

# Public Document Pack

**Mid Devon District Council**

## **Scrutiny Committee**

**Monday, 17 January 2022 at 2.15 pm**  
**Phoenix Chambers, Phoenix House, Tiverton**

**Next ordinary meeting**  
**Monday, 14 February 2022 at 2.15 pm**

**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 B G J Warren

Cllr G Barnell

Cllr E J Berry

Cllr Mrs F J Colthorpe

Cllr L J Cruwys

Cllr Mrs S Griggs

Cllr P J Heal

Cllr F W Letch

Cllr S Pugh  
Cllr R F Radford  
Cllr Mrs E J Lloyd  
Cllr A Wilce

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

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

- 1      **APOLOGIES AND SUBSTITUTE MEMBERS**  
To receive any apologies for absence and notices of appointment of substitute Members (if any).
- 2      **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.
- 3      **PUBLIC QUESTION TIME**  
To receive any questions relating to items on the Agenda from members of the public and replies thereto.  
  
Note: A maximum of 30 minutes is allowed for this item.
- 4      **MINUTES OF THE PREVIOUS MEETING** (*Pages 5 - 8*)  
Members to consider whether to approve the minutes as a correct record of the meeting held on 13<sup>th</sup> December 2021.  
  
The Committee is reminded that only those members of the Committee present at the previous meeting should vote and, in doing so, should be influenced only by seeking to ensure that the minutes are an accurate record.
- 5      **DECISIONS OF THE CABINET**  
To consider any decisions made by the Cabinet at its last meeting that have been called-in.
- 6      **CHAIRMAN'S ANNOUNCEMENTS**  
To receive any announcements that the Chairman of Scrutiny Committee may wish to make.
- 7      **DIRECTOR OF PLACE**  
Committee to receive an overview and presentation from the Director of Place on his service area and responsibilities.
- 8      **WHISTLEBLOWING 6 MONTH UPDATE**  
Committee to **NOTE** that there have been no whistleblowing instances in the previous 6 months.

- 9      **BUDGET UPDATE 2022/2023** *(Pages 9 - 30)*  
To receive a report of the Deputy Chief Executive (S151) reviewing the revised draft budget changes identified and discussing further changes required in order for the Council to move towards a balanced budget for 2022/23. This report was presented to the Cabinet on 4<sup>th</sup> January 2022.
- 10     **FORWARD PLAN** *(Pages 31 - 42)*  
Members are asked to consider any items within the Forward Plan that they may wish to bring forward for discussion at the next meeting.
- 11     **SCRUTINY OFFICER UPDATE**  
To receive an update from the Scrutiny Officer.
- 12     **WORK PLAN** *(Pages 43 - 46)*  
Members are asked to note the current Work Plan for the municipal year.
- Members to have the opportunity to discuss additional items to be investigated by the Scrutiny Committee and added to the Work Plan.

**Stephen Walford**  
Chief Executive  
Friday, 7 January 2022

### 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/MeetingProtocolUpdate-Oct2021nextreviewFeb2022.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 Carole Oliphant on:

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

Public Wi-Fi is available in all meeting rooms.

## MID DEVON DISTRICT COUNCIL

**MINUTES** of a **MEETING** of the **SCRUTINY COMMITTEE** held on 13 December 2021 at 2.15 pm

### **Present**

#### **Councillors**

B G J Warren (Chairman)  
G Barnell, Mrs F J Colthorpe, D R Coren,  
L J Cruwys, P J Heal, F W Letch, S Pugh,  
R F Radford, Mrs M E Squires and A Wilce

### **Apologies**

#### **Councillor(s)**

E J Berry, Mrs S Griggs and Mrs E J Lloyd

### **Also Present**

#### **Councillor(s)**

R J Chesterton, Mrs C P Daw, R M Deed, R Evans,  
D J Knowles and R L Stanley

### **Also Present**

#### **Officer(s):**

Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place), Jill May (Director of Business Improvement and Operations), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Lisa Lewis (Corporate Manager for Business Transformation and Customer Engagement), Matthew Page (Corporate Manager for People, Governance and Waste), Maria De Leburne (Operations Manager Legal and Monitoring), John Bodley-Scott (Economic Development Team Leader), Jason Berry (Economic Development Project Manager), Clare Robathan (Policy and Research Officer), Sally Gabriel (Member Services Manager) and Carole Oliphant (Member Services Officer)

## **91 APOLOGIES AND SUBSTITUTE MEMBERS (0.04.17)**

Apologies were received from Cllrs Mrs S Griggs and E J Berry who were substituted by Cllrs Mrs M E Squires and D R Coren respectively and apologies were received from Cllr Mrs E J Lloyd.

## **92 DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0.04.47)**

Members were reminded of the need to make declarations where appropriate.

## **93 PUBLIC QUESTION TIME (0.05.00)**

Mr Paul Elstone referring to agenda item 12 stated:

‘Given the seriousness of these allegations will the Scrutiny Committee now ensure that an unconstrained plus comprehensive and importantly a fully independent investigation is conducted? An investigation with all the available evidence available being considered including statements from the key parties.

That the full findings of this investigation are made public. This to ensure full transparency.'

The Chairman responded and advised Mr Elstone that complaints about the conduct of the Council or any of its Officers should be directed through the Complaints Procedure.

#### 94 **MINUTES OF THE PREVIOUS MEETING (0.10.08)**

The minutes of the last meeting were approved as a correct record and **SIGNED** by the Chairman subject to the following amendments:

- Nick Sanderson being removed as an officer from the attendance list
- Minute 88 amended to read 'loans outstanding for 2020/2021'

#### 95 **DECISIONS OF THE CABINET (0.13.00)**

The Committee **NOTED** that none of the decisions made by the Cabinet on 30<sup>th</sup> November 2021 had been called in.

#### 96 **CHAIRMAN'S ANNOUNCEMENTS (0.13.08)**

The Chairman had no announcements to make.

#### 97 **BROADBAND (0.13.32)**

The Committee had before it a \*proposal form from Cllr Mrs F J Colthorpe requesting that AirBand work directly with Members to understand where the hard to reach areas are in the District.

Cllr Mrs F J Colthorpe explained that she had raised the proposal as she was not happy with the answers that Connecting Devon and Somerset (CDS) had provided about roll out of broadband to hard to reach areas.

In response to the proposal AirBand had been invited to attend the meeting to discuss the hard to reach area's in the District.

Paul Nethercott and Andrew Smale explained the remit of AirBand by way of a presentation and explained that the company had been contracted by CDS to provide broadband in parts of the District.

They gave an overview of 'in contract' and 'out of contract' premises and explained the different solutions available for remote properties where pole mounted fibre cables were not possible.

In response to questions asked about residents having to fund new infrastructure to enable fibre broadband to be installed the representatives from AirBand explained the Governments current voucher schemes available for both residential and commercial customers.

The AirBand representatives explained to Committee that they wanted to encourage individual Members, Parish Council's and the public to be involved in the roll out and highlight properties that had not been earmarked for connection in the CDS contract. In addition other providers were installing fibre optic in hard to reach areas but they had no obligation to inform CDS or AirBand where they had or intended to install a service. This was proving to be difficult and there was an element of duplication.

Members felt that the presentation and overview given was very informative and it would be very useful for Parish Council's to be provided with the information. AirBand confirmed they would be happy to attend Parish Council meetings and give an overview and they encouraged Members to contact their Parish Councils to take up the offer.

Members agreed that the proposal by Cllr Colthorpe should be supported and it was **AGREED** that two Member representatives, Cllrs Mrs F J Colthorpe and R Radford would act as Member Liaison alongside the Scrutiny Officer and the Project Manager (Economic Recovery) to facilitate individual conversations with AirBand by Members and Parish Councils to identify hard to reach properties.

Note: \*proposal form previously circulated and attached to the minutes

#### 98 **NEIGHBOURHOOD POLICING (1.03.11)**

The Vice Chairman provided a verbal update and stated that there had been very few responses received from the Parish Council's about concerns with the standard of Neighbourhood Policing. It was therefore assumed that this was not an issue causing concern amongst local residents.

It was therefore **AGREED** that this would be removed from the Work Plan for the time being.

#### 99 **FORWARD PLAN (1.16.04)**

The Committee had before it, and **NOTED**, the \*Forward Plan.

Note: \*Plan previously circulated and attached to the minutes

#### 100 **SCRUTINY OFFICER UPDATE (1.16.45)**

The Scrutiny Officer informed Members that she had sent the Bio Energy proposal to neighbouring district Scrutiny Chairmen on behalf of the Chairman and that she was in the process of collating the replies.

#### 101 **CABINET MEMBER FOR CONTINUOUS IMPROVEMENT (1.18.16)**

The Cabinet Member for Continuous Improvement provided the following update and explained the remit of her portfolio as:

1. To eliminate inappropriate communication between Members and officers
2. To establish the totality of timely decision making across the Council and to eliminate any backlog

3. To work with Directors to realise the opportunity for improved Member and officer relationships

She explained that since her appointment in March 2021 she had looked to bring in a continuous lessons learned culture into the Council so that the key issues and challenges of public concerns could be addressed and practices improved.

She went on to explain voids and reminded Committee that a briefing had been provided to all Members which explained the reasons for them and the issues which prevented properties returning to useable housing stock in the time that Members wanted to see. She informed Members that a recent House Market audit had been good and highlighted how the Council were proactively working on reducing the amount of voids.

In response to Members questions about her portfolio and if it was to implement new processes or just look at individual cases it was explained that in the first instance the amount of outstanding cases needed to be established and the reasons for these. The Leader confirmed that in the New Year the portfolio would develop to look at processes to see where these could be improved to minimise outstanding cases.

## 102 **WORK PLAN**

The Committee had before it, and **NOTED**, the \*Scrutiny Committee Work Plan.

Consideration was given to a proposal form which had been submitted by Cllr G Barnell regarding the resourcing and timings of the Council's Masterplans.

Cllr Barnell acknowledged that the Director of Place was due to attend the next meeting and give an update and he requested a conversation with him, the Chairman of the Planning Committee and the Cabinet Member for Planning and Economic Regeneration about the Masterplan process. This was **AGREED** and the proposal was deferred.

Note: \*Workplan previously circulated and attached to the minutes

(The meeting ended at 4.20 pm)

**CHAIRMAN**



## SCRUTINY COMMITTEE 17 JANUARY 2022

### BUDGET 2022/23 - UPDATE

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

**Reason for the report:** To review the revised draft budget changes identified and discuss further changes required in order for the Council to move towards a balanced budget for 2022/23.

**RECOMMENDATION:** To consider the updated budget proposals for 2022/23 for the General Fund, Capital Programme and Housing Revenue Account and agree to circulate to the Policy Development Groups for further input prior to the formal recommendation back to Cabinet and Council.

**Reason for the recommendation:** The Local Government Finance Act 1992 places a legal requirement on the Council to approve a balanced budget. The first draft of the General Fund budget for 2022/23 indicated a deficit of £1.072m. This report updates that deficit to the current position of £1.427m and proposes measures to consider to achieve the statutorily required neutrality.

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

**Financial Implications:** The current budget for the General Fund shows a deficit of £1.427m. In addition, as shown in the October report, a funding deficit is also projected in future years. This highlights the need to take steps to plan for further reductions to our ongoing expenditure levels. The Capital Programme shows over £20m investment is planned for the General Fund and a further £11m for the Housing Revenue Account. The overall position for the HRA remains affordable at this time, although critical aspects of the budget are still being finalised.

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

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

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

**Climate Change Assessment:** The GF, Capital Programme and the HRA all contain significant investment in order to work towards the Council's Carbon Reduction Pledge.



## 1.0 Introduction

- 1.1 On 26 October, the first draft of the Medium Term Financial Plan covering the period 2022/23 to 2026/27 for the General Fund (GF), Capital Programme and Housing Revenue Account (HRA) was presented to Cabinet. The GF indicated a deficit of over £1.6m by the end of the 5-year timeframe. The Capital Programme showed significant investment, subject to appropriate business cases and funding available, in the decarbonisation of our estate and investment in the development of additional housing, and therefore an associated increase in the capital financing requirement. The HRA showed a balance position in the early years of the MTFP, but a budget deficit in the latter years.
- 1.2 This report provides an updated position across those three strands of the Council following a detailed budgetary review. It also includes the outcomes of the “Provisional local government finance settlement: England, 2022 to 2023” published (16 December).
- 1.3 Within this report is also a summary of the results of the budget section within the Residents Survey recently undertaken. The budget feedback will be considered at the next round of Cabinet and PDG meetings in January and all of the other feedback will be reviewed (including any associated action plans) in a Cabinet report in March 2022.
- 1.4 The “Provisional local government finance settlement: England, 2022 to 2023” has just been published (16 December) giving further funding information for next year. The government have indicated that Core Spending Power will rise by an average of 6.88% on the assumption that Councils raise their council tax by the maximum permitted without a referendum. This includes social care authorities who may raise Council Tax by up to 3%, and so the benefit to District Councils is demonstrably lower. For MDDC, our specific increase in Core Spending Power is 0.82% including increasing Council Tax by £5. Therefore, after accounting for inflation, which is currently running at 5.1%, and lost income due to Covid-19, the true impact is a reduction in spending power.

## 2.0 2022/23 General Fund Budget – Revised Position

- 2.1 The draft budget deficit for 2022/23 has increased to £1.427m. The main reasons for this is:
- Income levels recovering from Covid-19 slower than originally anticipated;
  - Increased assumptions around inflationary uplifts;
  - Reduced income from investments – particularly due to slippage in 3Rivers;
  - Investment in IT systems and vehicle fleet being funded by Revenue instead of Capital;
  - Partially offset by increases in Grant funding, one-off utilisation of Earmarked Reserves and Council Tax income.
- 2.2 The current position is included with **Appendix 1**, which shows the movement at service level.

- 2.3 Although the Chancellor announced an end to the Public Sector Pay freeze in 2022/23, there is no clarity on what the agreed pay award for 2021/22 will be, and negotiations for the 2022/23 uplift have yet to begin. Therefore, the assumptions within the budget remain as before.
- 2.4 The Council has a 30-year cyclical programme of essential property maintenance. After close scrutiny, it is felt that elements of this programme can be delayed until future years and further use of Earmarked Reserves can mitigate any increase in the budget requirement for 2022/23. As the deferred expenditure will still need to be incurred, it is not an overall saving and will not be a benefit during the period of the MTFP.
- 2.5 In 2021/22, a vacancy management factor of £150k was included. This has been removed due to the in-year monitoring showing that the cost of agency cover exceeds the value of salary savings.

### 3.0 Local Government Funding Settlement

- 3.1 It was expected that the funding settlement would cover a multi-year period, most likely 2022/23 to 2024/25. However, the settlement announced covers only 2022/23 and is largely a roll forward of previous year's settlements.
- 3.2 The New Homes Bonus grant has previously been announced to cease after 2022/23. The Government remains committed to reforming New Homes Bonus to improve how housing growth is incentivised, and their response to the consultation on the New Homes Bonus will be published in the coming months. The 2022/23 allocation increased to £719k from £460k as previously announced. This is due to the inclusion of a further year's allocation. The increase of £259k has been utilised to reduce the current budget deficit.
- 3.3 The Rural Services Delivery Grant will be £490k, frozen at the same level as in 2021/22. There is no clarity on this funding stream beyond 2022/23.
- 3.4 The Lower Tier Services Grant introduced in 2021/22 has been decreased to £99k. This is a loss to the GF of £80k due to amending the distribution mechanism to ensure that no authority receives less in their overall Core Spending Power. There was no commitment for this funding in future years.
- 3.5 A new grant was announced, named 2022/23 Services Grant with MDCC's allocation being £153k. This is similar to the Lower Tier Services Grant newly announced in 2021/22 in that it is unring-fenced and provides funding in recognition of the vital services delivered by Local Government. Although it also includes funding to cover the ongoing cost of the increase in employer National Insurance Contributions, it is announced as one-off.
- 3.6 A summary of these grants is as follows:

	2021-22	2022-23	Movement
	£ millions	£ millions	£ millions
New Homes Bonus	0.959	0.719	- 0.240
Rural Services Delivery Grant	0.490	0.490	-
Lower Tier Services Grant	0.179	0.099	- 0.080
2022/23 Services Grant	-	0.153	0.153
<b>Total Grant Funding</b>	<b>1.628</b>	<b>1.461</b>	<b>- 0.168</b>

<b>Change (£ Millions)</b>	<b>- 0.257</b>	<b>- 0.168</b>	
<b>Change (% Change)</b>	<b>- 13.63%</b>	<b>- 10.28%</b>	

Note: In addition to these core funding streams shown above, it should also be noted that the one-off Covid-19 Grant of £408k has not be reissued in 2022/23. Furthermore, the Income Compensation Claim scheme ceased in Qtr 1 2021/22, which we had estimated £570k. **Therefore the level of government support has actually reduced by £1,146k year-on-year.**

- 3.7 It was confirmed that Councils could raise Council Tax by 1.99% or £5 whichever is higher. The previous assumption was based upon the 1.99% increase, and therefore increasing by £5 instead of 2% provides an additional £22k. Adding to this, the collection rate has been increased to 97.5% (from the previously assumed 97%) based on current performance. This has contributed an additional £33k. The taxbase has increased by over 4% providing additional income of £124k. Finally, the assumptions included within the 2021/22 budget have proven to be prudent and therefore we are forecasting to collect £377k more than anticipated – this will be used to aid the 2022/23 budget.
- 3.8 Government have confirmed that no further funding relating to Covid-19 will be provided. This leaves the Council exposed to the reductions in service income, particularly within Leisure and Car Parking which currently sum to approximately £500k on pre-covid levels.
- 3.9 The Funding Settlement was silent on details of how the Business Rates reset / revaluation, due in 2023/24, will happen. However, the continuation of the Devon Business Rates Pool was confirmed, which should benefit the Council through paying a lower levy on any growth. A refinement of the current Business Rates forecast has reduced the growth by £115k. However, this remains subject to further revision when the NNDR1 form is completed in January. This will then be available for the final draft of this budget.

#### **4.0 Resident's Survey – Budget Results Summary**

- 4.1 During November, the Council undertook a Resident's Survey. The feedback from which will be reviewed (including any associated action plans) in a Cabinet report in March 2022.
- 4.2 However, part of that survey included specific consultation on the 2022/23 budget. The budget feedback will be considered at the next round of Cabinet and PDG meetings in January. A summary of the budget related responses is included below:
- Over 40% of responses indicated they agreed that the Council's services provide value for money
  - 38% said the most important priority when making spending decisions was providing basic statutory services, 21% tackling climate change, 19% said providing affordable housing.
  - 46% said when making spending plans the council should protect services even if it means it will need to increase council tax and fees and charges. 29% said the Council should share services with other organisations.

- 52% think the Council should seek to generate additional income from commercial investments while 49% think this should come from planning and building control.
- Of the discretionary services provided by MDDC there was a fairly even balance about which services should be protected. 67% favoured parks and open spaces, 63% public toilets, 52% town centre regeneration.
- Of our statutory services 93% felt waste and recycling service was most important service followed by food and water sampling with 68%, and homelessness at 60%.

#### 4.3 The current proposed budget reflects much of this, through:

- Protecting services – no service reductions are currently included, although there clearly remains a significant deficit to offset;
- Significant investment in decarbonisation of our estate and additional housing;
- New Partnership arrangements have been established for service delivery.

#### 4.4 Income generation is however difficult in the current climate as highlighted in paragraph 3.8 above. This is further constrained by the restrictions Government have placed upon Councils investing in Commercial Income. In most circumstances inflationary increases are applied to service fees and charges.

#### 4.5 Income from Planning Development is largely controlled by Government as planning fees are set nationally. However, it has long been the view that all development service activity, including enforcement, should be funded by the fees paid by those who benefit from development proposals. In light of the residents' survey, we will write again to our MPs to seek support for allowing local authorities the ability to charge a variable rate for planning matters in order that local Council Tax payers don't have to subsidise development activity.

### 5.0 Next Steps

#### 5.1 A significant GF budget deficit still remains and therefore further action is required. The Cabinet and PDG committees will therefore be challenged to find further budget reductions to the value of £500k. Budget reductions can consist of reductions to expenditure or increases in income. This value is apportioned over the various committees in line with the value of the baseline budget of the services reporting to them, as follows:

	<b>2021/22 Budget</b>	<b>% Share</b>	<b>Share of £500k Requirement</b>
<b>Cabinet</b>	5,070,767	37%	185,600
<b>Community</b>	4,330,771	32%	158,400
<b>Environment</b>	4,163,771	30%	152,300
<b>Economy<sup>1</sup></b>	(314,682)	-2%	(11,500)
<b>Homes</b>	416,787	3%	15,200
	<b>13,667,414</b>		<b>500,000</b>

<sup>1</sup> The Economy PDG has a credit baseline budget, therefore any saving or additional income identified will increase the credit, hence the credit target.

- 5.2 This further budget review process can be assisted by reviewing the service unit draft budget proposals shown in **Appendix 2**.
- 5.3 In addition to the above challenge for budget reductions the following options are being considered:

<b>Current (Round 1) budget gap</b>	<b>£1,427k</b>
Less: Cabinet / PDG Budget Challenge	£500k
Release of Earmarked Reserves	c.£250k
Increased income recovery from Covid-19	c.£300k
Reintroduce a Vacancy Factor	c.£100k
Use 2022/23 NHB Allocation to support budget	£???
Further savings yet to be identified	£???

- 5.4 It is critical that the challenge to find £500k of additional budget reductions is embraced. Without these new options, the Council may be forced to consider taking more from reserves and risks leaving the Council in an imprudent position. **Appendix 3** provides the current assumptions of monies being put into and monies being taken from Earmarked Reserves.

## 6.0 Capital Programme

- 6.1 A revised version of the Capital Programme is included in **Appendix 4**. This includes the latest forecast from services, the updated business plan for 3 Rivers Development Limited, and refinement of the Housing Development programme within the HRA. Specifically:

- Items related to ICT infrastructure and systems have been refined. The proposed move to hosting systems and software on cloud based solutions as opposed to on premise servers has resulted in a shift from Capital to Revenue;
- The refreshed Business Plan from 3 Rivers has been reflected – this has delayed investment and the associated returns due to delays in the Council committing to further developments while it reviewed the governance and financial arrangements of the company.
- The delivery of housing development has been refined following further work and the latest survey assessments. This has reduce the borrowing requirement and the associated impact on the HRA.

## 7.0 Housing Revenue Account

- 7.1 The HRA has also been through the same detailed refresh since the October MTFP position was presented. The revised position now shows the HRA at an almost breakeven position for 2022/23 – see **Appendix 5**. In summary, the main movements are:

- A small increase in the establishment is proposed reflecting the planned increase in the number of tenants arising from the increase in housing units;
- A reduction in forecast income due to increasing the number of voids and higher Right-to-Buy sales during 2021/22. Importantly, the

assumption that rents will increase by 3% remains at present. This will be finalised at the February Cabinet;

- The number of new build units are decreased in line with the revised developments included within the Capital Programme. However, the associated capital financing costs have also reduced accordingly. Further revisions may occur prior to setting the budget in February.

7.2 Officers are still considering finalised positions on the overall cost of:

- The new fire prevention regulations;
- The decarbonisation programme;
- The new housing strategy.

Once this work has been further developed, the likely level of rent required will be reviewed and finalised at the January Homes PDG and recommended to Cabinet.

## **8.0 Conclusion**

8.1 Along with many Local Authorities, the financial challenges facing this Council are immense. A difficult position with significant uncertainties surrounding future funding, has been compounded by the need to maintain essential services whilst losing critical income streams.

8.2 Councils, however, need clarity and certainty about how all local services will be funded over the next few years and beyond. The opportunity for a multi-year settlement has been lost for another year at least. Furthermore, the Council is now left to deal with the lasting impact the COVID-19 pandemic has had on both service demands and revenue raising.

8.3 The significant budget deficit remaining is a challenge and the identification of a further £500k of budget reduction is critical to balancing the budget for 2022/23.

8.4 Moving forward Members and officers need to look to the pressures over the next few years reflected in our MTFP and our need to address ongoing pressures which cannot be satisfactorily addressed by the one-off use of reserves.

8.5 In order to conclude the statutory budget setting process, this updated draft budget position will go through Cabinet, another round of PDG's, Scrutiny, and a final meeting of the Cabinet before being agreed at Full Council on the 23 February 2022. During this period officers will continue to identify and examine further savings possibilities that can reduce the longer term budget gap.

### **Contact for more information:**

Andrew Jarrett – Deputy Chief Executive (S151)  
[ajarrett@middevon.gov.uk](mailto:ajarrett@middevon.gov.uk) / 01884 234242

Paul Deal – Corporate Manager for Financial Services  
[Pdeal@middevon.gov.uk](mailto:Pdeal@middevon.gov.uk)



**Background Papers:**

[2022/23 LGA Provisional Local Government Finance Settlement](https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2022-to-2023-consultation)<sup>1</sup>

**Circulation of the Report:**

Leadership Team, Cabinet Member for Finance, and Group Managers

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<sup>1</sup> <https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-2022-to-2023-consultation>

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# General Fund Budget Summary

## Appendix 1

Notes	MDDC - MTFP Summary	Agreed Base Budget 2021/22 £	Indicative Base Budget 2022/23 £	Movement £
1	Cabinet	5,561,182	6,205,486	644,304
	Community	4,083,712	3,937,033	(146,679)
	Economy	(296,730)	(69,788)	226,942
	Environment	3,926,239	4,495,664	569,425
	Homes	393,010	468,285	75,275
	<b>Net Direct Cost of Services</b>	<b>13,667,413</b>	<b>15,036,680</b>	<b>1,369,267</b>
2	Net recharge to HRA	(1,501,410)	(1,557,713)	(56,303)
3	Provision for the financing of capital spending	731,720	753,460	21,740
	<b>Net Service Costs</b>	<b>12,897,723</b>	<b>14,232,427</b>	<b>1,334,704</b>
4	Net Interest Costs / (Receipts)	(539,050)	(581,848)	(42,798)
	Finance Lease Interest Payable	159,410	152,600	(6,810)
5	Transfers To Earmarked Reserves	2,361,372	1,766,264	(595,108)
	Transfers (From) Earmarked Reserves	(3,124,501)	(2,590,868)	533,633
	<b>Net Budget Requirement</b>	<b>11,754,954</b>	<b>12,978,576</b>	<b>1,223,622</b>
	<b>Funded By:</b>			0
6	Retained Business Rates	(3,150,000)	(3,190,000)	(40,000)
7	Lower Tier Services Support Grant	(179,252)	(99,272)	79,980
8	Covid-19 Related Grant	(407,699)	0	407,699
	Covid-19 Related Income	(570,000)	0	570,000
9	Rural Services Delivery Grant	(489,742)	(489,742)	0
10	2022/23 Services Grant	0	(152,564)	(152,564)
11	New Homes Bonus	(958,750)	(719,072)	239,678
12	Council Tax–MDDC	(6,114,620)	(6,523,930)	(409,310)
	Council Tax prior year (surplus)/deficit	115,109	(376,874)	(491,983)
	<b>Total Funding</b>	<b>(11,754,954)</b>	<b>(11,551,454)</b>	<b>203,500</b>
	<b>Annual Shortfall</b>	<b>0</b>	<b>1,427,122</b>	<b>1,427,122</b>

### Notes:

- Further detail of the movement with the PDG Service areas can be found in Appendix 2
- The recharge to the HRA is yet to be finalised. This assumes an increase in line with the increase in salary costs
- The Provision for the financing of capital spending incorporates the financial implications of the proposed Capital Programme shown in Appendix 3. Prudent assumptions for increases in interest rates are included.
- 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.
- Net Transfers to/(from) Earmarked Reserves reflects planned contributions to, or drawdowns from, reserves.
- The Retained Business Rates income shows a forecast for modest growth. The final position will be calculated in January.
- Lower Tier Services Grant is as revised by the 2022/23 Local Government Finance Settlement
- All funding for Covid-19 support has ceased.
- Rural Services Delivery Grant is as revised by the 2022/23 Local Government Finance Settlement
- 2022/23 Services Grant is new as per the 2022/23 Local Government Finance Settlement
- New Homes Funding is as revised by the 2022/23 Local Government Finance Settlement

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## PDG SERVICE UNIT MOVEMENTS

## Appendix 2

Service Unit	Direct Costs Detail	2021/2022 Annual Budget £	Reversal of One-off Adjustments £	Inflation £	New Pressures / Savings £	2022/2023 Forecast Budget £	Movement £	+/- %
<b>Cabinet</b>								
SCM01	Leadership Team	406,590	-	14,765	113,718	535,073	128,483	32%
SCM02	Corporate Functions	95,740	-	3,491	1,020	100,251	4,511	5%
SCM03	Corporate Fees	152,450	-	609	114,293	267,352	114,902	75%
SCM06	Pension Backfunding	779,690	-	-	21,790	801,480	21,790	3%
SES01	Emergency Planning	8,150	-	-	(650)	7,500	(650)	-8%
SFP01	Accountancy Services	533,720	-	15,243	(48,601)	500,362	(33,358)	-6%
SFP02	Internal Audit	94,410	-	-	3,070	97,480	3,070	3%
SFP03	Procurement	113,470	-	3,871	(16,508)	100,833	(12,637)	-11%
SFP04	Purchase Ledger	45,840	-	1,634	1,003	48,477	2,637	6%
SFP05	Sales Ledger	44,770	-	1,634	943	47,347	2,577	6%
SHR01	Human Resources	387,360	-	12,959	96,749	497,068	109,708	28%
SHR02	MDDC Staff Training	29,870	-	-	(4,870)	25,000	(4,870)	-16%
SHR03	Payroll	36,370	-	1,356	3,270	40,996	4,626	13%
SHR04	Learning And Development	47,500	-	1,391	4,577	53,468	5,968	13%
SIT01	IT Gazetteer Management	70,500	-	2,504	3,422	76,425	5,925	8%
SIT03	IT Information Technology	968,430	-	20,476	272,694	1,261,600	293,170	30%
SLD01	Electoral Registration	230,820	(45,000)	4,016	28,756	218,592	(12,228)	-5%
SLD02	Democratic Rep And Management	504,460	-	20,344	20,030	544,834	40,374	8%
SLD04	Legal Services	368,503	-	12,697	44,175	425,375	56,872	15%
SPR01	Building Regulations	59,430	-	8,168	(74,283)	(6,685)	(66,115)	-111%
SPR04	Local Land Charges	(16,970)	-	2,647	(10,160)	(24,483)	(7,513)	44%
SRB01	Collection Of Council Tax	442,380	-	14,069	(95,541)	360,908	(81,472)	-18%
SRB02	Collection Of Business Rates	(105,380)	-	14	6,496	(98,870)	6,510	-6%
SRB03	Housing Benefit Admin & Fraud	126,270	(9,960)	9,278	55,413	181,001	54,731	43%
SRB04	Housing Benefit Subsidy	65,000	-	-	-	65,000	-	0%
SRB06	Debt Recovery	71,810	-	2,625	4,669	79,104	7,294	10%
<b>TOTAL CABINET PDG</b>		<b>5,561,183</b>	<b>(54,960)</b>	<b>153,788</b>	<b>545,475</b>	<b>6,205,486</b>	<b>644,303</b>	<b>12%</b>
<b>Community PDG</b>								
SCD01	Community Development	138,500	-	-	-	138,500	-	0%
SCS20	Customer Services Admin	23,350	-	-	370	23,720	370	2%
SCS22	Customer First	751,010	-	26,151	(51,655)	725,506	(25,504)	-3%
SES03	Community Safety - C.C.T.V.	45,200	-	67	(25,360)	19,907	(25,293)	-56%
SES04	Public Health	3,990	-	-	-	3,990	-	0%
SES11	Pool Cars	280	-	689	915	1,884	1,604	573%
SES16	ES Staff Units/Recharges	750,610	-	26,515	15,350	792,475	41,865	6%
SES17	Community Safety	6,220	-	-	(150)	6,070	(150)	-2%
SES18	Food Safety	(24,200)	-	311	(1,451)	(25,340)	(1,140)	5%
SES21	Licensing	48,480	-	5,064	(29,487)	24,057	(24,423)	-50%
SES22	Pest Control	5,000	-	-	(2,500)	2,500	(2,500)	-50%
SES23	Pollution Reduction	(580)	-	311	7,519	7,250	7,830	-1350%
SPR02	Enforcement	91,780	-	3,011	(2,010)	92,781	1,001	1%
SPR03	Development Control	825,420	(281,290)	40,240	78,909	663,279	(162,141)	-20%
SPR09	Forward Planning	263,550	-	8,812	34,634	306,996	43,446	16%
SPR11	Regional Planning	248,103	(74,463)	-	60,705	234,345	(13,758)	-6%
SR01	Recreation And Sport	906,999	-	83,503	(71,387)	919,115	12,116	1%
<b>TOTAL COMMUNITY PDG</b>		<b>4,083,712</b>	<b>(355,753)</b>	<b>194,673</b>	<b>14,402</b>	<b>3,937,034</b>	<b>(146,678)</b>	<b>-4%</b>
<b>Economy PDG</b>								
SCD02	Economic Development	79,420	-	4,319	(13,394)	70,345	(9,075)	-11%
SCP01	Parking Services	(529,250)	-	2,626	41,944	(484,680)	44,570	-8%
SPR06	Economic Development	554,160	(34,000)	10,794	109,433	640,387	86,227	16%
SPS12	Gf Properties Shops/Flats	(401,060)	-	786	104,434	(295,840)	105,220	-26%
<b>TOTAL ECONOMY PDG</b>		<b>(296,730)</b>	<b>(34,000)</b>	<b>18,525</b>	<b>242,417</b>	<b>(69,788)</b>	<b>226,942</b>	<b>-76%</b>
<b>Environment PDG</b>								
SES02	Cemeteries	(62,630)	-	1,116	(5,705)	(67,219)	(4,589)	7%
SES05	Open Spaces	200,854	-	566	61,288	262,708	61,854	31%
SGM01	Grounds Maintenance	555,436	-	24,874	(21,004)	559,306	3,870	1%
SPS01	Asset Management	40,000	-	-	75,000	115,000	75,000	188%
SPS03	Flood Defence And Land Drain	26,430	-	-	(410)	26,020	(410)	-2%
SPS04	Street Naming & Numbering	7,810	-	235	21	8,066	256	3%
SPS05	Administration Buildings	262,420	-	3,939	158,661	425,020	162,600	62%
SPS06	MDDC Depots	74,990	-	950	65,250	141,190	66,200	88%
SPS07	Public Transport	(15,280)	-	126	9,044	(6,110)	9,170	-60%
SPS09	Property Services Staff Unit	738,890	-	27,998	(32,795)	734,093	(4,797)	-1%
SPS11	Public Conveniences	63,980	-	1,267	(23,987)	41,260	(22,720)	-36%
SWS01	Street Cleansing	420,440	-	18,662	34,175	473,277	52,837	13%
SWS02	Waste Collection	229,459	75,000	68,887	52,330	425,676	196,217	86%
SWS03	Recycling	1,017,000	-	56,252	(93,259)	979,993	(37,007)	-4%
SWS04	Waste Management	366,440	-	11,450	(506)	377,384	10,944	3%
<b>TOTAL ENVIRONMENT PDG</b>		<b>3,926,239</b>	<b>75,000</b>	<b>216,322</b>	<b>278,104</b>	<b>4,495,664</b>	<b>569,425</b>	<b>15%</b>
<b>Homes PDG</b>								
SES15	Private Sector Housing Grants	(3,630)	-	-	2,140	(1,490)	2,140	-59%
SHG03	Homelessness Accommodation	396,640	(66,850)	13,647	126,338	469,775	73,135	18%
<b>TOTAL HOMES PDG</b>		<b>393,010</b>	<b>(66,850)</b>	<b>13,647</b>	<b>128,478</b>	<b>468,285</b>	<b>75,275</b>	<b>19%</b>
<b>GRAND TOTAL</b>		<b>13,667,414</b>	<b>(436,563)</b>	<b>596,954</b>	<b>1,208,875</b>	<b>15,036,681</b>	<b>1,369,267</b>	<b>10%</b>

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## 2022/23 BUDGETS

## Transfers To Earmarked Reserves

SERVICE	EMR		Total
IE435	EQ653	New Homes Bonus Grant	460,264
PS990	EQ685	Fore Street Maintenance Sinking Fund	5,000
PS992	EQ685	Market Walk Maintenance Sinking Fund	20,000
CP540	EQ686	Paying Car Parks (Machine Replacement Sinking Fund)	3,000
LD201	EQ720	Election Costs - District	25,000
LD300	EQ721	Democratic Rep & Management	5,000
PR810	EQ728	Statutory Development Plan	100,000
EQ754	EQ754	Phoenix Printers Equipment Sinking Fund	2,200
EQ755	EQ755	ICT Equipment Sinking Fund	189,500
EQ756	EQ756	Fleet Contract Fund	624,600
GM960	EQ760	Grounds Maintenance	16,500
EQ761	EQ761	Recycling Plant Sinking Fund	30,000
EQ763	EQ763	Recycling Maintenance Sinking Fund	2,700
PS880	EQ765	Bus Station	5,000
ES100	EQ766	Cemeteries	25,000
ES450	EQ767	Parks & Open Spaces	25,000
RS140	EQ837	Leisure Sinking Fund	75,000
WS700	EQ839	Waste Pressure Washer	2,500
PS980	EQ837	Property Maintenance	100,000
IT500	New	Business Systems Migration	50,000
<b>TOTAL</b>			<b>1,766,264</b>

## 2022/23 BUDGETS

## Transfers (From) Earmarked Reserves

SERVICE	EMR	Description	TOTAL
CD200	EQ653	Community Development	(45,000)
EQ638	EQ638	Dev Cont Linear Park	(4,170)
EQ640	EQ640	W52 Popham Close Comm Fund	(1,950)
EQ641	EQ641	W67 Moorhayes Com Dev Fund	(1,630)
EQ642	EQ642	W69 Fayrecroft Willand Ex West	(4,620)
EQ643	EQ643	W70 Developers Contribution	(6,650)
EQ644	EQ644	Dev Cont Winswood Credition	(3,080)
EQ755	EQ653	ICT Equipment Sinking Fund	(189,500)
EQ756	EQ756	Fleet Contract Fund	(493,230)
HG320	EQ742	Homelessness EMR	(163,180)
IE420	EQ777	C/Tax Smoothing EMR	(62,401)
IE440	EQ659	NNDR Reserve	(152,020)
PR225	EQ824	Garden Village Project	(310,130)
PR400	EQ653	Business Development	(80,000)
PR400	EQ728	Crediton Masterplan	(60,000)
PR400	EQ722	Staffing For Economic Recovery Work	(23,750)
PR402	EQ653	Cullompton HAZ	(168,420)
PR402	EQ652	Cullompton HAZ	(110,000)
PR600	EQ821	Neighbourhood Plans	(15,560)
PR810	EQ728	Statutory Development Plan	(173,500)
PR810	EQ726	Brownfield Project	(36,260)
PR810	EQ729	Custom Build Project	(25,000)
RB100	EQ787	Council Tax Staffing	(32,622)
RB100	EQ776	Customer Welfare Officer	(2,308)
IT900	EQ655	IT Project Managers X 2 - IT600 And IT900	(87,887)
PS992/PS991	EQ838	GF Shops EMR	(87,000)
RS100/PS810	EQ837	General Property Maintenance Sinking Fund	(251,000)
<b>TOTAL</b>			<b>(2,590,868)</b>

Net Transfer To / (From) Earmarked Reserves

(824,604)

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**2022/23 Draft Capital Programme**

	Estimated Capital Programme 2022/23 £k	Notes
<b>General Fund Estates Management</b>		
<b>Culm Valley sports centre</b>		
Ceiling - asset review	260	
<b>Total Leisure</b>	<b>260</b>	
<b>Other MDDC Buildings</b>		
Cemetery Lodge - Structural solution for damp	62	
<b>MDDC Depot sites</b>		
Depot Design & Build - Waste & Recycling	250	Subject to identification of appropriate site
<b>MDDC Shops/Industrial Units</b>		
36 & 38 Fore Street including Flat above structure & cosmetic works	150	This is in addition to the £47k identified in 2021/22.
<b>Other Projects</b>		
Hydromills Electricity generation Project - Tiverton Weir	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.
<b>Total Other</b>	<b>882</b>	
<b>HIF Schemes</b>		
Cullompton Town Centre Relief Road (HIF bid)	8,414	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. <b>Levelling up bid unsuccessful - alternative funding source being explored.</b>
Tiverton EUE A361 Junction Phase 2 (HIF bid)	4,640	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>ICT Projects</b>		
Laptop/desktop refresh - Workstation	150	
Secure WIFI Replacement	60	
Network Switch/Firewall Refresh (all sites except P/House)	50	
<b>Total ICT</b>	<b>260</b>	
<b>Private Sector Housing Grants</b>		
Disabled Facilities Grants-P/Sector	577	
<b>Total PSH Grants</b>	<b>577</b>	
<b>TOTAL GF PROJECTS</b>	<b>15,033</b>	
<b>Other General Fund Development Projects</b>		
3 Rivers Scheme - Bampton	1,206	Linked to 3 Rivers Business Plan that was presented at 30/11/21 Cabinet
3 Rivers Scheme - Riverside Development (rear of Town Hall) Tiverton	99	Linked to 3 Rivers Business Plan that was presented at 30/11/21 Cabinet
* 3 Rivers Schemes - Future Projects	2,229	Linked to 3 Rivers Business Plan that was presented at 30/11/21 Cabinet
		* These schemes require signed loan agreements before they can be progressed further
Park Road	1,265	Delivery of this project is yet to be determined until conclusion of marketing exercise & therefore maybe a Capital Receipt
Regeneration Project 2	500	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
<b>TOTAL GF OTHER DEVELOPMENT PROJECTS</b>	<b>5,299</b>	
<b>GRAND TOTAL GF PROJECTS</b>	<b>20,332</b>	

Estimated Capital Programme 2022/23 £k		Notes
<b>HRA Projects</b>		
<b>Existing Housing Stock</b>		
Major repairs to Housing Stock	2,255	
*Renewable Energy Fund	250	* 2023/24 & 2024/25 are dependent on SHDF Funding bid in 2021/22 - if successful this spend will be b/fwd to 2022/23
Home Adaptations - Disabled Facilities	300	
<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 funding options to be explored
Housing Scheme - Project 2	130	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	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>		<b>** Proposed Council House 1:4:1 &amp; Housing Development schemes subject to full appraisal</b>
Housing Scheme - Project 11	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 14	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 16	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 18	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	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
Westex - Structural Communal area work (stairwells, steps)	100	Funding options to be explored - subject to acceptable Business Case/Financial appraisal
Garages Block - Redevelopment	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	2,200	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	50	Assumed Costs to keep building operational
<b>GRAND TOTAL HRA PROJECTS</b>		<b>11,312</b>
<b>GRAND TOTAL GF + HRA Projects</b>		<b>31,644</b>

Estimated Capital Programme 2022/23 £k		Notes
<b>FUNDING</b>		
<b>MDDC Funding Summary</b>		
<b>General Fund</b>		
		<b>2022/23</b>
<b>EXISTING FUNDS</b>		<b>£k</b>
Capital Grants Unapplied Reserve	577	
Capital Receipts Reserve	5	
NHB Funding	81	
Other Earmarked Reserves	308	
HIF Funding (Tiverton & Cullompton schemes)	6,465	
Levelling Up funding bid (Cullompton Relief Road Project)	6,436	Levelling up bid unsuccessful - alternative funding source being explored
DCC Funding (Cullompton Relief Road Project)	153	
<b>Subtotal</b>	<b>14,025</b>	
<b>NEW FUNDS</b>		
PWLB Borrowing (50 years)	750	
PWLB Borrowing (25 years)	758	
PWLB Borrowing (3 years)	4,799	
Tiverton HIF Scheme - Assumed funded through borrowing from Public Works Loan Board		Funding options to be explored - subject to acceptable Business Case/Financial appraisal
<b>Subtotal</b>	<b>6,307</b>	
<b>Total General Fund Funding</b>	<b>20,332</b>	
<b>Housing Revenue Account</b>		
		<b>2022/23</b>
<b>EXISTING FUNDS</b>		<b>£k</b>
Homes England Funding	2,160	
Capital Grants Unapplied Reserve	170	
Capital Receipts Reserve	1,080	
NHB Funding	21	
HRA Housing Maintenance Fund	0	
Other Housing Earmarked Reserves	2,804	
<b>Subtotal</b>	<b>6,235</b>	
		<b>2022/23</b>
<b>NEW FUNDS</b>		<b>£k</b>
PWLB Borrowing (50 years)	5,077	
<b>Subtotal</b>	<b>5,077</b>	
<b>Total Housing Revenue Account Funding</b>	<b>11,312</b>	
<b>TOTAL FUNDING</b>	<b>31,644</b>	

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## Housing Revenue Account - by service

Code	Best Value Unit	Base Budget 2021/2022	Movement	Draft Budget 2022/2023
		£	£	£
	<b>Income</b>			
SHO01	Dwelling Rents Income	(12,450,680)	(75,649)	(12,526,329)
SHO04	Non Dwelling Rents Income	(559,830)	71,470	(488,360)
SHO07	Leaseholders' Charges For Services	(23,810)	(5,190)	(29,000)
SHO08	Contributions Towards Expenditure	(29,220)	(51,700)	(80,920)
SHO10	H.R.A. Investment Income	(10,000)	(15,000)	(25,000)
SHO11	Misc. Income	(7,350)	350	(7,000)
	<b>Services</b>			
SHO13A	Repairs & Maintenance	3,600,220	680,563	4,280,783
SHO17A	Housing & Tenancy Services	1,626,530	100,553	1,727,083
	<b>Accounting entries 'below the line'</b>			
SHO29	Bad Debt Provision	150,000	0	150,000
SHO30	Share Of Corp And Dem	168,040	5,860	173,900
SHO32	H.R.A. Interest Payable	1,026,430	50,892	1,077,322
SHO34	H.R.A. Transfer To/From Earmarked Reserves	1,899,100	(1,029,292)	869,808
SHO37	Capital Receipts Res Adjustment	(19,500)	(1,300)	(20,800)
SHO38	Major Repairs Allowance	2,260,000	205,000	2,465,000
SHO45	Renewable Energy Transactions	(105,000)	0	(105,000)
	<b>TOTAL</b>	<b>(2,475,070)</b>	<b>(63,443)</b>	<b>(2,538,513)</b>

**Assumptions/significant variances**

- SHO01 Income assumption for Rents retained at 3%. The increase is not 3% in real terms as the assumed Void and RTBs impact this
- SHO04 Garage rents and ground rent charges assumed to remain unchanged for 2022/23, again there will be a real reduction due to the forecast units available
- SHO08 Forecast increase in Building Services works, this is mainly provision of services for the General Fund
- SHO10 Slight increase to the forecast investment income in line with the General Fund forecast reflecting an assumed gradual increase in interest rates
- SHO13A £450k provision made for Decarbonisation works and Fire Risk Assessments (post Grenfell) £213k in salary changes this assumes 2% for 2022/23 and a slight increase in the establishment
- SHO17A £127k salary inflation assumes 2% for 2022/23, inclusive of establishment changes £35k reduction in software budget requirements
- SHO32 Inclusive of Interest for Self-financing loan and interest on assumed borrowing for 2022/23 Capital Programme schedule of works
- SHO34 **Contributions to reserves:** £50k towards vehicle cost sinking fund, £803k to the Loan deficit reserve, £105k to the Renewables reserve, £149k to the Affordable Rent Surplus reserve  
**Contributions from Reserves:** £200k assumed funding for Decarbonisation works, £250k drawdown from the Maintenance Fund for Fire Risk Assessment works
- Assuming a 2% increase (on top of the 1.75%) for Internal recharges (£56k) this would result in a final contribution to the Housing Maintenance Fund of £212k
- SHO38 Change is in line with the planned Works Programme for 2022/23

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# MID DEVON DISTRICT COUNCIL – NOTIFICATION OF KEY DECISIONS

January 2022

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

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>3 Weekly Bin Trial</b> To receive the results of the 3 Weekly Bin Trial	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>Budget Options for Climate Investment</b> To receive budget options for Climate Investment as recommended by the Net Zero Advisory Group	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
<b>Draft MDDC Litter Strategy</b> To receive the MDDC Litter Strategy	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>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>Contracted Out Enforcement Duties</b> Report 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>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
<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>Gas and Renewable Servicing Contract</b> To consider the servicing contract.	Homes Policy Development Group  Cabinet	18 Jan 2022  1 Feb 2022	Mike Lowman, Building Services Operations Manager	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Part exempt



<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>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  8 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  8 Mar 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 Policy and Equality Objective	Community Policy Development Group  Cabinet	25 Jan 2022  8 Mar 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>Crediton NHS Hub Phase 2</b> To consider a funding request.	Cabinet	1 Feb 2022	Andrew Jarrett, Deputy Chief Executive (S151)	Cabinet Member for Finance (Councillor	Part exempt

<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>
			Tel: 01884 234242	Andrew Moore)	
<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>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>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>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>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>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>Establishment</b> To inform Members of the overall structure of the Council showing the management and deployment of officers.	Cabinet  Scrutiny Committee  Council	1 Feb 2022  14 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
<b>Recommendations from the Motion 564 Spotlight Review</b> To receive the final report and recommendations from the Motion 564 Spotlight Review.	Scrutiny Committee  Cabinet	14 Feb 2022  8 Mar 2022	Clare Robathan, Policy and Research Officer		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>Cullompton Town Centre Masterplan and Delivery Plan SPD</b> To consider the masterplan	Cabinet Council	8 Mar 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>Playing Pitch Strategy - Post Consultation</b> To consider the strategy for approval following the public consultation.	Cabinet	8 Mar 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Cullompton HSHAZ Public Realm Project - Consultation</b> For consideration prior to consultation.	Cabinet	8 Mar 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>Review of Development Management Discretionary Fees and Charges</b> To consider and agree a revised schedule of fees and charges.	Cabinet	Not before 8th Mar 2022	Angharad Williams, Interim Development Management Manager	Cabinet Member for Planning and Economic Regeneration (Councillor Richard)	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>
				Chesterton)	
<b>Cullompton Railway Station</b> To receive a project update.	Cabinet	Not before 8th Mar 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>Tiverton Town Centre Masterplan</b> To agree the draft masterplan for public consultation.	Cabinet	Not before 8th Mar 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>Crediton Masterplan - Procurement</b> To consider the procurement of services for the Crediton Masterplan.	Cabinet	8 Mar 2022	Richard Marsh, Director of Place	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Part exempt
<b>Tiverton EUE Area B Masterplan</b> To consider the outcome of the playing pitch and sports	Cabinet	Not before 8th Mar 2022	Adrian Welsh, Strategic Manager for Growth, Economy and	Cabinet Member for Planning and Economic Regeneration	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>
provision review			Delivery Tel: 01884 234398	(Councillor Richard Chesterton)	
<b>North West Cullompton Masterplan</b> To consider a revised masterplan for North West Cullompton	Cabinet	8 Mar 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>Modernisation Contract 2022 - 2026</b> To consider the outcome of the tender process for this contract.	Cabinet	8 Mar 2022	Mike Lowman, Building Services Operations Manager	Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Part exempt
<b>Residents Survey</b> To consider the outcome of the Residents' Survey	Cabinet	8 Mar 2022	Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Shopfront Enhancement Scheme</b> To receive and discuss information with regard to the Shopfront Enhancement Scheme.	Economy Policy Development Group  Cabinet	17 Mar 2022  5 Apr 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard)	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>
				Chesterton)	
<b>Market Environmental Strategy</b> To receive and discuss the draft Environmental Strategy.	Economy Policy Development Group  Cabinet	17 Mar 2022  5 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>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>Council Tax Reduction Scheme &amp; Exceptional Hardship Policy</b> To receive the Council Tax Reduction Scheme and the updated Exceptional Hardship Policy.	Community Policy Development Group  Cabinet	22 Mar 2022  5 Apr 2022	Dean Emery, Corporate Manager for Revenues, Benefits and Recovery	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>Unauthorised Encampment Policy</b> To receive the 3 yearly review of the Unauthorised Encampment Policy	Community Policy Development Group  Cabinet	22 Mar 2022  7 Apr 2022	Andrew Busby, Corporate Manager for Property, Leisure and Climate Change Tel: 01884 234948	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Safeguarding Children and Adults at Risk Policy and Procedures</b> To receive the annual review of Safeguarding Children 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>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 234229/0785511492 1	Cabinet Member for Community Well Being (Councillor Dennis Knowles)	Open
<b>Cullompton - Town Centre Public Realm Enhancement</b> To consider the Town Centre Public Realm Enhancement	Cabinet	5 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>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>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>Tiverton A361 Junction HIF Scheme</b> To consider the outcome of the tender process.	Cabinet	Not before 5th Apr 2022	Richard Marsh, Director of Place	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Part exempt
<b>Culm - Garden Village</b> To consider a masterplan for consultation.	Cabinet	5 Apr 2022	Tina Maryan, Area Planning Officer	Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton)	Open
<b>Custom and Self Build Supplementary Planning Document</b> To consider a draft SPD for consultation	Cabinet	Not before 1st Jun 2022	Tristan Peat, Forward Planning Team Leader	Cabinet Member for Planning and Economic Regeneration (Councillor Richard)	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)
				Chesterton)	
<b>Non Statutory Interim Policy Statement on Planning for Climate Change</b> To consider the policy statement	Cabinet	Not before 7th Jun 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	31 May 2022  14 Jun 2022		Cabinet Member for Housing and Property Services (Councillor Bob Evans)	Open

## SCRUTINY WORK PLAN 2021-2022 - 2021 TO 2022

Meeting Date	Agenda Item	Theme	Officer Responsible	Comments
<b>February 2022</b>				
14.02.22 8.03.22	<b>Recommendations from the Motion 564 Spotlight Review</b> To receive the final report and recommendations from the Motion 564 Spotlight Review.		Clare Robathan	
1.02.22 14.02.22 23.02.22	<b>Establishment</b> To inform Members of the overall structure of the Council showing the management and deployment of officers.		Matthew Page	
14.02.22	<b>Update on Menopause Working Group Recommendations</b> To receive an update on progress of the Menopause Working Group Recommendations		Matthew Page	
25.01.22 14.02.22 10.03.22	<b>Regulation of Investigatory Powers</b> To receive the annual update of Regulation of Investigatory Powers		Karen Trickey	

Meeting Date	Agenda Item	Theme	Officer Responsible	Comments
14.02.22	<b>Work Plan</b> Members are asked to note the current Work Plan for the municipal year.  Members to have the opportunity to discuss additional items to be investigated by the Scrutiny Committee and added to the Work Plan.		Clare Robathan	
<b>March 2022</b>				
21.03.22	<b>Update on Recommendations from the Planning Enforcement Working Group</b> To receive an update on progress of recommendations of the Planning Enforcement Working Group		Richard Marsh	
11.03.22	<b>Work Plan</b> Members are asked to note the current Work Plan for the municipal year.  Members to have the opportunity to discuss additional items to be investigated by the Scrutiny Committee and added to the Work Plan.		Clare Robathan	
<b>April 2022</b>				
19.04.22	<b>Update on 3 Rivers Development Ltd Business Plan</b> To receive an update on the 3 Rivers Development Ltd Business Plan		Andrew Jarrett	

Meeting Date	Agenda Item	Theme	Officer Responsible	Comments
19.04.22	<b>Chairman's Annual Report</b> To receive the Chairman's annual report		Clare Robathan	
19.04.22	<b>Work Plan</b> Members are asked to note the current Work Plan for the municipal year.  Members to have the opportunity to discuss additional items to be investigated by the Scrutiny Committee and added to the Work Plan.		Clare Robathan	
<b>Items for further Investigation</b> These items are due to come before Scrutiny, timings to be confirmed.				
	<b>Work Programming Session</b> An informal Work Programming Session to agree items and issues to be investigated by the Scrutiny Committee		Clare Robathan	

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