

Public Document Pack

Mid Devon District Council

Scrutiny Committee

Monday, 16 January 2023 at 2.15 pm
Phoenix Chambers, Phoenix House, Tiverton

Next ordinary meeting
Monday, 20 February 2023 at 2.15 pm

Please Note: This meeting will take place at Phoenix House and members of the Public and Press are able to attend via Zoom. If you are intending to attend in person please contact 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 S J Clist

Cllr G Barnell

Cllr E J Berry

Cllr W Burke

Cllr L J Cruwys

Cllr Mrs S Griggs

Cllr F W Letch

Cllr Mrs E J Lloyd

Cllr S Pugh

Cllr R F Radford

Cllr Mrs E J Slade

Cllr A Wilce

AGENDA

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

- 1 **APOLOGIES AND SUBSTITUTE MEMBERS**
To receive any apologies for absence and notices of appointment of substitute Members (if any).

- 2 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT**
To record any interests on agenda matters.

- 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)*
To consider whether to approve the minutes as a correct record of the meeting held on 12th December 2022

- 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 **WHISTLEBLOWING 6 MONTH UPDATE**
To receive details that there have been no Whistleblowing instances in the previous 6 months

- 8 **MOTION 583 - PROTECT RIVERS AND SEAS**
At Council on 26th October 2022 it was resolved to ask the Scrutiny committee, or other appropriate committee, to invite a senior representative of South West Water, the Environment Agency and Natural England, to attend a meeting to answer questions on the current levels of sewage discharge.

- 9 **COMPLAINTS, COMMENTS AND COMPLIMENTS - UPDATE** *(Pages 9 - 12)*
To receive an update on reporting of Complaints, Comments and Compliments

- 10 **BUDGET UPDATE** *(Pages 13 - 36)*
To consider the initial draft 2023/2024 Budget and options available in

order for the Council to set a balanced budget and if appropriate make recommendations to Cabinet on 7 February 2023 and full Council on 22 February 2023

11 **WORK PROGRAMME** (Pages 37 - 48)

To review the existing Work Plan and consider items for the committee's future consideration, taking account of:

- a) Any items within the Forward Plan for discussion at the next meeting;
- b) Suggestions of other work for the committee in 2022/23.

In addition, to consider the below items as requested by a Member of the committee and to determine how the scrutiny committee wishes to take them forward:

- 1. 3RDL – Does the recent assessment of the business plan by Cabinet adequately scrutinise and consider the company's competence and prospects?
- 2. Planning Policy and Procedures – What is current policy and are there alternative arrangements that could be considered?
- 3. The rights of members to place items for discussion relating to Council business on the agenda of the Scrutiny Committee - What are the boundaries of 'relevant' items and should any changes be recommended to Standards or Council?

Stephen Walford
Chief Executive
Friday, 6 January 2023

Meeting Information

From 7 May 2021, the law requires all councils to hold formal meetings in person. The Council will enable all people to continue to participate in meetings via Zoom.

If you want to ask a question or speak, email your full name to Committee@middevon.gov.uk by no later than 4pm on the day before the meeting. This will ensure that your name is on the list to speak and will help us ensure that you are not missed. Notification in this way will ensure the meeting runs as smoothly as possible.

Please note that a reasonable amount of hardcopies at the meeting will be available, however this is a limited number. If you are attending the meeting and

would like a hardcopy of the agenda we encourage that you notify Member Services in advance of the meeting to ensure that a hardcopy is available. Otherwise, copies of the agenda can be found on our website.

If you would like a copy of the Agenda in another format (for example in large print) please contact Carole Oliphant on: 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 12 December 2022 at 2.15 pm

Present

Councillors

S J Clist (Chairman)
G Barnell, W Burke, L J Cruwys, F W Letch,
S Pugh, Mrs E J Slade and B G J Warren

Apologies

Councillor(s)

E J Berry, Mrs E J Lloyd and A Wilce

Also Present

Councillor(s)

Mrs S Griggs, J Buczkowski, Mrs C P Daw, R M Deed,
R J Dolley and C J Eginton

Also Present

Officer(s):

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), Fiona Keyes (Operations Manager for Revenues Benefits & Recovery) and Carole Oliphant (Member Services Officer)

53 **APOLOGIES AND SUBSTITUTE MEMBERS (0.04.23)**

Apologies were received from Cllr E J Berry, Cllr E J Lloyd and Cllr A Wilce who was substituted by Cllr B G J Warren.

Cllr S Griggs attended via ZOOM.

54 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0.04.45)**

Members were reminded of the need to make declarations where appropriate

55 **PUBLIC QUESTION TIME (0.05.00)**

There were no questions from members of the public present.

56 **MINUTES OF THE PREVIOUS MEETING (0.05.16)**

The minutes of the last meeting were approved as a correct record and **SIGNED** by the Chairman.

57 **DECISIONS OF THE CABINET (0.08.46)**

The Committee **NOTED** that none of the decisions made by the Cabinet on 29th November 2022 had been called in.

58 CHAIRMAN'S ANNOUNCEMENTS (0.08.58)

The Chairman provided Members with an overview of a recent visit he had made to an Anaerobic Digester (AD) Plant with the Corporate Manager for Revenues, Benefits, Corporate Recovery, Planning (DM), and Corporate Fraud to which all members of the Committee had been invited.

He stated that they were given a 3 hour guided tour, hosted by the owner and that he had questioned the owner extensively who had answered transparently. He had seen all parts of the operation and had discussed with the owner how Parish Council disapproval had been dealt with.

The Chairman explained that it was a very well run family owned plant which had received an investment of £28m to date. The owner had self-imposed regulations including a traffic plan which limited any vehicle movements during school run times. There were 50 locally sourced staff employed on the site and production had not been capped through any planning conditions.

During discussions with the Committee consideration was given to:

- Some Members did not agree that local AD plants were run the same as the one visited and expressed concerns that they were dangerous and unhealthy for local residents
- Concerns about the bio industry as a whole and the traffic caused in local areas
- Concerns that the Carbon Footprint of such plants had not been assessed
- Concerns that there were not any measures to test how eco-friendly the plants are

Notes

- Cllr Mrs E J Slade declared a personal interest as she lived in a village affected by an AD Plant
- Cllr B G J Warren declared a personal interest as he was Ward Member for Lower Culm

59 COST OF LIVING CRISIS (0.32.38)

The Committee received and **NOTED** a verbal update from the Corporate Manager Revenues, Benefits, Corporate Recovery, Planning (DM), and Corporate Fraud on the cost of living crisis.

The officer stated that people in the District had a lot of issues with the cost of living crisis and he detailed the help currently available including:

- Housing Support Fund 3 - £21k already spent providing fuel and food vouchers which were being issued by charities CHAT and Navigate. Fund will run until the end of March 2023.
- Housing Support Fund 4 was coming but the Government had not yet provided any details
- Council Tax Reduction Scheme- current spend £3.8m
- Exceptional Hardship Scheme – current spend £15k
- Discretionary Housing Fund – current spend £30k

Consideration was given to:

- The Government was launching an alternative fuel scheme for households not in receipt of the £400 energy payment. These were properties classed as 'off grid' and included farmers in domestic houses, park home residents, caravans and houseboats etc. Details of the scheme would be announced in January
- The funding for Community Grants, of which CHAT and CAB were recipients had been reviewed in 2020 and the level of funding had been set for 2 years. Both CHAT and Navigate had received additional funding to administer the Housing Support Fund

60 **UPDATE ON THE PLANNING ENFORCEMENT WORKING GROUP RECOMMENDATIONS (0.50.00)**

The Committee received and **NOTED** a verbal update from the Corporate Manager Revenues, Benefits, Corporate Recovery, Planning (DM), Corporate Fraud on the Planning Enforcement Working Group Recommendations.

The officer stated that a lot of work had been completed including an increase in officers and temporary contractors. The team was currently concentrating on high profile cases and had reduced the backlog of cases and were currently running at 290 live cases.

The team were piloting debt enforcement agents to help collect information which could then be passed to enforcement officers to deal with. This had been negotiated at no extra cost to the Council. More notices had been served and there was a positive enforcement approach to high profile cases.

The officer confirmed that work was underway for Enforcement Officers and Planning Officers to work together to ensure that planning conditions imposed on future planning applications were both realistic and enforceable.

Consideration was given to:

- The number of Enforcement Officers was not likely to increase and it was a reasonable capacity for an Authority of this size noting that enforcement is a discretionary service
- The fact that, despite the fact enforcement is discretionary, MDDC took enforcement seriously
- Low grade enforcement would be targeted through the new contract with the debt enforcement agents who collected the data about possible planning breaches
- A agency Planning Solicitor was working 2 days a week and a permanent role was currently being advertised
- A sub group of the Planning Committee had not been implemented as Planning Enforcement cases were being monitored by the Cabinet Member for Continuous Improvement
- The free planning advise line had been discontinued as the Council was seeking to encourage the pre application service which was a discretionary chargeable service

61 **WORK PROGRAMME (1.24.24)**

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

The Chairman advised that a recent Scrutiny proposal to look into the determination of Council planning applications was not the remit of the Scrutiny Committee and that the Planning Committee had been provided with training and advice on how to deal with these applications. He confirmed that the proposal would not be brought to the Scrutiny Committee.

There was a request that the Cabinet attend a future Scrutiny Committee to discuss the competence of 3 Rivers Developments Ltd.

Note: *Forward Plan and Work Plan previously circulated and attached to the minutes

(The meeting ended at 3.52 pm)

CHAIRMAN

SCRUTINY 16TH JANUARY 2023

UPDATE ON COMPLAINTS

Cabinet Member(s): Cllr C Daw
Responsible Officer: Lisa Lewis, Corporate Manager for Business Transformation and Community Engagement

Reason for Report: Scrutiny requested an update on Complaints at the meeting of 17th October 2022.

Recommendation: to note the report

Financial Implications: None

Budget and Policy Framework:
Approved by Finance: No

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 This report provides an update on complaints between September and November 2022.
- 1.2 Further information was provided to the Scrutiny Committee by email on 2 November 2022.

2.0 Performance Statistics

- 2.1 Attached at Appendix 1 graphs show the breakdown and percentage of complaints logged Jun-Aug 2022 and Sept-Nov 2022 for information.
- 2.2 Focussing on the areas of concern expressed by the committee. Total complaints logged during the period shows a small decrease in complaints for Housing Repairs and Housing Tenancy between the two periods monitored of around 2%.

| Service | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 |
|-----------------|--------|--------|--------|--------|--------|--------|
| Homelessness | 1 | 3 | 1 | 1 | | 2 |
| Housing Repairs | 6 | 5 | 9 | 3 | 4 | 8 |

| Service | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 |
|--------------------------------|--------|--------|--------|--------|--------|--------|
| Housing Tenancy | 13 | 7 | 12 | 7 | 10 | 7 |
| Planning - Development Control | 1 | 2 | 2 | | 1 | 3 |
| Recycling | | 2 | 3 | 2 | | 2 |
| Refuse Collection | 1 | 3 | 4 | 2 | 5 | 8 |

2.3 We have seen a small increase in complaints around Refuse Collection, but given the significant service change of 3 weekly collections this is to be expected. However, given the tens of thousands of points of service over the last weeks the figure is extremely low.

3.0 What is happening with Complaints monitoring?

3.1 Refresher training is being planned for January 2023 for officers

3.2 We are attempting to amend the current system to improve monitoring and reporting to aid in further analysis in the short term.

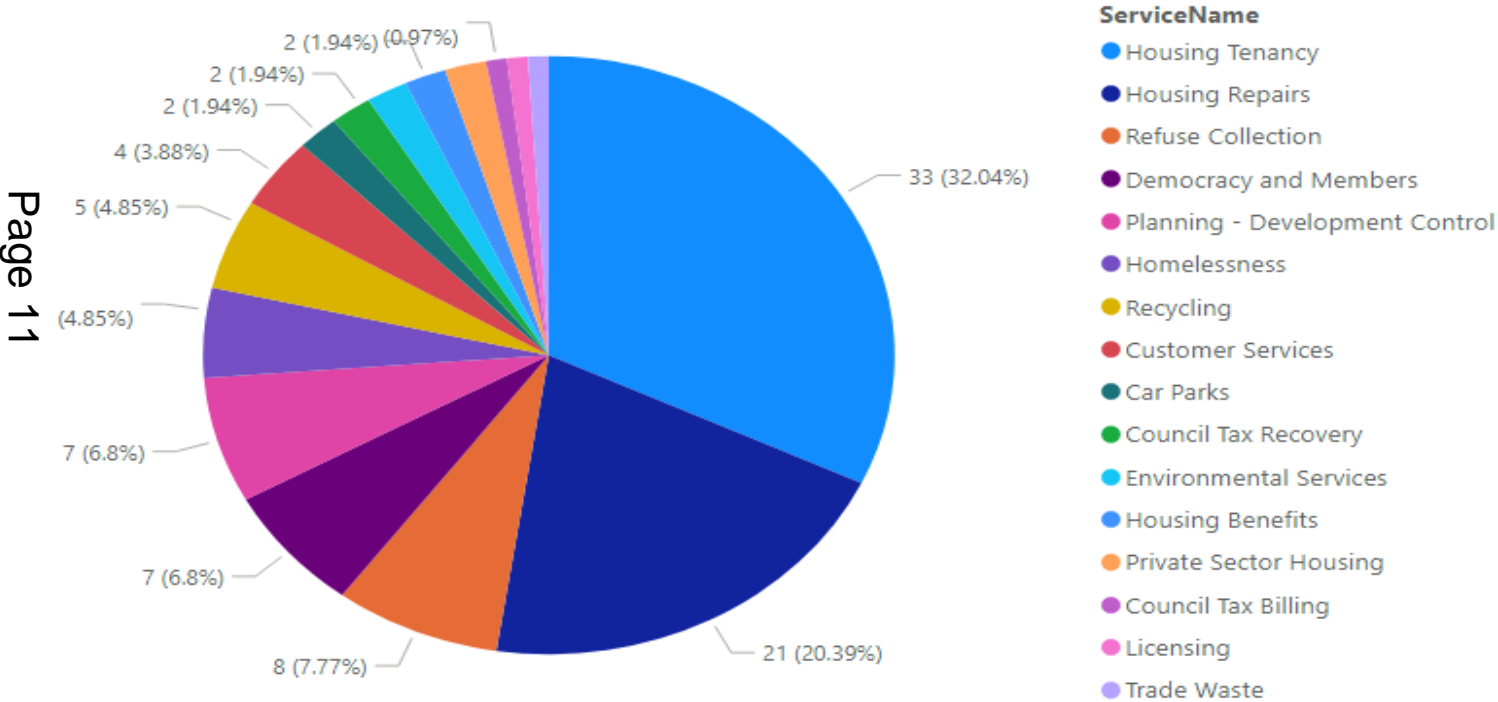
3.3 The new CRM project will be commencing in January and as a result we will be building a new complaints system, including liaising with the Portfolio holder for Continuous Improvement and the Corporate Performance & Improvement Manager. The aim will be to improve the information we capture and embed continuous performance monitoring around Complaints.

3.4 As stated at the meeting of 17 October 2022 the monitoring of Housing complaints is changing. I would refer members to the [Homes PDG minutes of 31 May 2022](#) which contains an annual Complaints report for Housing. Henceforward Housing complaints and Corporate (other service) complaints will be reported separately through the Homes PDG and Scrutiny respectively.

Contact for more Information: Lisa Lewis, Corporate Manager for Business Transformation and Community Engagement. llewis@middevon.gov.uk

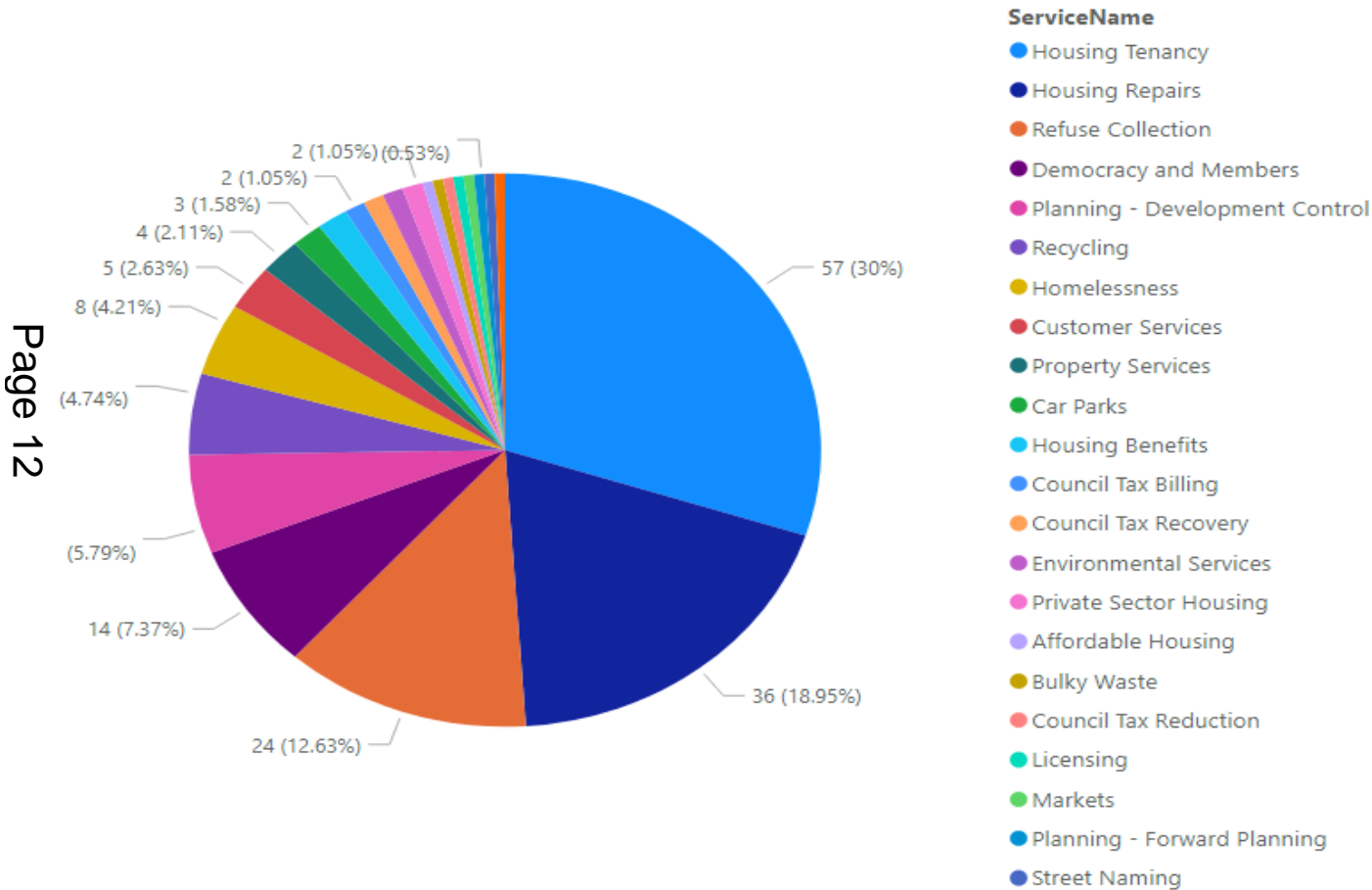
Circulation of the Report: Cabinet Member seen and approved [yes/no – name of Cabinet Member], Cabinet, Leadership Team seen and approved [yes/no]

Calls by Service



Sept-Nov 2022
Calls Open – 159

Calls by Service



Cabinet
3 JANUARY 2023

AGENDA ITEM

2023/24 Budget Update

Cabinet Member Cllr Bob Deed, Leader and Cabinet Member for Finance
Responsible Officer Andrew Jarrett – Deputy Chief Executive (S151)

Reason for Report: To present to Member's the updated 2023/24 Budget position and to discuss further options for cost savings or income generation. This is the third update on the progress towards balancing the Council's budgets for 2023/24 and sets out further savings options required in order to move towards a balanced budget for 2023/24. The January suite of PDG's are requested to discuss further changes required in order for the Council to move towards a balanced budget for 2023/24.

The Capital Programme shows further minor adjustments from the previously reported position as the specific details are further refined. In addition, the financing associated with the 3 Rivers Developments Ltd Business Plan reviewed by recent Scrutiny and Audit Committees has now been included. This increases the overall Capital Programme to £98,375k with a Deliverable Budget of £30,034k for 2023/24. The associated forecast level of borrowing required now stands at £46,170k, split £12,695k for the General Fund and £33,475k for the HRA. (see section 5).

The overall 5-year deficit on the Housing Revenue Account has reduced to £2,001k following the changes to a number of assumptions, with 2023/24 looking indicatively balanced.

RECOMMENDATION: For Cabinet to:

- 1. Consider the updated 2023/24 budget position for the General Fund, Capital Programme and the HRA;**
- 2. Consider the further options as set out in Appendix 3, or any additional suggestions to balance the remaining shortfall and circulate them to the Policy Development Groups for further input during their January suite of meetings prior to the formal recommendation back to Cabinet and Council in February.**

Relationship to Corporate Plan: The Annual Budget sets out the financial resources available for the year to deliver the Council's ongoing Corporate Plan priorities.

Financial Implications: The current budget for the General Fund shows a deficit of £905k, with an increasing funding deficit 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 a requirement for approval of £98,375k investment in services within 2023/24 underpinned by £45,671k of assumed borrowing. The HRA continues to show an indicatively balanced budget for 2023/24 but an increasing funding shortfall in future years.

Budget and Policy Framework: The Annual Budget provides an overarching steer of what the Council can afford to deliver in the year.

Legal Implications: None directly arising from this report, although the Local Government Finance Act 1992 places a legal requirement on the Council to approve a balanced 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 current forecast continues to make a number of financial assumptions based on a sensible/prudent approach, taking account of the most up to date professional advice that is available. Management must ensure that any proposed savings required to balance the budget are robust and achievable

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.

1 Introduction to the Medium Term Financial Plan

- 1.1 On 1 November, the first draft of the Medium Term Financial Plan covering the period 2023/24 to 2027/28 for the General Fund (GF), Capital Programme and Housing Revenue Account (HRA) was presented to Cabinet. The GF indicated a deficit of over £5,219k by the end of the 5-year timeframe, with the increase largely due to the implications of the cost of living crisis. The Capital Programme showed indicative investment of £125,978k over the 5-year timeframe, subject to appropriate business cases and funding available, mainly in the development of additional housing. The HRA also showed a deficit position of £4,985k across the MTFP timeframe, largely due to the rising interest rates associated with the required debt financing for the planned housing developments included within the recent Housing Strategy.
- 1.2 The 29 November update focused on 2023/24 with a reduction in the projected shortfall for the General Fund down to £960k. The overall Capital Investment for 2023/24 had increased from £82,653k to £86,823k. However the position for the HRA had improved with the initial funding shortfall of £261k completely mitigated largely due to the clarification of the increase in the Rent cap threshold.
- 1.3 This report provides an updated position across those three strands of the Council's finances following a detailed budgetary review and seeks agreement to the various Budget Options and Fees and Charges recommended by the PDGs.

2 2023/24 General Fund Budget – Revised Position

- 2.1 Following identification of the proposed options shown in the last update report, and updates to reflect known changes and assumptions, the draft budget deficit for 2023/24 is £905k. The current overall position is included with **Appendix 1**, while **Appendix 2** shows the movement at a more granular service level.

- 2.2 Below is a high level summary table showing the provisional budget movements by category of spend, with some headline explanation of the reasons for the increases.

| Category | 2022/23 Annual Budget £ | MTFP Adjustment £ | Round 1 Detailed Update £ | Provisional 2023/24 Budget £ | Increase / (Decrease) £ | Increase / (Decrease) % |
|---------------------|----------------------------------|-------------------------|------------------------------------|---------------------------------------|-------------------------------|-------------------------------|
| Employees | 15,302,741 | 1,459,718 | 227,018 | 16,989,477 | 1,686,736 | 11.0% |
| Premises | 3,016,550 | 380,046 | 1,149,978 | 4,546,574 | 1,530,024 | 50.7% |
| Transport | 1,215,001 | 101,311 | 45,228 | 1,361,540 | 146,539 | 12.1% |
| Supplies & Services | 20,837,621 | (254,295) | 487,577 | 21,070,903 | 233,282 | 1.1% |
| Recharges | (1,714,560) | (85,728) | (71,942) | (1,872,230) | (157,670) | 9.2% |
| Capital | 686,660 | 3,138 | 13,466 | 703,264 | 16,604 | 2.4% |
| Income | (39,344,013) | 510,622 | (3,061,192) | (41,894,583) | (2,550,570) | 6.5% |
| | 0 | 2,114,812 | (1,209,867) | 904,945 | 904,945 | #DIV/0! |

- Employees Costs – included is the additional element of the 2022/23 Pay Award over and above the 2% budgeted (c.£450k, plus an assumption of 3% for 2023/24 (c.£400k). This can be further broken down as follows:

| Category | 2022/23 Annual Budget £ | MTFP Adjustment £ | Round 1 Detailed Update £ | Provisional 2023/24 Budget £ | Increase / (Decrease) £ | Increase / (Decrease) % |
|--------------------------------|----------------------------------|-------------------------|------------------------------------|---------------------------------------|-------------------------------|-------------------------------|
| Basic Pay | 10,857,014 | 1,170,633 | (221,517) | 11,806,130 | 949,116 | 8.7% |
| Annual Increment | - | - | 164,681 | 164,681 | 164,681 | 0.0% |
| National Insurance | 1,074,652 | (5,750) | 48,458 | 1,117,360 | 42,708 | 4.0% |
| Pension Costs | 2,525,647 | 91,718 | 225,188 | 2,842,553 | 316,906 | 12.5% |
| Overtime | 297,112 | - | 1,518 | 298,630 | 1,518 | 0.5% |
| Agency | 182,380 | - | (55,670) | 126,710 | (55,670) | (30.5%) |
| Training + Apprenticeship Levy | 178,746 | 200,000 | (207,333) | 171,413 | (7,333) | (4.1%) |
| Other Employee Costs | 187,190 | 3,117 | 271,693 | 462,000 | 274,810 | 146.8% |
| | 15,302,741 | 1,459,718 | 227,018 | 16,989,477 | | |

- The calculation of annual increments is a broad calculation of known movements up the pay scale;
- National Insurance – the increase is limited by the removal of the increase in rate following the scrapping of the Social Care Levy;
- Pension Costs – the ongoing contribution rate has increased by 2.4% to 19.0%, while the deficit recover payment has reduced by c£200k;
- Agency – this has reduced due to the planned increase in staffing to avoid the need for agency;
- Other Employee Costs – includes Employee Insurance, protective clothing and additional staffing for the Elections following a change in regulations, largely funded from reserves and assumed grant funding.

- Premises – included is the increase in energy costs of c£625k, plus the planned maintenance of £841k, which is largely funded from Sinking Funds and Maintenance Reserves;
- Transport – included is c.£140k of additional fuel costs following the increase in prices;
- Supplies & Services – included is the planned contribution to reserves to cover a range of costs, plus some specific costs such as the Cullompton HAZ;
- Recharges – this is the net recharge to the HRA following the increase in costs, particularly staffing.
- Capital – this is the movement in costs to cover the planned implications of the Capital Programme;
- Income – this is the increased income including revised Fees and Charge, Grant Funding assumptions, Business Rates and Council Tax Precepts, along with the planned drawdown from reserves to cover a range of the above costs.

2.3 The main reasons for the movement from the previously reported £960k shortfall are:

- Significantly higher than expected rise in Energy costs covering the period October 2022 to March 2024;
- Likely increase in Business Rates income following the national revaluation – this is subject to further guidance and clarification from Government, part of which forms part of the Local Government Funding Settlement which will be published on 21 December 2022 (an update paper will be provided prior to the meeting);
- Likely increase in the treasury returns – subject to finalisation of the Capital Programme and borrowing/lending levels and approval of the 3 Rivers Developments Ltd Business Plan;
- Increased staffing FTE to combat the need for expensive short term agency cover;
- Updates recharges to and from the HRA based upon updated Salary Estimates; and
- Updates to the assumed savings and pressures previously included.

2.3.1 Within the last week, the Council has received its energy tariffs from its supplier, Laser. This shows a significant increase in our energy costs, with a projected increased from the current c£400k spend to £1,000k in 2023/24. There will also be a significant increase on the in-year position, albeit this is partially limited by the Government Cap which ends in March 2023.

2.3.2 Following the recent national Business Rates Revaluation exercise, the Rateable Value of many local businesses has increased. This is mainly because we have a higher proportion of industrial category companies, as opposed to Retail or Office based companies whose Rateable Values have reduced. This should lead to additional income for the Council. However, nationally the revaluation should be cost neutral, therefore the Government apply relief to

those that have increased. The Council's increased income should be protected, but we await full guidance and clarification on the scheme of reliefs and funding support. Therefore the projected increase is subject to change – plus or minus.

- 2.3.3 The Cost of Living crisis has seen significant increases in interest rates, with the Bank of England base rate having risen from 0.1% to 3.5% over recent months. This affects both borrowing costs and the returns on our investments. As such, the Council will see a marked increase in investment yields in the short term, i.e. 2023/24. This includes the financial implication of the 3 Rivers Developments Ltd Business Plan as recently reviewed by Scrutiny and Audit Committee. This indicates £900k of interest will be earned from lending to the company to complete their housing developments. However, given the ambition of the Capital Programme, the internal borrowing capacity of the Council will diminish over time and it will need to borrow externally to support the planned projects, most likely in future years.
- 2.3.4 As reported during the year, recruitment and retention has been an issue for many services. Therefore the use of more expensive temporary and agency staff has been high. In an attempt to combat this, some frontline services plan to increase the staffing to reduce the call on such temporary support.
- 2.4 There is still a way to go to balance the 2023/24 budget. **Appendix 3** shows further budget options for the Cabinet and the January Policy Development Groups to consider. Both Cabinet and the PDG's are also asked to identify any additional or alternative savings options. A summary of the Residents survey results will be shared with the Committees to help inform the discussions. The PDG's will be asked for their views on service prioritisation, ideally identifying which services are critical in their opinion and which they believe reductions will be acceptable, before reviewing specific budgets options related to their services.

3 Local Government Finance Settlement

- 3.1 On 12 December, Michael Gove (Secretary of State for Levelling Up, Housing and Communities) released a Ministerial Statement on the Government's intentions for the Local Government Funding Settlement due to be published after this report has been published. However, it has not given much greater clarity on the detailed funding for the Council. Its main statement clarified:
- The Settlement will cover 2023/24 and will set out the key assumptions for 2024/25 (full details will be published in the 2024/25 provisional local government finance settlement – expected December 2023);
 - The additional sums announced in the Autumn Statement will be included – albeit, the bulk of funding will go towards Councils with Social Care responsibilities;
 - All Councils will see a minimum 3% increase in their Core Spending Power before taking any local decisions on Council Tax levels;

- Confirmation of the increase in the referendum limit to 3% for both 2023/24 and 2024/25;

3.1.1 More specifically to MDDC,

- The Rural Services Delivery Grant will remain unchanged;
- The Services Grant will reduce in 2023/24. This is in part because there will no longer be an increase in National Insurance Contributions, therefore the government will not be compensating Local Government for these contributions from 2023/24;
- The Government will repurpose the Lower Tier Services Grant and a proportion of the expired New Homes Bonus legacy payments to create a new one-off, funding guarantee. This will ensure that all authorities will see at least a 3% increase in their Core Spending Power before any decision they make about organisational efficiencies, use of reserves, and Council Tax levels;
- There will be new rounds of New Homes Bonus (NHB) payments in 2023/24 using the existing calculation methodology. Although, as with last year, these will not attract new legacy payments;
- The consolidation of 4 grants into the Local Government Finance Settlement. These are the Independent Living Fund; Council Tax Discounts – Family Annexe; Local Council Tax Support Administration Subsidy; and Natasha’s Law. All of the 4 grants will keep their existing distribution;
- The Business Rates Pooling will continue in 2023/24 and 2024/25.

3.1.2 Based on an interpretation of this announcement, the Council can expect to increase in its central grant funding of c.£50k. An update paper will be provided prior to the meeting.

3.1.3 The Government are also “encouraging local authorities to consider whether they can use their reserves to maintain services in the face of immediate inflationary pressures, taking account, of course, of the need to maintain appropriate levels of reserves to support councils’ financial sustainability and future investment.”

3.1.4 “2024/25 brings with it a significant new funding stream, subject to successful delivery of the Extended Producer Responsibility for packaging (pEPR) scheme as soon as is feasible within this financial year; local authorities can expect to receive additional income from the scheme whilst being asked to submit data relevant to their waste collection services.”

3.1.5 The proposals set out in the “pEPR” consultation during the summer of 2021 work together to create a scheme that incentivises producers to design packaging that is easy to recycle and ensure that they pay the full net cost of managing this packaging once it becomes waste. This is in line with the polluter-pays principle.

4 Resident's Survey

- 4.1 During November and December, the Council undertook a Resident's Survey. The feedback from which will be summarised and considered at the next round of PDG meetings in January and then at the February Cabinet.

5 Capital Programme

- 5.1 A revised summary of the Capital Programme expenditure and funding is included in **Appendix 4**. The overall Capital Programme for 2023/24 is forecast at £98,375k, with the deliverable budget for the year of £30,034k. The level of borrowing required in 2023/24 stands at £20,304k, split £12,695k for the General Fund and £7,609k for the HRA. It continues to include assumptions of significant 1-4-1 receipts and grant funding to support the ambitious Housing Development programme within the HRA.
- 5.2 This includes the financial implications of the 3 Rivers Developments Ltd Business Plan considered by the recent Scrutiny and Audit Committees. Once the final Business Plan is approved, this will be updated as necessary.
- 5.3 The delivery of housing development will continue to be refined following further work and the latest survey assessments, as will all projects.

6 Housing Revenue Account

- 6.1 The latest position continues to show the HRA at a breakeven position for 2023/24 – see **Appendix 5**. The deficit in future years has also decreased following further review and now stands at £2,001k. Options will continue to be investigated and assumptions updated as we progress through the years.
- 6.2 An update on the latest housing development plans, and the likely level of rent required will be reviewed and finalised at the January Homes PDG and recommended to Cabinet.

7 Conclusion

- 7.1 The significant General Fund budget deficit remaining is a challenge and the identification of further budget reductions is critical to balancing the budget for 2023/24.
- 7.2 Moving forward, Members and Officers need to look to reduce the pressures over the next few years reflected in our MTFP and will need to identify ongoing savings to prevent the reliance upon reserves.
- 7.3 In order to conclude the statutory budget setting process, this updated draft budget position will go through another round of PDG's in January, a final

meeting of the Cabinet before being agreed at Full Council on the 22 February 2023. During this period Officers will continue to identify and examine further savings possibilities that can reduce the longer term budget gap.

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Circulation of the Report: Cabinet, Leadership Team

Appendix 1

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

| 2022/23 £'000 | | Notes | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 |
|------------------|---|-------|------------------|------------------|------------------|------------------|------------------|
| 14,785 | Net Direct Cost of Services | | 17,262 | 16,605 | 17,267 | 17,858 | 18,283 |
| (1,715) | Net recharge to HRA | 1 | (1,872) | (1,926) | (1,963) | (2,001) | (2,040) |
| 687 | Provision for Repayment of Borrowing | 2 | 703 | 929 | 1,039 | 1,150 | 1,146 |
| 13,757 | Net Service Costs | | 16,093 | 15,608 | 16,343 | 17,007 | 17,389 |
| (993) | Net Interest Payable / (Receipts) | 3 | (1,532) | (1,365) | (1,585) | (1,745) | (1,745) |
| 153 | Finance Lease Interest Payable | | 180 | 200 | 126 | 116 | 106 |
| (2,677) | Net Transfers to / (from) Earmarked Reserves | 4 | (1,735) | (1,122) | (1,169) | (930) | (830) |
| 10,240 | Total Budget Requirement | | 13,006 | 13,321 | 13,715 | 14,448 | 14,919 |
| | Funded By: | | | | | | |
| (1,855) | Retained Business Rates | 5 | (3,882) | (3,923) | (3,560) | (3,603) | (3,669) |
| (99) | Lower Tier Services Grant | 6 | (99) | (99) | 0 | 0 | 0 |
| (490) | Rural Services Delivery Grant | 6 | (490) | (490) | (490) | (490) | (490) |
| (719) | New Homes Bonus | 6 | (719) | (719) | 0 | 0 | 0 |
| (153) | 2022/23 Services Grant | 6 | (153) | (153) | 0 | 0 | 0 |
| (6,925) | Council Tax–MDDC | 7 | (6,758) | (6,973) | (7,193) | (7,419) | (7,652) |
| (10,240) | Total Funding | | (12,101) | (12,357) | (11,343) | (11,612) | (11,911) |
| 0 | Annual Shortfall – Increase / (Decrease) | | 905 | 60 | 1,408 | 464 | 173 |
| 0 | Cumulative Shortfall | | 905 | 965 | 2,372 | 2,836 | 3,009 |

Notes:

1. Recharges have been calculated based upon the updated salary budgets. This may still move depending on the final budget set.
2. The Provision for repayment of borrowing incorporates the financial implications of the proposed Capital Programme shown in Appendix 4.
3. The increase in Net Interest Costs / (Receipts) reflects the increase in interest rates a prudent assumption of the interest earned from 3 Rivers Developments Ltd in line with the Business Plan previously reviewed by Scrutiny and Audit Committee. At present, no new external borrowing is forecast, which lowers the previous assumption in Interest Payable.
4. Net Transfers to / (from) Earmarked Reserves reflects planned contributions to, or drawdowns from reserves. The 2023/24 value includes the final drawdown from the Business Rates and Council Tax Smoothing Reserves to offset the loss caused by Covid-19 reliefs being applied (see Note 4).
5. The Retained Business Rates income drops in 2025/26 to reflect the potential changes the Government might implement to the Business Rates Retention Scheme. These include Re-Baselining and Resource Equalisation.
6. Recently the Government confirmed that the Local Government Finance Settlement (due 21 December) will cover 2023/24 and provide the key assumptions for 2024/25. 2023/24 should receive a 3% increase in "Core Spending" before taking into account any increases to Council Tax. Until the exact allocations are known, we continue to assume funding will be frozen.
7. Council Tax income is forecast assuming Band D charge increases in line with assumed referendum limits and the agreed Taxbase.

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Appendix 2 - Detailed Budget Movements by Service - Round 1

| Service Unit | Direct Costs Detail | 2022/23 Annual Budget £ | MTFP Adjustment £ | Round 1 Detailed Update £ | Provisional 2023/24 Budget £ | Increase / (Decrease) £ | Increase / (Decrease) % |
|----------------------------|-------------------------------|----------------------------|----------------------|------------------------------|---------------------------------|----------------------------|----------------------------|
| Cabinet | | | | | | | |
| SCM01 | Leadership Team | 534,019 | 1,152,454 | (1,107,880) | 578,593 | 44,574 | 8.3% |
| SCM02 | Corporate Functions | 108,465 | 40,028 | 26,964 | 175,457 | 66,992 | 61.8% |
| SCM03 | Corporate Fees | 258,730 | 200,065 | (93,055) | 365,740 | 107,010 | 41.4% |
| SCM06 | Pension Backfunding | 801,480 | 100,000 | (254,906) | 646,574 | (154,906) | (19.3%) |
| SES01 | Emergency Planning | 7,500 | - | - | 7,500 | 0 | 0.0% |
| SFP01 | Accountancy Services | 478,460 | 128 | 39,044 | 517,632 | 39,172 | 8.2% |
| SFP02 | Internal Audit | 97,480 | - | (2,720) | 94,760 | (2,720) | (2.8%) |
| SFP03 | Procurement | 101,340 | 24 | 7,480 | 108,844 | 7,504 | 7.4% |
| SFP04 | Purchase Ledger | 48,460 | 19 | 5,755 | 54,234 | 5,774 | 11.9% |
| SFP05 | Sales Ledger | 47,330 | 19 | 5,810 | 53,159 | 5,829 | 12.3% |
| SHR01 | Human Resources | 497,080 | 114 | (49,780) | 447,414 | (49,666) | (10.0%) |
| SHR02 | MDDC Staff Training | 25,000 | - | (5,000) | 20,000 | (5,000) | (20.0%) |
| SHR03 | Payroll | 40,960 | 13 | 2,100 | 43,073 | 2,113 | 5.2% |
| SHR04 | Learning And Development | 53,430 | 13 | 7,575 | 61,018 | 7,588 | 14.2% |
| SIT01 | IT Gazetteer Management | 76,400 | 26 | 4,840 | 81,266 | 4,866 | 6.4% |
| SIT03 | IT Information Technology | 1,260,750 | (44,811) | (14,502) | 1,201,437 | (59,313) | (4.7%) |
| SLD01 | Electoral Registration | 218,278 | 52 | 131,732 | 350,062 | 131,784 | 60.4% |
| SLD02 | Democratic Rep And Management | 544,662 | 31,373 | 15,886 | 591,921 | 47,259 | 8.7% |
| SLD04 | Legal Services | 419,661 | 97 | 42,339 | 462,097 | 42,436 | 10.1% |
| SPR01 | Building Regulations | 17,390 | 166 | 17,761 | 35,317 | 17,927 | 103.1% |
| SPR04 | Local Land Charges | (24,561) | 24 | (19,266) | (43,803) | (19,242) | 78.3% |
| SRB01 | Collection Of Council Tax | 382,270 | 35,380 | 59,957 | 477,607 | 95,337 | 24.9% |
| SRB02 | Collection Of Business Rates | (98,870) | - | 11,660 | (87,210) | 11,660 | (11.8%) |
| SRB03 | Housing Benefit Admin & Fraud | 180,920 | 89 | 29,480 | 210,489 | 29,569 | 16.3% |
| SRB04 | Housing Benefit Subsidy | 65,000 | - | - | 65,000 | 0 | 0.0% |
| SRB06 | Debt Recovery | 78,680 | 47 | 14,490 | 93,217 | 14,537 | 18.5% |
| TOTAL CABINET PDG | | 6,220,314 | 1,515,320 | (1,124,236) | 6,611,398 | 391,084 | 6.3% |
| Community PDG | | | | | | | |
| SCD01 | Community Development | 138,500 | - | - | 138,500 | 0 | 0.0% |
| SCS20 | Customer Services Admin | 23,720 | - | (5,490) | 18,230 | (5,490) | (23.1%) |
| SCS22 | Customer First | 725,598 | 506 | 28,700 | 754,804 | 29,206 | 4.0% |
| SES03 | Community Safety - C.C.T.V. | 16,390 | 5 | 41,390 | 57,785 | 41,395 | 252.6% |
| SES04 | Public Health | 3,990 | - | (500) | 3,490 | (500) | (12.5%) |
| SES11 | Pool Cars | 1,884 | 967 | (1,712) | 1,139 | (745) | (39.5%) |
| SES16 | ES Staff Units/Recharges | 792,330 | 32,192 | (10,688) | 813,834 | 21,504 | 2.7% |
| SES17 | Community Safety | 6,070 | - | (2,200) | 3,870 | (2,200) | (36.2%) |
| SES18 | Food Safety | (25,340) | 6 | 10,500 | (14,834) | 10,506 | (41.5%) |
| SES21 | Licensing | 24,030 | 61 | (959) | 23,132 | (898) | (3.7%) |
| SES22 | Pest Control | 2,500 | - | (1,500) | 1,000 | (1,500) | (60.0%) |
| SES23 | Pollution Reduction | 7,250 | - | 6,020 | 13,270 | 6,020 | 83.0% |
| SPR02 | Enforcement | 92,800 | 93 | 7,677 | 100,570 | 7,770 | 8.4% |
| SPR03 | Development Control | 587,570 | (252,605) | 117,104 | 452,069 | (135,501) | (23.1%) |
| SPR09 | Forward Planning | 306,890 | (84,578) | 91,590 | 313,902 | 7,012 | 2.3% |
| SPR11 | Regional Planning | 234,760 | 31,740 | 3,000 | 269,500 | 34,740 | 14.8% |
| SRS01 | Recreation And Sport | 903,485 | (25,935) | 830,151 | 1,707,701 | 804,216 | 89.0% |
| TOTAL COMMUNITY PDG | | 3,842,427 | (297,548) | 1,113,083 | 4,657,962 | 815,535 | 21.2% |
| Economy PDG | | | | | | | |
| SCD02 | Economic Development | 70,320 | 12,135 | (5,494) | 76,961 | 6,641 | 9.4% |
| SCP01 | Parking Services | (489,680) | (105,475) | (70,355) | (665,510) | (175,830) | 35.9% |
| SPR06 | Economic Development | 706,700 | (150,495) | 286,392 | 842,597 | 135,897 | 19.2% |
| SPS12 | Gf Properties Shops/Flats | (306,890) | 2,178 | 112,762 | (191,950) | 114,940 | (37.5%) |
| TOTAL ECONOMY PDG | | (19,550) | (241,657) | 323,305 | 62,098 | 81,648 | (417.6%) |

Appendix 2 - Detailed Budget Movements by Service - Round 1

| Service Unit | Direct Costs Detail | 2022/23 Annual Budget £ | MTFP Adjustment £ | Round 1 Detailed Update £ | Provisional 2023/24 Budget £ | Increase / (Decrease) £ | Increase / (Decrease) % |
|----------------------------------|-------------------------------------|----------------------------|----------------------|------------------------------|---------------------------------|----------------------------|----------------------------|
| | Environment PDG | | | | | | |
| SES02 | Cemeteries | (67,230) | 1,701 | 33,160 | (32,369) | 34,861 | (51.9%) |
| SES05 | Open Spaces | 180,190 | 3,162 | 211,947 | 395,299 | 215,109 | 119.4% |
| SGM01 | Grounds Maintenance | 559,523 | 14,808 | 27,665 | 601,996 | 42,473 | 7.6% |
| SPS01 | Asset Management | 188,310 | 15,343 | (5,980) | 197,673 | 9,363 | 5.0% |
| SPS03 | Flood Defence And Land Drain | 26,020 | 12 | - | 26,032 | 12 | 0.0% |
| SPS04 | Street Naming & Numbering | 8,070 | 2 | (1,430) | 6,642 | (1,428) | (17.7%) |
| SPS05 | Administration Buildings | 425,140 | 89,103 | 139,162 | 653,405 | 228,265 | 53.7% |
| SPS06 | MDDC Depots | 499,720 | 35,316 | (43,934) | 491,102 | (8,618) | (1.7%) |
| SPS07 | Public Transport | (6,110) | 1 | (17,320) | (23,429) | (17,319) | 283.5% |
| SPS09 | Property Services Staff Unit | 734,650 | 6,729 | 34,092 | 775,471 | 40,821 | 5.6% |
| SPS11 | Public Conveniences | 41,330 | (27,725) | 20,345 | 33,950 | (7,380) | (17.9%) |
| SWS01 | Street Cleansing | 472,798 | 17,510 | 48,405 | 538,713 | 65,915 | 13.9% |
| SWS02 | Waste Collection | 435,192 | 134,846 | 100,246 | 670,284 | 235,092 | 54.0% |
| SWS03 | Recycling | 620,030 | 43,875 | 215,994 | 879,899 | 259,869 | 41.9% |
| SWS04 | Waste Management | 377,770 | 104 | 3,362 | 381,236 | 3,466 | 0.9% |
| TOTAL ENVIRONMENT PDG | | 4,495,403 | 334,787 | 765,714 | 5,595,904 | 1,100,501 | 24.5% |
| | Homes PDG | | | | | | |
| SES15 | Private Sector Housing Grants | (1,490) | - | (1,670) | (3,160) | (1,670) | 112.1% |
| SHG03 | Homelessness Accommodation | 269,192 | 6,917 | 61,271 | 337,380 | 68,188 | 25.3% |
| TOTAL HOMES PDG | | 267,702 | 6,917 | 59,601 | 334,220 | 66,518 | 24.8% |
| Net Direct Services Costs | | 14,806,296 | 1,317,819 | 1,137,467 | 17,261,582 | 2,455,286 | 16.6% |
| | Net Recharge to HRA | (1,714,560) | (85,728) | (71,942) | (1,872,230) | (157,670) | 9.2% |
| | Capital Financing | 686,660 | (224) | 16,828 | 703,264 | 16,604 | 2.4% |
| Net Service Costs | | 13,778,396 | 1,231,867 | 1,082,353 | 16,092,616 | 2,314,220 | 16.8% |
| 4115 | Net Interest Costs /(Receipts) | (992,613) | (12,500) | (526,734) | (1,531,847) | (539,234) | 54.3% |
| 4694 | Finance Lease Interest Payable | 152,600 | 12,500 | 15,260 | 180,360 | 27,760 | 18.2% |
| 7709 | Transfers TO Earmarked Reserves | 1,759,064 | (629,764) | 16,510 | 1,145,810 | (613,254) | (34.9%) |
| | Transfers (FROM) Earmarked Reserves | (2,758,647) | 1,342,917 | (1,465,074) | (2,880,804) | (122,157) | 4.4% |
| Net Budget Requirement | | 11,938,800 | 1,945,020 | (877,685) | 13,006,135 | 1,067,335 | 8.9% |
| SIE11 | Business Rates | (3,532,190) | (26,000) | (324,000) | (3,882,190) | (350,000) | 9.9% |
| SIE08 | Council Tax | (6,945,960) | 192,430 | (4,820) | (6,758,350) | 187,610 | (2.7%) |
| SIE10 | Un-Ringfenced Grant Funding | (1,460,650) | - | - | (1,460,650) | 0 | 0.0% |
| Total Funding | | (11,938,800) | 166,430 | (328,820) | (12,101,190) | (162,390) | 1.4% |
| Annual Shortfall | | 0 | 2,111,450 | (1,206,505) | 904,945 | 904,945 | #DIV/0! |

| Description | 2023/24 £ |
|--|--------------|
| Annual Budget Shortfall - 3 January 2023 Cabinet | 904,945 |

Options to reduce the remaining Budget Shortfall

| Description | PDG committee | 2023/24 £ | Notes |
|--|---------------|------------------|---|
| a Apply a Vacancy Factor across Services | Cabinet | (300,000) | This will be notionally split £150k Leisure, and £150k across all other services. |
| b Finance Settlement - increased grant funding | Cabinet | (50,000) | Based on the Government's recent Policy Statement, this could be between £50k - £300k. |
| c Further Service Savings | Cabinet | (600,000) | Each member of CMT has identified a further c.£100k of savings options. |
| d Review of Earmarked Reserves | Cabinet | (100,000) | Working assumption - a full review of options / priorities is underway. |
| e Unachievable Assumptions – Town/Parish Councils Contributions - assumed £150k of savings will be made instead | Cabinet | 150,000 | Originally £210k was assumed, this is currently reduced to £150k. If no additional funding, or devolvment is achived, reductions in service provision may be required |
| Service Budget Options Sub-total | | (900,000) | |
| | | | |
| Potential Cumulative MTFP Position | | 4,945 | |

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Appendix 4 - Summary of Capital Programme

| Capital Expenditure Summary | | Total Project Costs for Approval | | | | | | Spend Profile | | | | | | |
|-------------------------------|---|----------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------------|-----------------|
| Area | Sub Area | 2023/24 £000's | 2024/25 £000's | 2025/26 £000's | 2026/27 £000's | 2027/28 £000's | Total £000's | 2023/24 £000's | 2024/25 £000's | 2025/26 £000's | 2026/27 £000's | 2027/28 £000's | Beyond 2028/29 £000's | Total £000's |
| Leisure | Exe Valley Leisure Centre | 83 | 250 | - | - | - | 333 | 83 | 250 | - | - | - | - | 333 |
| Leisure | Lords Meadow Leisure Centre | 243 | - | - | 200 | - | 443 | 243 | - | - | 200 | - | - | 443 |
| Leisure | Culm Valley Sports Centre | 96 | 360 | - | - | - | 456 | 96 | 360 | - | - | - | - | 456 |
| Leisure | Leisure - Other | 200 | - | - | - | - | 200 | 200 | - | - | - | - | - | 200 |
| Leisure | Leisure - Climate Change/Net Zero | 396 | - | 260 | 400 | - | 1,056 | 396 | - | 260 | 400 | - | - | 1,056 |
| Other MDDC Buildings | Other - Climate Change/Net Zero | - | 815 | - | 240 | - | 1,055 | - | 815 | - | 240 | - | - | 1,055 |
| Other MDDC Buildings | Phoenix House | 133 | - | 150 | - | - | 283 | 133 | - | 150 | - | - | - | 283 |
| Other MDDC Buildings | MDDC Depots | - | 3,500 | - | - | - | 3,500 | - | 3,500 | - | - | - | - | 3,500 |
| Other MDDC Buildings | Public Conveniences | - | 285 | - | - | - | 285 | - | 100 | 185 | - | - | - | 285 |
| HIF | HIF Schemes | 18,030 | - | - | - | - | 18,030 | 1,489 | 15,041 | 1,500 | - | - | - | 18,030 |
| Private Sector Housing | Private Sector Housing | 525 | 550 | 575 | 600 | 625 | 2,875 | 525 | 550 | 575 | 600 | 625 | - | 2,875 |
| Other | ICT Projects | 460 | 150 | 185 | 160 | 540 | 1,495 | 460 | 150 | 185 | 160 | 540 | - | 1,495 |
| Other | Other Projects | - | 830 | - | - | - | 830 | - | 830 | - | - | - | - | 830 |
| Other GF Development Projects | Other General Fund Development Projects | 12,196 | 11,162 | 14,138 | 9,304 | 7,953 | 54,753 | 12,196 | 11,162 | 14,138 | 9,304 | 7,953 | - | 54,753 |
| General Fund Subtotals | | 32,362 | 17,902 | 15,308 | 10,904 | 9,118 | 85,594 | 15,821 | 32,758 | 16,993 | 10,904 | 9,118 | - | 85,594 |
| HRA Projects | Existing Housing Stock | 2,990 | 3,035 | 2,860 | 2,885 | 2,770 | 14,540 | 2,990 | 3,035 | 2,860 | 2,885 | 2,770 | - | 14,540 |
| HRA Projects | Housing Schemes (1:4:1 Projects) | 5,066 | 1,700 | 2,500 | 400 | - | 9,666 | 2,163 | 3,073 | 1,780 | 2,290 | 360 | - | 9,666 |
| HRA Projects | Housing Development Schemes (HE) | 42,200 | 4,400 | 10,700 | - | - | 57,300 | 9,060 | 17,420 | 13,110 | 17,710 | - | - | 57,300 |
| HRA Projects | Other HRA Projects | 15,757 | - | - | - | - | 15,757 | - | 6,802 | 8,955 | - | - | - | 15,757 |
| HRA Subtotals | | 66,013 | 9,135 | 16,060 | 3,285 | 2,770 | 97,263 | 14,213 | 30,330 | 26,705 | 22,885 | 3,130 | - | 97,263 |
| Grand Totals | | 98,375 | 27,037 | 31,368 | 14,189 | 11,888 | 182,857 | 30,034 | 63,088 | 43,698 | 33,789 | 12,248 | - | 182,857 |

| Capital Funding Summary | | Total Funding | | | | | | Funding Profile | | | | | | |
|-------------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------------|-----------------|
| Funding Type | Funding Description | 2023/24 £000's | 2024/25 £000's | 2025/26 £000's | 2026/27 £000's | 2027/28 £000's | Total £000's | 2023/24 £000's | 2024/25 £000's | 2025/26 £000's | 2026/27 £000's | 2027/28 £000's | Beyond 2028/29 £000's | Total £000's |
| Revenue | RCCO - From Revenue EMR's - ICT | 435 | - | 25 | - | 30 | 490 | 435 | - | 25 | - | 30 | - | 490 |
| Revenue | RCCO - From Revenue EMR's - Capital | 30 | 30 | - | - | - | 60 | 30 | 30 | - | - | - | - | 60 |
| Revenue | RCCO - From Revenue EMR's - Waste | | | | | | | | | | | | | |
| Revenue | Infrastructure EMR | - | 1,000 | - | - | - | 1,000 | - | 1,000 | - | - | - | - | 1,000 |
| Capital Grants | Capital Grants Unapplied - DCC | - | 215 | - | - | - | 215 | - | 215 | - | - | - | - | 215 |
| Capital Grants | Govt Grant (DCLG passported from DCC) | 525 | 550 | 575 | 600 | 625 | 2,875 | 525 | 550 | 575 | 600 | 625 | - | 2,875 |
| Capital Grants | DCC Funding - HIF Project | 1,347 | - | - | - | - | 1,347 | - | - | 1,347 | - | - | - | 1,347 |
| Capital Grants | Salix Round 3b Funding | 265 | - | - | - | - | 265 | 265 | - | - | - | - | - | 265 |
| Capital Grants | HIF Funding | 5,144 | - | - | - | - | 5,144 | 1,489 | 3,655 | - | - | - | - | 5,144 |
| Capital Grants | Govt Grants - Levelling - up Funding | 11,539 | - | - | - | - | 11,539 | - | 11,386 | 153 | - | - | - | 11,539 |
| Capital Grants | Salix Funding or Equivalent | - | 815 | 260 | 640 | - | 1,715 | - | 815 | 260 | 640 | - | - | 1,715 |
| Capital Grants | DLUHC - Changing Places Fund bid | 153 | - | - | - | - | 153 | 153 | - | - | - | - | - | 153 |
| Capital Receipts | Usable Capital Receipts | 229 | 150 | - | 72 | - | 451 | 229 | 150 | - | 72 | - | - | 451 |
| Borrowing | Borrowing 3 Yrs | 25 | 300 | 160 | 160 | 510 | 1,155 | 25 | 300 | 160 | 160 | 510 | - | 1,155 |
| Borrowing | Borrowing 5 Yrs | 103 | - | 150 | - | - | 253 | 103 | - | 150 | - | - | - | 253 |
| Borrowing | Borrowing 10 Yrs | 371 | 895 | - | 128 | - | 1,394 | 371 | 895 | - | 128 | - | - | 1,394 |
| Borrowing | Borrowing 50 Yrs | 12,196 | 13,947 | 14,138 | 9,304 | 7,953 | 57,538 | 12,196 | 13,762 | 14,323 | 9,304 | 7,953 | - | 57,538 |
| General Fund Subtotals | | 32,362 | 17,902 | 15,308 | 10,904 | 9,118 | 85,594 | 15,821 | 32,758 | 16,993 | 10,904 | 9,118 | - | 85,594 |
| Revenue | S106 (Revenue) Contributions | 1,000 | - | - | - | - | 1,000 | 200 | 800 | - | - | - | - | 1,000 |
| Revenue | MRA Reserve | 2,435 | 2,475 | 2,295 | 2,315 | 2,195 | 11,715 | 2,435 | 2,475 | 2,295 | 2,315 | 2,195 | - | 11,715 |
| Revenue | RCCO - From HRA Revenue EMR's - Renewable Energy | 250 | 250 | 250 | 250 | 250 | 1,250 | 250 | 250 | 250 | 250 | 250 | - | 1,250 |
| Revenue | RCCO - From HRA Revenue EMR's - Afford | | | | | | | | | | | | | |
| Revenue | Rents Surplus | 225 | 225 | 225 | 224 | - | 899 | 225 | 93 | 357 | 24 | 200 | - | 899 |
| Capital Grants | Capital Grants Unapplied - S106 Afford | | | | | | | | | | | | | |
| Capital Grants | Housing | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital Grants | Government Grants - Homes England | 22,720 | 1,080 | 4,815 | - | - | 28,615 | 2,281 | 9,865 | 8,501 | 7,968 | - | - | 28,615 |
| Capital Receipts | Usable Capital Receipts | 1,004 | 1,009 | 1,015 | 320 | 325 | 3,673 | 507 | 1,024 | 891 | 926 | 325 | - | 3,673 |
| Capital Receipts | UCR 1:4:1 Replacement Homes | 1,619 | 680 | 1,000 | 160 | - | 3,459 | 466 | 1,221 | 696 | 916 | 160 | - | 3,459 |
| Capital Grants | One Public Estate Funding | 3,285 | 180 | 1,140 | - | - | 4,605 | 240 | 3,045 | 180 | 1,140 | - | - | 4,605 |
| Borrowing | Borrowing 50 Yrs | 33,475 | 3,236 | 5,320 | 16 | - | 42,047 | 7,609 | 11,557 | 13,535 | 9,346 | - | - | 42,047 |
| HRA Subtotals | | 66,013 | 9,135 | 16,060 | 3,285 | 2,770 | 97,263 | 14,213 | 30,330 | 26,705 | 22,885 | 3,130 | - | 97,263 |
| Grand Totals | | 98.375 | 27.037 | 31.368 | 14.189 | 11.888 | 182.857 | 30.034 | 63.088 | 43.698 | 33.789 | 12.248 | - | 182.857 |

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MID DEVON DISTRICT COUNCIL
HRA MEDIUM TERM FINANCIAL PLAN 2022-23 TO 2027-28

Appendix 5

| | Current Base | | | | | | | | | | | |
|--------------------------------|------------------|------|------------------|------|------------------|------|--------------------|------|--------------------|------|--------------------|--|
| | 2022-23 | Infl | 2023-24 | Infl | 2024-25 | Infl | 2025-26 | Infl | 2026-27 | Infl | 2027-28 | |
| | £ | % | £ | % | £ | % | £ | % | £ | % | £ | |
| Employee costs | | | | | | | | | | | | |
| Base salary budget | 3,323,740 | | 3,759,600 | | 3,872,388 | | 3,949,838 | | 4,028,835 | | 4,160,411 | |
| Other Employee costs | | | | | | | | | | | | |
| <i>Inflation base</i> | 3,323,740 | | 3,759,600 | | 3,872,388 | | 3,949,838 | | 4,028,835 | | 4,160,411 | |
| Total in year cost | 3,323,740 | | 3,759,600 | | 3,872,388 | | 3,949,838 | | 4,028,835 | | 4,160,411 | |
| Premises costs | | | | | | | | | | | | |
| Base budget | 267,900 | | 275,940 | | 453,040 | | 476,930 | | 501,540 | | 526,890 | |
| Utilities | | | 51,800 | | 10,000 | | 10,000 | | 10,000 | | 10,000 | |
| Other cost pressures | | | 112,102 | | | | | | | | | |
| Savings | - | | - | | - | | - | | - | | - | |
| <i>Inflation base</i> | 267,900 | 3.0% | 439,842 | 3.0% | 463,040 | 3.0% | 486,930 | 3.0% | 511,540 | 3.0% | 536,890 | |
| Total in year cost | 267,900 | | 439,842 | | 463,040 | | 486,930 | | 511,540 | | 536,890 | |
| Transport related costs | | | | | | | | | | | | |
| Base budget | 240,040 | | 247,240 | | 282,110 | | 296,220 | | 311,030 | | 326,580 | |
| Cost Pressures | | | 21,440 | | | | | | | | | |
| <i>Inflation base</i> | 240,040 | 3.0% | 268,680 | 5.0% | 282,110 | 5.0% | 296,220 | 5.0% | 311,030 | 5.0% | 326,580 | |
| Total in year cost | 240,040 | | 268,680 | | 282,110 | | 296,220 | | 311,030 | | 326,580 | |
| Supplies and services | | | | | | | | | | | | |
| Cost pressures | | | 161,430 | | (100,000) | | - | | - | | - | |
| Base budget | 2,176,030 | | 2,284,830 | | 2,568,573 | | 2,592,002 | | 2,721,602 | | 2,857,682 | |
| <i>Inflation base</i> | 2,176,030 | 5.0% | 2,446,260 | 5.0% | 2,468,573 | 5.0% | 2,592,002 | 5.0% | 2,721,602 | 5.0% | 2,857,682 | |
| One off initiatives | | | | | | | | | | | | |
| Total in year cost | 2,176,030 | | 2,446,260 | | 2,468,573 | | 2,592,002 | | 2,721,602 | | 2,857,682 | |
| Support services | 1714560 | | 1872230 | 0.03 | 1928396.9 | 0.02 | 1966964.838 | 0.02 | 2006304.135 | 0.02 | 2046430.217 | |
| Total gross expenditure | 7,722,270 | | 8,786,612 | | 9,014,508 | | 9,291,954 | | 9,579,310 | | 9,927,993 | |

| | | | | | | | | | | |
|---|---------------------|--|---------------------|--|---------------------|--|---------------------|--|---------------------|---------------------|
| | | | | | | | | | | |
| Rents , fees, charges and Other Income | | | | | | | | | | |
| Housing Rents | (12,708,660) | | (13,629,400) | | (14,038,280) | | (14,485,710) | | (15,314,900) | (16,082,340) |
| Income increases - Growth in units | | | - | | (227,900) | | (593,400) | | (516,600) | (538,100) |
| Income Reductions-Units lost through Right-to-Buy | | | - | | 64,500 | | 64,500 | | 64,500 | 64,500 |
| Garage and Garage Ground Rent income | (367,520) | | (364,835) | | (364,835) | | (364,835) | | (364,835) | (364,835) |
| Other Income | (380,160) | | (824,240) | | (915,740) | | (987,665) | | (991,994) | (933,406) |
| | | | | | | | | | | |
| <i>Inflation base</i> | (13,456,340) | | (14,818,475) | | (15,482,255) | | (16,367,110) | | (17,123,829) | (17,854,181) |
| One off initiatives | | | | | | | | | | |
| Total in year cost | (13,456,340) | | (14,818,475) | | (15,482,255) | | (16,367,110) | | (17,123,829) | (17,854,181) |
| | | | | | | | | | | |
| NET COST OF SERVICES | (5,734,071) | | (6,031,863) | | (6,467,747) | | (7,075,156) | | (7,544,518) | (7,926,188) |
| | | | | | | | | | | |
| Capital Financing | 980,801 | | 1,010,127 | | 1,190,849 | | 1,303,009 | | 1,704,817 | 2,042,377 |
| Interest Payable (PWLb) | 925,100 | | 1,178,830 | | 1,765,410 | | 2,363,480 | | 2,828,830 | 2,968,635 |
| Interest Payable HRA to GF | 41,950 | | 39,660 | | 37,294 | | 34,869 | | 32,377 | 29,816 |
| Interest Payable (finance leases) | 9,500 | | 13,790 | | 13,790 | | 13,790 | | 13,790 | 13,790 |
| Contribution to Capital - MRA | 2,465,000 | | 2,435,000 | | 2,435,000 | | 2,435,000 | | 2,435,000 | 2,435,000 |
| Renewable energy surplus | 105,000 | | 160,000 | | 152,000 | | 144,400 | | 137,180 | 130,320 |
| Affordable Rent surplus | 149,133 | | 149,133 | | 149,133 | | 149,133 | | 149,133 | 149,133 |
| Principal adjustment | 803,282 | | 854,210 | | 906,646 | | 960,635 | | 1,016,223 | 1,073,458 |
| Utilisation of the 30 Year Maintenance Programme | - | | - | | (100,000) | | (100,000) | | (100,000) | (100,000) |
| External Funding to/(from) Decarbonisation Scheme | 189,440 | | - | | - | | - | | - | - |
| Transfers to sinking funds | 50,000 | | 50,000 | | 50,000 | | 50,000 | | 50,000 | 50,000 |
| Transfer to Housing Maintenance Fund (HMF) | 14,865 | | 141,113 | | - | | - | | - | - |
| Indirect costs/reserve transfers | 5,734,071 | | 6,031,863 | | 6,600,121 | | 7,354,315 | | 8,267,349 | 8,792,529 |
| Annual (Surplus) / Savings to be found | 0 | | - | | 132,374 | | 279,159 | | 722,831 | 866,341 |
| Cumulative (Surplus) / Savings to be found | 0 | | 0 | | 132,375 | | 411,534 | | 1,134,365 | 2,000,706 |

Local Government Finance Settlement

Introduction

The Provisional Local Government Finance Settlement: England, 2023 to 2024 was published on Monday 19 December 2022 by the Rt Hon Michael Gove MP (Secretary of State for Levelling Up, Housing and Communities). This was actually ahead of the previously indicated date.

Disappointingly, it only covers one financial year again, 2023/24; a fifth one-year settlement in a row. Although a number of commitments and statements are made about 2024/25, no detail is included leaving councils continuing to struggle with long term financial planning and financial sustainability.

The announcement launches a short consultation on the published details before being finalised in Late January / early February, although there is rarely any material movement.

National Headlines

In his covering statement, the Minister declared the settlement “provides a 9% increase in national level Core Spending Power, making available almost £5 billion in additional resources, demonstrating how Government stands behind councils up and down the country.”

The national control totals announced show this:

| | Core Spending Power |
|-------------------|---------------------|
| 2022/23 | £54.541bn |
| 2023/24 | £59,544bn |
| Movement £ | £5.003bn |
| Movement % | 9.17% |

It must be noted however that much of the additional funding is directed towards social care as outlined within the Chancellor’s Autumn Statement. **Therefore, Mid Devon District Council does not see an increase of this scale.**

However, within the overall figures is a commitment that “every council sees at least a 3% increase in Core Spending Power next year before any local decisions on council tax rates.” **Mid Devon District Council will benefit from this commitment although this is well below the current level of inflation.** Instead, local authorities are asked to “consider how they can use their reserves to maintain services in the face of immediate inflationary pressures”.

The previously indicated Council Tax Referendum limits were confirmed for both 2023/24 and 2024/25, as follows:

- Up to 3% for Shire County Councils, Shire Unitary Authorities, Metropolitan Districts and London Boroughs;
- **The greater of 3% or £5 for District Councils;**
- A further 2% allowance for Social Care Authorities;
- Up to £5 for Fire and Rescue Authorities;

- Up to £15 for Police Authorities

Although for Mid Devon District Council this reflects an increase on recent years, District and Fire Authorities continue to have lower allowable increases compared to other categories of Authority. Lobbying continues to increase the allowable increase to be £10 (less than 20p per week).

The settlement also confirmed that the long awaited reforms to funding and the Business Rates system will not be implemented during this parliament.

Detail

Although the Council is much less reliant upon Government Grant than it previously was, it remains a critical event for Council funding as it also outlines key aspects surrounding Council Tax and Business Rates income including the ability for Devon authorities to continue to pool its Business Rates – which is beneficial for the Council.

The headline announcements centre on the government's Core Spending Power Index. This is included in the table within Appendix 1, with both national control totals and Mid Devon specific detail.

However, it is important to remember that we have made assumptions about funding levels. Therefore it is more appropriate to compare our assumptions to the settlement to understand whether the council is truly better off. The table below shows the previous assumptions, updated to the settlement announcements where relevant:

| Funding Source | 2022/23 | 2023/24 Assumption (19 Dec 2022) | Settlement Update 2023/24 | Movement from Assumption | |
|-------------------------------|---------------|--|---------------------------------|-----------------------------|--------------|
| | £k | £k | £k | £k | % |
| Business Rates | 3,532 | 3,882 | 4,182 | 300 | 7.2% |
| Council Tax | 6,524 | 6,724 | 6,724 | 0 | 0 |
| New Homes Bonus | 719 | 719 | 397 | (322) | -44.8% |
| Rural Services Delivery Grant | 490 | 490 | 490 | 0 | 0 |
| Lower Tier Services Grant | 101 | 101 | 0 | (101) | -100.0% |
| Services Grant | 153 | 153 | 86 | (67) | -77.9% |
| Grants Rolled In | 98 | 98 | 0 | (98) | -100.0% |
| Funding Guarantee | N/a | N/a | 469 | 469 | - |
| Total | 11,617 | 12,167 | 12,348 | 181 | 1.50% |

Therefore, overall it indicates that the Council is £181k better off than expected.

It must be noted, that the above numbers are provisional and are subject to final confirmation. In particular the increase in Business Rates should be viewed with a degree of caution as clarity around the national Revaluation and Reliefs is still being received.

Further Information

For further information on the content of this briefing please contact:

Paul Deal – Corporate Manager for Financial Services

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Appendix 1 – Core Spending Power

| Core Spending Power | | National Control Total | | | | Mid Devon District Council | | | |
|--|-------|------------------------|---------|--------------|-------------|----------------------------|---------------|--------------|-------------|
| | | 2022/23 | 2023/24 | Movement | | 2022/23 | 2023/24 | Movement | |
| | Notes | £m | £m | £m | % | £m | £m | £m | % |
| Settlement Funding Assessment (SFA) | 1 | 14,882 | 15,671 | 789 | 5.3% | 2.213 | 2.394 | 0.181 | 8.2% |
| Compensation for under-indexing the business rates multiplier | 2 | 1,275 | 2,205 | 930 | 72.9% | 0.226 | 0.391 | 0.165 | 72.9% |
| Council Tax Requirement excluding parish precepts ¹ | 3 | 31,922 | 33,838 | 1,916 | 6.0% | 6.524 | 6.808 | 0.284 | 4.3% |
| Improved Better Care Fund | 4 | 2,140 | 2,140 | - | 0.0% | - | - | - | |
| New Homes Bonus | 5 | 556 | 291 | (265) | -47.7% | 0.719 | 0.395 | (0.324) | -45.1% |
| Rural Services Delivery Grant | 6 | 85 | 85 | - | 0.0% | 0.490 | 0.490 | - | 0.0% |
| Social Care Grant ³ | 7 | 2,346 | 3,852 | 1,506 | 64.2% | - | - | - | |
| ASC Market Sustainability and Improvement Fund ⁴ | 8 | - | 562 | 562 | | - | - | - | |
| Lower Tier Services Grant | 9 | 111 | - | (111) | -100.0% | 0.101 | - | (0.101) | -100.0% |
| ASC Discharge Fund | 10 | - | 300 | 300 | | - | - | - | |
| Services Grant | 11 | 822 | 464 | (358) | -43.5% | 0.153 | 0.086 | (0.067) | -43.7% |
| Grants rolled in | 12 | 239 | - | (239) | -100.0% | 0.098 | - | (0.098) | -100.0% |
| Funding Guarantee | 13 | - | 136 | 136 | | - | 0.471 | 0.471 | |
| Total | | | | 5,003 | 9.2% | 10.524 | 11.035 | 0.511 | 4.9% |

Notes:

1. This is the Governments assessment of the baseline funding required to deliver services. It is formed from Revenue Support Grant and Business Rates. Mid Devon District Council no longer receive RSG, for us this is purely Business Rates.
2. This is where the Government compensation councils for decisions taken centrally that reduce our funding – i.e. freezing the Business Rates instead of adding inflation. Within this index this is a purely notional figure and does not reflect the locally calculated figure which we receive in S31 Grant.
3. This is the expected Council Tax yield, based upon a National Average Band D charge, not MDDC's actual charge. It assumes that Council's increase to their maximum allowable within the referendum limit. This will place a significant financial burden on households in a year of economic uncertainty and increased costs, including energy costs.
4. This is only for Social Care Authorities.

5. This grant is based upon the number of empty homes brought back into use. It is being phased out, but no clarity will be available about any future replacement grant until 2024/25. The calculation methodology remains the same as before, but this allocation is one-off whereas previously this grant received multi-year legacy payments. Those legacy payments have been “repurposed” to help fund the new 3% funding guarantee (note 13).
6. This grant is to recognise the additional costs of delivering services in rural areas. It is disappointing that it is the only funding stream frozen at prior year levels.
7. This is only for Social Care Authorities.
8. This is only for Social Care Authorities.
9. This grant was originally announced in 2019/20 as one-off to recognise that district council services were important. This has been “repurposed” to help fund the new 3% funding guarantee (note 13).
10. This is only for Social Care Authorities.
11. This grant was originally announced in 2022/23 as one-off to partly recognise that the changes to National Insurance (NI) would affect our paybill and that district council services were important. 2023/24 removed the NI element but also redirects elements of this funding into other funding streams that MDDC do not receive. This is therefore a cut in funding.
12. Every year, the government merge grants into the Settlement Funding Assessment (SFA – note 1). For Mid Devon District Council this represented the Family Annexe Council Tax Discount grant (£34k) and Local Council Tax Support Administration Subsidy grant (£64k).
13. A grant to ensure that all councils have an increase of 3 per cent in core spending power before any changes in council tax levels are taken into account. The value of the guarantee will be based on the difference between a 3 per cent increase in their 2022/23 Core Spending Power adjusted for actual council tax requirement in 2022/23, compared to their increase in Core Spending Power (excluding rolled in grants) before any assumed increases to council tax Band D levels in 2023/24.

1.0 Resident's Survey – Budget Results Summary

- 1.1 For six weeks during November/December 2022, the Council undertook a Resident's Survey. The feedback from which will be reviewed (including any associated action plans) in a Cabinet report in February 2023.
- 1.2 The online survey was publicised as widely as possible including local press, social media and through Parish Councils. It received over 1,000 responses, but caution is advised in terms of this being statistically representative.
- 1.3 Part of that survey included specific consultation on the 2023/24 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 along with a comparison, where applicable, to last year's results and those received from the Local Government Association resident satisfaction telephone survey, conducted in June 2022:
 - 46% of responses indicated they agreed that the Council's services provide value for money (41% in 2021, 45% LG Inform);
 - 42% said the most important priority when making spending decisions was providing basic statutory services (38% in 2021), 16% seeking to support and develop the economy, 15% tackling climate change (21% in 2021), and 14% said providing affordable housing (19% in 2021);
 - 50% 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 (46% in 2021). 26% said the Council should share services with other organisations (29% in 2021).
 - 63% think this should come from planning and building control (49% in 2021).
 - Of the discretionary services provided by MDDC there was a fairly even balance about which services should be protected. 52% public toilets (63% in 2021), 51% favoured parks and open spaces (67% in 2021), 46% town centre regeneration (52% in 2021).
 - Of our statutory services 92% felt waste and recycling service was most important service (93% in 2021) followed by food and water sampling with 69% (68% in 2021), and homelessness at 56% (60% in 2021).
- 1.4 The results generally show a desire to protect basic service provision, even if it means it will need to increase council tax and fees and charges. Specific service areas results show a downward trend with many 2022 results being lower than the prior year equivalent.
- 1.5 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;
 - Income generation has been prioritised with a full review of Fees and Charges and inflationary price increases applied. In some cases, above

inflation increases have been applied to discretionary services to ensure full cost recovery is achieved.

- 1.6 Income from Planning Development is largely controlled by Government as planning fees are set nationally. However, all discretionary fees have been increased to minimise the difference between the cost of operating this service and the income it generates.
- 1.7 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.
- 1.8 In this year's survey, we asked for what else should be considered a priority when setting the budget. The comments received suggest:
 - Protecting/supporting those who are vulnerable,
 - Climate change,
 - Council value for money/efficiency

MID DEVON DISTRICT COUNCIL – NOTIFICATION OF KEY DECISIONS

February 2023

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) |
|---|--------------------|------------------|---|---|---|
| 3 Rivers Development Ltd Business Plan. To receive the company business plan and if appropriate to make recommendations to Audit Committee on 22 November | Scrutiny Committee | 21 Nov 2022 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Part exempt |
| | Audit Committee | 22 Nov 2022 | | | |
| | Cabinet | 3 Jan 2023 | | | |
| Budget 23/34 | Cabinet | 3 Jan 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | |
| Cullompton Town centre Relief Road - Update | Cabinet | 3 Jan 2023 | 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) |
|--|---|---------------------------|--|--|--|
| LGA Peer Challenge Review – Follow Up | Cabinet | 3 Jan 2023 | Stephen Walford, Chief Executive Tel: 01884 234201 | | Open |
| Council Tax Base To consider the Council Tax Base for 2023/24 | Cabinet Council | 3 Jan 2023 22 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Open |
| 3 Rivers project appraisal for development in Park Road, Tiverton | Cabinet | 3 Jan 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Part exempt |
| 3 Rivers project appraisal for development in Bampton | Cabinet | 3 Jan 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Part exempt |
| Planning and Design Consultancy Services 2023 - 2026, Award report | Cabinet | 3 Jan 2023 | Mike Lowman, Building Services Operations Manager | Councillor Stuart Penny | |
| Tiverton Town Centre Masterplan To receive a draft copy of the Tiverton Town Centre Masterplan | Economy Policy Development Group Cabinet | 12 Jan 2023 7 Feb 2023 | Richard Marsh, Director of Place | 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) |
|---|---|-------------------------------|--|--|---|
| Council Tax Rebate Scheme To consider a review. | Scrutiny Committee | 16 Jan 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Open |
| | Cabinet | 7 Feb 2023 | | | |
| | Council | 22 Feb 2023 | | | |
| Voids Management Policy A review of the Voids Management Policy | Homes Policy Development Group Cabinet | 17 Jan 2023 7 Mar 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | |
| Housing Strategy update and annual review To consider a review of the strategy. | Homes Policy Development Group Cabinet | 17 Jan 2023 7 Feb 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Open |
| Housing Assistance Policy To consider a revised policy. | Homes Policy Development Group Cabinet | 17 Jan 2023 7 Feb 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | 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) |
|--|---|-------------------------------|--|--|---|
| The Council Tax Reduction Scheme & Exceptional Hardship Policy To receive a review of The Council Tax Reduction Scheme & Exceptional Hardship Policy | Community Policy Development Group Cabinet | 24 Jan 2023 7 Feb 2023 | Dean Emery, Corporate Manager for Revenues, Benefits and Recovery | Leader of the Council (Councillor Bob Deed) | Open |
| Enforcement Policy To receive a review of the Enforcement Policy if required | Community Policy Development Group Cabinet | 24 Jan 2023 7 Mar 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Community Well Being (Councillor Dennis Knowles) | Open |
| Revised Procurement Strategy To receive the refreshed Procurement Strategy | Audit Committee Cabinet | 24 Jan 2023 7 Feb 2023 | Councillor Andrew Moore, Cabinet Member for Finance | Cabinet Member for Finance (Councillor Andrew Moore) | Open |
| 2023/24 – 2026/27 Procurement Strategy | Cabinet | 7 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Open |
| Qtr. 3 Budget Monitoring | Cabinet | 7 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | 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) |
|--|-----------------------|---------------------------|---|---|--|
| 2023/24 Capital Strategy | Cabinet | 7 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Open |
| 2023/24 Treasury Management Strategy | Cabinet | 7 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Open |
| 2023/24 Budget | Cabinet | 7 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | Open |
| Cullompton Town Centre Masterplan and Delivery Plan SPD To consider the masterplan | Cabinet Council | 7 Feb 2023 22 Feb 2023 | Adrian Welsh, Strategic Manager for Growth, Economy and Delivery Tel: 01884 234398 | Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton) | Open |
| Schedule of Meetings 2023 - 2024 To consider the Schedule of Meetings for 2023/24 | Cabinet Council | 7 Feb 2023 22 Feb 2023 | District Solicitor and Monitoring Officer | Cabinet for the Working Environment and Support Services (Councillor Clive Eginton) | 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) |
|--|--------------------|---------------------------|---|---|---|
| East Cullompton (Culm Garden Village) Masterplan SPD | Cabinet | 7 Feb 2023 | Richard Marsh, Director of Place | Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton) | Open |
| Pay Policy To consider the Pay Policy | Cabinet Council | 7 Feb 2023 22 Feb 2023 | Matthew Page, Corporate Manager for People, Governance and Waste | Leader of the Council (Councillor Bob Deed) | Open |
| Policy Framework To consider the Policy Framework | Cabinet Council | 7 Feb 2023 22 Feb 2023 | Stephen Walford, Chief Executive Tel: 01884 234201 | Leader of the Council (Councillor Bob Deed) | Open |
| Budget To consider the budget to GF, HRA and Capital, plus Capital Strategy plus Treasury Strategy | Cabinet Council | 7 Feb 2023 22 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Cabinet Member for Finance (Councillor Andrew Moore) | Open |
| National Non Domestic Rates (NNDR1) To consider the NNDR1 for a recommendation to Council | Cabinet Council | 7 Feb 2023 22 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Cabinet Member for Finance (Councillor Andrew Moore) | |

| 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) |
|---|-----------------------|-------------------------|--|--|--|
| Establishment To receive the annual review of the Establishment | Cabinet | 7 Feb 2023 | Matthew Page, Corporate Manager for People, Governance and Waste | Cabinet for the Working Environment and Support Services (Councillor Clive Eginton) | Open |
| | Scrutiny Committee | 20 Feb 2023 | | | |
| | Council | 22 Feb 2023 | | | |
| Shared Prosperity Fund and the Rural Prosperity Fund | Cabinet | 7 Feb 2023 | Zoe Lentell, Growth and Regeneration Officer | Councillor Richard Chesterton | Open |
| Provision of Cleaning Services 2023 – 2026, Award report | Cabinet | 7 Feb 2023 | Mike Lowman, Building Services Operations Manager | Councillor Stuart Penny | |
| Supply of PVC-u Windows, Doors and Shower Panels 2023 – 2026, Award report | Cabinet | 7 Feb 2023 | Mike Lowman, Building Services Operations Manager | Councillor Stuart Penny | |
| Replacement Roofing 2023 – 2026, Award report | Cabinet | 7 Feb 2023 | Mike Lowman, Building Services Operations Manager | Councillor Stuart Penny | |
| 2023/24 Council Tax Resolution | Council | 22 Feb 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Leader of the Council (Councillor Bob Deed) | 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) |
|---|--------------------|---------------------------|---|---|---|
| Channel Access Policy To consider a revised Policy | Cabinet | 7 Mar 2023 | Lisa Lewis, Corporate Manager for Business Transformation and Customer Engagement Tel: 01884 234981 | Cabinet for the Working Environment and Support Services (Councillor Clive Eginton) | Open |
| Post Hill Tiverton–Tender results and project award for 70 Council homes To consider the outcome of the tender process. | Cabinet Council | 7 Mar 2023 26 Apr 2023 | Andrew Busby, Corporate Manager for Property, Leisure and Climate Change Tel: 01884 234948 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Part exempt |
| Meeting Housing Needs SPD To recommend a draft for consultation to the Cabinet | Cabinet | 7 Mar 2023 | Director of Place | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Open |
| Air Quality SPD | Cabinet | 7 Mar 2023 | Tristan Peat, Forward Planning Team Leader | | Open |
| draft Non-Statutory Interim Planning Policy Statement: Climate Emergency (post consultation) | Cabinet | 7 Mar 2023 | Tristan Peat, Forward Planning Team Leader | | |

| 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) |
|---|---|-------------------------------|--|---|---|
| Neighbourhood & Community Standard Policy To consider a revised policy. | Homes Policy Development Group Cabinet | 21 Mar 2023 4 Apr 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Open |
| Strategic Allocations Policy & Strategic Tenancy Strategy To consider a revised strategy. | Homes Policy Development Group Cabinet | 21 Mar 2023 4 Apr 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Open |
| Asbestos Management Plan To consider a revised plan. | Homes Policy Development Group Cabinet | 21 Mar 2023 4 Apr 2023 | Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing Tel: 01884 244615 | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Open |
| Town and Parish Charter To approve a draft Town and Parish Charter for consultation. | Community Policy Development Group Cabinet | 28 Mar 2023 4 Apr 2023 | Maria De Leiburne, District Solicitor and Monitoring Officer | 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) |
|--|-----------------------|-------------------------|--|---|--|
| Crediton NHS Hub Phase 2 To consider a funding request. | Cabinet | 4 Apr 2023 | Andrew Jarrett, Deputy Chief Executive (S151) Tel: 01884 234242 | Cabinet Member for Finance (Councillor Andrew Moore) | Part exempt |
| Tiverton EUE Area B masterplan | Cabinet | 4 Apr 2023 | Richard Marsh, Director of Place | Cabinet Member for Planning and Economic Regeneration (Councillor Richard Chesterton) | Open |
| Meeting Housing Needs SPD To approve the draft SPD for consultation. | Cabinet | 4 Apr 2023 | Tristan Peat, Forward Planning Team Leader | Cabinet Member for Housing and Property Services (Councillor Stuart Penny) | Open |
| S106 Governance | Cabinet | 4 Apr 2023 | Joanna Williams, Planning Obligations Monitoring Officer | | Open |

SCRUTINY WORK PLAN 2022-2023 - 2022 TO 2023

| Meeting Date | Agenda Item | Theme | Officer Responsible | Comments |
|--------------------------|---|-------|--|----------|
| 16th January 2023 | | | | |
| 16.01.23 | Whistleblowing 6 month update To receive details of any Whistleblowing instances in the previous 6 months | | Corporate Manager for People, Governance and Waste | |
| 16.01.23 | Complaints, Comments and Compliments - Update To receive an update on reporting of Complaints, Comments and Compliments | | Corporate Manager for Digital Transformation and Customer Engagement | |
| 16.01.23 | Budget Update To consider the initial draft 2023/2024 Budget and options available in order for the Council to set a balanced budget and if appropriate make recommendations to Cabinet on 7 February 2023 and full Council on 22 February 2023 | | Corporate Manager for Finance | |
| 16.01.23 | Motion 583 - Protect Rivers and Seas (E Lloyd 13th October 2022) At Council on 26th October 2022 it was resolved to ask the Scrutiny committee, or other appropriate committee, to invite a senior representative of South West Water, the Environment Agency and Natural England, to attend a meeting to answer questions on the current levels of sewage discharge. | | Climate and Sustainability Specialist | |

| Meeting Date | Agenda Item | Theme | Officer Responsible | Comments |
|--|---|-------|---|----------|
| 20th February 2023 | | | | |
| 7.02.23 20.02.23 22.02.23 | Establishment To receive the annual review of the Establishment | | Director of Business Improvement and Operations and Returning Officer Corporate Manager for People, Governance and Waste | |
| 20.02.23 | Participatory Budgeting To receive the final report and recommendations, if any from the Participatory Budgeting spotlight review | | Corporate Manager for Finance | |
| 20th March 2023 – Nothing yet planned | | | | |
| 17th April 2023 | | | | |
| 17.04.23 | Update on 3 Rivers Development Ltd Business Plan To receive an update on the 3 Rivers Development Ltd Business Plan and if appropriate to make recommendations to Cabinet | | Deputy Chief Executive (S151) | |