant	£???	£???	£???	£???	£???	0
g Finalisation of New Homes Bonus - possible supplementary payment - new replacement scheme	£???	£???	£???	£???	£???	0
h Implications of Fair Funding Review - possible new grant funding - removal of Negative RSG - Potential exposure to Business Rates rebasing	(180,000)	200,000	100,000	£???	£???	120,000
i1 3 Rivers Returns - increased Interest above that already built in	(140,000)	150,000	(50,000)	10,000	160,000	130,000
i2 3 Rivers Returns - Dividend Payments	0	0	(250,000)	£???	£???	(250,000)
j GP Surgery Loan - Phase 2	0	0	(80,000)	0	0	(80,000)
	<b>(720,000)</b>	<b>450,000</b>	<b>(380,000)</b>	<b>(90,000)</b>	<b>60,000</b>	<b>(680,000)</b>

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £
<b>2 Transformation</b>						
a Decarbonisation Savings	(40,000)	£???	£???	£???	£???	(40,000)
b Property Rationalisation - savings on overheads - Play Parks ?? - Amenity Car Parks??	£???	£???	£???	£???	£???	0
c Digital Transformation - Costs and Savings	(30,000)	(60,000)	(30,000)	0	0	(120,000)
d HIF Projects - Base position reflects £18m Grants - Additional pressures i.e. interest etc (hopefully offset by Levelling Up Bid)	£???	£???	£???	£???	£???	0
e Harlequin Valet - receipt from sale of asset (possible £100k one-off - use in-year or next year?)	£???	0	0	0	0	0
f NET Reduced costs as outcome of "hybrid working" - Reduced travel costs - Greater Productivity - Additional IT Costs	£???	£???	£???	£???	£???	0
	(70,000)	(60,000)	(30,000)	0	0	(160,000)

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £
<b>3 Other Savings?</b>						
a Review Fees and Charges - Green / Trade Waste - Discretionary elements of Licensing / Planning - Car Park Fees	(50,000)	£???	£???	£???	£???	(50,000)
b Additional implications of CRF and Levelling up Bids	£???	£???	£???	£???	£???	0
c Review HRA Recharges - refine further	(5,000)	£???	£???	£???	£???	(5,000)
d Reduce Corporate Subscriptions / Fees	£???	£???	£???	£???	£???	0
e Commercialise Services	£???	£???	£???	£???	£???	0
f Increase subscriptions to Piper Alarms	£???	£???	£???	£???	£???	0
g Outsource Homelessness provision - reduced admin costs	£???	£???	£???	£???	£???	0
h Refine Inflation Assumptions - Services to "consume their own smoke"	£???	£???	£???	£???	£???	0
	(55,000)	0	0	0	0	(55,000)

Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £
<b>4 Possible Costs</b>						
a Climate Change Commitment Implications (over and above associated grant funding)	50,000	50,000	50,000	50,000	50,000	250,000
b Cyber Security - Insurance premium - Costs arising from Audit recommendations	20,000	£???	£???	£???	£???	20,000
c CCTV - additional spend?	£???	£???	£???	£???	£???	0
d1 SFS Leasing Contract - Maintenance costs	30,000	30,000	30,000	30,000	30,000	150,000
d2 SFS Leasing Contract - Lease costs	65,000	15,000	15,000	15,000	15,000	125,000
e Additional implications of CRF and Levelling up Bids	£???	£???	£???	£???	£???	0
f Stop sharing Transport Manager post with Exeter City Council	20,000	0	0	0	0	20,000
g Contributions for bedding from Town Councils - ceased	13,000	0	0	0	0	13,000
h Increase in asset maintenance programme	50,000	£???	£???	£???	£???	50,000
i Increased Audit Fees under new procurement framework	20,000	20,000	£???	£???	£???	40,000
j Increased Pension Deficit - Higher Back Funding requirement - Higher contribution rates	0	100,000	0	0	100,000	200,000
k Carlu Close - possible increase in Rental payment - possible reduced utilities	30,000	0	0	0	0	30,000
l1 Updated Capital Programme - GF revenue implications - Interest	54,000	174,000	(3,000)	(101,000)	(98,000)	26,000
l2 Updated Capital Programme - GF revenue implications - Minimum Revenue Provision (MRP)	0	45,000	383,000	107,000	63,000	598,000
m Additional cost implications of Recruitment and Retention pressure	100,000	0	0	0	0	100,000
n Loss of NHB (capital contribution) - Adequate property maintenance	100,000	100,000	100,000	100,000	100,000	500,000
	<b>552,000</b>	<b>534,000</b>	<b>575,000</b>	<b>201,000</b>	<b>260,000</b>	<b>2,122,000</b>



Ref Description	2022/23 £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	TOTAL £
<b>5 <u>Longer Term Decisions / Tough Choices</u></b>						
a Reduce Service Provision	£???	(150,000)	(200,000)	£???	£???	(350,000)
- Reduce standard						
- Cease provision						
d Further Commercial Activity	£???	£???	£???	£???	£???	0
	0	(150,000)	(200,000)	0	0	(350,000)
<b>Potential MTFP Position</b>	<b>578,295</b>	<b>1,089,197</b>	<b>(196,762)</b>	<b>(128,368)</b>	<b>410,276</b>	<b>1,752,638</b>
<b>Notes:</b>						
<b>6 <u>Reserves</u></b>						
a General Fund - 10% above minimum						
b Reallocate NHB						
- £3m earmarked to support Capital - could be used for Revenue instead						
c Reallocate Other Earmarked Reserves						
- £15m+ excluding NNDR S31 Grant						
<b>7 <u>Other Issues</u></b>						
a National changes to waste collection services						
b Ability for planning to be break even						
c No inclusion of National Insurance increase contributions as assumed fully funded						
<b>8 <u>Other Considerations</u></b>						
a DC Elections May 2023						
b Financial implications from recent petition for referendum on democratic system (c.£300k)						

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## CABINET

26 OCTOBER 2021

### BEECH ROAD, TIVERTON – PROJECT DELIVERY

**Cabinet Member(s):** Cllr Bob Evans, Deputy Leader and Cabinet Member for Housing and Property Services  
**Responsible Officer:** Andrew Busby, Corporate Manager Property, Leisure and Climate Change

**Reason for Report:** Following the withdrawal of Contractor 2, for Cabinet to award the contract for the construction of three Council properties, using a JCT Design & Build 2016 Contract (as amended) to Contractor 1.

**Recommendation:** The Deputy Chief Executive (S151) and the Deputy Leader and Cabinet Member for Housing and Property Services are delegated authority to award the contract for works required to provide three social rented houses at Beech Road in Tiverton.

- (i) Contractor 1 under a JCT Design and Build Contract 2016 (as amended).
- (ii) To approve a £22k increase for project contingency as detailed in para 5.9.

**Financial Implications:** These are explained in the report and will be managed within HRA budget and 1:4:1 budget allocations received as part of the right to buy process.

**Budget and Policy Framework:** The construction of new homes has been identified in the Capital Medium Term Financial Plan. The cost for the on-going maintenance of the asset will be met from the Housing Maintenance Fund (HMF).

**Legal Implications:** Upon awarding the contract, the Council will be engaged and bound by the terms of the JCT Design and Build 2016 (as amended) contract with the chosen contractor.

**Risk Assessment:** An open and transparent tendering process had been undertaken to avoid the potential for challenge and to ensure value for money. An Employers Agent has been engaged to review the quality scoring of Contractor 1 to address any concerns.

**Equality Impact Assessment:** The design of the properties considers the needs of all and planning permission has already been approved under reference 17/00323FULL. Our housing need has been considered as detailed on Table 1.

**Relationship to Corporate Plan:** Homes: Deliver more affordable housing and greater numbers of social rented homes.

**Impact on Climate Change:** The contractor will be required to be committed to managing and minimising the environmental impact. This project will be planned in a manner, which takes account of the environmental impact, seeking to reduce such

effect as much as possible. This will include consideration of the impact of travelling to the site and effective planning to reduce the number of deliveries. The introduction and promotion of environmental monitoring will be a key element of management of the project. The impact of these works will result in an increase in the Council's reported carbon footprint under the relevant scope which will be reported in 2021/22 figures and the Council will look at measures to offset the additional carbon used on this project.

## **1.0 Introduction**

- 1.1 The Council is committed to increasing its affordable housing stock through the development of existing Council owned land.
- 1.2 The land that the Council plan to develop at Beech Road is within the Council ownership (HRA fund) as shown on attached map Annex B.
- 1.3 Planning permission was previously applied for in 2015 reference 15/00062/FULL to address the adopted drains easement restrictions. A further application was applied for and approved to build three one-bedroom dwellings reference 17/00323FULL. Works completed following ground investigation work has secured this permission.
- 1.4 An agreement was previously made as part of the planning application for the Council to provide an off-street parking space for a neighbouring property prior to any commencement of building works on the parking area.
- 1.5 The Council has now completed its consultation with those households who use the parking spaces to ensure that they are fully aware of the development proposals. There is no additional issues arising from that consultation.
- 1.6 Cabinet previously approved and awarded the contract to Contractor 2. Unfortunately, given the challenging market conditions for labour and materials, Contractor 2 could not commit to the contract.
- 1.7 The project team have considered alternatives for this site and have considered a modular solution; however, it was concluded to continue with a traditional construction for this development. The modular option could potentially increase the number of dwellings by two for an additional estimate of £100k. This would however result in further delays due to the already granted planning permission, the consultation exercise and the risk of not utilising the 1:4:1 receipts as budgeted.
- 1.8 The construction contract will be a JCT Design and Build contract and originally included a project contingency sum of £25k. It is recommended that this contingency be increased from £25k to £50k due to the increased cost for materials, which may be requested following a Client instruction.

## 2.0 Affordable Housing

- 2.1 The local housing need shown on Table 1 below sets out housing need as captured by the Mid Devon Housing team from the Devon Home Choice monitoring report as of April 2020.
- 2.2 Please note that Table 1 includes those registered and these latest figures from July 2021 alone, demonstrate that there is sufficient need in the Tiverton area to ensure that the three dwellings would be occupied. Homes are advertised on Devon Home Choice with the rent shown so people will know when they bid how much they will be required to pay on a weekly basis if successful. Table 1 shows an absolute number of people who wish to live in a particular area. These dwellings will be retained by the HRA and rented.

**Table 1**

### Tiverton

Band	Housing Type	Housing Needs Requirement Size					
		1BH	2BH	3BH	4BH	5BH	6BH
Total	General Needs	108	51	55	22	5	0
	Step Free	29	6	3	2	0	0
	Max 3 Steps	1	2	1	0	0	0
	Wheelchair	10	2	1	1	0	0
	<b>Grand Total</b>	<b>148</b>	<b>61</b>	<b>60</b>	<b>25</b>	<b>5</b>	<b>0</b>

A	General Needs	0	0	0	0	0	0
	Step Free	0	0	0	0	0	0
	Max 3 Steps	0	0	0	0	0	0
	Wheelchair	0	0	0	0	0	0
B	General Needs	12	12	8	7	4	0
	Step Free	12	3	1	0	0	0
	Max 3 Steps	0	0	0	0	0	0
	Wheelchair	5	0	1	0	0	0
C	General Needs	12	25	43	14	1	0
	Step Free	13	2	2	2	0	0
	Max 3 Steps	1	2	1	0	0	0
	Wheelchair	4	0	0	1	0	0
D	General Needs	84	14	4	1	0	0
	Step Free	4	1	0	0	0	0
	Max 3 Steps	0	0	0	0	0	0
	Wheelchair	1	2	0	0	0	0

### Breakdowns of One Bedroom Need

Age	16-35	36-54	55+
1 Bedroom Need	60	48	40

### 3.0 Procurement

- 3.1 The works were originally procured following a single stage process.
- 3.2 Expressions of interest (EOI) were invited through the Devon Procurement Portal on 31/11/2020 with a response date for the EOI of 15/01/2021.
- 3.3 Pre-construction information was provided with three sets of risk assessments at the point of tender.
- 3.4 The return date for the original completed bids was 22/01/2021.
- 3.5 A total of 16 contractors expressed an interest in this project and only 2 submitted tenders.
- 3.6 The Employers Agent for the development has completed a further review of the tender submission for Contractor 1.

### 4.0 Invitation to Tender (ITT)

- 4.1 Of the 16 contractors who expressed an interest, two submitted a bid on time and 14 did not respond.
- 4.2 The ITT asked questions under a number of headings that had either a pass/fail or a weighted score as set out in Table 2 below, these having been published within the ITT documents sent to the interested contractors. The weighting for the evaluation process is split 60% on cost and 40% on quality.
- 4.3 Levels of insurance were also required and contractors needed to confirm their ability to provide such levels of insurance.
- 4.4 The evaluation of returned submissions was undertaken by the Corporate Projects Officer and an independent Employers Agent. The scores from the evaluators were then averaged.
- 4.5 The results of the scoring and tender figures are shown below in Table 2:

Table 2

Assessment area	Contractor 1	Contractor 2
Quality 40%	0.14	0.19
Price 60%	0.60	0.60
<b>TOTAL</b>	<b>0.74</b>	0.79

- 4.6 Table 3 shows the tender return sums with the company names available in Part 2 Annex A.

Table 3

Tenderer	Tendered Price
<b>Contractor 1</b>	<b>£472,589.09</b>
Contractor 2	£475,736.71

## 5.0 Financial Analysis

5.1 The cost of this project is to be met from the 2020/21 Capital budget and 1:4:1 receipts with the balance being funded by the Housing Management Fund (HMF).

5.2 The budget for this project was originally set at £300k with £284k remaining that will be transferred to the 2021/22 financial year; the £284k from the 20/21 budget will be funded by £203k 1:4:1 receipts and £81k Housing Maintenance Fund.

5.3 A budget for legal fees would be required to update Title documents on the change of rights following the consultation exercise and would be funded by the Housing Maintenance Fund at circa £10k.

5.4 The impact of funding this development on the Housing Maintenance Fund has been updated to calculate the Net Present Value (NPV) profiled over 30 years for Social and Affordable current rent levels using the criteria below:

- No external borrowing costs (assume internally funded)
- Rental values based on 1-bed properties
- Maintenance profiles

At Affordable Rent Levels: Over 30 years, the loss on the development would be circa £32k, the NPV would be a loss of circa £168k.

At Social Rent Levels: Over 30 years, the loss on the project would be circa £114k, the NPV would be a loss of £207k.

5.5 Right to Buy receipts must be used to fund like-for-like tenure replacements; a sold social rented home should be replaced with a new social rented home. This project will be using the Right to Buy receipts where applicable.

5.6 Project contingency has been included as part of the tender returns were originally at £25k and the tender submission for Contractor 1 is circa £3k less than Contractor 2.

5.7 To ensure quality assurance the project will be supported by an Employers Agent should the Council deliver this development directly at circa £20k.

5.8 Cabinet approved the additional budget requested to fund the development at circa £506k.

- Additional Right To Buy receipts at £65k
- Remaining balance of £157k to fund the project would be met from the Housing Maintenance Fund.

Total: £222k

5.9 It is Officers recommendation that the project contingency be increased from £25k to £50k to allow for increases in the cost of building materials, that are a result of a Client instruction. Taking into account the difference in value of the tender return, this would increase the overall project cost from £506k to circa £528k that is a £22k increase.

## **6.0 Observations**

6.1 An arithmetical recheck of contractors 2 figures has been carried out. There were no errors with the tenders returned.

6.2 The tenders returned include differences in known costs as provided in the tender information pack and tender documents, to those costs as submitted as part of the overall tender. These items require clarification that will be achieved via a value-engineering meeting.

6.3 A detailed analysis of the items included within the tender has been undertaken with the aim to find potential cheaper alternatives to replace those allowed for, without compromising the quality of the development through value engineering.

6.4 Project delivery and value for money meetings will be carried out in house by the Corporate Projects Manager with the adhoc support of an Employers Agent to ensure independent quality of assurance.

## **7.0 The Site**

7.1 Present use of the site comprises an area of off-road parking currently in the ownership of the Council adjacent to No. 37 Beech Road, Tiverton, together with a parcel of land to the rear of an existing bus stop adjacent to the junction of Beech Road and Queens Way, Tiverton as shown on Annex C.

7.2 It is proposed to relocate the four parking spaces currently within this area to land to the rear of the existing bus stop to allow the redevelopment of this parcel of land to create three, new 1-bedroom, 2-person flats with off road parking to the frontage and communal amenity space to the side under croft and rear garden space.

7.3 The site is bounded on the north by Beech Road this being an adopted highway with adopted pavements running across the frontage of the site. There are currently no boundary treatments in place. The eastern boundary is



that of No. 37 Beech Road which is an end-of-terrace dwelling. To the south of the site is a 1.8m high close-boarded fence opening into the rear garden of a private dwelling. To the west are the rear boundaries of Nos. 27 & 29 Queens Way together with the open land adjacent to the rear of the existing bus stop off of Beech Road, Tiverton.

- 7.4 The site is virtually level from front to rear with no cross fall and is positioned within the built-up area within the boundary of Tiverton. The site has dwellings on all four sides, these being within Queens Way and Beech Road and the street scenes will simply be a continuation of properties to the frontage of Beech Road.
- 7.5 The proposed new dwellings are to be constructed along the building line of the existing properties on Beech Road and therefore maintaining the overall pattern of development within this area.

## **8.0 Design**

- 8.1 The final form of design was formulated following analysis of the surrounding area, discussions with the Planning department and South West Water. The scheme therefore incorporates design details put forward to ensure that they fit within the vernacular of the surrounding area. The imposed restricted building line set from the face of the existing properties along Beech Road and those imposed by the adopted drains easement has enabled the positioning and setting out of the flats to ensure that all have access, bin storage, off-road parking and amenity to the side undercroft and rear garden. The design details and features of the dwellings have been taken from the surrounding area.
- 8.2 The design generally adheres to the heights of the existing houses on all three sides of the development site.
- 8.3 The main form of the building is that of a rectangular shape this being of three no. one-bedroom flats in line with the architectural drawings enclosed. One flat is to be located on the ground floor with the remaining two on the floor above and an undercroft area has been created to accommodate the adopted drains easement, providing a 3m high clearance above this area. As previously stated the existing parking that was located in this area is to be relocated to the adjacent land. This will provide parking for adjacent properties and will be completed prior to any construction works commencing on site to ensure that no loss of amenity through parking is created through the development.
- 8.4 The proposed new dwelling as previously stated will reflect traditional materials and the forms of the existing dwellings in having matching brick facing walls and slate tiled roof with all windows and doors being in white upvc.
- 8.5 Access into the site will be by way of existing drive and therefore highway safety and visibility accessing or egressing the driveway will remain unchanged. Parking will be provided in front of the dwellings for four vehicles.

## **9.0 Sustainable Construction**

- 9.1 The building has been designed in order to reduce the environmental impact. The flats will have a reduced energy consumption, including 100% low energy light fittings.
- 9.2 Transport - the site is located a short walk from the main centre of Tiverton as well as being adjacent to a bus route on Beech Road. The rear courtyard will allow for provision of lockable cycle storage with safe pedestrian access via footpaths.
- 9.3 All of the timber used throughout the build will be of softwood from sustainable replenished forests.
- 9.4 Where possible, the development will provide for high levels of insulation and to be of low maintenance.
- 9.5 Provision will be made within the bin storage areas for recyclable materials in suitable containers for collection and reuse by the Council.
- 9.6 Ecology - the existing site held no ecological value, as this is short cut grass and tarmac surface, the creation of soft landscaping to the rear gardens will enhance the ecological value of the site.

## **10.0 Conclusion**

- 10.1 The Council has a housing need for one bed social rented homes within the boundary of Tiverton.
- 10.2 The development has been identified in the Capital programme with the balance of the development being funded by the Housing Maintenance Fund.
- 10.3 The scheme has been granted planning permission.
- 10.4 There has been a satisfactory conclusion of the consultation exercise, which took place during the summer months of 2021.
- 10.5 The Employers Agent and the Corporate Projects Officer has completed a detailed review of the tender return for Contractor 1, and are satisfied that the original quality scoring difference has been addressed.

**Contact for more Information:** Andrew Busby Corporate Manager for Property, Leisure & Climate Change – [abusby@middevon.gov.uk](mailto:abusby@middevon.gov.uk) (01884 234948)

**Circulation of the Report:** Deputy Leader and Cabinet Member for Housing and Property Services and Leadership Team

**List of Background Papers:** Cabinet –Design and Build Tender 4 March 2021.

<https://democracy.middevon.gov.uk/ieListDocuments.aspx?CId=133&MId=1265&Ver=4>

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

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**Contact Us**  
**Mapping Enquiries:** 0121 623 9780  
 All areas  
**General Enquiries:** 0845 724 0240  
 Midlands  
 South Wales  
 South West  
 0845 601 3341  
 0845 601 2989

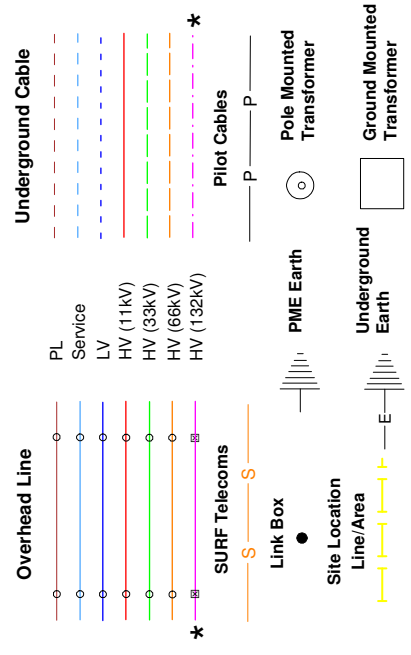
Date Requested: 20/03/2015  
 Job Reference: 3458781  
 Site Location: 296640 113494  
 Requested by: MR Nick Thomas  
 Your Scheme/Reference: 7064-Beech Road

- 1:1250 Area or Circle dig site
- 1:500 Line dig site

## IMPORTANT NOTICES

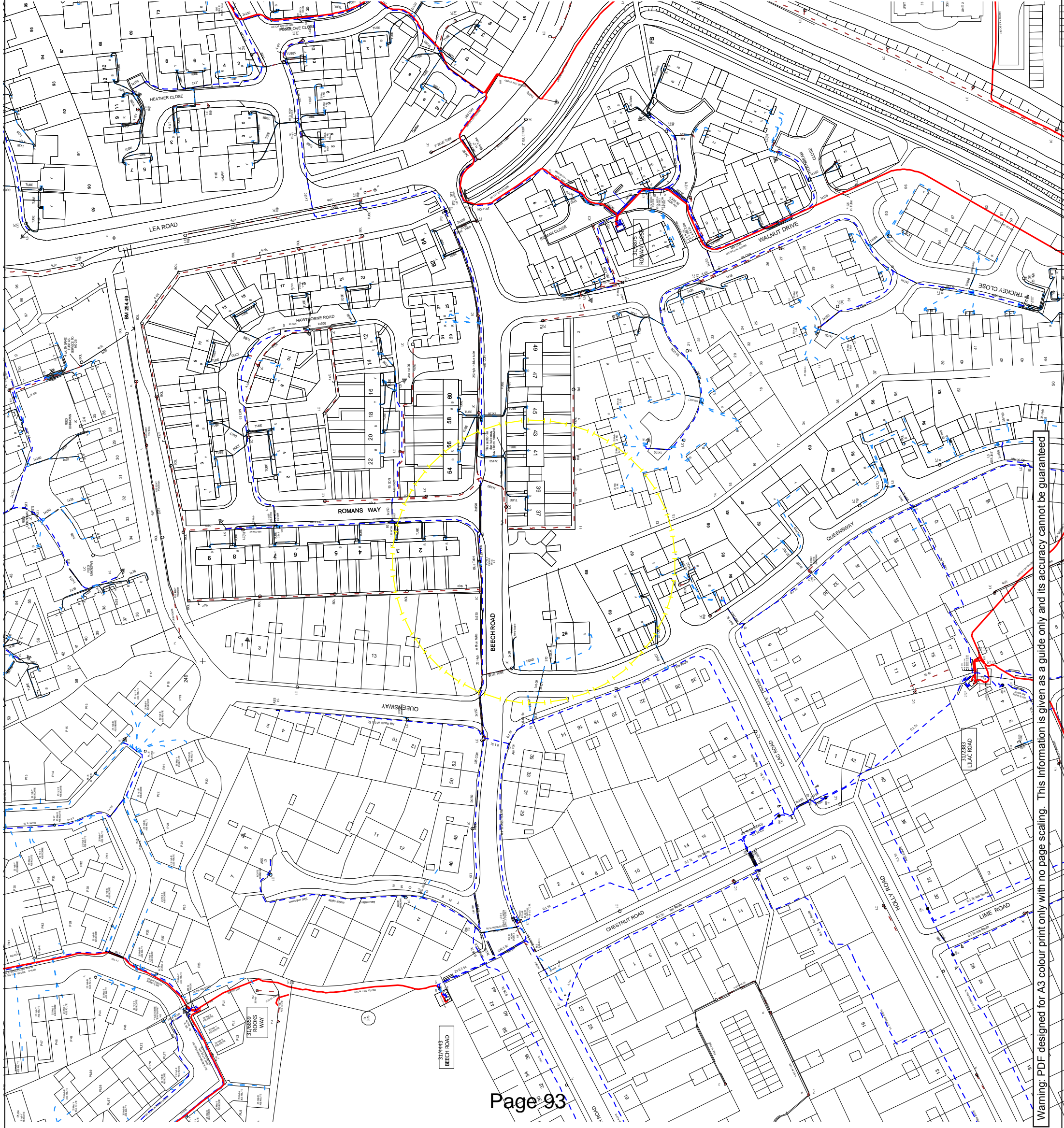
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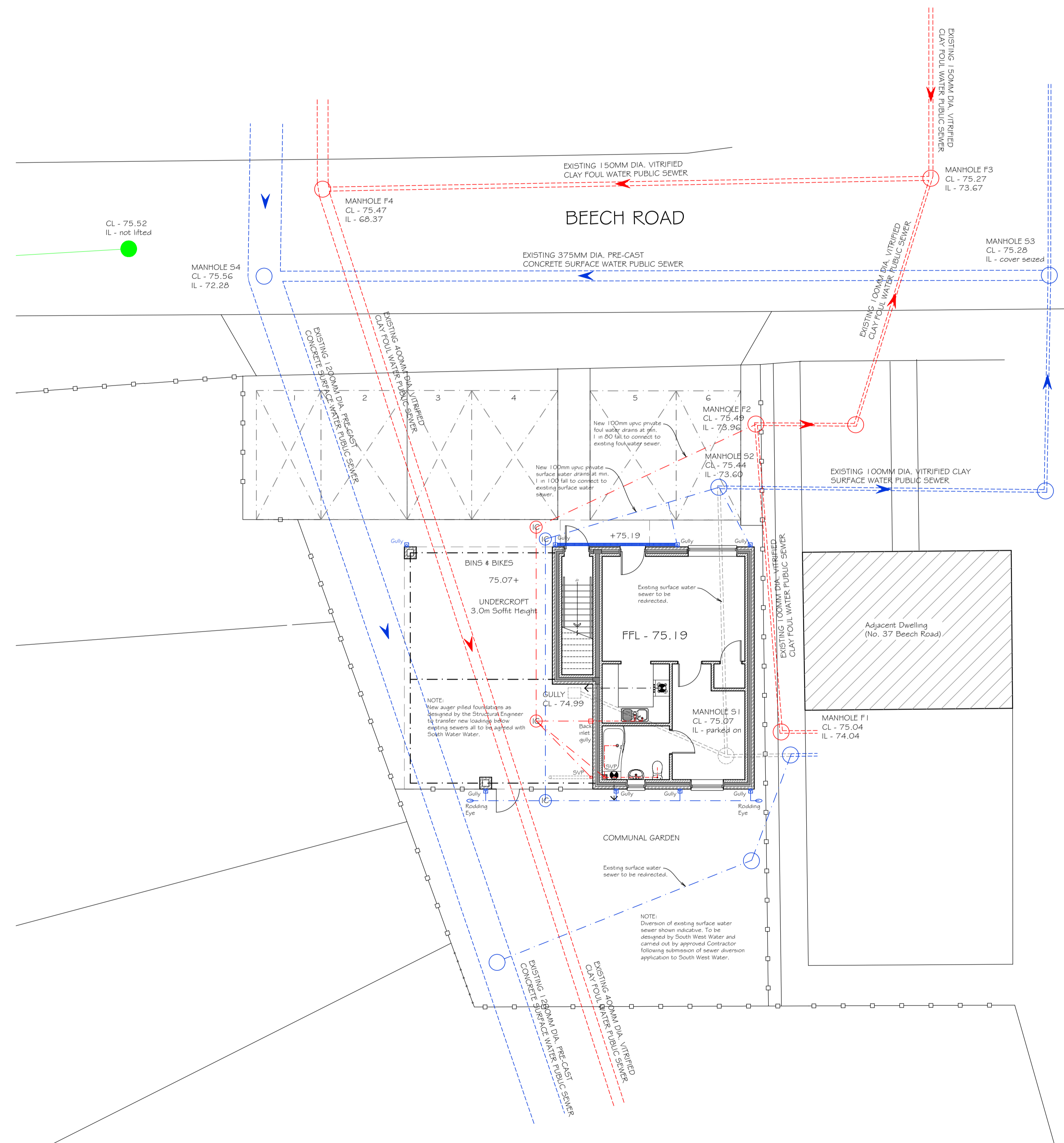
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SITE PLAN 1:100

**PRELIMINARY**

**project**  
 PROPOSED RELOCATION  
 OF PARKING & CREATION  
 OF THREE NEW DWELLINGS  
 ON LAND OFF OF BEECH  
 ROAD, TIVERTON,  
 DEVON.

drawing		SITE PLAN	
scale	1:100 @ A1	drawn	
date	MAY 2017	checked	
drawing no.	7064-100	rev	

**ara**  
 architecture

39 Rolle Street, Exmouth, Devon, EX8 2SN  
 tel: (01395) 271619 fax: (01395) 270386  
 e-mail: info@ara-architecture.co.uk

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**CABINET**  
**26 OCTOBER 2021**

## **ANNUAL REPORT ON COMPLIMENTS, COMMENTS AND COMPLAINTS**

**Cabinet Member(s):** Cllr N Woollatt  
**Responsible Officer:** Lisa Lewis, Group Manager for Business Transformation and Customer Engagement

**Reason for Report:** Annual report on compliments, comments and complaints received as part of our 2 million plus contacts with customers in 2020/2021.

**RECOMMENDATION:** to note the record of compliments, comments and complaints

**Financial Implications:** None

**Legal Implications:** None

**Risk Assessment:** Accurate recording and monitoring of complaints is good practice and ensures openness and accountability to all customers.

**Equality Impact Assessment:** Compliments, comments and complaints are received by a variety of means which ensures that there is equality of opportunity for all customers. In addition, where there is a need Customer Services staff will always assist in the recording of these communications and complaints. There is also an interpretation service available.

**Relationship to Corporate Plan:** To ensure that the Council provides access to services for customers in whatever way they choose to transact with us. Ensuring extended access via digital means and improving the way that we hold information and deliver our services to customers, placing them at the centre of what we do.

**Impact on Climate Change:** None

### **1.0 Introduction/Background**

1.1 The Council receives contact from customers in a variety of ways for all services. The table below shows the overall number of contacts for each method for the last 12 months covering September 2020 until August 2021

<b>Contact Method</b>	<b>01 September 2019 – 31 August 2020</b>	<b>01 September 2020- 31 August 2021</b>
Number of visitors to the office for enquiries	8645	1259
Telephone Payments (including automated)	63072	73388
Calls to call centre	103578	104470
Calls to direct lines (not including calls to mobiles)	312414	280063
Emails Received	In excess of 1.4 Million	1556889
Digital Payments	30857	32522
Kiosk Payments	9755	972
Online- forms submitted	44591	52597
Planning Applications	1064	2464

1.2 Traditionally this has been an annual retrospective. A report came to Scrutiny January 2021 as part of a series of delayed activities due to the pandemic. This report is to re-establish the former annual review on a regular basis.

1.3 This report provides a summary of the number of complaints, compliments and comments received for each service from 1 Sept 2020 to 31 Aug 2021 (see **Appendix 1**). An official complaint is recorded when a customer has been unable to resolve their issues with the service concerned or where the issue is more serious than a normal service request that can be resolved by officers as part of their day to day activities.

1.4 Compliments, comments and complaints are recorded on the CRM in accordance with our corporate complaints policy. The name, address and contact details of the complainant, the nature of the complaint and the outcome of the complaint investigation are all recorded.

1.5 Feedback recorded is not the totality of the expression of dissatisfaction with service delivery. For example, Customer Services record many service requests and services also record contacts/service requests in their own ICT systems. These include routine enquiries, requests for service and logging service failures which can be resolved quickly to the customers' satisfaction.

1.6 Members are provided with performance statistics for complaints via the six weekly PDG Performance Management reports and as part of the Audit cycle.

## **2.0 Performance Statistics**

2.1 Feedback is recorded on the CRM, based on the information recorded we are able to extract the number of complaints raised at each level. Level 1 complaints are investigated by the Service Manager and Level 2 Complaints are investigated by Operational/Corporate Managers or member of Leadership Team.

2.2 Numbers of complaints upheld is recorded within the CRM.

2.3 As a measure of performance with complaint handling, the number acknowledged within 3 working days and resolved within timescales is recorded and reported on monthly as mentioned at 1.5.

## **3.0 What does feedback tell us?**

3.1 As a result of complaints made, service managers are able to make changes to the working practices within service areas. These are also recorded in the CRM. Feedback where a change can be identified is an excellent way to improve services and respond to the needs of our customers.

3.2 Compliments received are often for members of staff who customers feel have done a good job. These are fed back to staff by line managers and in where appropriate in staff communications.

3.3 What are the numbers telling us? We are actively encouraging feedback from customers and as expected, despite being under national restrictions we have seen an increase in customer activity and transactions after the first twelve months of the pandemic. This was to be expected as our customers realised that broadly speaking we were continuing to provide most services, if a little differently.

3.4 The analysis - It is important to understand the current context or climate in which the council is working. 2021 continues to be a challenging year. Locally we have seen a

high vaccination rate, but with the removal of all legal restrictions in the early summer the south west region continues to see increasing infection/hospitalisation rates. This impacts on our ability to provide normal cover for services. Over time this means that we may have seen a gap between customer expectation and our ability to deliver.

3.5 Additionally, as the customer transactions increased as we came out of the first lockdown we can see our customers moving away from the traditional telephony method of communication. Email has become an important tool, but this can be a time consuming and inefficient way for customers to transact with us. This will be something that we need to consider for the future as we review our customer based policies and consider the case for a new Customer Service system.

3.6 We have seen a 41% increase in Complaints, comparatively to the year before. We have also seen increases in Compliments (32%) and Comments (33%), indicating that our customer behaviours are returning to a 'near normal' and that their expectations and experience of services is returning to pre-Covid levels. Samples of compliments received can be found at **Appendix 5**.

3.7 The Complaints Policy and Customer Care Policy are due for review this Autumn, currently scheduled for the relevant Committees in November. Additional guidance in the management of Housing complaints was received and this will be factored into the review.

3.8 In light of the above policy review, and as part of the Customer Service training requested following Scrutiny and Cabinet recommendations, the authority will be reviewing complaints training for managers as a substantive part of that work.

#### **4.0 Referrals to the Ombudsman complaints service**

4.1 11 complaints were made to the ombudsman by residents. Only one of these was upheld by the ombudsman. A summary of complaints to the Ombudsman 2019-20 (the latest available) is provided at **Appendix 2**.

4.2 The Local Government Ombudsman Annual review letter is provided at **Appendix 3**.

4.3 For comparison, a table of neighbouring authorities and their ombudsman cases has been provided at **Appendix 4**.

**Contact for more Information:** Lisa Lewis, Group Manager for Business Transformation and Customer Engagement

**Circulation of the Report:** Cabinet Member Leadership Team

## Complaints, Compliments and Comments

Fig. 1

Feedback Received	01 September 2019 To 31 August 2020	01 September 2020 To 31 August 2021
Complaints received	252	354
Invalid or withdrawn complaints	0	0
Comments received	101	134
Compliments received	100	132
Number of complaints at level 2	30	40
Number of complaints at level 2 upheld	7	15
Number of complaints at level 1 upheld	60	83
Number where a change was made to the service procedures as a result of the complaint	4	6
Open at start of date range	147	170
Open at end of date range	238	238

### Percentage change - Processed and/or Completed

	2018/19-2019/20	2019/20 -2020/21
Complaints	34% DECREASE	41% INCREASE
Compliments*	32% DECREASE	32% INCREASE
Comments	7% INCREASE	33% INCREASE

% change included for 01/08/2019-31/08/2019 as a comparison

Fig.2

### Feedback by service – Processed and/or Completed

Feedback Processed Service	01 Sept 2019 to 31 Aug 2020			01 Sept 2020 to 31 Aug 2021		
	Complaints	Compliments	Comments	Complaints	Compliments	Comments
Abandoned Vehicles				1		
Bulky Waste		1		3		1
Business Rates	1			1		
Car Parks	5		2	3		
Community Alarms	3	1		2		
Community Safety				1	1	
Council Tax Billing	2		3	6		3
Council Tax Recovery	3		1	8		1
Council Tax Reduction						1
Customer Services	10	9	3	18	7	10
Dog Strays or Fouling	1		2	3		

Economic Development	1		
Electoral Register			
Environmental Issues			
Environmental Services	1	1	
Finance	1		
Fly Tipping			
Garden Waste	5	1	11
Grants and Funding			
Grass Cutting	6	3	3
Health & Safety	3		
High Hedges			
Homelessness	5	8	2
Housing Benefits	1	2	1
Housing Repairs	71	28	20
Housing Tenancy	44	16	2
Human Resources	1		
Legal Services			1
Leisure	8	1	5
Licensing			
Parks and Flower Beds	2		1
Planning			
Planning - Development Control	23		2
Planning - Forward Planning	1		
Play Areas			
Pollution Inc. Noise	2		
Private Sector Housing	3		
Property Services	11		4
Recycling	18	6	15
Refuse Collection	20	17	18
Street Cleansing		5	5
Waste Transfer Station		1	
<b>Totals</b>	<b>252</b>	<b>100</b>	<b>101</b>

1		
3		1
6	2	
1		1
2	2	2
7	1	6
1		
5	2	1
5		
2		
6	6	
2	2	
74	51	74
70	18	2
2		1
4		
1		
2		
37	6	2
2		
	1	
2		
4		
4		1
26	13	10
36	14	14
3	6	3
<b>354</b>	<b>132</b>	<b>134</b>

**Fig.3**

\*Compliments not recorded in CRM – recording process to be amended going forward under a system replacement.

Fig.1 relates to items received.

Fig.2 relates to comments processed through to completion. The totals will differ based on a number of cases (particularly complaints) remaining 'active' on the dates selected for reporting. Complaints can take a number of days to complete.

Ombudsman referrals 2020-2021

Reference	Authority	Category	Received
20014475	Mid Devon District Council	Planning & Development	30 Mar 2021
20006206	Mid Devon District Council	Housing	27 Oct 2020
20009575	Mid Devon District Council	Environmental Services & Public Protection & Regulation	17 Dec 2020
20010392	Mid Devon District Council	Housing	11 Jan 2021
20007583	Mid Devon District Council	Planning & Development	11 Nov 2020
20012503	Mid Devon District Council	Corporate & Other Services	19 Feb 2021

Local Government &  
Social Care  
**OMBUDSMAN**

21 July 2021

By email

Mr Walford  
Chief Executive  
Mid Devon District Council

Dear Mr Walford

Annual Review letter 2021

I write to you with our annual summary of statistics on the decisions made by the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2021. At the end of a challenging year, we maintain that good public administration is more important than ever and I hope this feedback provides you with both the opportunity to reflect on your Council's performance and plan for the future.

You will be aware that, at the end of March 2020 we took the unprecedented step of temporarily stopping our casework, in the wider public interest, to allow authorities to concentrate efforts on vital frontline services during the first wave of the Covid-19 outbreak. We restarted casework in late June 2020, after a three month pause.

We listened to your feedback and decided it was unnecessary to pause our casework again during further waves of the pandemic. Instead, we have encouraged authorities to talk to us on an individual basis about difficulties responding to any stage of an investigation, including implementing our recommendations. We continue this approach and urge you to maintain clear communication with us.

### **Complaint statistics**

This year, we continue to focus on the outcomes of complaints and what can be learned from them. We want to provide you with the most insightful information we can and have focused statistics on three key areas:

**Complaints upheld** - We uphold complaints when we find some form of fault in an authority's actions, including where the authority accepted fault before we investigated.

**Compliance with recommendations** - We recommend ways for authorities to put things right when faults have caused injustice and monitor their compliance with our recommendations. Failure to comply is rare and a compliance rate below 100% is a cause for concern.

Satisfactory remedy provided by the authority - In these cases, the authority upheld the complaint and we agreed with how it offered to put things right. We encourage the early resolution of complaints and credit authorities that accept fault and find appropriate ways to put things right.

Finally, we compare the three key annual statistics for your authority with similar types of authorities to work out an average level of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

Your annual data will be uploaded to our interactive map, [Your council's performance](#), along with a copy of this letter on 28 July 2021. This useful tool places all our data and information about councils in one place. You can find the decisions we have made about your Council, public reports we have issued, and the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

I would encourage you to share the resource with colleagues and elected members; the information can provide valuable insights into service areas, early warning signs of problems and is a key source of information for governance, audit, risk and scrutiny functions.

As you would expect, data has been impacted by the pause to casework in the first quarter of the year. This should be considered when making comparisons with previous year's data.

#### Supporting complaint and service improvement

I am increasingly concerned about the evidence I see of the erosion of effective complaint functions in local authorities. While no doubt the result of considerable and prolonged budget and demand pressures, the Covid-19 pandemic appears to have amplified the problems and my concerns. With much greater frequency, we find poor local complaint handling practices when investigating substantive service issues and see evidence of reductions in the overall capacity, status and visibility of local redress systems.

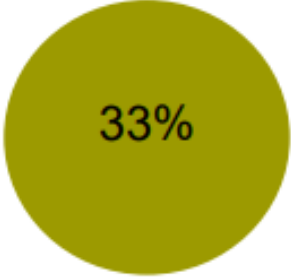
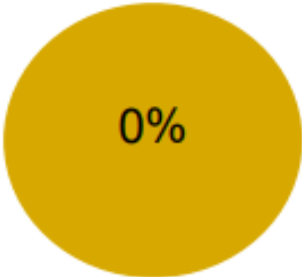
With this context in mind, we are developing a new programme of work that will utilise complaints to drive improvements in both local complaint systems and services. We want to use the rich evidence of our casework to better identify authorities that need support to improve their complaint handling and target specific support to them. We are at the start of this ambitious work and there will be opportunities for local authorities to shape it over the coming months and years.

An already established tool we have for supporting improvements in local complaint handling is our successful training programme. During the year, we successfully adapted our face-to-face courses for online delivery. We provided 79 online workshops during the year, reaching more than 1,100 people. To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training).

Yours sincerely,

Michael King Local Government and Social Care Ombudsman  
Chair, Commission for Local Administration in England



Complaints upheld		
	<p><b>33%</b> of complaints we investigated were upheld.</p> <p>This compares to an average of <b>53%</b> in similar authorities.</p>	<p><b>1</b> upheld decision</p> <p>Statistics are based on a total of 3 detailed investigations for the period between 1 April 2020 to 31 March 2021</p>
Compliance with Ombudsman recommendations		
<p>No recommendations were due for compliance in this period</p>		
Satisfactory remedy provided by the authority		
	<p>In <b>0%</b> of upheld cases we found the authority had provided a satisfactory remedy before the complaint reached the Ombudsman.</p> <p>This compares to an average of <b>16%</b> in similar authorities.</p>	<p><b>0</b> satisfactory remedy decisions</p> <p>Statistics are based on a total of 3 detailed investigations for the period between 1 April 2020 to 31 March 2021</p>

**NOTE:** To allow authorities to respond to the Covid-19 pandemic, we did not accept new complaints and stopped investigating existing cases between March and June 2020. This reduced the number of complaints we received and decided in the 20-21 year. Please consider this when comparing data from previous years.

## Appendix 4

### Local Authority Benchmarking

<b>Authority</b>	<b>Number of Complaints Investigated</b>	<b>Complaints Upheld</b>
East Devon	2	1
Mid Devon	3	1
North Devon	5	3
South Hams	5	2
Teignbridge	3	0
Torridge	3	2
West Devon	2	1

## Appendix 5

Sample Compliments received – names and addresses have been removed but all other content as received.

### Customer Services

#### November 2020

Ive just got off the phone with one of your staff members named Andrea who advised me her role was customer service, pressing number 4 to speak to some one regarding me bill and payments

I would like to send back some feedback about this human being... This lady has gone above and beyond to comfort me and respect me, she has made me feel relaxed and showed alot of compassion and empathy she respected me with integrity and dignity,... She has explained in great detail how she was able to help me today with my bill... Has provided me with reassurance that I will be okay and restored my faith in businesses and more importantly people today... I cannot speak highly enough of this wonderful women and would like to thank her ever so much for respectfully leaving me with dignity reassuring me there is support available and comforting me when I showed concern June 2021

Just a few lines to say thank you v. much for your prompt return of my documents re my cont claim for rent p-tax discount.

I am most gratefull and I must say very impressed with your offices speed and efficiency.

#### July 2021

Thank you for my above permit, which I received today. However, it would have been too late for my bin collection which was yesterday 1 07 21 had it not been for the fact that Emily ( I dont know her surname) went out of her way to make sure my bin was emptied even though my previous permit expired on June 30th 2021.

I had renewed my subscription in good time 15 06 21 but had not received my permit when I phoned your office on 29 06 21. I was told that due to a clerical error my payment hadn't been recognised and therefore no permit issued.

Had it not been for Emily I would have lodged a complaint as to why this error occurred.

You are very fortunate to have such a conscientious, understanding and pleasant person working in your department.

I would again like to thank Emily for everything she did.

### Housing Benefits

#### April 2021

Miss XXXXX has called in to pay a compliment to Mrs Pedrick from the Benefits Team. Miss XXXXX suffers from anxiety and worried about the Benefit decision notice, She has called in several times and spoken to Mrs Pedrick who has helped her each time and been amazing. She has taken time to explain things and made Miss XXXXX feel at ease, so is no longer

anxious when making future telephone calls. Miss XXXXX would like to thank Mrs Pedrick sincerely for all of her help and advice. She has been amazing.

### **August 2021**

This is a message of thanks to any and all people who work in the Benefits section of MDDC, regardless of whether or not I've had direct contact with you, and to MDDC staff in general.

My name is XXXXX and would like to thank you all. You have, collectively, been helpful, efficient, kind, polite and speedy in all my dealings with you, from "front of house" reception, through to telephone Enquiries, and all office staff, whether working from home or the Offices.

Since moving to Tiverton some five years ago I can find no fault with any member of staff, but the service offered throughout the pandemic has been exceptional, and I would like you all to know how much that has been appreciated. Last Friday I put a form, plus two bank statements, in the post box at 12.30pm. At 8.30am the next morning the bank statements were posted back to my house. How could I fail to be impressed?!

So sincere thanks to all at MDDC. I hope this message is circulated to everyone.

Stay safe.

## **Homelessness**

### **May 2021**

Thank you so much for everything you have done. You may see it as only doing your job, but me and my family see you as a saviour. Everything is looking so much brighter now and we have you to thank for it, I really can't thank you enough.

## **Waste & Recycling**

### **August 2021**

We would like to thank the refuse crews who collect our rubbish, they do a wonderful job! Each time they completely empty our bins and leave the correct ones very neatly stacked. This is in total contrast to the neighbouring authority from which we have recently moved. This great service is much appreciated, thank you all!

### **July 2021**

Just wanted to say a really big thank you to all your teams collecting our rubbish. Must have been a nightmare in this heat today and they never cease to amaze me how polite and friendly they all are at all times. Please pass on that they really are appreciated and theirs is a really hard physical job and thank them all for me. Thank you

### **August 2021**

Just a Thank You to your team collecting garden food waste on Monday 9 August. Cheerful, charming, helpful and efficient.

I know from experience that people tend to write if they want to complain - so I just wanted to add thanks and praise for a first class service.

<b>Housing Tenancy</b>
<p><b>April 2021</b></p> <p>Morning Sharon hope you and your family are well i just want to say thank you for helping with mr XXX if you had not contacted me he would have had a proper funeral it gives me a peace of mind to now he is buried in a beautiful place, please thank the other two ladies I spoke to</p> <p><b>August 2021</b></p> <p>Thank you for such fast service with the garage. I couldnt believe that the keys turned up on Saturday. Again would like to say thank you.</p>
<b>Building Services</b>
<p><b>May 2021</b></p> <p>Mrs xxxxxx of xxxxxxxxxx Cullompton called to pass on her thanks and appreciation to Jason for his professional manner and abiding by all the COVID regulations rules whilst carrying out a repair at her property today (10 05 21)</p> <p><b>August 2021</b></p> <p>Just wanted to say could you pass on to your department how pleased my husband and I were with all the work they have done this week putting in our new heating. Although I was a work for most of the week my husband couldn't praise them enough on their efficiency and tidiness all week.</p> <p>There helpfulness in all aspects of the work done was fantastic and we couldn't be happier.</p> <p>Thank you again for all your help also</p>
<b>Grounds Maintenance</b>
<p><b>April 2021</b></p> <p>could you please pass this onto the relevant people</p> <p>My son is buried in Crediton Cemetery and my wife and I have planted snowdrops and primroses on his grave, ie in the grass not in pots, so I am always a bit concerned when the grass is cut. However i am glad to say that the grass cutters always seem to be very careful not to cut any flowers even when they have finished flowering and this seems to be the case for the other primroses and other flowers which I see flowering in other parts of the Cemetery . Please pass on my thanks to all those involved in this work for their sensitive approach to this work</p>
<b>Environmental Services</b>
<p><b>July 2021</b></p> <p>Can I firstly thank you for letting the staff member know of my circumstances ahead of her</p>

visit.

Secondly, I know that the council are normally only on the receiving end of criticism and so I would like to give some positive feedback and compliment the lady that came to my house today to collect the water sample. She not only gave me time to answer the door, but removed her footwear to come in, which I thought very polite of her. She was very chatty and it was lovely and refreshing to have somebody who obviously is very proud of the work she does. I didnt get her name, but Im sure you know who it is, and I would like very much for her to know that her chat with me today was very much appreciated, along with her professionalism. Could you please pass on the compliment to her.

## **Planning – Development Control**

### **March 2021**

I also wanted to say that I had a very positive experience with your registration team. I had a query regarding payment details and Nicki was really helpful and prompt in her responses.

### **July 2021**

Also, just to say, you are probably the most helpful council I have come across for ages! Thanks for your swift responses it really is appreciated

**MID DEVON DISTRICT COUNCIL – NOTIFICATION OF KEY DECISIONS**

**November/December 2021**

**The Forward Plan containing Key Decisions is published 28 days prior to each Cabinet meeting**

<b>Title of report and summary of decision</b>	<b>Decision Taker</b>	<b>Date of Decision</b>	<b>Officer contact</b>	<b>Cabinet Member</b>	<b>Intention to consider report in private session and the reason(s)</b>
<b>Draft MDDC Litter Strategy</b> To receive the MDDC Litter Strategy	Environment Policy Development Group	2 Nov 2021	Darren Beer, Operations Manager for Street Scene	Cabinet Member for the Environment and Climate Change (Councillor Colin Slade)	Open
	Cabinet	30 Nov 2021			
<b>Public Space Protection Order - Hemyock</b> To receive a draft variation of the PSPO to include the land identified by Hemyock for consideration for consultation	Environment Policy Development Group	2 Nov 2021	Matthew Page, Corporate Manager for People, Governance and Waste	Cabinet Member for the Environment and Climate Change (Councillor Colin Slade)	Open
	Cabinet	30 Nov 2021			
<b>3 Rivers Developments Ltd Business Plan</b> To receive the 3 Rivers Development Ltd Business Plan.	Scrutiny Committee	8 Nov 2021	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Part exempt
	Audit Committee	16 Nov 2021			
	Cabinet	30 Nov 2021			

Page 11

Agenda Item 11.

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
<b>Air Quality Action Plan</b> To receive the 4 yearly review of the Air Quality Action Plan.	Community Policy Development Group  Cabinet	16 Nov 2021  30 Nov 2021	Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Leisure Pricing Review</b> To receive a report from the Leisure Manager on the fees and charges for the Leisure Service	Community Policy Development Group  Cabinet Member for Community Well Being	16 Nov 2021	Lee Chester, Leisure Manager	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Customer Care Policy</b> To receive the 3 yearly review of the Customer Care Policy	Community Policy Development Group  Cabinet	16 Nov 2021  30 Nov 2021	Lisa Lewis, Corporate Manager for Business Transformation and Customer Engagement Tel: 01884 234981	Cabinet for the Working Environment and Support Services (Councillor Nikki Woollatt)	Open
<b>Council Tax Reduction Scheme &amp; Exceptional Hardship Policy</b>	Community Policy Development		Dean Emery, Corporate Manager for Revenues,	Cabinet Member for Finance (Councillor	Open



Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
To receive the Council Tax Reduction Scheme and the updated Exceptional Hardship Policy.	Group Cabinet	16 Nov 2021 30 Nov 2021	Benefits and Recovery	Andrew Moore)	
<b>The possible creation of a Teckal compliant company</b> To consider advice surrounding the possibility of creating a new Teckal-compliant company entity.	Cabinet Council	30 Nov 2021 22 Dec 2021	Stephen Walford, Chief Executive Tel: 01884 234201	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open
<b>Devon Procurement Partnership</b> To consider a report outlining the work of the partnership	Cabinet	30 Nov 2021	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Infrastructure Funding Statement</b> To receive the Infrastructure Funding Statement	Cabinet	30 Nov 2021	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Cullompton Relief Road HIF Project</b> To consider the outcome of the Levelling Up Fund bid	Cabinet	Not before 30th Nov 2021	Adrian Welsh, Strategic Manager for Growth, Economy and	Cabinet Member for Planning and Economic Regeneration	Part exempt

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
			Delivery Tel: 01884 234398	(Councillor Richard Chesterton)	
<b>Disposal of Crediton Town Square</b> To agree to the disposal by way of lease of the Town Square Crediton to Crediton Town Council	Cabinet	30 Nov 2021	Andrew Busby, Corporate Manager for Property, Leisure and Climate Change Tel: 01884 234948	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open
<b>Tiverton EUE Area B Masterplan</b> To consider the outcome of the playing pitch and sports provision review	Cabinet	Not before 30th Nov 2021	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Complaints Policy</b> To consider a revised policy	Cabinet	30 Nov 2021	Lisa Lewis, Corporate Manager for Business Transformation and Customer Engagement Tel: 01884 234981	Cabinet for the Working Environment and Support Services (Councillor Nikki Woollatt)	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
<b>Schedule of Meetings for 2022/23</b> To consider the Schedule of Meetings for 2022/23	Cabinet  Council	30 Nov 2021  22 Dec 2021	Stephen Walford, Chief Executive Tel: 01884 234201	Leader of the Council (Councillor Bob Deed)	Open
<b>Review of Development Management Discretionary Fees and Charges</b> To consider and agree a revised schedule of fees and charges.	Cabinet	Not before 30th Nov 2021	Angharad Williams, Interim Development Management Manager	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Hiverton Town Centre Masterplan</b> To agree the draft masterplan for public consultation.	Cabinet	Not before 30th Nov 2021	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Cullompton Railway Station</b> To receive a project update.	Cabinet	Not before 30th Nov 2021	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
<p><b>Mid Year - Treasury Management Update</b> To receive an update on the Treasury Management Strategy</p>	<p>Cabinet Council</p>	<p>30 Nov 2021 22 Dec 2021</p>	<p>Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242</p>	<p>Cabinet Member for Finance (Councillor Andrew Moore)</p>	<p>Open</p>
<p><b>Construction contract for St Andrews Estate, Cullompton and Shapland Place, Tiverton modular social housing schemes</b> To consider the construction contract for the Modular Housing Schemes</p>	<p>Cabinet</p>	<p>30 Nov 2021</p>	<p>Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615</p>	<p>Cabinet Member for Housing and Property Services (Councillor Bob Evans)</p>	<p>Part exempt</p>
<p><b>Information Security and Information Security Incident Policies</b> To update the existing policies to reflect current job roles and best practice.</p>	<p>Cabinet</p>	<p>30 Nov 2021</p>	<p>Catherine Yandle, Operations Manager for Performance, Governance and Health &amp; Safety Tel: 01884 234975</p>	<p>Cabinet Member for Community Well Being (Councillor Dennis Knowles)</p>	<p>Open</p>
<p><b>Staff Recognition and Wellbeing Appreciation</b> To consider how best to recognise the work done by all staff throughout the pandemic and show the council's appreciation for</p>	<p>Cabinet Council</p>	<p>30 Nov 2021 22 Dec 2021</p>	<p>Stephen Walford, Chief Executive Tel: 01884 234201</p>	<p>Cabinet for the Working Environment and Support Services (Councillor Nikki Woollatt)</p>	<p>Open</p>

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
their efforts.					
<b>Phase 3 Public Sector Decarbonisation Bid and Delegation of Authority</b> To consider the bid submission for the Phase 3 Public Sector Decarbonisation scheme that is based on the decarbonisation on the current heating systems at Exe Valley and Lords Meadow leisure centres and to come off of Gas and onto a renewable energy source.	Cabinet  Council	30 Nov 2021  22 Dec 2021	Andrew Busby, Corporate Manager for Property, Leisure and Climate Change Tel: 01884 234948	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open
<b>Strategic Grants</b> To receive a report from Community PDG Grants Working Group on the Strategic Grants Programme 2022-2023.	Community Policy Development Group  Cabinet	  20 Dec 2021  4 Jan 2022	John Bodley-Scott, Economic Development Team Leader	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>New Local Plan – Issues consultation paper</b> To seek Cabinet approval to publish and consult on an Issues Paper for a new Local	Cabinet	4 Jan 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
Plan for Mid Devon				Richard Chesterton)	
<b>Crediton NHS Hub Phase 2</b> To consider a funding request.	Cabinet	4 Jan 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Part exempt
<b>Tax Base Calculation</b> To receive the statutory calculations necessary to determine the Tax Base for the Council Tax	Cabinet Council	4 Jan 2022 23 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Cullompton Town Centre Masterplan</b> To consider the masterplan	Cabinet Council	4 Jan 2022 23 Feb 2022	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Cullompton Conservation Area Management Plan</b> To consider the Management Plan	Cabinet Council	4 Jan 2022 23 Feb 2022	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884	Cabinet Member for Planning and Economic Regeneration (Councillor	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
			234398	Richard Chesterton)	
<b>Contracted Out Enforcement Duties</b> Group to receive a report from the Group Manager for Street Scene and Open Spaces on the options to engage an external contractor for additional littering and dog fouling enforcement duties in the district.	Environment Policy Development Group  Cabinet	11 Jan 2022  1 Feb 2022	Darren Beer, Operations Manager for Street Scene	Cabinet Member for the Environment and Climate Change (Councillor Colin Slade)	Open
<b>Shopfront Enhancement Scheme</b> To receive and discuss information with regard to the Shopfront Enhancement Scheme.	Economy Policy Development Group  Cabinet	13 Jan 2022  1 Feb 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Meeting Housing Needs SPD</b> To recommend a draft for consultation to the Cabinet	Homes Policy Development Group  Cabinet	18 Jan 2022  8 Mar 2022		Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
<b>The Tenant Involvement and Empowerment Standard Policy</b> To consider a revised policy	Homes Policy Development Group  Cabinet	18 Jan 2022  1 Feb 2022	Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open
<b>Regulation of Investigatory Powers</b> To receive the annual update of Regulation of Investigatory Powers	Community Policy Development Group  Scrutiny Committee  Cabinet	25 Jan 2022  14 Feb 2022  10 Mar 2022	Karen Trickey, District Solicitor and Monitoring Officer	Cabinet for the Working Environment and Support Services (Councillor Nikki Woollatt)	Open
<b>Health and Safety Policy</b> To receive the annual review of the Health & Safety Policy	Community Policy Development Group  Cabinet	25 Jan 2022  3 Feb 2022	Catherine Yandle, Operations Manager for Performance, Governance and Health & Safety Tel: 01884 234975	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Single Equalities Policy and Equality Objective</b> To receive the annual review of the Single Equalities	Community Policy Development Group	25 Jan 2022	Catherine Yandle, Operations Manager for Performance, Governance and	Cabinet Member for Community Well Being (Councillor	Open

Page 120



Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
Policy and Equality Objective	Cabinet	3 Feb 2022	Health & Safety Tel: 01884 234975	Dennis Knowles)	
<b>The Council Tax Reduction Scheme &amp; Exceptional Hardship Policy</b> To receive a review of the The Council Tax Reduction Scheme & Exceptional Hardship Policy which has been out for public consultation	Community Policy Development Group  Cabinet	25 Jan 2022  1 Feb 2022	Dean Emery, Corporate Manager for Revenues, Benefits and Recovery	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Market Environmental Strategy</b> To receive and discuss the draft Environmental Strategy.	Economy Policy Development Group  Cabinet	13 Jan 2022  1 Feb 2022	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Bereavement Services Fees and Charges</b> To receive the annual review of Bereavement Services Fees & Charges	Environment Policy Development Group  Cabinet	11 Jan 2022  1 Feb 2022	Andrew Busby, Corporate Manager for Property, Leisure and Climate Change Tel: 01884 234948	Cabinet Member for the Environment and Climate Change (Councillor Colin Slade)	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
<b>Housing Enabling SPD (S106 - Housing Need Allocation - Exception Sites)</b> To receive a report reviewing the Housing Enabling SPD document	Homes Policy Development Group  Cabinet	Not before 18th Jan 2022  1 Feb 2022	Jill May, Director of Business Improvement and Operations Tel: 01884 234381	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open
<b>Budget 2022/23</b> To consider the Budget for 2022/23	Cabinet  Council	1 Feb 2022  23 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Cullompton - Town Centre Public Realm Enhancement</b> To consider the Town Centre Public Realm Enhancement	Cabinet	1 Feb 2022	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Capital Programme</b> To consider the Capital Programme as part of the budget setting.	Cabinet  Council	1 Feb 2022  23 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open

<b>Title of report and summary of decision</b>	<b>Decision Taker</b>	<b>Date of Decision</b>	<b>Officer contact</b>	<b>Cabinet Member</b>	<b>Intention to consider report in private session and the reason(s)</b>
<b>Capital Strategy</b> To consider the Capital Strategy	Cabinet Council	1 Feb 2022 23 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Treasury Management Strategy 2022/23</b> To consider the Treasury Management Strategy for 2022/23	Cabinet Council	1 Feb 2022 23 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Policy Framework</b> To consider the Policy Framework	Cabinet Council	1 Feb 2022 23 Feb 2022	Stephen Walford, Chief Executive Tel: 01884 234201	Leader of the Council (Councillor Bob Deed)	Open
<b>Pay Policy</b> To receive a report on the Pay Policy	Cabinet Council	1 Feb 2022 23 Feb 2022	Matthew Page, Corporate Manager for People, Governance and Waste	Leader of the Council (Councillor Bob Deed)	Open
<b>Establishment</b> To inform Members of the overall structure of the Council showing the management and deployment of officers.	Cabinet Council	1 Feb 2022 23 Feb 2022	Matthew Page, Corporate Manager for People, Governance and Waste	Cabinet for the Working Environment and Support Services (Councillor Nikki Woollatt)	Open

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Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
<b>National Non Domestic Rates</b> To receive a report detailing the statutory calculations necessary to determine the Tax Base for the Council Tax	Cabinet  Council	1 Feb 2022  23 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Finance (Councillor Andrew Moore)	Open
<b>Custom and Self Build Supplementary Planning Document</b> To consider the draft for consultation	Cabinet	8 Mar 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Local Economic Recovery Plan</b> To consider the plan.	Economy Policy Development Group  Cabinet  Council	17 Mar 2022  5 Apr 2022  27 Apr 2022	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Unauthorised Encampment Policy</b> To receive the 3 yearly review of the Unauthorised Encampment Policy	Community Policy Development Group	22 Mar 2022	Andrew Busby, Corporate Manager for Property, Leisure and Climate Change Tel: 01884 234948	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
	Cabinet	7 Apr 2022			
<b>Safeguarding Childrens and Adults at Risk Policy and Procedures</b> To receive the annual review of Safeguarding Childrens and Adults at Risk Policy and Procedures	Community Policy Development Group  Cabinet	22 Mar 2022  7 Apr 2022	Matthew Page, Corporate Manager for People, Governance and Waste	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Channel Access Policy</b> To consider a revised Policy	Cabinet	5 Apr 2022	Lisa Lewis, Corporate Manager for Business Transformation and Customer Engagement Tel: 01884 234981	Cabinet for the Working Environment and Support Services (Councillor Nikki Woollatt)	Open
<b>Town and Parish Charter</b> To receive the 3 yearly review of the Town and Parish Charter	Community Policy Development Group  Cabinet	22 Mar 2022  5 Apr 2022	Sally Gabriel, Member Services Manager Tel: 01884 234229	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Tiverton A361 Junction HIF Scheme</b> To consider the outcome of the tender process.	Cabinet	Not before 5th Apr 2022	Adrian Welsh, Strategic Manager for Growth, Economy and	Cabinet Member for Planning and Economic Regeneration	Part exempt

Title of report and summary of decision	Decision Taker	Date of Decision	Officer contact	Cabinet Member	Intention to consider report in private session and the reason(s)
			Delivery Tel: 01884 234398	(Councillor Richard Chesterton)	
<b>Non Statutory Interim Policy Statement on Planning for Climate Change</b> To consider the policy statement	Cabinet	Not before 7th Jun 2022	Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Meeting Housing Needs Supplementary Planning Document</b> To consider the draft SPD	Cabinet	Not before 7th Jun 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open

Page 12

## **CABINET 26 OCTOBER 2021**

### **3 Rivers Developments Limited - Performance Update**

**Cabinet Members:** Councillor Bob Evans – Deputy Leader and Cabinet Member for Housing & Property/Councillor Andrew Moore – Cabinet Member for Finance

**Responsible Officers:** Deputy Chief Executive (s151) – Andrew Jarrett

**Reason for Report:** To provide Cabinet with an update on current project performance and any key risks.

**RECOMMENDATION:** That Cabinet note the update report on current performance and key risks.

**Relationship to Corporate Plan:** 3 Rivers Developments Limited's (3Rivers) primary objective is to generate future returns in order to grow the business and to recycle monies made back to the Council to mitigate some of the cuts in Government funding.

**Financial Implications:** The Council has a duty to obtain value for money. All financial interactions between the Council and 3Rivers are carried out at commercially evidenced rates and subject to individual loan agreements.

**Legal Implications:** None to this report. However this report is prepared in accordance with the Shareholder Agreement, Company's Memorandum and Articles of Association and currently Approved Business Plan.

**Risk Assessment:** Detailed within the report.

**Equality impact assessment:** No equality issues identified for this report.

**Impact on climate change:** 3Rivers is a commercial organisation and where deliverable sustainable options are available they are utilised; however, as a commercial organisation it is acknowledged that where there is a significant cost differential and what the market will sustain that this plays heavily in the choices made.

## **1.0 Introduction**

1.1 This is now the 12<sup>th</sup> update report on the progress of 3 Rivers since the recommendations made by the Cabinet at its meeting on the 13 July 2020 and is now following the revised pattern of bi-monthly reporting. This report continues to provide the Council with a regular update on company performance, including associated risks and also gives a progress update on the recommendations made at the aforementioned Cabinet meeting.

## 2.0 Company Update

- 2.1 Attached to this report is the commercial company update provided by the Directors of 3 Rivers Developments Limited for Cabinet's consideration. In order to provide members and the public more insight into the company's operations this report continues with the process of including an overarching part 1 summary of activities and a detailed part 2 report from the company.
- 2.2 Below shows a brief overview of project progress and any associated issues as at the end of September 2021.

### Current Projects

- 2.3 The Orchard, Halberton – all 4 semi-detached market houses and the barn conversion have now been sold and the additional car parking spaces are expected to be completed on by the 31/10/21. This will see the project deliver a 16.6% return.
- 2.4 St Georges Court, Tiverton – 39 market flats/houses – work on site continues and estimated completion is still on schedule for May 2022.
- 2.5 Bampton – 9 market houses – all pre-construction work has been completed and start on site commenced August 2021.

### Rental properties

- 2.6 Banksia Close/Cemetery Lodge, Tiverton – all rental payments up to date.

### Future Schemes

- 2.7 The company is in the process of working up planning applications for a large site in Cullompton and a medium sized one in Tiverton. In addition, recent bids have been made for other potential developments.

### Financial Overview

- 2.8 In 2021/22 the Company has borrowed an additional £2.279m for further project payments and to fund working capital commitments. During the same period 3Rivers has paid the Council £1.209m from sales receipts and £0.268m to cover interest payments and recharges for services rendered/recharged by the Council.



## Project and Company Risk Analysis

2.9 This information is provided within the company report and reflects on changing markets, land availability, changes to the prevailing economic position, etc.

### **3.0 Progress on Cabinet Recommendations**

3.1 Since the last Cabinet report the following actions have been progressed:

- All of the actions/recommendations are now substantially complete
- We have recently received the final “wrap up” report from Anthony Collins Solicitors
- Regular meetings continue to be held with the 3R Finance Director and the Deputy Chief Executive/S151.

### **4.0 Conclusion**

4.1 The company continues to provide the Council with its annual review of delivery/performance for 2021/22 at bi-monthly intervals to Cabinet meetings and the annual Business Plan will be on the agenda for the November Cabinet meeting.

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Circulation of the report: Leadership Team and Cabinet

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