

Public Document Pack

MID DEVON DISTRICT COUNCIL

A MEETING of the **MID DEVON DISTRICT COUNCIL** will be held in the Phoenix Chambers, Phoenix House, Tiverton on Wednesday, 6 September 2023 at 6.00 pm

ALL MEMBERS of the **COUNCIL** are summoned to attend for the purposes of transacting the business specified in the Agenda which is set out below:

[The next meeting is scheduled to be held in Tiverton on Wednesday, 1 November 2023 at 6.00 pm]

Please Note: this meeting will take place at Phoenix House and members of the Public and Press are able to attend via Teams. 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.

To join the meeting online, [click here](#)

Meeting ID: 310 402 529 494
Passcode: 8gHwsJ

STEPHEN WALFORD
Chief Executive

29 August 2023

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

AGENDA

1 **Apologies**

To receive any apologies for absence.

2 **Public Question Time**

To receive any questions relating to items on the agenda from members of the public and replies thereto.

3 **Declarations of Interest under the Code of Conduct**

To record any interests on agenda matters.

4 **Minutes** (*Pages 5 - 16*)

To consider whether to approve the minutes as a correct record of the meeting held on 19 July 2023.

5 **Chairman's Announcements**

To receive any announcements which the Chairman of the Council may wish to make.

6 **Petitions**

To receive any petitions from members of the public.

7 **Notices of Motions**

1. Motion 596 (Councillor R Gilmour – 10 July 2023)

- 1) Mid Devon District Council call on Devon County Council to fulfil their statutory obligations under Section 41 of the 1980 Highways Act, that requires them to maintain Devon's roads and to keep them safe. Further, to explain the financial position regarding the funds promised by HMG, and received to date, the proposed remedial actions for the roads in Mid Devon District Council to be undertaken before this winter and the spending/budget allocations between 2022/3 - 2025/6.

- 2) Mid Devon District Council agrees to establish an on-line petition to include the following:

Our roads in Mid Devon have become dangerous and a liability to drivers, passengers, other road users and pedestrians.

Now, we the electorate of Mid Devon District Council are calling on Devon County Council to fix our dangerous roads and if they do not have sufficient funding to demand this from Central Government.

2. Motion 597 (Councillor L Kennedy – 10 July 2023)

In the interests of animal welfare this council prohibits the use of animals as prizes in any form of competition, games of chance or tests of skill of any kind at events commercial or private, promotions or gatherings organised or not on any land owned or controlled by Mid Devon District Council.

8 Reports (Pages 17 - 194)

To receive and consider the reports, minutes and recommendations of the recent meetings as follows:

1. Cabinet

- 6 June 2023
- 4 July 2023
- 1 August 2023
- 16 August 2023
- 29 August 2023 (to follow)

2. Scrutiny Committee

- 19 June 2023
- 17 July 2023
- 14 August 2023 (to follow)
- 24 August 2023 (to follow)

3. Audit Committee

- 27 June 2023
- 22 August 2023

4. Environment PDG

- 20 June 2023
- 15 August 2023

5. Homes PDG

- 13 June 2023
- 8 August 2023

6. Community PDG

- 27 June 2023
- 22 August 2023

7. Economy PDG

- 8 June 2023
- 3 August 2023

8. Planning Committee

- 14 June 2023
- 12 July 2023
- 30 August 2023 (to follow)
-

9. Standards Committee

- 21 June 2023 (to follow)

9 **Questions in accordance with Procedure Rule 13**

To deal with any questions raised pursuant to Procedure Rule 13 not already dealt with during the relevant Committee reports.

10 **Special Urgency Decisions**

To note any decisions taken under Rule 16 (of the Constitution) Special Urgency –

11 **Questions to Cabinet Members**

To receive answers from the Cabinet Members to questions on their portfolios from other Members.

12 **Members Business**

To receive any statements made and notice of future questions by Members.

Note: the time allowed for this item is limited to 15 minutes.

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 Andrew Seaman on: aseaman@middevon.gov.uk

Public Wi-Fi is available in all meeting rooms.

This page is intentionally left blank

Public Document Pack Agenda Item 4

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **COUNCIL** held on 19 July 2023 at 6.00 pm

Present

Councillors

F W Letch (Chairman)
C Adcock, M D Binks, D Broom, E Buczkowski, J Buczkowski,
J Cairney, S J Clist, G Cochran, Mrs F J Colthorpe, C Connor,
L J Cruwys, A Cuddy, G Czapiewski, J M Downes, G Duchesne,
M Farrell, B Fish, M Fletcher, R Gilmour, A Glover, C Harrower,
B Holdman, M Jenkins, S Keable, L G J Kennedy, L Knight,
N Letch, J Lock, J Poynton, R Roberts, S Robinson, L Taylor,
H Tuffin, G Westcott, N Woollatt and D Wulff

Apologies

Councillors

J Frost, S J Penny and J Wright

Present

Officers:

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy
Chief Executive (S151)), Maria De Leburne (District Solicitor
and Monitoring Officer), Andrew Seaman (Member Services
Manager) and Sarah Lees (Member Services Officer)

16 **APOLOGIES (00:08:22)**

Apologies were received from Cllrs J Frost, S J Penny and J Wright.

Cllrs N Bradshaw and S Chenore attended the meeting via Teams.

17 **PUBLIC QUESTION TIME (00:08:41)**

Paul Elstone asked:

Question 1

The last Council appointed 3 Rivers Director resigned on the 9th May. This administration has still to appoint a replacement, Director. A Council Director appointment which is key to protecting the interests of both the Council and Mid Devon Residents. Will this administration please appoint someone, with a strong commercial background, as a 3 Rivers Director?

Question 2

It was stated, in answers to Public Questions at Cabinet, that part of the additional £4.5 million 3 Rivers loan impairment was due to the 3 Rivers Working Capital Account. It has also been stated, by the S151 Officer, that the 3 Rivers Loan interest payments to the Council are paid from the same 3 Rivers Working Capital Account.

This would indicate that 3 Rivers has already, or is forecast to, enter interest payment default and is, or will be, operating while insolvent. Can a public explanation be provided?

Question 3

I have seen that Sales Marketing for the St Georges Court Development has ceased. That the marketing agent Hall and Scott have removed all reference to St Georges Court from their website. Is this development being sold to a Housing Association or similar entity?

Question 4

The Government Statutory Minimum Interior Space Standards 2015 were introduced as a requirement to prevent unscrupulous developers from building undersized properties to the detriment of the health and welfare of residents.

The Council has recently approved its own application for the installation of a modular house that, it is believed, falls well below these Statutory Minimum Interior Space Standards. Will Full Council ask for a full investigation into this matter and that any remedial action required, is taken to ensure this module meets all housing standards? Also, the modules for Shapland Place?

The Chairman explained that these questions would be answered with a written response.

Trevor Perry, a resident of Mid Devon was reassured by the Chairman that Cllr S Clist would speak to him after the meeting in regards to Mr Perry's concerns.

18 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00:15:36)**

Members were reminded of the need to declare any interests when appropriate.

19 **MINUTES (00:15:41)**

The minutes of the Full Council meeting held on the 26 April 2023, were agreed as a correct record and **SIGNED** by the Chairman.

The minutes of the Full Council meeting held on the 24 May 2023, were agreed as a correct record and **SIGNED** by the Chairman, subject to more context given to minute 7.

20 **CHAIRMAN'S ANNOUNCEMENTS (00:19:31)**

The Chairman announced that the pride flag had been flown during the month of June along with the Devon flag also raised outside Phoenix House. The Chairman had attended the Lammas Fair in Exeter on the 6 July 2023. In addition, the Chairman also visited the Tiverton Sea Cadet Unit and the Crediton Army Cadet Unit, as a representative from each unit would assist the Chairman in local civic duties. He encouraged young people to join these fantastic organisations.

21 **PETITIONS (00:23:41)**

No petitions were presented.

22 NOTICES OF MOTIONS (00:23:43)

1. Motion 593 (Councillor N Woollatt – 19 June 2023)

The Council has before it a **MOTION** submitted for the first time:

Motion: Leisure Services VAT

1. That this Council is pleased at the outcome of the legal challenge which has concluded in March that local authority leisure services are to be treated as non-business for VAT purposes and welcomes the Leisure VAT refund of almost £3M now due from HMRC.
2. The use of this significant refund should be considered carefully, and this Council should have an input on how it is dealt with. Therefore, this Council asks that a report be prepared for the appropriate Policy Development Group to consider the various issues and options available and then make recommendations to Cabinet and Council in the usual way in relation to the budget.
3. That this Council recommends to Cabinet that Mid Devon now stops collecting the VAT element included in any current pricing for Leisure Services which can now be classified as 'non-business' and reduces the price to customers by that amount.
4. That IF this Council wishes to increase Leisure Service pricing on services which are now classified as 'non-business' for VAT purposes that it should do so in an open and transparent way by conducting a review of pricing through the appropriate Policy Development Group before making recommendations to Cabinet in the usual way.

The **MOTION** was **MOVED** by Cllr N Woollatt and Seconded by Cllr G Westcott

In accordance with Procedure Rule 14.4, the Chairman of the Council had ruled that this Motion be dealt with at this meeting.

Consideration was given to:

- That it was felt that information within the reports gave an impression that decisions were being taken behind the scenes and that the leisure VAT refund would be used for impairments.
- Members should have an input on how the refund would be dealt with.
- Concern was raised over the term 'donation' with the current VAT element now referred to as such.
- Price increases should be done openly and transparently.

Cllr J Buczkowski **MOVED** an **AMENDMENT**, Seconded by Cllr D Wulff that:

Motion: Leisure Services VAT

- ~~1. That this Council is pleased at the outcome of the legal challenge which has concluded in March that local authority leisure services are to be treated as non-business for VAT purposes and welcomes the Leisure VAT refund of almost £3M now due from HMRC.~~

That this Council is pleased at the outcome of the legal challenge which has concluded in March that local authority leisure services are to be treated as non-business for VAT purposes and welcomes the Leisure VAT refund of almost £3M now due from HMRC to support the past and continued subsidisation of the Council's Leisure Services.

- ~~2. The use of this significant refund should be considered carefully, and this Council should have an input on how it is dealt with. Therefore, this Council asks that a report be prepared for the appropriate Policy Development Group to consider the various issues and options available and then make recommendations to Cabinet and Council in the usual way in relation to the budget.~~

This Council asks that a report be prepared for the appropriate Policy Development Group to consider the various issues and options available and then make recommendations to Cabinet and Council in the usual way in relation to the budget.

- ~~3. That this Council recommends to Cabinet that Mid Devon now stops collecting the VAT element included in any current pricing for Leisure Services which can now be classified as 'non-business' and reduces the price to customers by that amount.~~

That the Council should only consider changes to the Leisure Services Pricing structure after a full review and recommendation from the relevant PDG.

- ~~4. That IF this Council wishes to increase Leisure Service pricing on services which are now classified as 'non-business' for VAT purposes that it should do so in an open and transparent way by conducting a review of pricing through the appropriate Policy Development Group before making recommendations to Cabinet in the usual way.~~

That this council should fully review all leisure pricing in an open and transparent way by conducting a review of pricing through the appropriate Policy Development Group before making recommendations to Cabinet in the usual way for implementation from 1st April 2024 (2024-2025) financial year. And that the review should have due regard for the subsidy given to the leisure services and the impact on the wider district Taxpayer of any reduction.

Therefore the amended motion would read:

Motion: Leisure Services VAT

1. That this Council is pleased at the outcome of the legal challenge which has concluded in March that local authority leisure services are to be treated as non-business for VAT purposes and welcomes the Leisure VAT refund of almost £3M now due from HMRC to support the past and continued subsidisation of the Council's Leisure Services.
2. This Council asks that a report be prepared for the appropriate Policy Development Group to consider the various issues and options available and then make recommendations to Cabinet and Council in the usual way in relation to the budget.
3. That the Council should consider changes to the Leisure Services Pricing structure after a full review and recommendation from the relevant PDG.
4. That this council should fully review all leisure pricing in an open and transparent way by conducting a review of pricing through the appropriate Policy Development Group before making recommendations to Cabinet in the usual way for implementation from 1st April 2024 (2024-2025) financial year. And that the review should have due regard for the subsidy given to the leisure services and the impact on the wider district Taxpayer of any reduction.

Consideration was given to:

- That decisions required discussion with facts and consultations reviewed, with reviews of the leisure charges conducted openly and transparently.
- Collaborative work was needed and that there was a need to be fiscally responsible, in the interest of all residents.
- Leisure Centres were important to residents and council tax would be spent wisely and carefully in the interest of residents.
- Without subsidies leisure services would be unaffordable and there was an aim to maintain affordability for leisure services. Subsidises had been carried out through improved energy efficiencies.
- An options report had been commissioned to make sure pricing would be done openly and that there was a need to look at information before a decision was made.
- The Leisure pricing strategy was due to be presented to the Community Policy Development Group.
- That the VAT refund be re-invested back into the leisure capital budget.
- Concern that written amendments included predeterminations.
- That these amendments lack context, breached procedure rule 16.4 and that delays would be caused.
- The Council spent £1.4m per year to subsidise the leisure centres which would equate to an extra £200 per leisure centre member and that the cost of living crisis was also a factor to consider.
-

The District Solicitor & Monitoring Officer advised that there could be some contention within point 3 of the written amendment, as reference was made to 'only consider'. To which the Chairman suggested that the word 'only' be removed.

Upon a vote being taken, the **AMENDMENT** was declared to have **CARRIED**.

2. Motion 594 (Councillor N Woollatt – 19 June 2023)

The Council has before it a **MOTION** submitted for the first time:

1. That this Council does not approve of the suggestion that funds expected from the HMRC VAT refund may be used to finance the impairments of loans to 3 Rivers.
2. That this Council has concerns that utilising funds earmarked for a new waste depot to finance impairments of 3 Rivers loans will affect this Council's ability to deliver a new waste depot and lead to increased costs.
3. That this Council asks for a report to be prepared for the Audit Committee covering the impairment of loans to 3 Rivers, the impact on Council finances and planned projects and options for alternative ways to mitigate the impairments, preferably in areas which will have a lesser impact and cost to council service users.

The **MOTION** was **MOVED** by Cllr N Woollatt, Seconded by Cllr G Westcott

In accordance with Procedure Rule 14.4, the Chairman of the Council had ruled that this Motion be dealt with at this meeting.

Consideration was given that:

- It was felt that a report presented to Cabinet on 6 June 2023 gave the impression that decision had been made. It was also raised that these reports were agreed by Cabinet with no changes made to the report.
- This motion could give Councillors an understanding of the impairments and options of mitigation, as well as an opportunity to be informed, involved and express views on these issues.

Cllr J Buczkowski **MOVED** an **AMENDMENT**, Seconded by Cllr D Wulff that:

- ~~1. That this Council does not approve of the suggestion that funds expected from the HMRC VAT refund may be used to finance the impairments of loans to 3 Rivers.~~

That this Council does not approve of the suggestion that funds expected from the HMRC VAT refund may be used to finance the impairments of loans to 3 Rivers and wishes to make clear that the VAT refund that it expects to receive will support the past and continued subsidisation of the Leisure Services, of around £1.4 million per year.

- ~~2. That this Council has concerns that utilising funds earmarked for a new waste depot to finance impairments of 3 Rivers loans will affect this Council's ability to deliver a new waste depot and lead to increased costs.~~

That this Council has concerns that utilising funds earmarked for a new waste depot to finance impairments of 3 Rivers loans will affect this Council's ability to deliver a new waste depot and lead to increased costs and requests that a

report detailing the consequences of such a decision is reviewed by the relevant PDG and Audit Committee.

- ~~3. That this Council asks for a report to be prepared for the Audit Committee covering the impairment of loans to 3 Rivers, the impact on Council finances and planned projects and options for alternative ways to mitigate the impairments, preferably in areas which will have a lesser impact and cost to council service users.~~

That once the future of 3 Rivers is decided by this Council, and the financial impact of this decision is fully assessed, this Council asks for a report to be prepared for the Audit Committee covering the impairment of loans to 3 Rivers, the impact on Council finances and planned projects and options for alternative ways to mitigate the impairments.

Therefore the amended motion would read:

1. That this Council does not approve of the suggestion that funds expected from the HMRC VAT refund may be used to finance the impairments of loans to 3 Rivers and wishes to make clear that the VAT refund that it expects to receive will support the past and continued subsidisation of the Leisure Services, of around £1.4 million per year.
2. That this Council has concerns that utilising funds earmarked for a new waste depot to finance impairments of 3 Rivers loans will affect this Council's ability to deliver a new waste depot and lead to increased costs and requests that a report detailing the consequences of such a decision is reviewed by the relevant PDG and Audit Committee.
3. That once the future of 3 Rivers is decided by this Council, and the financial impact of this decision is fully assessed, this Council asks for a report to be prepared for the Audit Committee covering the impairment of loans to 3 Rivers, the impact on Council finances and planned projects and options for alternative ways to mitigate the impairments.

Consideration was given to:

- That financial decisions on 3 Rivers Development Ltd should only be taken once all facts had been considered openly and transparently.
- The subsidy of the leisure services from the General Fund was a matter of fact and had already been decided.
- It was felt that the addition of words within the written amendment displayed predetermination.
- It was felt that this written amendment would ask for a narrowed version of the report and would cause delay. In addition, the intent would change, concern was raised that the written amendment altered the timeliness of the requested report.
- Council should have an understanding of the impairments.

Upon a vote being taken, the **AMENDMENT** was declared to have **CARRIED**.

23 CABINET - REPORT OF THE MEETING HELD ON 6 JUNE 2023 (00:52:25)

The Chairman deferred the Treasury Outturn Report to the next meeting of Full Council.

Cllr L Taylor presented the report of the meeting of the Cabinet held on 6 June 2023.

24 APPOINTMENT TO OUTSIDE BODIES (00:57:09)

The following appointments to outside bodies in accordance with the list as follows were **AGREED**:

Outside Body	Relevant information	Representatives	Appointment Length
Armed Forces Partnership	1 Member to act as the Armed Forces Champion for the Council	Cllr G Czapiewski	4 years until May 2027
Cullompton HAZ / Town Centre Regeneration Partnership	1 additional Member representing Cullompton Town Centre is needed (Cabinet Member for Planning and Economic Regeneration has already been appointed as MDDC (Chair))	Cllr S Robinson	4 years until May 2027
Mid Devon Locality Committee	1 replacement Member needed as, although Cllr F Letch was appointed by Council on 24 May to be the representative, he is already on the Committee as a County Councillor	Cllr N Letch	4 years until May 2027
Most Sparsely populated Councils Group (part of the RSN Rural Services Network)	1 substitute Member needed in case Cllr Czapiewski cannot attend a meeting	Cllr S Robinson	4 years until May 2027
PATROL: Parking and Traffic Regulations Outside London (meet virtually)	1 Member needed	Cllr G Cochran	4 years until May 2027
Police and Crime Panel for Devon and Cornwall	1 Member needed (Previously the Cabinet Member for Community)	Cllr L Kennedy	4 years until May 2027
Westleigh Quarry Liaison Group	1 additional Member needed (Cllr J Lock is already on this Group)	Cllr S Clist	

25 QUESTIONS IN ACCORDANCE WITH PROCEDURE RULE 13 (01:13:50)

There were no questions submitted under Procedure Rule 13.

26 SPECIAL URGENCY DECISIONS (01:14:03)

With regard to any decisions taken under Rule 16 (of the Constitution) Special Urgency taken since the last meeting. The Chairman informed the meeting that no such decisions had been taken in that period

27 QUESTIONS TO CABINET MEMBERS (01:14:10)

Cllr J Downes asked the Cabinet Member for Planning and Economic Regeneration, that this Council look into siting solar panels at points along the distribution network. It should be made favourable for developers to do so. In addition, it was asked if business centres could be put on more suitable sites. Finally, that this Council sought to facilitate renewable energy.

The Cabinet Member for Climate Change welcomed these comments and advised that the Net Zero Advisory Groups was due to be re-established.

In response the Cabinet Member for Planning and Economic Regeneration agreed with the comments made and noted that legal implications needed to be considered and highlighted that on the 20 July 2023 there was a briefing on sustainability for Cllrs.

Cllr N Letch asked if there was a mechanism to find retrospective planning applications.

In response the Cabinet Member for Planning and Economic Regeneration reassured the Cllr that the Council had enforcement Officers but was happy to meet to discuss further.

28 MEMBERS BUSINESS (01:19:19)

The following was raised:

- The promotion of cadet forces was congratulated but mention was also raised that there were other units such as the Police Cadets and the Air Training Corps.
- That consideration should be given to the possibility of the Windrush 48 flag being flown and that the use of flags outside of Phoenix House was an ongoing process.
- That the Mid Devon Show was on the 22 July and attendance was encouraged.

(The meeting ended at 7.29 pm)

CHAIRMAN

This page is intentionally left blank

Public Question Time

Paul Elstone

Question 1

The last Council appointed 3 Rivers Director resigned on the 9th May. This administration has still to appoint a replacement, Director. A Council Director appointment which is key to protecting the interests of both the Council and Mid Devon Residents. Will this administration please appoint someone, with a strong commercial background, as a 3 Rivers Director?

Answer

The administration has not yet taken a decision on this, as previously committed to, it will await the findings of the externally commissioned report before making any decisions in regard to the company, but notes the request.

Question 2

It was stated, in answers to Public Questions at Cabinet, that part of the additional £4.5 million 3 Rivers loan impairment was due to the 3 Rivers Working Capital Account. It has also been stated, by the S151 Officer, that the 3 Rivers Loan interest payments to the Council are paid from the same 3 Rivers Working Capital Account.

This would indicate that 3 Rivers has already, or is forecast to, enter interest payment default and is, or will be, operating while insolvent. Can a public explanation be provided?

Answer

The Council has agreed to fund to completion the development schemes at St Georges Court, Tiverton and Haddon Heights, Bampton, the company can therefore pay all of its liabilities (inclusive of the associated loan interest payments), as they fall due, in regard to these ongoing developments.

Question 3

I have seen that Sales Marketing for the St Georges Court Development has ceased. That the marketing agent Hall and Scott have removed all reference to St Georges Court from their website. Is this development being sold to a Housing Association or similar entity?

Answer

No decisions have yet been made on individual developments or the future of the Company, the administration will wait to receive the externally commissioned report before making any decision.

Question 4

The Government Statutory Minimum Interior Space Standards 2015 were introduced as a requirement to prevent unscrupulous developers from building undersized properties to the detriment of the health and welfare of residents.

The Council has recently approved its own application for the installation of a modular house that, it is believed, falls well below these Statutory Minimum Interior Space Standards. Will Full Council ask for a full investigation into this matter and that any remedial action required is taken to ensure this module meets all housing standards? Also, the modules for Shapland Place?

Answer

No, the council is unable to investigate decisions made by the planning committee.

Public Document Pack Agenda Item 8

MID DEVON DISTRICT COUNCIL

MINUTES of a MEETING of the CABINET held on 6 June 2023 at 5.15 pm

Present

Councillors

L Taylor (Leader)
N Bradshaw, J Buczkowski, S J Clist,
S Keable, J Lock, J Wright and D Wulff

Also Present

Councillors

D Broom, E Buczkowski, G Czapiewski,
G Duchesne, M Fletcher, A Glover,
C Harrower, B Holdman, L Knight,
S Robinson and N Woollatt

Also Present

Officers:

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place), Maria De Leburne (District Solicitor and Monitoring Officer), Matthew Page (Corporate Manager for People, Governance and Waste), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Jason Ball (Climate and Sustainability Specialist), Andrew Seaman (Member Services Manager) and Sarah Lees (Member Services Officer)

1. APOLOGIES

There were none. Cllr Mrs F J Colthorpe, Cllr L Cruwys and F Letch attended the meeting virtually.

2. PUBLIC QUESTION TIME

Nick Quinn asked questions in relation to item six the financial outturn report, his questions were read out by the Leader. Mr Quinn asked for the date of the meeting of the Council, at which the loan impairment stated in the report (more than £4.5m) was considered and this conclusion reached?

It was also asked, which loans to Three Rivers Development Ltd were being impaired and how was the specific amount of this impairment arrived at.

Furthermore, in relation to the £3m leisure VAT refund, it was asked if there was a requirement to have specific approval to use this refund to mitigate the financial impact of the impairment.

The final question was in relation to existing impairments that had been written down over a five year period. It was asked if this impairment was just a way of “writing-off” another £4.5Million of Public Money loans to Three Rivers Developments Ltd - while some cash was available.

Barry Warren asked questions in relation to items five 2022/23 Annual Treasury Management Outturn Report and six 2022/23 Financial Outturn Report of the agenda, regarding the Council’s relationship with Three Rivers Development Ltd. It was asked if the company was currently making interest payments to the Council.

Question 2 was worded as follows: If the Company has not sold any properties since The Orchards in Halberton, is it not therefore a fact that 3 Rivers are paying interest to the Council out of loans from the Council?

Final questions were asked in relation to the commission of an external options appraisal into Three Rivers Development Ltd, with £30k included in the revised 2023/24 budget and for a reviewer to be appointed by 4 May 2023. It was asked if this review had been commissioned by the due date and when would it report; if it had not been commissioned by the due date had it been commissioned since that date and when will it report and finally, were the suggestions in paragraph 3.6.12 of item 6 from Officers or an independent source.

Paul Elstone raised concern over item, 6 Financial Outturn Report over the loan impairments related to Three Rivers Development Ltd and asked if Cabinet would commission a wide-ranging external investigation into what had gone wrong.

In relation to the £3m VAT refund from HMRC that the Council was due to receive, it was asked if Cabinet would reject the report and ask that Leisure Services identified those customers who were wrongly charged VAT and return the overcharged amounts to them.

A final question was asked if Cabinet would implement an external investigation into an increased project impairment not being reported to the Audit Committee amongst others at that time (March 2022).

The Leader explained that written answers to the questions asked would be provided and reassured the questioners that the Cabinet would look into all aspects of Three Rivers Development Ltd.

3. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT

None were made, Councillors were reminded to make declarations of interest where appropriate.

4. MINUTES OF THE PREVIOUS MEETING

Due to the new administration, the minutes of the previous meeting were noted. With the addition that former Cllr Wilce attendance be added to the minutes of the previous meeting.

5. 2022/23 ANNUAL TREASURY MANAGEMENT OUTTURN REPORT

Cabinet received a report* which provided Members with a review of activities and the prudential treasury indicators on actuals for 2022/23.

The following was discussed:

- The return rate of return at 1.84% seemed low, it was asked if this was expected at the beginning of the year. The Corporate Manager for Finance explained that next year's return was expected to be better but reassured that this average return was good for this particular financial year.
- Asked whether the Council could mitigate rates set by the Bank of England the Corporate Manager for Finance explained that the Council could not.
- Asked why treasury investments had reduced by £11m, it was explained by the Corporate Manager for Finance that the Council had been holding Government money which made up the majority of that difference.
- It was noted that there seemed to be a discrepancy with the NHS figures. The Corporate Manager for Finance explained that the figures were all correct and the differences were due to loan payments being made.
- In relation to the interest received from Three Rivers Development Ltd it was asked how much was paid from their own earnings. The Corporate Manager for Finance explained that the repayments were based on loans to the company and were classified as working capital.
- It was asked if officers could expand on the credit loss model being problematic. The Corporate Manager for Finance explained that any loan had risk attached to it and with factors such as the pandemic and the cost of living crisis negatively impacting the housing market, the likelihood of repayment was now less likely.
- Concern was raised over the financial management and the impairment of over £4.5m and was noted that this was a quarter of the loans to the company. The Corporate Manager for Finance explained that the Council had agreed to fund existing loans.
- Loans to other authorities was raised with concern that they might be outstanding. The Deputy Chief Executive (S151) explained that these loans were repaid and that there were no concerns of these loans not being repaid.
- It was asked if all members would be involved in decisions relating to Three Rivers Development Ltd, to which the Leader said decisions on this would go to Council and invited Councillors to attend Cabinet meetings to have an input.

The Cabinet **NOTED** the treasury activities for the year.

RECOMMENDED to full Council that the actual 2022/23 prudential and treasury indicators in this report be approved.

(Proposed by the Leader)

Reason for Decision: So that the treasury indicators could be approved and the Cabinet were kept updated on the treasury activities for 2022/23.

Notes: (i) *report previously circulated and attached to the minutes.

(ii) At the meeting on 6th June 2023 Cabinet approved the Treasury and Management Outturn Report. However, they should have made a recommendation to full Council instead. At their subsequent meeting on 4th July 2023 Cabinet agreed to correct this and take the report to full Council on 19th July with a recommendation from the Cabinet for approval.

6. 2022/23 FINANCIAL OUTTURN

Cabinet received a report* which presented the Revenue and Capital Outturn figures for the financial year 2022/23 for both the General Fund (GF) and Housing Revenue Account (HRA).

The following was discussed:

- Agency costs were raised and it was clarified by the Deputy Chief Executive (S151) that the costs in the report detailed the gross spend.
- Had all grants been paid in their entirety? The Deputy Chief Executive (S151) explained that 90-95% had been paid and that a final settlement was due to be paid.
- Explanation was sought on the slippage within the capital programme. In addition it was asked if there had been no external borrowing. The Deputy Chief Executive (S151) explained that a capital programme was a best estimate and that these estimates were still on track and was likely to roll into the next financial year. In addition it was confirmed that there had been no external borrowing as internal borrowing and cash flow management had been utilised.
- Concern was raised in regards to the improvements in recycling uplift effectiveness of the 'Bin It 1, 2, 3' refuse strategy and whether this strategy had provided good value for money. It was explained that a report due to the Environment PDG would provide more up-to-date data.
- With regards to the Leisure VAT refund a councillor suggested that the Council considered prices be reduced by 20% for the customer due to the overcharging, particularly during a cost of living crisis. The Leader highlighted that this refund, if kept, would not offset the loss made by the loss making leisure centres.
- It was suggested that if Leisure centre prices were to increase, an open and transparent review would be needed.
- Household support fund grant was raised and confirmation was sought over whether air-fryers had been distributed as a scheme and if so why had Councillors not been informed. The Deputy Chief Executive (S151) offered for an officer to clarify this.
- Asked if there was a plan to restore the reserve to £2m, the Deputy Chief Executive (S151) explained that there was a need to find savings, otherwise the Council would be below the recommended threshold of £2m.
- It was felt that the rough sleepers grant was successful, which had prevented 75 people sleeping rough and was noted to be commended.
- The management of staff vacancies was raised and how this was reported to Councillors, to which it was explained that a quarterly report was provided to Councillors, with services managers providing necessary updates.
- On the amount of £2m reserves, it was asked how often the reserve was needed. The Deputy Chief Executive (S151) explained that the last three

years had seen the council use roughly £200k each year but could easily be needed unexpectedly.

RESOLVED:

That Cabinet consider the finance position reported and:

1. Note the General Fund Outturn achieved in 2022/23 which shows an overall over spend of £190k (1.38% on the Net Cost of Services Budget) and the Housing Revenue Account which shows an under spend of £312k (2.90% on the Total Direct Expenditure Budget).
2. Approve the transfer of the £190k General Fund over spend to the General Fund Reserve which will decrease the balance to £2,025k; above the minimum recommended level of £2,000k. Similarly, approve the transfer of the £312k Housing Revenue Account surplus to the ring-fenced HRA Earmarked Reserves.
3. Approve the Net Transfers from Earmarked Reserves of £2,496k detailed in the General Fund Service Budget Variance Reports shown in Appendix 1a and 1b and summarised in Appendix 3. Similarly, approve the Net Transfers to HRA Earmarked Reserves of £312k as detailed in the HRA Budget Variance Report shown in Appendix 2 and summarised in Appendix 3.
4. Approve the slippage of £7,229k from the 2022/23 Capital Programme and the £29,940k for the schemes to be delivered in 2023/24 or later years. Also approve the virement as explained in para 7.8 for the amalgamation of budgets for the modular developments.
5. Note the procurement waivers used in Quarter 4 of 2022/23, as outlined in Section 10.

(Proposed by the Leader)

Reason for Decision: The financial resources of the Council impact directly on its ability to deliver the Corporate Plan prioritising the use of available resources carried forward into 2023/24. The Outturn Report indicates how the Council's resources have been used to support the delivery of budgetary decisions.

Note: *report previously circulated and attached to the minutes

7. LOAN TO CREDITON PHARMACY

Cabinet received a report* which considered a long term loan arrangement to help facilitate the construction of a Pharmacy at the NHS Hub building in Crediton.

The following was discussed:

- The pharmacy supported a local community, but concern was raised of the commercial elements.
- Officer reassured Cabinet that there was no conflict of interest with this arrangement.

- Asked why this loan was repayable over 13 years, it was explained that this was the requested timeframe and was not an issue for the Council.
- It was raised that there were already three pharmacies within this area and would not want to see an independent pharmacy disappear, however it was noted that the public wanted an extra pharmacy. It was explained that this was a relocation of an existing pharmacy.

RESOLVED:

1. To delegate approval to the Deputy Chief Executive (S151) of a loan to the GP Practice of £240k repayable over 13 years on an annuity basis at a commercial fixed interest rate, subject to the completion of legal due diligence and documentation.

(Proposed by the Leader)

Reason for Decision: Achieving a greater return on investments would enable additional service provision.

Note: *report previously circulated and attached to the minutes

8. **NOTIFICATION OF KEY DECISIONS**

The Cabinet had before it, and **NOTED**, the notification of *Key Decisions.

(The meeting ended at 6.31 pm)

LEADER

Report for: Cabinet

Date of Meeting:	6 June 2023
Subject:	Annual Treasury Management Review 2022/23
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett, Deputy Chief Executive (S151)
Exempt:	N/A
Wards Affected:	All
Enclosures:	N/A

Section 1 – Summary and Recommendation(s)

To provide Members with a review of activities and the prudential treasury indicators on actuals for 2022/23.

Recommendation(s):

- 1. That Cabinet note the treasury activities for the year.**
- 2. That Cabinet approve the actual 2022/23 prudential and treasury indicators in this report.**

Section 2 – Report

1. Introduction

- 1.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2022/23. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 During 2022/23 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council 23/02/2022)
 - a mid-year (minimum) treasury update report (Council 14/12/2022)
 - an annual review following the end of the year describing the activity compared to the strategy (this report)
- 1.3 The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.
- 1.4 This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by Cabinet before they were reported to the full Council. Member training on treasury management issues was undertaken during 2019 in order to support members' scrutiny role, with further training being planned during 2023 following the recent district elections.

2. The Council's Capital Expenditure and Financing

- 2.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:
- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
 - If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

- 2.2 The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

Capital Expenditure & Financing	2021/22	2022/23
General Fund	Actual	Actual
	£000	£000
Capital expenditure	7,479	10,273
Financed in year	1,545	4,815
Unfinanced capital expenditure	5,934	5,458
Funded by Leases	52	95
Funded by Internal & External Borrowing	5,882	5,363
HRA		
Capital expenditure	4,241	6,957
Financed in year	4,195	5,035
Unfinanced capital expenditure	46	1,922
Funded by Leases	44	63
Funded by Internal & External Borrowing	2	1,859

3. The Council's Overall Borrowing Need

- 3.1 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).
- 3.2 **Gross borrowing and the CFR** - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2021/22) plus the estimates of any additional capital financing requirement for the current (2022/23) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2022/23. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

Capital Financing Requirement	31 March 2022	31 March 2023
	Actual	Actual
	£000	£000
CFR General Fund	21,525	26,226
CFR HRA	39,603	40,552
Total CFR	61,127	66,778
Gross borrowing position	37,424	35,291
(Under) / over funding of CFR	-23,703	-31,487

3.3 **The authorised limit** is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2022/23 the Council has maintained gross borrowing within its authorised limit.

3.4 **The operational boundary** is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Borrowing Limits	2022/23 £000
Authorised limit	96,000
Maximum gross borrowing position during the year	37,424
Operational boundary	87,000
Average gross borrowing position	36,358

4. Treasury Position as at 31 March 2023

4.1 At the beginning and the end of 2022/23 the Council's treasury (excluding borrowing by PFI and finance leases) position was as follows:

Debt Portfolio	31 March 2022 £000	31 March 2023 £000
Fixed rate funding:		
-PWLB	35,234	33,310
Total debt	35,234	33,310
CFR	58,938	64,797
(Under) / over borrowing	-23,704	-31,487
Total treasury investments*	32,000	21,000
Net debt	3,234	12,310

*See 4.3 for a breakdown of treasury investments

4.2 The maturity structure of the debt portfolio was as follows:

Debt Maturity Structure	31 March 2022 Actual £000	31 March 2023 Actual £000
Under 12 months	1,924	1,937
12 months and within 24 months	1,937	1,975
24 months and within 5 years	6,100	6,279
5 years and within 10 years	11,420	11,756
10 years and within 20 years	13,853	11,364
20 years and within 30 years	0	0

4.2.1. During 2022/23, the Council maintained an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered.

4.2.2. The policy of avoiding new borrowing by running down spare cash balances, has served the Council well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this Authority may not be able to avoid new borrowing to finance capital expenditure.

4.3 The Council's investment portfolio as at 31 March was as follows:

Investment Portfolio	31 March 2022 Actual £000	31 March 2022 Actual %	31 March 2023 Actual £000	31 March 2023 Actual %
Treasury investments				
Banks	12,000	38%	4,000	19%
Local authorities	15,000	47%	12,000	57%
Other Government Organisations	0	0%	0	0%
Total managed in house*	27,000	84%	16,000	76%
Property funds (CCLA)	5,000	16%	5,000	24%
Total managed externally	5,000	16%	5,000	24%
Total Treasury Investments	32,000	100%	21,000	100%

*See Appendix 1 for a breakdown of internally managed investments held as at 31 March.

4.4 The value shown in the above table for the Council's CCLA investment is the amount paid by the Council on share acquisition. This differs to the carrying amount in the year end accounts of £4,639k (£5,554k in 2021/22) as there is a requirement to carry the investment at fair value. The fair value of the fund will continue to change over the longer term, and so this decrease in value may only be temporary in which case it would not be realised as a loss to Council funds.

- 4.5 During 2021/22 the Council made two loans to Redlands Primary Care to help fund the construction of a new NHS hub in Crediton. The first loan of £1,200k was made on 18/06/2021 and the second of £975k on 25/10/2021, giving a total of £2,175k. These loans are being repaid in quarterly instalments over a period of 27 years, with a balance of £2,100k outstanding at 31 March 2023.

Investment Portfolio	31 March	31 March	31 March	31 March
	Actual £000	Actual %	Actual £000	Actual %
Non-treasury investments				
Subsidiaries (3 Rivers Developments Ltd)	13,536	86%	20,075	91%
Crediton NHS Hub (Redlands Primary Care)	2,151	14%	2,100	9%
Total non-treasury investments	15,711	100%	22,175	100%

5. Borrowing Outturn

- 5.1 **Borrowing** – due to investment concerns, both counterparty risk and comparatively low investment returns, no borrowing was undertaken during the year.
- 5.2 **Borrowing in advance of need** – the Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.
- 5.3 **Rescheduling** – no rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

6. Investment Outturn

- 6.1 **Investment Policy** – the Council's investment policy is governed by the Department of Levelling Up, Housing and Communities (DLUHC) investment guidance, which has been implemented in the annual investment strategy approved by the Council on 23/02/2022. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data from our treasury advisers (Link Asset Services).
- 6.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

6.3 Investments held by the Council – the Council made a total return of £1,671k from investments in 2022/23 against a budget of £940k. This can be broken down as follows:

- The Council maintained an average balance of £28.6m of internally managed funds.
- The internally managed funds earned interest of £539k (£270k of which was transferred to HRA) giving an average rate of return of 1.84%.
- The comparable performance indicator is the 365 day backward looking SONIA rate, which was 0.9159%.
- The Council held £5m invested in Churches, Charities and Local Authorities (CCLA) property funds earning dividends of £201k (4.02%) in 2022/23.
- Interest received from 3 Rivers Ltd amounted to £856k in 2022/23.
- Interest received from Redlands Primary Care amounted to £75k in 2022/23.

7. Other Issues

7.1 IFRS 9 fair value of investments

7.1.1. Following the consultation undertaken by DLUHC on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31 March 2025. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

7.1.2. Risk management will need to take account of the 2018/19 Accounting Code of Practice proposals for the valuation of investments. Whilst for many authorities, this may not be a significant issue, key considerations include:

- Expected credit loss model. Whilst this should not be material for vanilla treasury investments such as bank deposits, this is likely to be problematic for some investments such as property funds, loans to third parties or loans to subsidiaries.
- The valuation of investments previously valued under the available for sale category e.g. equity related to the “commercialism” agenda, property funds, equity funds and similar, have been changed to Fair Value through the Profit and Loss (FVPL).

7.2 Non-treasury management investments

- 7.2.1. As shown in the non-treasury investments table in section 4, the Authority holds a 100% interest in 3 Rivers Developments Limited (3 Rivers), a private limited company engaged in construction in the Mid Devon area. The Authority advances funds to the Company to facilitate operations with the intention that they are repaid from the proceeds of the sale of the developments.
- 7.2.2. During the year ended 31 March 2023, £6,540k was loaned to the Company. This brings the total loan value at 31 March 2023 to £20,075k. During the year £856k in interest was paid to the Authority in respect of these loans.
- 7.2.3. These loans are subject to overarching management review on a regular basis. This is reflected in the impairments of £4,527k provided for in the financial statements for 2022/23, which are additional to the impairments of £790k first provided for in 2019/20. These impairments do not necessarily mean that these amounts will never be recovered from 3 Rivers, rather they are a prudent provision based on possible outcomes given the company's current direction of travel.

8. Conclusion

- 8.1 Whilst 2022/23 has been far from that initially anticipated, it has provided the Council with significant additional income through its increased returns on investments, £731k above budget.
- 8.2 The Council continued its under borrowed position effectively utilising its balances to avoid additional debt financing costs. It also complied with all internal policies agreed by the previous Full Council and all requirements under the CIPFA Code of Practice.

Financial Implications

Good financial management and administration underpins the entire document. The Council's treasury position is constantly reviewed to ensure its continued financial health.

Legal Implications

Authorities are required by regulation to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003.

Risk Assessment

The S151 Officer is responsible for the administration of the financial affairs of the Council. Implementing this strategy and the CIPFA Code of Practice on Treasury Management manages the risk associated with the Council's treasury management activity.

Impact on Climate Change

The General Fund, Capital Programme and the Housing Revenue Account all contain significant investment in order to work towards the Council's Carbon Reduction Pledge.

Equalities Impact Assessment

No equality issues identified for this report.

Relationship to Corporate Plan

Maximising our return from all associated treasury activities enables the Council to support current levels of spending in accordance with our Corporate Plan.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 24/05/2023

Statutory Officer: Maria De Leburne

Agreed on behalf of the Monitoring Officer

Date: 24/05/2023

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 24/05/2023

Performance and risk: Dr Stephen Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 24/05/2023

Cabinet member notified: Yes.

Section 4 - Contact Details and Background Papers

Contact: Kieran Knowles, Principal Accountant & Procurement Manager

Email: kknowles@middevon.gov.uk

Telephone: 01884 24(4624)

Background papers: Treasury Management Strategy Statement 2022/23 (Council 23/02/2022) & Treasury Mid-Year Review 2022/23 (Council 14/12/2022)

Appendix 1: Investment Portfolio

Internally managed investments held as at 31 March:

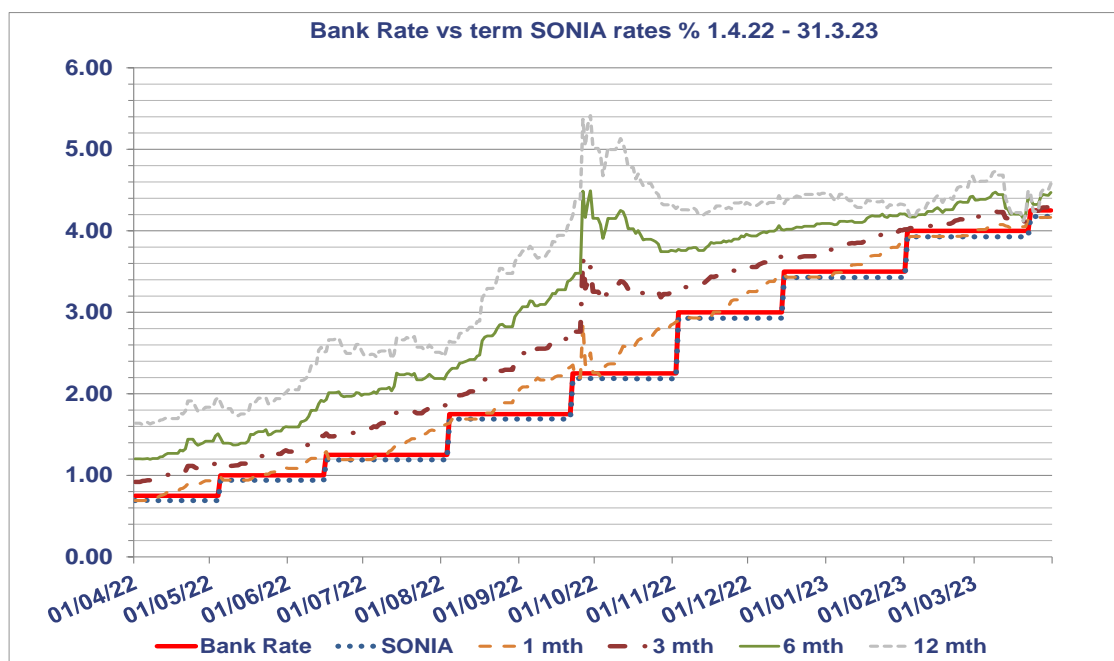
Bank/Building Society/Local Authority/PCC	Term		Fixed Interest Rate %	31/03/2022	31/03/2023
	From	To		£000	£000
Surrey Heath Borough Council	10/12/2021	10/06/2022	0.10%	2,000	
Thurrock Council	26/04/2021	25/04/2022	0.40%	2,000	
NBK International PLC	27/07/2021	27/07/2022	0.23%	1,500	
NBK International PLC	22/10/2021	21/10/2022	0.56%	1,500	
Lancashire County Council	25/10/2021	24/10/2022	0.15%	3,000	
Coventry BS	24/11/2021	24/05/2022	0.17%	4,000	
Surrey Heath Borough Council	16/12/2021	16/06/2022	0.10%	2,000	
Thurrock Council	16/12/2021	16/09/2022	0.18%	2,000	
Thurrock Council	14/01/2022	14/07/2022	0.20%	2,000	
Goldman Sachs International Bank	01/02/2022	01/08/2022	0.82%	3,000	
NBK International PLC	04/02/2022	03/02/2023	1.30%	2,000	
Slough Borough Council	15/02/2022	14/02/2023	1.10%	2,000	
Thurrock Council	25/10/2022	24/10/2023	3.55%		2,000
Thurrock Council	14/07/2022	14/04/2023	2.00%		2,000
London Borough of Croydon	24/10/2022	24/04/2023	4.00%		3,000
West Dunbartonshire Council	25/10/2022	25/07/2023	3.90%		2,000
NBK International PLC	15/11/2022	15/05/2023	3.92%		1,500
Santander	01/12/2022	01/06/2023	3.90%		2,500
Aberdeen City Council	26/01/2023	26/05/2023	3.60%		3,000
Total				27,000	16,000

Appendix 2: Market commentary provided by out Treasury Advisors (Link Group)

The strategy for 2022/23

Investment strategy and control of interest rate risk

The following chart shows how Bank Rate and SONIA (Sterling Overnight Index Average) rates have changed during the year.



Interest rate forecasts were initially suggesting only gradual rises in short, medium and longer-term fixed borrowing rates during 2022/23, but by August it had become clear that inflation was moving up towards 40-year highs. The Bank of England engaged in monetary policy tightening at every Monetary Policy Committee meeting during 2022, and into 2023, either by increasing Bank Rate by 0.25% or 0.5% each time. At the year end the CPI measure of inflation was still above 10% in the UK but is expected to fall back towards 4% by year end. Nonetheless, there remain significant risks to that central forecast.

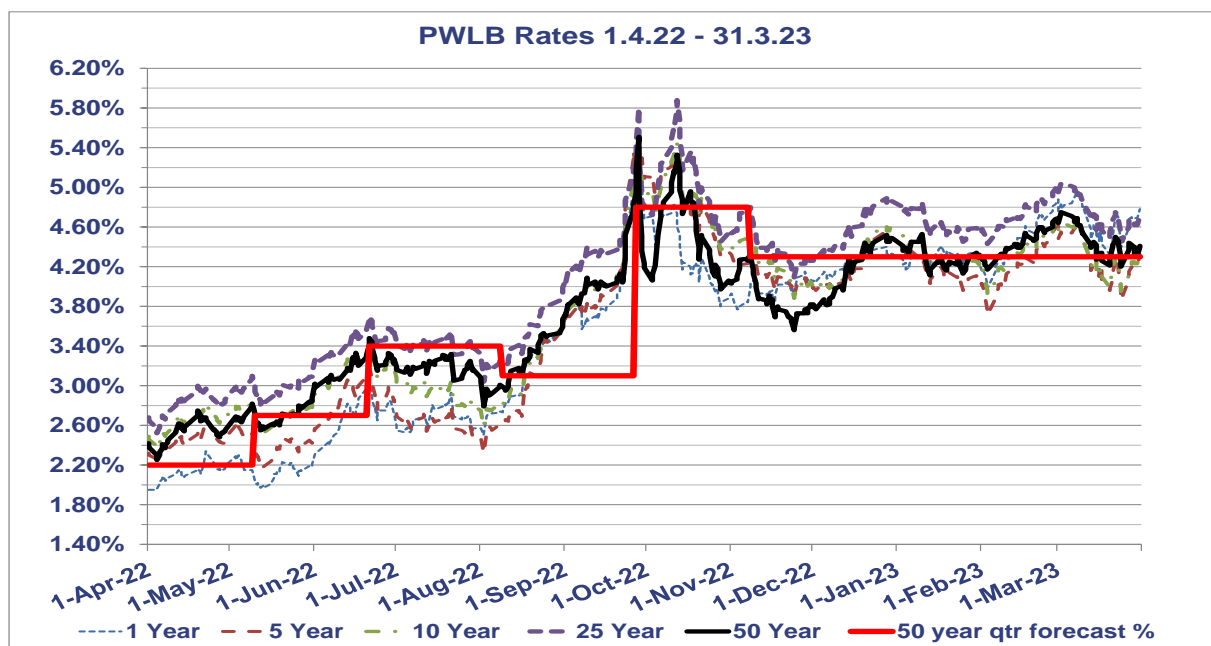
The sea-change in investment rates meant local authorities were faced with the challenge of pro-active investment of surplus cash for the first time in over a decade, and this emphasised the need for a detailed working knowledge of cash flow projections so that the appropriate balance between maintaining cash for liquidity purposes, and “laddering” deposits on a rolling basis to lock in the increase in investment rates as duration was extended, became an on-going feature of the investment landscape.

Through the autumn, and then in March 2023, the Bank of England maintained various monetary policy easing measures as required to ensure specific markets, the banking system and the economy had appropriate levels of liquidity at times of stress.

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the Great Financial Crisis of 2008/09. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Borrowing strategy and control of interest rate risk

PWLB rates during 2022/23 are illustrated by the following chart:



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/20	13/05/20	04/04/20	04/04/20	04/04/20
High	5.11%	5.44%	5.45%	5.88%	5.51%
Date	28/09/20	28/09/20	12/10/20	12/10/20	28/09/20
Avera	3.57%	3.62%	3.76%	4.07%	3.74%
Sprea	3.16%	3.26%	3.09%	3.36%	3.26%

The following table shows forecast interest rates over the next three years:

Link Group Interest Rate View	27.03.23											
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
BANK RATE	4.50	4.50	4.25	4.00	3.50	3.25	3.00	2.75	2.75	2.50	2.50	2.50
3 month ave earnings	4.50	4.50	4.30	4.00	3.50	3.30	3.00	2.80	2.80	2.50	2.50	2.50
6 month ave earnings	4.50	4.40	4.20	3.90	3.40	3.20	2.90	2.80	2.80	2.60	2.60	2.60
12 month ave earnings	4.50	4.40	4.20	3.80	3.30	3.10	2.70	2.70	2.70	2.70	2.70	2.70
5 yr PWLB	4.10	4.10	3.90	3.80	3.70	3.60	3.50	3.40	3.30	3.20	3.20	3.10
10 yr PWLB	4.20	4.20	4.00	3.90	3.80	3.70	3.50	3.50	3.40	3.30	3.30	3.20
25 yr PWLB	4.60	4.50	4.40	4.20	4.10	4.00	3.80	3.70	3.60	3.50	3.50	3.40
50 yr PWLB	4.30	4.20	4.10	3.90	3.80	3.70	3.50	3.50	3.30	3.20	3.20	3.10

PWLB rates are based on gilt (UK Government bonds) yields through HM Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. In recent years many bond yields up to 10 years in the Eurozone turned negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.

However, since early 2022, yields have risen dramatically in all the major developed economies, first as economies reopened post-Covid-19; then because of the inflationary impact of the war in Ukraine in respect of the supply side of many goods. In particular, rising cost pressures emanating from shortages of energy and some food categories have been central to inflation rising rapidly. Furthermore, at present the Fed, ECB and Bank of England are all being challenged by persistent inflation that is exacerbated by very tight labour markets and high wage increases relative to what central banks believe to be sustainable.

Gilt yields have been on a continual rise since the start of 2022, peaking in the autumn of 2022. Currently, yields are broadly range bound between 3% and 4.25%. At the close of the day on 31 March 2023, all gilt yields from 1 to 50 years were between 3.64% and 4.18%, with the 1 year being the highest and 6-7.5 years being the lowest yield.

Regarding PWLB borrowing rates, the various margins attributed to their pricing are as follows:

PWLB Standard Rate is gilt plus 100 basis points (G+100bps)

PWLB Certainty Rate is gilt plus 80 basis points (G+80bps)

Local Infrastructure Rate is gilt plus 60bps (G+60bps)

There is likely to be a fall in gilt yields and PWLB rates across the whole curve over the next one to two years as Bank Rate first rises to dampen inflationary pressures and a tight labour market, and is then cut as the economy slows, unemployment rises, and inflation (on the Consumer Price Index measure) moves closer to the Bank of England's 2% target. As a general rule, short-dated gilt yields will reflect expected movements in Bank Rate, whilst medium to long-dated yields are driven primarily by the inflation outlook.

The Bank of England is also embarking on a process of Quantitative Tightening, but the scale and pace of this has already been affected by the Truss/Kwarteng "fiscal experiment" in the autumn of 2022 and more recently by the financial market unease with some US (e.g., Silicon Valley Bank) and European banks (e.g., Credit Suisse). The gradual reduction of the Bank's original £895bn stock of gilt and corporate bonds will be sold back into the market over several years. The impact this policy will have on the market pricing of gilts, while issuance is markedly increasing, is an unknown at the time of writing.

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **CABINET** held on 4 July 2023 at 5.15 pm

Present

Councillors J Buczkowski, N Bradshaw, S J Clist, S Keable, L Taylor, J Wright and D Wulff

Apology

Councillor J Lock

Also Present

Councillors D Broom, E Buczkowski, R Gilmour, B Holdman, M Jenkins and L Knight

Present

Officers Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place), Maria De Leburne (District Solicitor and Monitoring Officer), Matthew Page (Corporate Manager for People, Governance and Waste), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Dr Stephen Carr (Corporate Performance & Improvement Manager), Sue Hanwell (Operations Manager for Housing), Tristan Peat (Forward Planning Team Leader), Jason Ball (Climate and Sustainability Specialist), Keith Ashton (Facilities Manager for Corporate Property and Commercial Assets), David Parker (Member Services & Policy Research Officer) and Sarah Lees (Member Services Officer)

9. **Apologies**

Apologies were received from Cllr J Lock.

10. **Public Question Time**

Before consideration of the Public Questions the Leader stated that he had been made aware of some frustration experienced at the last meeting that questions submitted in advance should have been responded to in the meeting. Going forwards he requested that all questions submitted by 4pm on the preceding day to the meeting receive an answer at the meeting the following day.

The following questions were received from members of the public:

Nick Quinn

Problems Caused by Written Answers to Public Questions at Cabinet 06/06/23

A number of public questions were asked, during Public Question Time at the meeting of the MDDC Cabinet on 06/06/2023. The public had to wait 13 days before the written answers were provided - and there are clear problems with some of the answers given. According to the MDDC Constitution, these written answers “should be reported to the following meeting” – which is the Cabinet meeting on 04/07/2023 - but there is no agenda item that allows the Public to respond to these answers or raise the problems they contain.

Below are problems with two of the written answers given. Perhaps Cabinet Members might address them, when the “reporting of written answers” takes place.

Question Asked 1:

In paragraph 3.6.12 – it is stated that: “the Council has considered its outstanding loans to 3Rivers and has concluded that it needs to impair some of the loans”. The loan impairment figure given in the report is more than £4.5Million!
What was the date of the meeting of the Council, at which this matter was considered and this conclusion reached?

Answer Given 1:

The Council’s loan impairments is a matter for their Section 151 officer to determine and will then be subject to review during the annual audit process. Any impairment calculation made by the Section 151 will be based on all available information held at the time in question the overall impairment estimate was included in the annual outturn report considered by the Cabinet at its meeting on the 6 June 2023.

Problem 1:

The written answer makes it clear that “*the Council*” did not “*consider its outstanding loans*” nor did the Council “*conclude it needs to impairs some of the loans*”.
What was written in the 2022/23 Financial Outturn Report ,discussed at the last Cabinet meeting, is now shown to be incorrect – it still contains the words “*the Council has considered its outstanding loans to 3Rivers and has concluded that it needs to impair some of the loans*”.

Will Cabinet ask for this 2022/23 Financial Outturn Report to be noted as incorrect on the public records and ask that, in future reports, it is made clear where Officers are making decisions on behalf of the Council?

Question Asked 2:

This report is for the 2022/23 financial year - up to the end of March 2023. There was never any public mention of the likely impairment of 3 Rivers loans during this year. Now, more than £4.5M needs to be impaired!
Which loans are being impaired and how was the specific amount of this impairment arrived at?

Answer Given 2:

Currently 4 3Rivers loans are being impaired – 2 development loans and a working capital loan. The impairment was based on the likely level of repayment based on all information held.

Problem 2:

The written answer makes it clear that FOUR 3Rivers loans are being impaired . It is then stated this is made up of TWO development loans and ONE working capital loan.

In my mathematics $TWO + ONE = THREE$ (not FOUR).

So where/what is the Missing Loan?

The Cabinet Member for Finance responded to the questioner by stating that with regards to question number 1 the section of the report in question was informing Members of the Council that the S151 Officer had considered the outstanding loans and concluded that some needed to be impaired. It was not unusual that the advice or actions of officers were referred to in general as 'the Council' and given that this report was from officers to Members in this context it was perfectly reasonable to use the term in his opinion. However, feedback had been taken on board to make sure that all reports are clear to all readers in the future. Further, for the avoidance of doubt if there was a question as to when Members would approve the advice, as Cabinet merely noted the outturn report, then Members would have the opportunity to do so when the Statements of Accounts were finalised, reviewed by Audit and then presented to full Council. At this point Members would have the opportunity to debate and approve this advice. This had been made clear at the Cabinet meeting.

The Cabinet Member continued that in regards to problem number 2, there were currently 4 loans being impaired so the first part of the answer was correct, clearly there was an error in the further detail given as there were only 3 loans listed and he confirmed that the 4 loans that were being impaired were 2 projects loans, Riverside and Knowle Lane, the working capital loan and the balance of the aborted Park Road project. It was the latter that was missed from the original answer.

Barry Warren

My questions relate to item 4 on your agenda, and in particular at the top of page 6, where the recorded minute in relation to my second question is completely wrong in that it virtually repeats my first question and misrepresents what was asked.

My questions are recorded correctly on the audio recording, and in the questions and answers which are a supplement to the minutes and published on the website.

Will Members, please instruct that the written minutes be amended to include the correct wording of that part of my question 2 so as to give an accurate version and not the complete misrepresentation shown?

Why is the Chief Executive, as evidenced by his input at the recent Standards Committee, trying to reduce and misrepresent the public input?

Is his policy in fact making more work for officers by having to précis the minutes when questioners have provided written documents to the officers so that they can just cut and paste?

Why is this policy being pursued when in fact the room for error is increased thereby taking up more committee and Officer time to correct it as evidenced in this case, and the number of other instances prior to this?

Does this not create a potential for more conflict with the public, rather than achieving ruling party members wishes to encourage more public interest and involvement?

The Leader stated that there had been a lot of discussion on this at the Standards Committee, as well as how meetings were run, what information Members received and how information was recorded in the minutes. He continued by saying that councillors themselves did not have everything they say recorded in the minutes and whilst members of the public are encouraged to come and ask questions at Public Question Time Members don't necessarily need to have the entire statement before the question. This had been a cross party discussion and vote at the Standards Committee meeting. It was also very difficult to try and include all those pieces of information that somebody had submitted when a lot of the time it could be a huge page of statement and one part of question. We want to make sure that the questions are answered fully whilst not also having minutes that last 20 pages with the first part being Public Question Time. He further stated that all questions asked by members of the public were in the public domain as they were recorded.

The Leader stated that if Mr Warren wanted a further response he would ensure he received one in writing. With regard to the question about amending the minutes, the Leader was happy to put that forward to the Cabinet to include his full question when the minutes were discussed on the agenda.

There were no other questions from the members of the public present.

The Leader reiterated his request to have questions in advance by 4pm on the day before the meeting to ensure they were answered at the meeting the following day.

11. **Declarations of Interest under the Code of Conduct**

No interests were declared under this item. Members were reminded of the need to make declarations of interest where appropriate.

12. **Minutes of the Previous Meeting**

The minutes of the previous meeting, held on 6 June 2023, were approved as a correct record and **SIGNED** by the Leader subject to the following amendments:

- a) Minute no. 5 – 2022/23 Annual Treasury Management Outturn Report
The Cabinet were informed that this report should have included an onward recommendation from the Cabinet to full Council for approval, it had not.

The Leader asked the Cabinet whether they were content to **RECOMMEND** the 2022/23 Annual Treasury Management Outturn Report to full Council for approval on 19th July 2023. A vote in favour of this was taken and was carried unanimously.

- b) Question no.2 asked by Mr Barry Warren at the 6th June Cabinet meeting to be amended to read:

Question 2.

If the Company has not sold any properties since The Orchards in Halberton, is it not therefore a fact that 3 Rivers are paying interest to the Council out of loans from the Council?

Answer

In Paragraph 3.5.7, on page 36 of the papers, it is reported that Council agreed to commission an external 3 Rivers option appraisal.

An amount of £30k was included in the Revised 2023/24 Budget for this review. I am aware that the last Cabinet agreed, with Officers, the terms of reference for that review and directed that the reviewer be appointed before the election date (of 4th May 2023) in order that the results of the review would be available early for the new Cabinet to consider.

c) The written minutes be amended to include the following Members as being present at the meeting on 6th June 2023:

- Cllr Emma Buczkowski
- Cllr Gordon Czapiewski
- Cllr Matt Fletcher
- Cllr Andrea Glover
- Cllr Claudette Harrower
- Cllr Ben Holdman
- Cllr Lloyd Knight
- Cllr Sue Robinson
- Cllr Nikki Woollatt

d) Cllr N Bradshaw had attended the meeting in person and not virtually.

13. **Corporate Risk Report (00:25:00)**

The Cabinet had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager and the Corporate Manager for People, Performance and Waste providing it with a quarterly update on the Risk Register.

Discussion took place regarding:

- The high risk rating applied to Cyber Security and the necessity for this. Even with the most robust mitigations in place the risk rating would always be high. It was confirmed that a Corporate Management Team, including two IT managers, the Deputy Chief Executive (S151) and the Cabinet Member had been established to specifically monitor this area.
- Risks in relation to the Cullompton Relief Road and the Culm Garden Village had been highlighted by the Audit Committee. Comments were made that the risk scores and actions needed were currently quite broad and vague and would need to be revisited to better reflect the risks involved. It was explained that funding in relation to such schemes was traditionally announced in the latter part of the financial year so hopefully this could provide some reassurance. It was also confirmed that officers could further develop the mitigating action identified to provide an extra level of detail.

- It was highlighted that under 'Equalities' no issues had been identified. The Corporate Performance Manager stated that this would be rectified before the report was next presented to committee.
- How items end up on the Risk Register? It was explained that issues could be raised through officers to their Corporate Manager or the Corporate Performance and Improvement Manager, and indeed Members were encouraged to report issues of concern. It was confirmed that the Corporate Risk Register was reviewed quarterly by officers with this being reported to the Audit Committee and the Cabinet.

Note: * Report previously circulated.

14. **Performance Outturn Report for 2022/23 (00:40:00)**

The Cabinet had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager and the Corporate Manager for People, Performance and Waste providing it with an update on performance against the Corporate Plan and local service targets for 2022/23.

Note: * Report previously circulated.

15. **Award of Cleaning Contract for HRA Properties 2023-2026 (00:43:00)**

The Cabinet had before it a report * from the Corporate Manager for Public Health, Regulation and Housing advising it on the results for the tendering of the Cleaning Contract for HRA Properties 2023 – 2026 (+1+1) and seeking confirmation of the contract.

The Cabinet Member for Housing and Property Services confirmed that the procurement process and matrix was fully explained within the report.

The following was discussed:

- An explanation was provided as to why a three year contract was being sought. This was a compromise option, to have gone through a tendering exercise for one year would have been expensive and unlikely to yield value for money. Three years represented a sensible timeframe and the contract would be monitored closely and performance would be regularly reviewed. Measures would be in place to escalate issues should there be a need.
- The Cabinet Member stated that it was anticipated that this contract would come in below budget.
- Whether the new contract would have an effect on reducing turnaround times on void properties? It was explained that at any one time 97% of HRA properties were occupied. It was further explained that a new Voids Policy was approved in March 2023 which set out exactly what a 'void' was. There were lots of reasons as to why a property was classed as a void. Complicated issues needed to be thought through regarding each void so that the Council managed its assets to best effect. A thorough explanation regarding voids would be coming to the Homes PDG in August
- Going for the cheapest contractor was not always the best option. Many factors had to be weighed up, a significant one being the quality of the work being offered.

RESOLVED that:

- a) The new three year Cleaning Contract for HRA Properties 2023 – 2026, with the option to extend for two additional one year periods, be awarded to Contractor 1.
- b) Delegated authority be granted to the S151 Officer (in consultation with the Cabinet Member for Housing and property Services) to complete the associated Cleaning Contract for HRA Properties 2023 – 2026 (+1+1)

(Proposed by Cllr S Clist and seconded by Cllr J Wright)

Reason for the decision

Mid Devon Housing (MDH) had a requirement to maintain Health and Safety and meet the Decent Homes Standard. This contract would support this duty by reducing the risk of fire in the communal blocks of flats, enabling our homes to be cleaned ready to be let to tenants and maintaining the cleanliness of the Housing (Building Services) office space at Old Road.

Note: * Report previously circulated.

16. ASB Policy & Procedures(00:55:00)

The Cabinet had before it a report * from the Corporate Manager for Public Health, Regulation and Housing. Under the Neighbourhood and Community Standard, the Regulator of Social Housing (RSH) required all registered providers to publish a policy setting out, how, in consultation with their tenants, they would maintain and improve the neighbourhood's associated with their homes. Registered suppliers were required to publish a policy on how they work with relevant partners and tackle Anti-Social Behaviour (ASB).

The contents of the report were briefly outlined by the Cabinet Member for Housing and Property Services who made reference to the requirements of the Housing Regulator and the considerable work that had gone on to formulise a revised policy including the involvement of a Member Working Group. He also highlighted the fact that the team responsible for dealing with ASB had recently won a national award. Congratulations were extended from the Cabinet to the team.

Discussion took place with regard to:

- The lessons that could be learnt from the award winning team and whether these could be utilised in other areas of the Council. A lot of effort had been given to working with tenants face to face. An online tool kit was available which helped to provide quality evidence. Multi agency working with the Police, social services and others had been key providing joined up face to face engagement on all sides.
- The Council understood ASB better as a result of wider tenant engagement work. The team were proactively trying to assist tenants at an earlier stage so that the impact was lessened on all those involved in the long run.

- The Cabinet Member stated that there had been an impressive improvement since he was last portfolio holder for this area and suggested that other local authorities would be looking to see how Mid Devon had achieved this.

RESOLVED that the updated Anti-Social Behaviour Policy, Statement, Procedures and Equality Impact Assessment contained in Annexes A,B,C & D respectively be approved.

(Proposed by Cllr S Clist and seconded by Cllr D Wulff)

Reason for the decision

The Council was required, under Section 12 of the Anti-social Behaviour Act 2003, to prepare a policy and procedure on ASB and to publish the following documents:

- Statement of policy on ASB;
- Statement of procedure on ASB;
- Summary statement of current policy and procedures on ASB

Note: * Report previously circulated.

17. Local Development Scheme (01:08:00)

The Cabinet had before it a report * from the Director of Place updating the Local Development Scheme and providing an updated timetable for the production of a new Local Plan for Mid Devon.

The following was highlighted in the report by the Cabinet Member for Planning and Economic Regeneration:

- The report was about the need for an amended timetable for preparing a new Local Plan for Mid Devon.
- Local Planning Authorities were required to prepare and keep up to date a development plan for their area. The Mid Devon Local Plan was adopted in July 2020 and work had commenced with preparing a new local plan that would cover the period to 2043. This new local plan had the working title 'Plan Mid Devon'.
- A new Local Development Scheme was needed following a review of progress made so far, where there have been significant competing work pressures on the Forward Planning team that had contributed to a delay in reaching a Draft Policies and Site Options stage. Consideration had also been given to the Government's proposed reforms to the plan making system and the potential introduction of new style plans from late 2024.
- The report set out in detail the context for a new Local Development Scheme and options that had been considered.
- A new Local Development Scheme was included in Appendix 1, which included updated key milestones. The next key stage for preparing the new Local Plan, which would be a Draft Policies and Site Options report, would be reached in late 2024. This would provide an early opportunity for public consultation on emerging proposals for the future planning of Mid Devon, and

modifications to be made to those proposals before a draft plan was finalised and was submitted to the Secretary of State for its independent examination.

- Draft Policies and Site Options would be informed through technical evidence about the need for new homes, jobs, community facilities, supporting infrastructure and a range of other considerations relevant to plan-making. It would be shaped through the engagement of the Planning Policy Advisory Group over the coming months, with consideration given to a draft spatial development strategy for the district, site allocations and strategic and local planning policies to guide the development and use of land and buildings. This work would build on and take forward 6 top priorities that had previously been identified as part of policy Issues that were consulted on in early 2022. These included responding to the climate emergency, moving to a net-zero carbon future, and addressing housing affordability and improving choice. A Draft Policies and Site Options consultation report would be brought to the Cabinet in late 2024 for consideration.

Discussion took place with regard to:

- How the residents of Mid Devon would be consulted? It was confirmed that the Forward Planning Team would do more than the statutory minimum requirements in order to utilise all opportunities for community engagement. This would include a range of consultation events in each of the towns as well as workshops and opportunities to provide comments online. The team would also work with Members through the Planning Policy Advisory Group.
- The Cabinet Member provided assurance that the towns and the parishes would be at the heart of any proposals going forward.
- Sustainability would be a significant factor in all discussions.
- There was a need to avoid the delays which had occurred before the adoption of the previous Local Plan. It was explained that there had been particular reasons for those delays. Currently the timetable did hinge around the capacity of the Forward Planning Team, however, whilst the timetable was ambitious it was also achievable.
- There was a degree of uncertainty in the planning policy world at the moment, however, the team were continuing to make positive steps towards creating a new Local Plan.
- The new plan would need to be robust enough in order to support the levels of housing needed both currently and in the future.

RESOLVED that the revised Local Development Scheme (Appendix 1) be approved for the period from 12th July 2023.

(Proposed by Cllr S Keable and seconded by Cllr S Clist)

Reason for the decision

Local Planning Authorities were required to prepare and keep up to date a development plan for their area. It was important that the development plan was kept up to date to ensure that it reflected recent changes in the planning system, the Council's current corporate objectives and provided a sound basis for decision making.

Note: * Report previously circulated.

18. Options for Procurement of Energy (01:32:00)

The Cabinet had before it a report * from the Corporate Manager for Finance, Property and Climate Change providing an overview of options available to the Council for the supply of Gas and Electricity.

The contents of the report were briefly outlined by the Cabinet Member for Finance who made reference to the need for a swift decision since a decision well in advance of the contract end (30 September 2024) would enable the Council to secure timely access to aggregated volumes and related benefits.

Consideration was given to:

- LASER Energy were part of Kent County Council, a specialist trading arm dedicated to delivering gas, electricity and other utility value-added services for the public sector. They were an established Public Buying Organisation (PBO) set up for this very purpose and recognised nationally. It was one of the largest energy buying organisations in Europe, purchasing over £500m of energy per annum and serving over 200 public sector customers. There was a small risk in using them but they were recognised as outstanding in what they did.
- Steps could be taken to ensure the provider were ethically and socially viable via the procurement process. There had already been a lot of due diligence undertaken regarding this company.
- Reassurance was provided that 'call off contracts' were able to be provided if necessary.
- The energy 'chain of custody' would be maintained.

RESOLVED that:

- a) Delegated authority be given to the Cabinet Member for Finance - in consultation with the Corporate Manager for Finance, Property and Climate Change - to contract with the LASER Energy to procure, manage and supply the Council's gas and electricity between 01 October 2024 and 30 September 2028 (four years); and
- b) Delegated authority be given to the Cabinet Member for Finance - in consultation with the Corporate Manager for Finance, Property and Climate Change - to continue with the current 'purchase in advance' gas and electricity purchasing model managed by LASER but also to utilise other available LASER Framework options such as the 'purchase within period' basket if there is a sound business case for doing so; and
- c) To continue to participate in the Devon Energy Group; and
- d) The Council moves towards a 100% renewable tariff for electricity consumption at its main operational facilities from sources such as via the LASER 'green basket' or certificate-backed renewable electricity, in order to seek to achieve 100% within the next 2 years.

(Proposed by Cllr J Buczkowski and seconded by Cllr N Bradshaw)

Reason for the decision

The Council's current contract period with LASER Energy (LASER) for the supply of gas and electricity ends 30 September 2024. The Council needed to consider the procurement options and next steps, and a decision needed to be made. This varied from undertaking a full procurement process to a direct award to one of the Public Buying Organisations (PBO).

The Council gains economies of scale (added discount) by participating in the Devon Energy Group with other Devon authorities. The collective is coordinated by Devon County Council who also provide Procurement support to the Council. The new contract would be directly between the Council and LASER, and the arrangement meant LASER would procure energy on behalf of the Council.

Note: * Report previously circulated.

19. Notification of Key Decisions (01:40:00)

The Cabinet had before it, and **NOTED**, the notification of * Key Decisions.

The following three items had been added to the Forward Plan since the publication of the draft plan attached to the agenda for the meeting:

- a) Review of 3 weekly bin collections, this would be presented to the Environment PDG on 15th August and then to the Cabinet on 29th August 2023.
- b) Environment Enforcement Yearly Review Report, this would be presented to the Environment PDG on 15th August and then to the Cabinet on 29th August 2023.
- c) 3 Rivers Options Appraisal Report, this would be presented to the Cabinet on 29th August 2023 with a recommendation for Council on 6th September 2023.

Note: * Notification of key Decisions previously circulated.

(The meeting ended at 6.59 pm)

LEADER

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **CABINET** held on 1 August 2023 at 5.15 pm

Present

Councillors

L Taylor (Leader)
J Buczkowski, S Clist, S Keable, J Lock, S Keable, D Wulff, S J Clist
and J Buczkowski

Also Present

Councillors

D Broom, E Buczkowski, P Colthorpe, R Gilmour, L Knight, S
Robinson.

Also Present

Officers:

Andrew Seaman (Member Services Manager), Maria De Leiburne
(District Solicitor and Monitoring Officer), Andrew Jarrett (Deputy
Chief Executive (S151)), Stephen Walford (Chief Executive), Dean
Emery (Corporate Manager for Revenues, Benefits and Recovery)
and Angie Howell (Member Services Officer)

20. **APOLOGIES (00:03:17)**

Apologies were received from Cllr N Bradshaw

Cllrs G Czapiewski, M Farrell, M Fletcher, A Glover, F Letch, N Letch, J Wright, attended the meeting via Teams.

21. **PUBLIC QUESTION TIME (00:03:32)**

Nick Quinn, a local resident submitted questions in relation to agenda Item 6 - Communication Engagement Strategy – which were read out by the Leader on behalf of the resident:

Question 1

At paragraph 1.8 in the Report, on page 30 of your papers, the number of “followers” of the Council is given as 34,000 – with a breakdown by platform. How many of these ‘followers’ are based in Mid Devon, or the immediate surrounding area?

The Cabinet Member for Community and Leisure responded by stating that most followers/subscribers to our content do not need to provide addressing information so we are unable to quantify across most of the platforms. We can however identify 'claimed' addresses on the Next Door platform, and this currently stands at approx. 8000.

Question 2

In the Strategy document, on page 36 of your papers, is a piece about a new online platform called Engagement HQ. I think this is already on the Internet as LetsTalkMidDevon” - which is what the public will call it. Using different names for the same thing can cause confusion. Why is the naming not consistent?

The Cabinet Member for Community and Leisure responded by stating that the Engagement HQ is the product name of the platform implemented. The website/url address is LetsTalkMidDevon which is what our residents will use to interact with us and was named subsequent to the report being written.

In relation to agenda Item 7 – Notification of Key Decisions – the following questions were read out by the Leader on behalf of the resident:

Question 3

The document issued is headed “Forward Plan” and is said to contain any “*Key Decisions to be taken by Cabinet or Council*”. To be a “Key Decision”, the decision must meet certain requirements. It is not clear which of the current items listed meet these “key” requirements and which are ordinary decisions or information reports. Please can future “Notification of Key Decisions” lists indicate which items are actual “Key Decisions”?

The Leader responded by stating that the forward plan only needs to list key decisions, since these are the only ones that require ‘notice’ to be given. However, the document will also sometimes list other non-key decisions (or the part of the decision that is ‘non-key’ such as when things are going to a PDG first). The Forward plan is a useful organisational tool that aides the Council within the decision making process.

Question 4

In the current “Notification of Key Decisions”, it is not clear what the decision to be taken actually is. Please can future “Notification of Key Decisions” lists specify the actual decision to be taken?

The Leader responded by stating that to publish a decision to be taken could be considered as predetermination. Recommendations on reports are only recommendations. The Forward Plan is a ‘live’ document and can change at any time in line with the priorities of the Council. Some of the decisions brought to Cabinet must have the ability to change before the next planned meeting so therefore it is not practical to detail the key decision to be made.

22. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00:07:55)

No interests were declared under this item. Members were reminded of the need to make declarations of interest where appropriate.

Cllr J Lock declared a personal interest in that she was the Chair of the Corporate Parent Board at Somerset County Council.

23. MINUTES OF THE PREVIOUS MEETING (00:08:10)

The minutes of the previous meeting, held on 4 July 2023, were approved as a correct record and **SIGNED** by the Leader.

24. CARE LEAVERS COUNCIL TAX EXEMPTION (00:09:30)

The Cabinet received a report which contained the Care Leavers Discount Policy. This outlined the Council’s approach to grant discretionary reductions in liability for Council Tax under S13a (1) (c) of the Local Government Finance Act 1992 in respect of specified care leavers within the Council’s area. The Council has the ability to reduce liability in relation to individual cases or class(es) of cases.

Consideration was given to:

- There was no mention of unaccompanied asylum seeking children (UASC) within the report, it was highlighted that the Council should be mindful of UASCs. The Corporate Manager for Benefits, Income and Recovery reassured that when cases were received from Devon County Council (DCC), Mid Devon’s Welfare Officer would look at the wider care that might be required.

- It was good that the Council could support this scheme and that Mid Devon would be the first District Council in Devon to adopt this policy.
- Asked who would make up the shortfall for the major preceptors, the Corporate Manager for Benefits, Income and Recovery explained that the entirety of costs for this scheme came under the billing authority and was not a shared cost.
- Asked if the Council covered these costs, it was explained that the exemption applied to those within the Mid Devon District as well as the preceptors as listed. The General Fund charges the Collection Fund at the end of each year for the tax base to rectify any costs incurred.
- It was asked if this Council, alongside DCC supported young people get into College. The Corporate Manager for Benefits, Income and Recovery explained that wider support from the Welfare Officer involved would signpost individuals to what was available.
- The benefits of this scheme for the taxpayer would be seen.

RESOLVED that:

1. Cabinet recommend to full Council the adoption of the care leavers discount policy.
2. Delegated authority is given to the Corporate Manager for Revenues, Benefits & Corporate Recovery to make technical scheme amendments to ensure it meets the criteria set by the Council (4.0 in policy)

(Proposed by Cllr J Buczkowski, seconded by Cllr S Keable)

Reason for the decision:

Helps Mid Devon to support customers and vulnerable households, bringing the Council and community closer together by working in partnership with other councils.

Note: * Report previously circulated.

25. COMMUNITY ENGAGEMENT STRATEGY (00:23:29)

The Cabinet received a report which provided members with the revised Communication and Engagement Strategy and accompanying Media and Social Media Policy. The 2023 Communications and Engagement Strategy was referred back to Community PDG following a meeting of the Cabinet in April 2023. Following the Cabinet's request this amended strategy now includes more detail about the Council's engagement plans.

Consideration was given to:

- Asked whether there would be a practical element to emergency planning, The Corporate Manager for Digital Transformation and Customer Engagement explained that exercises were operated internally and would look to perform other practical exercises in the future.
- Asked if Cllrs were covered under the Whistle Blowing Policy, it was explained by the Corporate Manager for Digital Transformation and Customer Engagement that Subject Access Requests were dealt with under the Council's Data Protection Information Security Policies and that the legislation that covered Subject Access Requests differed to the Community Engagement Strategy.

- A better understand was sought in regards to Subject Access Requests, to which the Corporate Manager for Digital Transformation and Customer Engagement that all members agreed to the Council's data protection and confidentiality policies and were expected to adhere to them.
- It was explained that all Parish Clerks, would be notified of 'Let's talk Mid Devon' and that engagement with the Council was being promoted. In addition, platforms were available to all Parishes to use and Cllrs were encouraged to share information that had been released through press releases as well as keeping residents and parishes informed of consultations.

RESOLVED that:

The content of the revised Communication and Engagement Strategy and the Media and Social Media Policy be approved.

(Proposed by Cllr D Wulff and seconded by Cllr J Buczkowski)

Reason for the decision:

To ensure that our customers, staff, members and stakeholders are informed about Council services, news and changes through appropriate and varied channels.

Note: * Report previously circulated.

26. NOTIFICATION OF KEY DECISIONS

The Cabinet had before it, and **NOTED**, the notification of * Key Decisions.

The following three items had been added to the Forward Plan since the publication of the draft plan attached to the agenda for the meeting:

- Housing Revenue Accounts - large sites options appraisal
- Tenant Involvement update and Action Plan
- Recharges Policy

In addition, the 'Makeup of the senior officer structure in light of posts held vacant' had been moved to October's Cabinet meeting.

Note: * Notification of key Decisions previously circulated.

(The meeting ended at 17:49)

CHAIRMAN

Report for: Cabinet

Date of Meeting:	01 August 2023
Subject:	Care Leavers Discount
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett Deputy CEO & S151 and Dean Emery, Corporate Manager
Enclosures:	Care Leavers Discount Policy

Executive Summary

The policy outlines the Council's approach to grant discretionary reductions in liability for Council Tax under S13a (1) (c) of the Local Government Finance Act 1992 in respect of specified care leavers within the Council's area. The Council has the ability to reduce liability in relation to individual cases or class(es) of cases.

Recommendation(s):

- 1. Cabinet are requested to recommend to full Council the adoption of the care leavers discount policy.**
- 2. Delegated authority is given to the Corporate Manager for Revenues, Benefits & Corporate Recovery to make technical scheme amendments to ensure it meets the criteria set by the Council (4.0 in policy)**

1.0 Background

- 1.1 Under Council Tax legislation the Council can set local discounts that apply to certain properties and/or certain groups of people.
- 1.2 Definition of Care Leaver for this policy is found at (3.7 & 3.8) within the policy document.
- 1.3 Discounts to apply until the care leaver turns 25 years old. From this date no discount will apply and the care leaver will be liable to pay any council tax due after any discounts, disregards and Council tax reduction.

- 1.4 If approved the discount will take effect from 1st April 2023 for those liable at that date, this may result in an overpayment which will be refunded.
- 1.5 The policy will be monitored by two officers with Revenues and Benefits, one being the Welfare Officer.
- 1.6 The benefits of introducing this policy are:
- Greater customer care for a vulnerable group
 - Care leaver has sight of a bill and gains understanding of council tax
 - Reduces the chance of recovery notices being sent
 - Removes the need for a care leaver to pass on bills to 'children services'
 - Helps the Council engage with the care leaver, allowing Mid Devon's Welfare Officer to contact them and assist with the pressures of daily life
 - Brings Mid Devon District Council in line with other Authorities, both locally and nationally.

2.0 Financial Implications

- 2.1 The discount is paid under regulation 13a (1) (c) within the Local Government Finance Act 1992. Warding reductions under this regulation means that Mid Devon District Council takes 100% of the cost. All statutory reductions will be applied before Care Leaver Discount.
- 2.2 The total estimated cost of implementing the policy for the care leavers currently in the district is c£17k. This equates to an approximate £4k amount annually, however costs will change as care leavers become liable and receive the discount and turn 25 years old where no discount will be awarded. Whilst there are currently 15 care leavers, only 6 will qualify for a discount. The others are not liable or already have reductions within Council Tax legislation.

3.0 Legal Implications

- 3.1 It is considered that the approval of this policy accords with the Council's statutory responsibility as a corporate parent under the Children's Act, 2004 and the Children's and Social Work Act, 2017. In its Care Leavers Strategy 'Keep on Caring; Supporting Young People from Care to Independence (2016)', the Government encouraged local authorities to consider exempting care leavers from Council Tax, using their existing discretionary powers under Section 13A. As a result, many councils have introduced a council tax discount for care leavers.

Risk Assessment: There are no known risks.

Impact on Climate Change: Less paper bills to be issued by delivering a more automated approach between Devon County Council and Mid Devon District Council.

Equalities Impact Assessment: The Care Leavers Discount Policy supports the Council in meeting its Equality Objectives, notably “Overcoming the problems faced by vulnerable individuals caused by rural isolation.” It may also contribute to the council’s objective “Overcoming the effects of multiple disadvantage in families with complex needs.”

Relationship to Corporate Plan: Helps Mid Devon to support customers and vulnerable households, bringing the Council and community closer together by working in partnership with other councils.

Statutory Officer sign-off

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 24/07/2023

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 24/07/2023

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Dean Emery Corporate Manager

Email: demery@middevon.gov.uk

Telephone: 01884 - 234945

Background papers: Care Leavers Policy

This page is intentionally left blank



**Mid Devon District Council
Care Leavers Discount Policy
Council Tax
S13A (1) (c)
Local Government Finance Act 1992**

Contents

1.0	Introduction.....	3
2.0	Legislation.....	3
3.0	Council Tax Care Leavers Discount Scheme.....	3
	Introduction.....	3
	The Council’s Policy in respect of Carer Leavers.....	4
	Definition of a Care Leaver for the purposes of this scheme	4
	Reductions for care leavers falling into Part 1 of this scheme	5
	Reductions for care leavers falling into Part 2 of this scheme	5
	Exclusions	5
	Changes in circumstances.....	5
	The award and duration of a reduction in liability	6
	Effective Date	6
4.0	Delegated Powers.....	6
5.0	Notification	6
6.0	Review of Decisions	6
7.0	Financial Arrangements.....	6
8.0	Changes in circumstances and misrepresentation	7

1.0 Introduction

- 1.1 The following policy outlines the Council's approach to granting discretionary reductions in liability for Council Tax under S13A (1) (c) of the Local Government Finance Act 1992 in respect of specified care leavers within the Council's area. The Council has the ability to reduce liability for Council Tax in relation to individual cases or class(es) of cases that it may determine where national discounts and exemptions cannot be applied.
- 1.2 This policy covers the decision by the Council to support certain care leavers with their liability for Council Tax.

2.0 Legislation

- 2.1 The relevant legislation, Section 13A (1)(c) of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012), states the following:

Reductions by billing authority

- (1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13);
 - (a) in the case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme;
 - (b) in the case of a dwelling situated in the area of a billing authority in Wales,
 - (c) in any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.**
- 2.2 The provisions stated in (c) above, allows the Council to reduce the Council Tax liability for any taxpayer in addition to any application for Council Tax Reduction under the Council's scheme. This is a general power is available to the Council.

3.0 Council Tax Care Leavers Discount Scheme

Introduction

- 3.1 The Council has decided to provide assistance with Council Tax to certain persons who are leaving care. This has been implemented to reflect challenges faced by many care leavers as they learn to budget their finances independently.
- 3.2 Care leavers are a particularly vulnerable group for Council Tax debt, and as they move into independent accommodation and begin to manage their own budget, it can be a challenging time, exacerbated if they fall behind with Council Tax.

- 3.3 The Council wants to support care leavers **up to the age of 25**, by the granting of a discretionary reduction of up to 100% of the Council Tax liability. This means that the Council will be providing financial support to care leavers whilst they develop independent lives and life skills.
- 3.4 Assistance will only be provided to care leavers who reside within the Mid Devon District Council area.

The Council's Policy in respect of Carer Leavers.

- 3.5 The Council shall operate the scheme as follows. :

Part 1

This applies to the following:

- (a) Care leavers who are sole occupants of a dwelling and who have liability for Council Tax; or
- (b) Dwellings that are solely occupied by care leavers, where one or more of the residents are liable for council tax.

Part 2

This part applies to the following:

- (a) Care leavers who are jointly and severally liable with one or more other liable person (s) who is/are not a care leaver.

- 3.6 A reduction in liability will only be applied after the entitlement to other national discounts or reductions have been applied and will only apply to Council Tax liabilities within the Mid Devon area.

Definition of a Care Leaver for the purposes of this scheme

- 3.7 The term 'care leaver' is defined in The Children (Care Leavers) Act 2000 and refers to eligible, relevant, and former relevant children:
- The person is someone for whom Devon County Council has acted previously as a corporate parent;
 - Relevant children are those young people aged 16 and 17 who have already left care, and who were 'looked after' for at least 13 weeks from the age of 14 and have been 'looked after' at some time while they were 16 or 17; and
 - Former relevant children are those young people aged 18, 19 or 20 who have been eligible and/or relevant.
- 3.8 Care leavers can also be classified as a 'qualifying' care leaver. This category applies to young people who:
- (a) Left care after 1st October 2001, after they had turned 16, but who are not 'eligible' or 'relevant' because they did not fulfil the 13-week criteria;
 - (b) Were accommodated, but in residential education, mental/health provision

- private fostering or Special Guardianship; or
- (c) For the purposes of this policy 'qualifying care leavers' will be treated in the same way as 'care leavers'.

3.9 Additionally former care leavers born before 2001 will be designated as a qualifying care leaver for the purposes of this policy.

3.10 The Council will only consider a reduction in liability where it receives confirmation that the applicant is a Devon County Council Former Relevant Child. The confirmation **must** be received from Devon County Councils Education and Families Team.

Reductions for care leavers falling into Part 1 of this scheme

3.11 The Council, under this policy, will reduce the amount of Council Tax payable to nil, after the application of all other discounts or reductions, where a care leaver, as defined in this policy, is **solely liable** for Council Tax, and any other adult residents in the dwelling also meet the definition of care leaver as defined within this policy.

Reductions for care leavers falling into Part 2 of this scheme

3.12 The Council, under this policy will reduce the amount of Council Tax payable, by applying a reduction of 50%, after the application of all other discounts and reductions, where one or more care leavers, as defined in this policy, are jointly liable for council tax, together with any other adults resident the property who are not care leavers.

Exclusions

3.13 This reduction will only apply where the property is occupied. No reduction will apply where premises are no one's sole or main residence or where the premises is defined as a second home.

3.14 Where the care leaver is liable for more than one property, the reduction will only be awarded in respect of the dwelling which is deemed to be their sole or main residence.

3.15 Where a care leaver lives in a household and the dwelling would be deemed exempt from Council Tax if the care leaver did not reside at the property, a 100% reduction will be awarded.

3.16 For the sake of clarity, no reduction will be granted where the care leaver resides in a House in Multiple Occupation (HMO) or where the care leaver resides in a property for which they are not liable for Council Tax.

Changes in circumstances

3.17 The Council may revise any reduction in liability where the applicant's circumstances or situation changes.

The award and duration of a reduction in liability

3.18 Both the amount and the duration of the reduction are at the discretion of the Council and the reduction will be awarded on the basis of the evidence supplied and the circumstances of the individual.

Effective Date

3.19 The effective date of this policy shall be 1st October 2023. However, any care leaver meeting the criteria and who is liable for Council Tax with effect from 1st April 2023 shall have the reduction applied from that date.

4.0 Delegated Powers

4.1 This Care Leavers Discount policy has been approved by the Council. However, the Corporate Manager: Revenues, Benefits, Corporate Recovery, is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council.

5.0 Notification

5.1 The Council will issue a written decision either by a letter or by a revised demand notice, to the applicant within one month of the request, or as soon as practicable thereafter.

6.0 Review of Decisions

6.1 Notwithstanding any discounts or reductions applied automatically to the Council Tax account, where any application is refused, the applicant will be notified that they can ask for the decision to be reviewed. Any request for a review must be made, in writing or by email, within one month of the decision letter.

6.2 A relevant officer of the Council shall undertake the review and shall respond within two months and will have regard to any further evidence supplied.

6.3 If the applicant is dissatisfied with the outcome of the review, they can, within two months of the Council's reply, appeal to the independent Valuation Tribunal Service to consider their case.

7.0 Financial Arrangements

7.1 The Council will reimburse the full cost of the scheme to the collection fund in accordance with legislation.

8.0 Changes in circumstances and misrepresentation

- 8.1 A reduction in liability under this policy can be recovered if it has been made as a result of misrepresentation or failure to disclose a material fact. It can also be recovered as a result of the subsequent application of a national discount or reduction or any adjustment in banding by the Valuation Office Agency
- 8.2 Changes of circumstances that subsequently negate the need for a reduction in liability under this policy will be recovered by the Council. Where this occurs, the Council shall notify the taxpayer accordingly.

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MID DEVON DISTRICT COUNCIL

MINUTES of an **EXTRAORDINARY MEETING** of the **CABINET** held on 16 August 2023 at 5.15 pm

Present

Councillors

L Taylor (Leader)
J Buczkowski, S J Clist, S Keable, J Lock, and D Wulff

Also Present

Councillors

D Broom, E Buczkowski, Mrs F J Colthorpe, G Czapiewski,
G Duchesne, R Gilmour, C Harrower, B Holdman, L Knight,
and S Robinson

Also Present

Officers:

Andrew Jarrett (Deputy Chief Executive (S151)), Maria De Leburne (District Solicitor and Monitoring Officer), Andrew Seaman (Member Services Manager) and Sarah Lees (Member Services Officer)

Nick Harris a Director at Francis Clark was also present.

27. **APOLOGIES (00:03:16)**

Cllrs N Bradshaw, M Farrell, M Fletcher, A Glover, L Kennedy, F Letch, N Letch, J Poynton and J Wright attended the meeting via Teams.

28. **PUBLIC QUESTION TIME (00:05:59)**

Paul Elstone

Question 1:

Recommendation 1 uses the terms “soft closure” and “over a sensible short term”. It is fully considered that these terms are both vague and ambiguous. For complete transparency, can the Cabinet Member for Finance categorically state that it is not the intention of this Council to invest any more funds into 3 Rivers Development in order to build any further projects?

The Cabinet Member for Finance responded by explaining that it may be helpful to summarise all of the options identified by Francis Clark that will be considered by Cabinet and in turn Full Council.

Firstly, Do nothing / No action: This option keeps the company in existence and “trading” until all developments are complete and properties sold, this could be up to 3 years and ongoing overheads would be incurred during this time. This option offers around a 22% less than expected financial return than a “soft closure”.

Secondly, Administration: This could be considered a “hard closure” and the Council would appoint administrators to liquidate the company and its assets, this would hand over complete control from elected representatives to administrators. The negativity associated with administration would also likely affect the value of the company’s assets and likely affect the reputation of MDDC. This option offers around a 37% less expected financial return rather than a “soft closure”.

Thirdly, Soft Closure: This would allow the Company to complete the two current projects and then sell all of the properties and its assets for the best value in the shortest amount of time. While the intention would be to complete this in the most expeditious way, the Council may wish to give guidance on a timescale. This option offers the best expected financial return for the Council.

Finally, Creditors Voluntary Liquidation: It is unlikely that this would, in fact, be an appropriate option given that the Council has committed to fund the two in-flight projects and, in any event, would deliver the worst return for the Council. This option offers around a 45% less than expected financial return than a “soft closure”. There are no plans, or indeed intention, from this Cabinet to start any further projects via 3 Rivers Developments Limited, this is in keeping with the previous resolution of Full Council.

Question 2

What does “over a sensible short term” really mean. There must be a firm decision point. Can the Cabinet Member for Finance say what the decision point is?

The Cabinet Member for Finance responded by explaining that the intention of this Cabinet is to maximise the financial return to the Council and in turn the local residents. The recommendations seek to avoid the risk of a so called fire sale of assets for below market value, balanced with the need to minimise the risk and exposure of having a long drawn out process. Once a decision is made by Cabinet and in turn Full Council, the recommendations allow for a detailed pathway to be put in place that will be formulated with the guidance of professional advisors.

Question 3

At what point will the 3 Rivers £300,000 per annum overhead payments cease?

The Cabinet Member for Finance responded by explaining that at this point, and before a decision is made by Full Council, it is impossible and would be wrong for me to give a definitive date. But as explained in my answer for question two, it is not the intention to have a long drawn out process and it is the intention to maximise the financial return for the Council.

Question 4

The MDDC Deputy CEO and S151 Officer was a Founding Director of 3 Rivers between April 2017 and January 2021. During which time in my opinion, and that of many including Council Members that there have been a series of disastrous financial decisions which have been taken, fully involving 3 Rivers. Disastrous decisions which are now very seriously impacting on this Council’s finances and will likely do so for years to come.

Decisions that have already required loan impairments – bad debts - of £5.3 million and should a former Conservative Cabinet Member be believed could reach £10 million. Decisions namely but not limited to: 1. The St Georges Court Tiverton Development, 2. The Knowle Lane Cullompton land purchase. The role of an S151 Officer requires high standards of governance amongst other things. With the disastrous failure and ongoing exposure of 3 Rivers this governance has been seriously lacking. Therefore, how can the Cabinet Member for Finance, or for that matter this Cabinet more broadly, have any confidence that the MDDC Deputy CEO and S151 Officer is the right person to lead the 3 Rivers Company wind-up?

The Cabinet Member for Finance responded by explaining that the decision that is made by Full Council will be implemented by this Cabinet, led by the Leader and myself, with decisions being made by elected representatives, on and supported by the advice of professionals, including the officers of the Council. The Authority's Chief Financial Officer has a statutory responsibility under section 151 of the Local Government Act 1972 to ensure the proper arrangements for the Council's Financial Affairs. For the record, and complete avoidance of doubt, I have complete confidence in the Council's Chief Financial Officer to correctly and properly discharge this function.

Nick Quinn

Question 1.

The public have never been allowed to see "Confidential Information" about this Council Owned Company. Now, we are told that 3 Rivers owes the Council more than £21M of Public Money and Cabinet are recommending closing it down – but we still cannot see the papers that have led to this course of action. Recommendation 1 in the report is to "Soft Close" 3 Rivers over a "Sensible Short Term Period" - but neither of these statements are specific. Would Cabinet please explain what "Soft Close" means, and what they consider a "Sensible Short Term Period" to be?

The Cabinet Member for Finance responded by explaining that a soft closure would allow the Company to complete the two current projects, and then sell all of the properties and its assets for the best value in the shortest amount of time. While the intention would be to complete this in the most expeditious way, Council may wish to give guidance on a timescale.

Question 2.

Concerning Recommendations 2 and 3. The closure of 3 Rivers should not be managed by an Officer/Member partnership. It is recognised, in these recommendations that they are inexperienced in this field and will not be able to make the necessary progress without costly, expert help. 3 Rivers Developments was set up as a Private Limited Company, with the Council as the sole Shareholder. Surely, closing down this Company should be done in the same way as the closure of any other Commercial Company that has failed its shareholders. Professional Administrators should be brought in to manage the closure and told to obtain the maximum possible benefit for the shareholders.

Will Cabinet please consider replacing recommendations 2 and 3 with a single recommendation that says: "Cabinet recommends appointing a Professional Administrator, or Firm of Administrators, who will be charged with managing the closure of 3 Rivers Developments Ltd so as to obtain the maximum possible benefit for the sole shareholder - Mid Devon District Council"?

The Cabinet Member for Finance responded by explaining that this question is really one for Cabinet to consider during its deliberations. However, the appointment of administrators is one of the options being considered, but is not recommended for the reasons given in the answer to an earlier question, namely, this could be considered a "hard closure" and the Council would appoint administrators to liquidate the Company and its assets, this would hand over complete control from elected representatives to administrators. The negativity associated with administration

would also likely affect the value of the Company's assets and likely affect the reputation of MDDC. This option offers around a 37% less than expected financial return than a "soft closure". The appointment of external advisors from both the legal and accountancy professions is a key part of the recommendation for a soft closure.

Barry Warren

Question 1.

Can it please be confirmed that the Deputy Chief Executive was the Director of Finance (S151) when 3 Rivers Development Limited was formed and that he was one of the founding Directors of the Company?

The Cabinet Member for Finance responded by explaining that three directors were appointed by Councillors on the formation of 3 Rivers Developments Limited, the Council's Deputy Chief Executive and Section 151 Officer was one of those appointed by the Council; this action was not unusual.

Question 2.

In 2019 did the then Cabinet, which consisted of Liberal Democrat and Independent Councillors, raise concerns as to the running of the Company and commissioned two independent reports resulting in some 33 recommendations for change - one of which was that the Deputy Chief Executive (S151) Officer should not be a Director of the Company?

The Cabinet Member for Finance responded by explaining that a report from an external advisor was received during 2020 which included 33 Recommendations, one was that the Deputy Chief Executive should not be a Director of the Company to avoid a perceived conflict of interest, and a further recommendation that a new shareholder agreement be put in place. The recommendations were approved by Councillors between June 2020 and July 2021 and the resulting Shareholders Agreement remains in force. I would point out, that as I stated in my response to question 1, it is not unusual to appoint officers to local authority owned companies and there is certainly no legislation prohibiting or, indeed, no best practice advice to avoid such an appointment.

Question 3.

When did the Deputy Chief Executive cease to be a Director of 3 Rivers and when did he take over from the Chief Executive as the 'Council representative' as referred to in the Shareholder Agreement?

The Cabinet Member for Finance responded by explaining that Companies House record the date of director resignation as 25th January 2021 and the current shareholder agreement was approved by Cabinet on 8th June 2021.

Question 4.

Since that time has the Deputy Chief Executive been the Officer who has prepared reports for Council, Cabinet and Committees involving most if not all issues in relation to 3 Rivers, including making them loans or impairing such loans or debts?

The Cabinet Member for Finance responded by explaining that the Authority's Chief Financial Officer has a statutory responsibility under section 151 of the Local Government Act 1972 to ensure the proper arrangements for the Council's financial

affairs. As an ex-Leader of the Council and ex-Chairman of the Scrutiny Committee, I am sure Councillor Warren knows this, and can appreciate it would be a little odd, if not unlawful if the Council's Chief Financial Officer did not have oversight of all financial reports, including those relating to 3 Rivers.

Question 5.

Has the Deputy Chief Executive been the Officer who has prepared 'Terms of Reference' for investigations to be carried out by the Devon Audit Partnership and the external auditors where allegations of 'irregularities' have been made by third parties?

The Cabinet Member for Finance responded by explaining that As stated in the answer to the previous question, the Authority's Chief Financial Officer has a statutory responsibility under section 151 of the Local Government Act 1972 to ensure the proper arrangements for the Councils financial affairs, and along with our Chief Executive and other members of the Corporate Management Team has overall responsibility for Mid Devon District Council's Counter Fraud Policy and procedures.

The Council forwarded all allegations received to DAP and External auditors to investigate, without terms of reference due to the nature of the allegations. I view this fully in accordance with section 7 of our Anti-Fraud, Bribery and Corruption Policy presented to the Audit Committee in January 2023. It is also worthy to note that DAP and EA completed full due diligence, and reported back to the Audit Committee that the allegations were unfounded.

Question 6.

When the Terms of Reference were agreed by the previous Cabinet in accord with the wishes of Council - who finalised them, circulated them to potential candidates to carry out the independent review and appointed Francis Clark?

The Cabinet Member for Finance responded by explaining that The Terms of Reference were agreed by the Leader of the Council at the time, Councillor Warren. These were circulated to 7 potential candidates and 3 bids received; Francis Clark was the most competitive bid and the appointment was approved by the Senior Leadership Team including CEO, DCEO/ S151, Monitoring Officer and Director of Place.

Question 7.

Did anyone other than the Deputy Chief Executive have any contact with Francis Clark as a representative of Mid Devon District Council and if so who?

The Cabinet Member for Finance responded by explaining that Yes, the Deputy Section 151 Officer was also involved as a representative of the Council.

Question 8.

Bearing in mind the involvement of the Deputy Chief Executive from the outset of 3 Rivers is it now reasonable to approve Recommendations 2 and 3 in the interests of his wellbeing and/or openness and transparency of the actions proposed?

The Cabinet Member for Finance responded by explaining that this really is a question for Cabinet to consider during its deliberations. It would be highly unusual if the Council's Chief Financial Officer was not involved in such an important and

serious matter, indeed it would likely be a dereliction of their statutory duty as explained in my answer to question 4.

29. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00:25:13)

No interests were declared under this item. Members were reminded of the need to make declarations of interest where appropriate.

30. 3 RIVERS OPTIONS APPRAISAL REPORT (00:25:27)

The Cabinet were presented a report* which considered the current trading position of the Council's wholly owned property development company – 3 Rivers Development Ltd - and its potential for medium to longer term financial viability based on its own analysis and supported by external opinion from Francis Clark.

The Cabinet Member for Finance highlighted the options available to the Council along with a guideline on the potential losses for each option. And suggested that a soft closure was the most appropriate option out of the four.

The Deputy Chief Executive (S151) explained that the recommended soft closure considered and estimated a 6 to 12 month rundown for a soft closure.

The following was considered:

- Asked if there were more positive options available to the Council, the Deputy Chief Executive (S151) explained that a soft closure was the least worst option which also minimised risk.
- It was noted that the pandemic was a challenging moment for all business and that it was contemplated that 3 Rivers Development Ltd needed a second chance. However, it was suggested that a private company may not have been appropriate for a Local Authority to create. It was felt that this had put a strain on the openness and transparency of the Council. It was asked if actions of other Local Authorities had been considered.

The Deputy Chief Executive (S151) confirmed that the pandemic hindered all business nationally and in particular development companies, which was further compounded by the cost of living crisis that followed. Furthermore, it was agreed that the balance between confidential information of a company in a competitive market and the need for openness and transparency had been a challenge. It was noted that other Authorities operated trading companies all with mixed results and that failures tended to be what the media focussed on.

- Asked whether the confidential reports might be published publicly in the future, the Deputy Chief Executive (S151) explained that currently reports were live commercial reports that needed to be kept confidential but some financial information might be placed on Companies House in the future.
- The expected completion time of outstanding projects was sought along with reassurance in the losses calculated in the report, given the current housing market. The Deputy Chief Executive (S151) explained that the Bampton site was due to complete in 6 months and the St George's site completion date was imminent. In addition, the Deputy Chief Executive (S151) officer along with Francis Clark were experts and estimated that there could be a 10% tolerance of

the calculations presented. This was also supported by additional external advice and that the housing market was not something that could be easily predicted.

- It was established that all work requested by Full Council had been completed.
- That there was a need for the Council to move forwards on this matter.
- External reports were welcomed but encouraged that an independent survey took place at the Bampton site.
- It was felt that there was a need to maximise income from the remaining projects.

ACCESS TO INFORMATION - EXCLUSION OF PRESS AND PUBLIC

The Leader indicated that discussion with regard to the following items may require the Cabinet to pass the following resolution to exclude the press and public having reflected on Article 12 12.02(d) (a presumption in favour of openness) of the Constitution. This decision may be required because consideration of this matter in public may disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972. The Cabinet would need to decide whether, in all the circumstances of the case, the public interest in maintaining the exemption, outweighs the public interest in disclosing the information.

RESOLVED: That, in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for item 4 of business, for the reason set out below:

- Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person including the authority holding that information).

(Proposed by the Leader, Cllr L Taylor)

The meeting then returned to an open session.

RESOLVED: That

1. Cabinet recommend to Full Council a “soft closure” of 3 Rivers Development Ltd. over a sensible short term period in order to minimise any potential financial exposure and maximise returns from company assets.
2. Delegated authority is given to the Deputy Chief Executive in conjunction with the Cabinet Member for Finance to deliver/instruct all necessary activities in order to deliver a “soft closure” and maintain timely decision making in order to protect the Council’s position during this process.
3. The Deputy Chief Executive, in discussion with the Cabinet Member for Finance, procure any additional professional advice required to protect the Council’s position and maximise the return to the Shareholder and minimise any potential further losses.

(Proposed by the Leader, Cllr L Taylor)

Reason for the decision:

The Company, at its inception, was set up to help partially fund and link to a number of key strategic objectives in the Corporate Plan. However, 6 years later the Council now needs to make a fundamental decision which will enable it to concentrate on the delivery of a new Corporate Plan.

Note: * Report previously circulated.

(The meeting ended at 19:07)

CHAIRMAN

Report for: Cabinet

Date of Meeting: 16 August 2023

Subject: 3 Rivers Development Limited

Cabinet Member: Cllr James Buczkowski

Responsible Officer: Andrew Jarrett Deputy CEO (S151)

Exempt Appendices 1 and 2 which are Exempt from publication under paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

Enclosures: Appendix 1 - Report from Francis Clark (exempt)

Appendix 2 - Briefing Paper from Deputy Chief Executive (S151) (exempt)

Executive Summary

This report has considered the current trading position of the Council's wholly owned property development company and it's potential for medium to longer term financial viability. Based on its own analysis and supported by external opinion from Francis Clark, the Cabinet is recommending to Full Council that the only viable decision is one of "soft closure" of the company.

Recommendation(s):

1 - Cabinet recommend to Full Council a "soft closure" of 3 Rivers Development Ltd. over a sensible short term period in order to minimise any potential financial exposure and maximise returns from company assets.

2 - Delegated authority is given to the Deputy Chief Executive in conjunction with the Cabinet Member for Finance to deliver/instruct all necessary activities in order to deliver a "soft closure" and maintain timely decision making in order to protect the Council's position during this process.

3 - That the Deputy Chief Executive, in discussion with the Cabinet Member for Finance procure any additional professional advice required to protect the Council's position and maximise the return to the Shareholder and minimise any potential further losses.

1.0 Background

- 1.1 At a meeting of Full Council on the 7/3/23, after rejecting the 3rd iteration of a company Business Plan and associated development business cases, the Council decided to allow the company to continue to completion the 2 live projects (St. Georges Court, Tiverton and Haddon Heights, Bampton) and asked officers to commission a viability report in to the future of the company. This decision effectively put all other company activity on stop/pause.
- 1.2 This commission was agreed by the Cabinet and was subsequently tendered and awarded to Francis Clark. This commercially sensitive part 2 document is included as Appendix 1 to this report.
- 1.3 Back in 2017 the Council made the commercial decision to set up a property development company, in order to see higher levels of property numbers, enhanced quality of build, more affordable housing numbers and to see a financial return to the Council to mitigate some of the difficulties of the national public sector austerity programme, as the alternative would have meant significant reductions in service delivery and standards.
- 1.4 It is evident, after nearly 6 years of delivery, set against a challenging national economic background, that the financial rationale behind setting the company up hasn't been achieved. Therefore, in light of the Council's decision not to agree any further business activity for the company a fundamental and urgent decision is required as to what the Council needs to do now.

2.0 Current position

- 2.1 The Council's wholly owned property development company 3 Rivers Development Ltd. have a total loan book from the Council of circa £21.3m, it currently has only 2 live projects, both nearing completion, no future development pipeline and is facing a very challenging economic future, with rising interest rates and significant uncertainty in the housing market.
- 2.2 Also with an annual operational overhead of circa £0.3m the company needs to generate annual sales turnover of around £3-3.5m just to cover these costs.
- 2.3 This report includes two important documents which attempt to summarise the company's current position, based on a number of fairly challenging and inter-related market estimates and then provide some strategic direction on what the options are for the Council moving forwards.
- 2.4 The aforementioned documents, are firstly, the detailed financial options appraisal produced by Francis Clark and is included as Appendix 1 to this report. In addition there is a briefing paper provided by the Deputy Chief Executive (S151) which highlights an overview of where we are now, options

that are available and the decisions that are urgently required. Both of these reports/papers contain financial and commercially confidential information and are therefore included as part 2 documents to assist the decision making recommended in this report.

3.0 The Financial Impact

- 3.1 The company's trading position has deteriorated over the past 3 years. This position is predominantly associated with the St. Georges Court project and down to insufficient business activity to contribute/offset the company's working capital/overheads. In addition, the company has also been heavily impacted by Covid19 and then the cost of living (COL) crisis, with the direct impact of rising material and contractor costs and the associated reduced availability of resources. The company is now facing the double threat of rising interest rates, impacting both current operational costs and future sales and the direct linkage associated with a challenging and uncertain housing market.
- 3.2 In addition to this, changes to Government/Treasury guidance on investing outside of the District during the life of the company, has also further restricted the company's development options, narrowing any commercial potential even further.
- 3.3 Reflecting on these financial company challenges, the Council in completing the 2021/22 and 2022/23 accounts, has made provision for potential company losses of circa £5.3m. Depending on what the Council decides to do with its company after assessing this report, further write offs will likely need to be made and how they could be funded, once further decisions/outcomes are crystallised.
- 3.4 If a decision is made to "soft close" 3 Rivers Development Ltd. it is likely that the Council will need to commission further professional advice in order to ensure that the closure is undertaken correctly in order to reduce any further financial exposure.

4.0 Conclusion

- 4.1 Based on the summary findings made by Francis Clark and assessing the overarching commentary supplied in the additional briefing paper provided by the Council's Deputy Chief Executive (S151), it is recommended that the Council decides to "soft close" its development company in an orderly, but relatively time-effective manner, in order to maximise all potential asset/development returns and minimise any potential liabilities/cost exposures.

Financial Implications: These are detailed within the main report and the 2 attached documents.

Legal Implications: The Council will ensure all necessary decisions emanating from this decision are conducted in full compliance with relevant legislation and external advice will be secured where necessary.

Risk Assessment: Detailed papers were provided by the CE and DCE to a meeting of Full Council in March 2023. The main issue here is continuing to support a business, set against a very uncertain and challenging market, or making a strategic decision now to “soft close” the business and thereby crystallising current estimated losses.

Impact on Climate Change: None associated with this report.

Equalities Impact Assessment: None associated with this report.

Relationship to Corporate Plan: The company, at its inception, was set up to help partially fund and link to a number of key strategic objectives in the Corporate Plan. However, 6 years later the Council now needs to make a fundamental decision which will enable it to concentrate on the delivery of a new Corporate Plan.

Statutory Officer sign-off

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 2/8/23

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 2/8/23

Statutory Officer: Maria De Leburne
Agreed by or on behalf of the Monitoring Officer
Date: 2/8/23

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Andrew Jarrett
Email: ajarrett@middevon.gov.uk
Telephone: 01884 - 234242

Background papers: Report from Francis Clark and briefing paper provided by DCE (S151) and Briefing Paper by Deputy Chief Executive (S151)

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **SCRUTINY COMMITTEE** held on 19 June 2023 at 5.15 pm

Present

Councillors

R Gilmour (Chairman)
D Broom, Mrs F J Colthorpe, A Cuddy,
G Czapiewski, M Farrell, B Holdman,
L G J Kennedy, R Roberts, S Robinson,
G Westcott and N Woollatt

Apologies

Councillor(s)

Also Present

Councillor(s)

D Wulff

Also Present

Officer(s):

Andrew Jarrett (Deputy Chief Executive (S151)), Maria De Leburne (District Solicitor and Monitoring Officer), Andrew Seaman (Member Services Manager) and David Parker (Member Services & Policy Research Officer)

1 ELECTION OF VICE CHAIRMAN (03:17)

Cllr G Westcott was duly elected Vice Chairman of Scrutiny Committee for the municipal year 2023-2024

(Proposed by Cllr B Holdman, seconded by Cllr S Robinson)

2 START TIME OF MEETINGS (05:06)

It was agreed that the committee meet at 5:30pm for the remainder of the municipal year.

(Proposed by Cllr B Holdman, seconded by Cllr L G J Kennedy).

3 APOLOGIES AND SUBSTITUTE MEMBERS (06:20)

No apologies were received. Cllr L Taylor, Cllr J Buczkowski, Cllr S Clist, Cllr G Duchesne, Cllr A Glover, Cllr L Knight and Cllr J Wright attended the meeting virtually.

Cllr Mrs F J Colthorpe confirmed that she was the permanent member of the Scrutiny Committee in place of Cllr S J Penny.

4 DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (06:45)

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

5 PUBLIC QUESTION TIME (07:04)

Barry Warren's questions related to Item 9 on the agenda; on the subject of Review Recommendations of the Planning Enforcement Working Group. It was asked:

1. Would this committee please take that whole document, now rather than later, and see where we were now as it was submitted in September 2021?
2. Were members aware of a paper I prepared on the 16th of April 2023 whilst Leader of the Council and submitted to the then Chair of Scrutiny to address the failings?
3. Would the committee please note that Recommendation 8, to rewrite the Local Enforcement Plan has not been actioned to date and so Council are working from a plan that is over 5 years old?
4. Would the committee please note that Recommendation 6 was to form a sub group of the Planning Committee to oversee Planning Enforcement. That was not implemented thereby denying elected members the opportunity to oversee planning enforcement in an open and transparent manner? Officers decided that the Cabinet Member for Continuous Improvement could deal with this. No such Cabinet post exists under the current administration. Would you please look at putting a process in place which will give the public some confidence in our Planning Enforcement activities which are considered by those most affected to be ineffective and toothless?
5. Would the committee note that staffing levels were recommended and some work was carried out to move toward that? Since this new administration has been in place the staff numbers dedicated to Planning Enforcement has reduced back to levels pre the 2021 report. Why?
6. If looking at this currently would the committee consider any working group co-opting a member or members of the public who have experience of the problems and concerns to assist members?

In reply the Chairman said that these were historic issues, a new administration is just getting going and was work in progress. The Scrutiny Committee would be looking at vacancies and the moratorium on recruitment.

Paul Elstone asked in relation to Item 9 – The Scrutiny Workplan 2023-2024 and the 3 Rivers Independent Authority review:

1. It is clear from the Work Programme that your own 3 Rivers investigation is dependent on receiving the results of other investigations. The urgent, but wide-ranging, Cabinet investigation into 3 Rivers was supposed to have reported by now. What is the date when it is expected that this full and historic investigation into 3 Rivers, including the Council's handling of the commercial relationship and related reporting, will be completed?
2. Council Officers have only just announced a 3 Rivers bad debt of over £5.2 million. In view of this, would Scrutiny Committee consider widening the scope of your Scrutiny investigation, in the Work Programme, so that it is not limited to the processing of the Business Plan?
3. Allegations have been raised relating to serious ethical and business conduct failings, including involving Council Officers and Members, in the whole matter of 3 Rivers. In the light of this, why was it felt permissible to allow Council Executive Officers to "scope out" the terms of reference of any review, when their own actions, or the lack of, may very likely form a key part of any investigation?
4. For full openness and transparency, which this new administration strives for, will all the Investigation Reports be published and made fully available to the public?

In reply the Chairman stated that this was an historic issue. The Deputy Chief Executive Officer (S151), confirmed that the Allegation report is going to be discussed by the Audit Committee on Tuesday 27 June, and that report from Devon Audit Partnership was now in the public domain. The Francis Clark report looking into how the business goes forward would be available in two and a half to three months' time. The bad debt and the impairment on the loans is something that the S151 Officer, has to make publicly available as part of the end of year accounts as at 31st March. It is the likely level of loan repayment and is an estimate and not a write off. The terms of Reference for the Francis Clark investigation was put in front of Cabinet in March and was signed off by them so it was a Councillor Terms of Reference and not an Officer Terms of Reference.

The Chairman commented that both reports are to come to the Scrutiny Committee as well as the Audit Committee. The Chairman put on record that the committee intends to be transparent and be as fully accountable as possible. Where this is possible within the remits of the law, we would do that, they would be looking very closely at matters on a case by case basis, there would be no blanket assumption that something is automatically dealt with under part two unless there were very specific legal reasons for it being so

6 MINUTES OF THE PREVIOUS MEETING (18:11)

The minutes of the meeting held on Monday 17 April 2023 were NOTED. The minutes were amended to show that Cllr B Warren had attended the meeting on 17th April via Zoom.

7 DECISIONS OF THE CABINET (18:44)

No decisions of the Cabinet were called in.

8 CHAIRMAN'S ANNOUNCEMENTS (18:53)

The Nolan Principles would apply on all occasions and we would not want to revisit some of the unpleasantness of the old administration.

9 WORK PROGRAMME (19:12)

- a) Motion 583 - Protecting Rivers and Seas work, making sure that Planning Development on large developments work with South West Water (SWW) on planning infrastructure was working effectively relating to sewage and so on is appropriate, continues.

It was agreed that the Committee receive clarity on what this motion was meant to do. There were two areas that the motion seeks to deal with; a) inviting further information from SWW to state the current loads on their infrastructure and how this would be affected by new development so that that may have significance for planning decisions, b) SWW had been invited and had attended to give a presentation to the Scrutiny Committee about their future investment plans. . The Committee requested the background journey of the motion that led to the SWW presentation, the Clerk will look for the information. The Committee would like to talk with the Environment Agency. Have SWW provided the information they were asked to provide? Is there a Data Controller? Do they have a plan – is it effective? The Clerk will review all of the requests and look at the previous minutes. This will all be put into a document to be discussed at a future meeting.

- b) Review recommendations of the Planning Enforcement Working Group.

In response to the public questions, it was agreed that background of the working group along with their final report and officer updates should be provided in a new report to the July meeting of the Scrutiny Committee.

- c) Motion 564 – Inclusivity and Community Engagement – does Local Government work for women? Work needs to be continued. Some recommendations had been approved by the Scrutiny Committee and Full Council but they still need to be finalised.

It was discussed that it would assist the committee by having an updated report on this matter for the July committee. It was agreed to review whether there is a crossover with the Community PDG. It was also agreed to move from the Increases to members allowance here to look at how to encourage greater diversity at local elections.

- d) 3 Rivers – It was discussed that the review needs to look at the whole 3 Rivers history as well as looking forward at 3 Rivers future. It was agreed that this will come back to Scrutiny once the two external reports are received.

- e) Increases to members allowances. – It was confirmed that there had been an Independent Review Panel (IRP) and the matter had gone to full Council. This was not a matter for the Scrutiny Committee. The Deputy Chief Executive (S.151) was asked whether increases to member's allowance was included within the budget? He replied that the matter of member's allowances is taken from the IRP. The Deputy Chief Executive (S.151) said that this council had a history of following the recommendations of the IRP. With regard to the overarching budget, reports would go to the PDG's in November. Cabinet receives a report just before then which gives an overview of the Council's medium term plan, where we are predicting to be next year and the three years thereafter. In December we receive information from Central Government as to the likely level of funding. The Cabinet will start receiving formal reports in late January. The IRP report will come in before or after that process, but if it arrives later, then the Deputy Chief Executive (S.151) will have made an allowance towards it. The monitoring Officer confirmed that there was due to be a fundamental review of member's allowances in any event.
- f) Participatory budgeting review, it was discussed that a lot of work has been done and needs to be carried forward. It was agreed that the committee should find examples of Participatory Budgeting and look at other councils for examples both good and bad.

Other matters for the work plan:

1. Making Green requirements part of future planning applications – The Chairman commented that the Environment PDG would be a good place for this work to start. At the same time the Chairman will ask the Environment PDG to consider what Energy Efficient Standards need to go into go into new build properties.
2. Can this committee and the Council support the installation of sprinkler systems into all new build residential properties. The Fire Service can provide displays. The Chairman asked for a demonstration of these systems to be arranged.
3. The Clerk was asked to put any outstanding proposals into a document that could be considered on an actual agenda.

(The meeting ended at 6.09 pm)

CHAIRMAN

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **SCRUTINY COMMITTEE** held on 17 July 2023 at 5.30 pm

Present Councillors

R Gilmour, D Broom, Mrs F J Colthorpe, A Cuddy,
G Czapiewski, M Farrell, B Holdman, L G J Kennedy, R Roberts,
S Robinson, G Westcott and N Woollatt

Also Present Councillors

J Lock, D Wulff

Present Officers:

Stephen Walford (Chief Executive), Richard Marsh (Director of Place), Maria De Leburne (District Solicitor and Monitoring Officer), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Matthew Page (Corporate Manager for People, Governance and Waste), Andrew Seaman (Member Services Manager) and David Parker (Member Services & Policy Research Officer)

10 **APOLOGIES AND SUBSTITUTE MEMBERS (03:34)**

No apologies were received.

Cllrs , E Buczkowski, J Buczkowski, A Glover, S Keable, L Taylor attended the meeting virtually.

11 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (03:44)**

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

12 **PUBLIC QUESTION TIME (04:00)**

Paul Elstone's questions related to Item 8 on the agenda; on the subject of Review Recommendations of the Planning Enforcement Working Group.

Question 1:

The Summary Report indicates there were 3 levels of priority in terms of Caseload. High Medium and Low. What were the selection criteria for determining in which priority an enforcement issue was allocated to?

In reply to Mr Elstone's questions, the Director of Place answered:

Answer:

The priority of a case was determined by the enforcement officers using their professional knowledge, expertise and judgement and in accordance with principles as set out within the current Local Enforcement Plan.

The list of enforcement matters were also regularly reviewed (monthly) with the Development Management Manager and Corporate Manager. The Director of Place reviewed high priority cases on a monthly basis.

The new enforcement policy – currently in draft and being worked on by officers prior to presentation to Cabinet – would consider a revised approach to how cases are prioritised and escalated, although the focus would continue to be on high priority cases.

It should be noted that a high degree of officer discretion would always be necessary in relation to prioritisation given that each case is unique and would need to be considered based on its own facts.

Question 2

Was there a MDDC Policy or Procedure Document that clearly outlined the priority selection process?

Answer:

The Local Enforcement Plan set out the priority level of cases in a broad sense.

Question 3

Was this document available for public review?

Answer:

Yes – the current plan was on the public website and was easy to find.

Question 4

Of the High Priority enforcement issues, which were estimated to be currently around 22, how many had been outstanding for over 6 months?

Answer:

There were 12 cases.

Question 5

What was the longest outstanding High Priority enforcement case? And why had it taken so long to close down?

Answer:

A case from 2020 relating to a Listed Building and UPVC windows. The reason the case had been outstanding for so long was because they were awaiting information from the owner.

Question 6

Of the 517 cases that had been closed how many of these were handled by.

- Non Material Amendments.
- Certificates of Lawfulness.
- Planning Variation Agreements of any sort.

Answer:

That information was not to hand – If Mr Elstone was keen to have that information then the Department would need to consider the request separately and they would need to consider how long it would take to deal with that request.

Question 7.

Of the Preceding categories in question 6, how many had been closed down on a delegated authority i.e. by MDDC Officers and without any referral back to the MDDC Planning Committee?

Answer:

Planning enforcement matters are not referred back to the Planning Committee. Under the previous Council, the Cabinet Member for Continuous Improvement had oversight of planning enforcement matters and was kept involved regarding the closure of cases and matters relating to high-priority cases.

Despite the fact that the constitution affords delegated authority to officers to deal with matters relating to planning enforcement, the intention was to keep the Cabinet Member for Planning and Economic Regeneration apprised of key performance measures and key cases in relation to planning enforcement.

Question 8.

Was it MDDC's policy to refer any enforcement decision back to the MDDC Planning Committee where the application came before the Planning Committee in the first instance? This was where the Planning Committee itself set or agreed the conditions.

Answer:

No, it was not MDDC policy. There were certain scenarios where enforcement action needed a decision from the planning committee such as urgent works notices.

Question 9.

If the answer to the previous question was no, did that not defeat the integrity of the Planning Committee Process? That it further lead to a lack of public trust and the will of their elected members potentially being fundamentally ignored?

Answer:

No, it did not. The question suggests that a breach of a planning condition would always be allowed to continue when in fact officers will seek to address planning breaches in order to ensure compliance with the planning conditions – noting that officer necessarily have to focus on high priority cases first.

On occasion, breaches could sometimes involve a planning application to regularise activity – which would then be a public process.

Where compliance did not occur, and no application to seek to regularise was put forward, appropriate enforcement action would follow if it was deemed to be proportionate and expedient in the eyes of the LPA. As stated previously; high risk cases would always necessarily be prioritised.

13 MINUTES OF THE PREVIOUS MEETING (07:02)

The minutes of the meeting held on Monday 19 June 2023 were approved as a correct record and **SIGNED** by the Chairman.

14 DECISIONS OF THE CABINET (10:28)

The Committee **NOTED** that none of the decisions made by the Cabinet on 4 July 2023 had been called in.

15 CHAIRMAN'S ANNOUNCEMENTS (10:35)

The Chairman and others had attended a meeting of the Scrutiny Network for the South West. The Chairman had therefore requested reports on Highways and on Deprivation from the clerk to that committee.

16 MOTION 564 - INCLUSIVITY AND COMMUNITY ENGAGEMENT (11.32)

The Committee **NOTED**, a verbal report on Motion 564 – Inclusivity and Community Engagement from the Corporate Manager for People, Governance and Waste.

The officer explained that two previous councillors, Elizabeth Lloyd and Jo Norton, led a project which looked to enhance the diversity of candidates who would apply and put themselves forward to be prospective councillors at Mid Devon District Council. There were different events organised about how to potentially broaden a pool of applications, and this led to a number of recommendations which were approved by full council. These included:

- That the Council considered ways to better promote the role of a Councillor
- That all chairs of Committees and PDGS be required to attend formal training
- That a Councillor be identified to be the Equalities and Accessibility champion
- That the Council developed a mentoring scheme for new members of the Council
- That the Council supported and facilitated the building of councillor networks in particular between women councillors and councillors with families or caring responsibilities, to grow peer to peer support
- That the Council developed a (password protected) private members area on the Council website, in order to create a bank of shared training materials and documents for reference and ongoing learning
- That the Council ensured all officer roles were offered flexibly (unless there was a business need) and gave consideration to the option and promotion of job shares for officers
- That further research was carried out into member experience of equality in the Council

There had been good progress made against these objectives including:

- There was an open evening at the Council and promotional videos had been released prior to the 2023 election to encourage more candidates from different areas and backgrounds to put themselves forward.
- Mandatory training for Chairs and Vice Chairs formed part of Induction training.
- The Councillor Champion was renamed as the Member Champion for Equality, Diversity and Inclusion. A role description had been drawn up with the LGA and it was recommended that this became a formal Cabinet responsibility.
- In July 2023 the Cabinet determined that Cllr Jane Lock would become the Council's first Member Champion for Equalities, Diversity and Inclusion.
- Initial research had been carried out with the LGA to look into building peer networks and these existed within some political parties but further work was required to determine what best suits the Council.

- A members' area now existed for training, presentations and recordings to be stored.
- A survey was being considered to better understand member experience of equality in the Council (discussions with the Member Champion and the LGA).

It was **AGREED** that a cross party working group be established to create a report on Inclusivity and Community Engagement within Mid Devon that would feedback to the Scrutiny Committee in early 2024 with the following membership: Cllrs Mrs F J Colthorpe, G Westcott and L G J Kennedy.

17 PLANNING ENFORCEMENT REPORT (17:28)

The Committee had before it, and **NOTED**, a *report on planning enforcement from the Director of Place.

Consideration was given to:

- There had not been any specific analysis of the change in uptake following the introduction of a fee for pre-planning advice but it appeared that the uptake was the same. The introduction of the charge had generated income for the Council, which was used to help cover the costs of providing the service. Councillors should be confident that because of the pre-planning involvement that officers were better engaged with the applicants.
- Monitoring statistics of caseloads moving forwards and the grounds for determining whether a case went to Enforcement.
- Admin support for the two full time Enforcement Officers had now ceased and the two officers do their own admin as a self-contained unit and both members of staff were content with that way of working.
- Enforcement cases would in future be reported on as KPI's within the reports the department already deliver.
- Cabinet member for Planning and Economic Regeneration would have oversight of Enforcement.
- Reminder to the Planning Department to keep the Ward Councillors informed of progress of matters.
- Changes have been made within the Planning Department since the previous Scrutiny working group report, from an officer perspective they were on top of the cases and that they were managing the processes appropriately.
- There was now a dedicated planning solicitor.
- There was one outstanding action from the previous working group relating to the Local Enforcement plan, they were working upon a revised draft of the Local Enforcement Plan to make it as robust and fit for purpose as it could be. That draft plan could go to the Planning Policy Advisory Group for comment before it went to Cabinet.
- Enforcement action was taken against highest and high priority cases, as a statement of intent.

The Chairman invited Mr Warren (a former Cllr of the previous administration) to speak. Mr Warren provided his opinion on the planning enforcement working group actions. The Chairman thanked Mr Warren for his input.

The Chairman summed up that officers should keep ward members abreast of enforcement cases and that building KPI's on planning enforcement into the reporting process should commence. The report would be sent to the Planning Policy Advisory Group before it went to Cabinet.

Note: *Report previously circulated and attached to the minutes

18 **WORK PROGRAMME (57:56)**

The Committee reviewed the current *Forward Plan and *Scrutiny Work Plan and **NOTED** the following items:

Motion 583 - Protecting Rivers and Seas work – The Scrutiny Policy Research Officer would report back to the October meeting

Motion 564 – Inclusivity and Community Engagement – does Local Government work for women? The working group of Cllrs G Westcott, Mrs F J Colthorpe and L G J Kennedy would report back to the Scrutiny Committee in February 2024. Cllr R Gilmour had some reports that she would pass to the working group.

3 Rivers - This matter would come back to the Scrutiny Committee once both external reports had been received. An entire meeting would be dedicated to that matter in the September meeting.

Participatory budgeting review – this was going to the Community PDG. The Scrutiny Committee Policy Research Officer would continue to look for examples of Participatory Budgeting, he would look at other councils within the LGA and seek examples both good and bad.

National Grid – The Chairman said that she was not sure that that was something for this Scrutiny Committee to be concerned with. She thought it should go to the Net Zero Advisory Group in the first instance – that was agreed.

Vacancy Issues – This would be included within the Establishment update report in August 2023.

Other matters for the work plan:

1. Making Green requirements part of future planning applications – It was agreed that this matter would be passed to the Planning Policy Advisory Group (PPAG).
2. Installation of sprinkler systems into all new build residential properties. It was agreed that this matter would be passed to the PPAG.
3. Making the Exe Valley an Area of Outstanding Natural Beauty. – It was agreed that this was a matter for Parliament and that Councillors should lobby their MP's.

There was a conversation about the work of committees overlapping, and some of the matters that had been raised overlapping with Policy Development Groups.

The Chairman again stated her intention that the Scrutiny Committee would be as transparent as possible and that at the September meeting dealing with 3 Rivers as little as possible would go into part 2.

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

(The meeting ended at 6.47 pm)

CHAIRMAN

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on 27 June 2023 at 6.15 pm

Present

Councillors

E Buczkowski, Mrs F J Colthorpe, J M Downes, G Duchesne, L G J Kennedy, L Knight and S Robinson

Apologies

Councillors

M D Binks, C Connor, J Frost and R Roberts

Also Present

Councillors

D Broom, R Gilmour, B Holdman, S Keable, J Lock and D Wulff

Present

Officers

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Matthew Page (Corporate Manager for People, Governance and Waste), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Dr Stephen Carr (Corporate Performance & Improvement Manager), Angie Howell (Member Services Officer) and Sarah Lees (Member Services Officer)

Also in

Attendance

Ken Johnson and Tony Rose (Devon Audit Partnership)
Peter Barber, Julie Masci and Andy Nichols (Grant Thornton)

1. **ELECTION OF CHAIRMAN**

RESOLVED that Cllr L Kennedy be elected Chairman of the Audit Committee for the municipal year 2023/2024.

2. **ELECTION OF VICE CHAIRMAN**

RESOLVED that Cllr L Knight be elected Vice Chairman of the Audit Committee for the municipal year 2023/2024.

3. **START TIME OF MEETINGS**

It was **AGREED** that the start time of meetings for the remainder of the municipal year be 5pm on Tuesday evenings.

4. **APOLOGIES**

Apologies were received from:

- Cllr M Binks who was substituted by Cllr Mrs F J Colthorpe
- Cllr C Connor who was substituted by Cllr E Buczkowski
- Cllr J Frost
- Cllr R Roberts

5. PUBLIC QUESTION TIME

The following questions were asked during Public Question Time:

Barry Warren Council Tax Payer. Former Leader of Council for a short while.

My questions relate to Agenda Item 12 starting on page 83 of the bundle.

My questions are mainly directed to the Devon Audit Partnership Officers please.

1. On the third line of the introduction you report '*We agreed the review would include*'. **Who were 'WE' please?**
2. Was I consulted on the Terms of Reference?
3. On 16th February 2023 did Mr Middlemass write an email to the S151 Officer, Mr Jarrett, as the result of the then Leader, Councillor Deed, raising concerning issues?
4. In that email were the words "*I envisage we do a quick piece of work to help allay some basic concerns related to the payment of funds from MDDC to 3 Rivers*" and "*I suggest we meet to discuss the terms of reference for our work in the next few days.*"
5. Does that give confidence that a thorough independent review of concerns is going to be carried out?
6. At the bottom of page 85 you refer to advice given. Do you have evidence that I received such advice as I have no recollection?
7. In relation to the matter referred to on page 89 reference is made to information given by the Managing Director of 3 Rivers and the S151 Officer – a former Director of 3 Rivers. Did you enquire of anyone else as I and others received a totally different explanation at the time of a Director giving permission for the bricks to be borrowed?
8. Were you told that I had reported to the Chief Executive my witnessing a tradesman attempting to purchase materials through the 3 Rivers account?
9. On page 90 reference is made to the resignation of the 3 Rivers Financial Director. Did the investigations reveal the email from that Director to a number of people dated 31st January 2023 in which he set out a lot of detail and then wrote "*All of this places me in the position that I have to resign as a Director of 3 Rivers Developments Limited and St George's Court (Tiverton) Management Limited. I will lodge the resignations promptly at Companies House. I will also advise Simpkin Edwards, Hall & Scott, Absolute PR and Paul Steele Accountants of my resignation.*"

In response, the Chairman stated that none of the Members of the new Committee were qualified to answer the questions, he therefore asked if any of the officers could? Mr Tony Rose from the Devon Audit Partnership (DAP), stated that he would like to check what had been said against the records held by Paul Middlemass, the

Audit Manager. Much was down to interpretation. If there was more evidence available regarding the statements already made then DAP needed to have sight of that. Certain comments made had, in his view, been taken out of context. The fraud allegations had been investigated based upon the evidence available at the time. DAP would be happy to look into this further if new evidence was available.

The Chairman stated that that was as far as his Committee could go but answers would be arranged from the sources that had been mentioned.

Paul Elstone (a local resident)

My questions relate to agenda items 11 and 12. - Devon Audit Partnership - DAP's Internal Audit 2022/23 and the Investigation of 3 Rivers.

QUESTION 1:

In an email to DAP dated 24th May 2023, I stated that there was one allegation of fraud and four allegations of unethical conduct that warranted investigation. Will DAP explain why they did not investigate the fraud allegation actually made, or the ethical conduct allegations?

QUESTION 2.

After a request by DAP to provide evidence. This in respect of the fraud allegation, I stated the following: *"I have been blocked by MDDC Officers in getting a copy of the Viability Assessments in question despite I believe having a legal right as defined in a 2020 High Court Judgement"*.

Why is this not mentioned in the DAP Report?

Why did DAP not follow up on this?

QUESTION 3

Page 13 of the report references a former and long-standing Council Leader saying, "The public do not know the Machiavellian things that have gone on from a finance point of view".

Why was this statement not investigated in any way by DAP?

QUESTION 4

Were DAP, or for that matter Grant Thornton made aware, by the MDDC Monitoring Officer or others, that in an email dated the 25th January 2023, the 3 Rivers Finance Director raised serious concerns with MDDC Officers about MDDC under reporting the level of 3 Rivers bad debt in its accounts?

QUESTION 5

Were DAP made aware by the MDDC Monitoring Officer or others that in the 3 Rivers Finance Directors resignation email dated 31st January 2023 he states Quote *"I do not accept his response. I have sought legal advice regarding possible defamation"* unquote, this was said in response to the MDDC Officers reply in respect of MDDC's failure to properly report the level of 3 Rivers bad debt ?

QUESTION 6

Given the information now at hand, including from previous Leaders of this Council, will this Audit Committee now recommend to Full Council that the DAP Internal Audit plus the Fraud Investigation Report be rejected ?

That another, more wide-ranging, investigation be implemented?

Mr Ken Johnson, also from DAP and a fraud investigator, asked the questioner to let him know if he had any further information that pointed to a criminal offence.

The Chairman asked that the senior officers and DAP liaise over the questions raised and if there was any necessity to take any further action then this would happen and a reply given in due course He reiterated the fact that his Committee was new and 'this was all they could do'.

Nick Quinn Local Resident

My first question relates to Agenda Item 12 – The DAP 3 Rivers Report.

It is apparent from how the 'Removal of Materials' allegation has been treated, that this is a quick 'skate over' report.

The report confirms there was unauthorised removal of materials from the St George's site, which was reported to the S151 Officer and to the Board of 3 Rivers.

However, DAP accepted the Managing Director's explanation, as fact - without seeing any evidence of an investigation or action.

This proven lack of proper procedures and management control at 3 Rivers should have raised questions: "was this an isolated incident?", or "what else has happened that has not been recorded?".

The report shows the allegation was true and that 3 Rivers' management practices are flawed - a combination that should merit further investigation.

Question 1: With the admission that materials were removed from St Georges Court and a proven lack of proper management control or records, will this Committee ask for a proper investigation into this matter?

My last question relates to Agenda Item 15 – Grant Thornton's Annual Report

This report contains a number of comments concerning the problems of 3 Rivers but the worst of these are aimed at Elected Members of this Council.

The Executive Summary states: "*we observed the emerging escalation of ineffective decision making in respect of the process for approving the 2023/24 business plan of 3 Rivers*" and this "*raised concerns about the Council's ability to take timely decisions in the best interests of the Council*".

I believe these critical comments are misdirected.

Given the risks associated with the very late, and obviously poor, Business Plans; the escalating losses and likely loan impairments - Elected Members, including this Audit Committee, made positive decisions not to support any of the Business Plans presented to them.

Question 2: Will this Committee seek, from Grant Thornton, a Full Explanation for the critical comments regarding Elected Member decisions, contained in this report?

Mr Johnson (DAP) stated that he had obtained no evidence of criminality despite the comments made and reiterated his advice to the questioner that if he suspected criminal activity it should be reported to Devon and Cornwall Police

The Chairman reiterated the point that if anybody had any direct evidence they should take it to the official Police investigators as they were responsible for looking at criminality and further suggested that perhaps in future this is where any allegations should go. He again asked that senior officers liaise with DAP over any questions raised.

Note: Copies of the public questions would be sent to DAP in order for any that had not been answered during the meeting to be addressed and clarity given.

6. DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

No interests were declared under this item.

7. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 28 March 2023 were **NOTED** and signed by the Chairman.

8. CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements to make.

9. CORPORATE RISK REPORT (00:35:00)

The Committee had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager providing Members with a quarterly update on the Corporate Risk Register.

Discussion took place regarding:

- Why the Cullompton Relief Road had a risk rating of 25 but only 1 action against it. The Corporate Manager for People, Governance & Waste stated that he would look this and come back to the Committee.
- The effect of the cost of living crisis and whether risks in relation to this were accurately scored. It was explained the current risk rating reflected the risk to the Council. The Risk Register was reviewed on a regular basis by the relevant officer groups and updates brought to every Audit Committee for further review.
- There would always be some risks shown as significant depending on the national and local circumstances at the time. Some risks would go up and down the rating scale and some would disappear and reappear depending on influencing factors at the time. Some risks were unexpected such as Covid 19.
- A question was asked as to why the Culm Garden Village was not rated with a higher risk. The officer explained that he would speak to the relevant service area and get back to the Committee with an explanation.

Note: * Report previously circulated.

10. PERFORMANCE OUTTURN REPORT FOR 2022/23 (00:42:00)

The Committee had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager providing Members with an update on performance against the Corporate Plan and local service targets for 2022/23.

Note: * Report previously circulated.

11. DAP INTERNAL AUDIT ANNUAL REPORT FOR 2022/2023

The Committee had before it, and **NOTED**, the Annual Audit Report 2022 – 2023 from the Devon Audit Partnership.

The contents of the report were outlined with key highlights referred to as follows:

- The different categories of assurance were explained.
- During the year there had been some audit reports providing limited assurance, for example, in the areas of Leisure and IT. Where this occurred follow up audits were scheduled during 2023/2024 in the expectation that improvements had been made.
- DAP were working to finalise the Cyber Security audit.
- There had been a specific piece of work in relation to 3R.
- There was a focus on areas of financial control.
- The assurance map was referenced. This was designed to aid efficiency and effectiveness and also showed areas of good practice.
- In relation to Customer Services, feedback from the public had generally been either 'satisfied' or 'nearly satisfied'. The pie chart in relation to this also showed areas for challenge or issue.
- The overall opinion from DAP was one of 'Reasonable Assurance' on the controls in place across the Council.

Consideration was given to:

- DAP had to comply with Public Sector Internal Audit Standards and had to do a self-assessment against these every year.
- There were no significant fraud issues within the Council at the current time.

Note: * Report previously circulated.

12. DEVON AUDIT PARTNERSHIP (DAP) INVESTIGATION OF 3 RIVERS (00:56:00)

The Committee had before it a report * from the Devon Audit Partnership looking at the process to agree loans from the Council to 3 Rivers and whether it was part of a formal business process where approval was provided by Members. It also reviewed the fraud allegations and considered whether further investigation or examination was merited or possible.

The following was highlighted:

- The report detailed what areas of evidence were looked at.
- Some differences in values had been detected but the reasons why had been provided.
- They had looked into the allegations of removal of building materials and had not found any criminality.
- They had concluded that there had not been any fraud or corruption.
- Simpkins Edwards, a financial firm, had been employed to aid the investigation.
- Not everything had been found to be 'perfect' for example notes in relation to 'land' could have been more thorough.

Consideration was given to:

- Lots of questions had been asked in relation to 3R why had the auditors only chosen to focus on those of a couple of individuals? It was explained that focus had been given to the questions asked of this Council by the public.
- The Chairman stated that DAP had followed the remit given. There had been no evidence of wrong doing and it was time to move on. If individuals still had evidence which had not been investigated then they needed to seek a different route to have them addressed.
- Allegations made had been unsubstantiated by DAP.
- In addition to the work undertaken by DAP, which had looked at performance, a full options appraisal was being conducted by Francis Clark and the report would be available towards the end of August and would be presented to the Cabinet.

The Chairman of the Scrutiny Committee requested that the Audit Committee defer any decision in relation to this report until after the Scrutiny Committee had had a chance to discuss it. Accordingly, a proposal was made by Cllr J Downes, seconded by Cllr S Robinson to defer making a decision until after the next Scrutiny Committee. This was not supported.

Therefore:

The Audit Committee **AGREED** that the report be **NOTED**.

(Proposed by the Chairman)

Note: * Report previously circulated.

13. **DAP MANAGEMENT ACTIONS REPORT (01:10:00)**

The Committee received and **NOTED** a report * from the Devon Audit Partnership focussing on the clearance of internal audit recommendations.

The contents of the report were outlined and discussion took place regarding:

- The low, medium and high risk categories were explained.
- Cyber Security had already been mentioned within the meeting as needing a follow up audit and further review during 2023/2024.

- The Committee were directed to focus on the 'High Priority' column where there were overdue recommendations. They would see this table at each of their meetings going forwards.
- The Deputy Chief Executive (S151) gave the Committee an assurance that the Cyber Security area was receiving a great deal of focus with a management group being established, including two IT managers, the relevant Cabinet Member and himself, in order to address the issues of concern.

Note: * Report previously circulated.

14. **DEVON AUDIT PARTNERSHIP COMMITTEE REPRESENTATION (01:17:00)**

The Committee had been asked to provide the names of two representatives to join the Devon Audit Partnership Committee.

It was **AGREED** that the Chairman, Cllr L Kennedy, and Vice Chairman, Cllr L Knight, be the representatives.

15. **GRANT THORNTON AUDITOR'S REPORT AND MID DEVON DISTRICT COUNCIL FOR 2021/2022 (01:18:00)**

The Committee had before it and **NOTED** a report * from Grant Thornton considering whether, during the financial year 2023/2023, the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

The following was highlighted within the report:

- The role of the external auditor was explained, particularly in relation to their responsibilities in providing an annual opinion on the financial statements and Value for Money.
- Commentary had been provided in relation to 3R and comments had been made in the report regarding recent events and the delay with the Business Plan being approved. Further analysis would be undertaken during the 2022/2023 audit.
- Final sign off of the 2021/2022 accounts had been delayed due to the availability of a new Pension Valuation during the already delayed audit. This needed to be restated in the accounts. It was hoped this could be resolved in the next few weeks.
- No significant issues or weaknesses had been found in the accounts and their opinion was that the Council did have effective arrangements in place to manage its finances. They had made some improvement recommendations which would be followed up.
- Initiatives needed to be brought forward to address gaps in the Medium Term Financial Plan.
- Reference was made to the positive findings of the Local Government Association following the Peer Review.
- Performance information could include more operational measures, for example, monitoring the performance of key contracts.

In response to a question from the S151, Grant Thornton confirmed the 2021/22 Financial Statements are expected to come back to the August meeting for final approval.

Note: * Report previously circulated.

16. **GRANT THORNTON'S 2022/2023 AUDIT PLAN (01:40:00)**

The committee had before it, and **NOTED**, a report * from Grant Thornton presenting an overview of the planned scope and timing of the statutory audit of Mid Devon District Council's financial statements.

The following was highlighted within the External Audit Plan:

- The Committee were informed that Julie Masci would be returning and taking over from Peter Barber as the Engagement Lead for Grant Thornton.
- The report set out the initial planning, risk assessment work and key messages.
- Risks in relation to the Group Accounts would be analysed including any minimal risks of intentional bias.
- Expenditure would receive specific attention as well as trading income.
- The evaluation of land and buildings and the assumptions made towards these would also be assessed in terms of risk.
- Detailed work would be undertaken in the area of Pension Liability.
- Financial sustainability was a common risk factor across all local authorities especially in relation to budget gaps identified in the MTFP.
- ISA 315 would give a broader understanding of the IT environment but would require additional work.

The external auditors were thanked for their clear and comprehensive report.

Note: * Report previously circulated.

17. **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:47:00)**

The Committee had before it, and **NOTED**, the items identified for the next meeting. In addition to these the following was requested to be on the agenda for the next meeting:

- An update in relation to Cyber Security
- Grant Thornton's final opinion in relation to the 2021/2022 accounts
- Corporate Performance Report

(The meeting ended at 8.05 pm)

CHAIRMAN

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on 22 August 2023 at 6.15 pm

Present

Councillors

L G J Kennedy (Chairman)
E Buczkowski, C Connor, J M Downes,
G Duchesne, L Knight (Vice Chairman),
R Roberts and S Robinson

Apology

Councillor

M D Binks

Present

Virtually

A Glover

Also Present

Councillors

D Broom, J Buczkowski, G Czapiewski, C Harrower,
B Holdman and D Wulff

Also Present

Officers

Andrew Jarrett (Deputy Chief Executive (S151)), Matthew Page (Corporate Manager for People, Governance and Waste), Lisa Lewis (Corporate Manager for Business Transformation and Customer Engagement), Dr Stephen Carr (Corporate Performance & Improvement Manager), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Paul Middlemass (Audit Manager), David Parker (Member Services & Policy Research Officer) and Sarah Lees (Member Services Officer)

Also in

Attendance

Andrew Davies (Grant Thornton)

18. **APOLOGIES**

Apologies were received from Cllr M Binks.

19. **PUBLIC QUESTION TIME**

No members of the public had registered to ask a question.

20. **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT**

No interests were declared under this item.

21. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 27 June 2023 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

22. CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements to make.

23. CORPORATE PERFORMANCE REPORT (00:06:00)

The Committee had before it, and **NOTED**, a report * from the Corporate Manager for People, Governance & Waste and the Corporate Performance and Improvement Manager providing it with an update on performance against the Corporate Plan and local service targets for quarter 1 (2023/24).

Discussion took place regarding:

- Why there had been a downward percentage drop in urgent housing repairs between April and June? It was stated that the relevant officers would be contacted to find out the reason for this which would be reported back to the Committee.
- It was queried why there had been a sharp increase in complaints. It was clarified that the performance indicator presented complaints to date (cumulatively). The number of complaints is relatively consistent from month to month.
- Data in relation to the number of Gypsy and Traveller Pitches completed was only collected once a year and would next be collected in March 2024.
- Council Tax collection rates were affected by factors such as the cost of living crisis. The Government had introduced a number of schemes to try and support people. The Council was now back to regular monitoring and engagement with those in arrears. This was not included on the Risk Register as it was felt that the level of arrears were within manageable tolerances.

Note: *Report previously circulated.

24. CORPORATE RISK REPORT (00:19:00)

The Committee had before it, and **NOTED**, a report * from the Corporate Manager for People, Governance & Waste and the Corporate Performance and Improvement Manager providing it with a quarterly update on the Corporate Risk Register.

Discussion took place regarding:

- The risk rating in relation to the Culm Garden Village. The rating of 16 related to the funding sources in place for the Culm Garden Village rather than the delivery of the project, such as infrastructure considerations.
- The risk rating of 12 in relation to the housing crisis and whether or not this was high enough. It was explained that the Register recorded risk ratings as they reflected the risk to the Council, of course it was the case that the risk to the community would be far higher.

Note: *Report previously circulated.

25. **DRAFT ANNUAL GOVERNANCE STATEMENT 2022-2023 (00:21:00)**

The Committee had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager and the Corporate Manager for People, Performance & Waste providing Members with a quarterly update on the Corporate Risk Register.

The following was highlighted within the report:

- This report reviewed governance in arrears, that is, the previous financial year and assessed arrangements against a number of criteria.
- The overall framework of the governance arrangements were reviewed as well as the internal audits undertaken throughout the year and the resulting opinions. It also considered external audit comments and provided links to a number of Council policies.
- It was stated that this document should be viewed in conjunction with the Statement of Accounts.
- This was a live document and would remain so until it was signed off alongside the accounts in due course.

Note: * Report previously circulated.

26. **DRAFT STATEMENT OF ACCOUNTS (00:24:00)**

The Committee had before it, and **NOTED**, the draft Statement of Accounts * for 2022/23. This was published on the website and had been presented for external audit.

The following was highlighted:

- The external audit was under way on the 2022/2023 accounts and it was hoped the final accounts and the auditors opinion would be brought to the next Audit Committee meeting in October.
- Some reinstatement had been needed due to a diverse range of factors such as the impairment of loans to 3 Rivers, staffing costs and a VAT refund.
- Explanations were provided in relation to the balance sheet, cash flow statement, collection fund.
- Key issues for the audit during the year had included: income not yet returning to pre-Covid levels, the cost of living crisis, the cost of temporary staff and costs in relation to new scheme implementations such as Bin-It 123.

Consideration was given to:

- Capital receipts, where they were shown and what was actually meant by this.
- Treasury investment returns were shown at note no. 9 on page 174 and were also reported to the Cabinet.

Note: * Draft Statement of Accounts circulated previously.

27. **ACCESS TO INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC (00:31:00)**

The Chairman indicated that discussion with regard to the following items, required the Committee to pass the following resolution to exclude the press and public having reflected on Article 12 12.02(d) (a presumption in favour of openness) of the Constitution. This decision may be required because consideration of this matter in public may disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972. The Committee would need to decide whether, in all the circumstances of the case, the public interest in maintaining the exemption, outweighs the public interest in disclosing the information.

RESOLVED: That, in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for the item 13, for the reason set out below:

Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person including the authority holding that information).

(Proposed by the Chairman)

28. **CYBER SECURITY & INFORMATION GOVERNANCE UPDATE (00:35:00)**

The Committee had before it a report * from the Corporate Manager for Digital Transformation & Customer Engagement providing an update on Cyber Security activities and risk mitigation over the past few months. It also included updates on the activity and challenges around meeting the high level audit recommendations as detailed in the Internal Audit.

Due to the confidential nature of the subject, a discussion followed under Part II arrangements and a number of issues were discussed.

RESOLVED that an extension of time in relation to item 8.1 on the Cyber Security and ICT Core Audit 2022 – 23 be approved.

(Proposed by the Chairman)

Note: * Report previously circulated.

29. **DAP INTERNAL AUDIT PROGRESS REPORT (00:57:00)**

The Committee had before it, and **NOTED**, a report * from the Devon Audit Partnership providing a progress update report for the year to date.

The following was highlighted within the report:

- The Internal Auditor's opinion at this point in time was one of 'Reasonable Assurance' based on the work undertaken in the year to date.
- Summaries of the audits undertaken were contained in Appendix A.

- In relation to addressing weaknesses identified in the Information Management Audit, a Data Protection officer had been appointed and was making good progress.
- The Council had good arrangements in place with regard to health and safety, for example, now that the Council had adopted hybrid working conditions for some posts, each officer was required to complete a DSE assessment.
- A summary of local fraud protection was also provided in the report.
- The number of high and medium level outstanding recommendations had reduced slightly since the last meeting. It was the responsibility of officers to keep SPAR updated.

Consideration was given to whether the audit opinions were benchmarked nationally. It was explained that guidance on the assurance opinions was provided by the Chartered Institute of Public Finance (CIPFA) and their application was fairly consistent across local Councils.

Note: * Report previously circulated.

30. **DAP PROPOSAL TO CREATE INDEPENDENT MEMBERS TO THE AUDIT COMMITTEE (01:01:00)**

The Audit Manager from the Devon Audit Partnership informed the Committee that the Redmond Review had recommended that Audit Committees have at least one independent member on them, CIPFA has subsequently issued guidance that two members should be on committees. DAP was supporting a recruitment campaign along with partners such as Devon County Council to recruit people with relevant financial expertise and knowledge of local authority finance. It was acknowledged that elected councillors did not always have the necessary knowledge or expertise to pass judgement on all matters before them therefore an independent view would be of great assistance. The Committee therefore supported this approach and looked forward to receiving news regarding this in due course.

The Committee were also informed that DAP were running a free training event in November at Buckfast Abbey to which all Audit Committee Members were invited. Details had been circulated.

31. **EXTERNAL AUDIT PROGRESS REPORT AND SECTOR UPDATE (01:07:00)**

The Committee had before it, and **NOTED**, a report * from Grant Thornton providing a progress update on work undertaken in the year to date. It also included a Sector Update.

The following update was provided:

- Regarding the 2021/22 accounts they had two responsibilities, one was to provide an overall opinion on the Financial Statements, the other was to provide an opinion on the Value for Money (VFM) arrangements. The VFM opinion had been given to the Committee at their June meeting, it was hoped the opinion on the accounts would be given at the October meeting. The audit had gone smoothly but they were awaiting some technical information regarding 3 Rivers before issuing a final opinion. They were satisfied the adjustments had been made regarding the pension liability.

- The audit regarding the 2022/23 accounts had begun in July and so far there had been no significant areas of concern. It was hoped that an opinion on this audit would also be brought to the October meeting.

Consideration was given to:

- The Chairman hoped that there would be an unqualified opinion on the accounts given the effort the new Cabinet had gone to to address concerns regarding 3 Rivers.
- The Council's best endeavours to move towards the net zero target whilst also not bankrupting itself. The effect of providing services on climate change needed to be embedded in everything the Council strived to achieve.

Note: * Report previously circulated.

32. IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:20:00)

The Committee had before it, and **NOTED**, the items identified in the work programme for the next meeting. It was also stated that the external auditors were aiming to bring their opinion on the 2022/23 accounts to the next meeting as well.

(The meeting ended at 7.37 pm)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ENVIRONMENT POLICY DEVELOPMENT GROUP** held on 20 June 2023 at 5.30 pm

Present

Councillors

M Fletcher, B Fish, C Adcock, G Czapiewski, C Harrower, B Holdman, J Poynton and S Robinson

Apology

Councillor

M Jenkins

Also Present

Councillors

N Bradshaw, D Broom, E Buczkowski, J Buczkowski, R Gilmour, S Keable, F W Letch, J Lock, L Taylor, G Westcott, J Wright and D Wulff

Present

Officers:

Maria De Leburne (District Solicitor and Monitoring Officer), Matthew Page (Corporate Manager for People, Governance and Waste), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Jason Ball (Climate and Sustainability Specialist), Andrew Seaman (Member Services Manager) and David Parker (Member Services & Policy Research Officer)

1 **ELECTION OF CHAIRMAN (0:03:42)**

Cllr M. Fletcher was duly elected Chairman of the Environment PDG for the municipal year 2023-2024.

(Proposed by Cllr B. Holdman, Seconded by Cllr C. Adcock)
no other nominations – Carried unanimously.

2 **ELECTION OF VICE CHAIRMAN (0:06:12)**

Cllr B. Fish was duly elected Vice Chairman of the Environment PDG for the municipal year 2023-24.

(Proposed by Cllr G. Czapiewski, Seconded by Cllr J.Poynton)
no other nominations – carried unanimously.

3 **MEETING MANAGEMENT**

The Chairman stated that he would take the Climate and Sustainability Update next.

4 **CLIMATE AND SUSTAINABILITY UPDATE (0:09:07)**

Cllr Natasha Bradshaw (Cabinet Member for Climate Change) addressed the PDG. She said that Climate Change affected all departments across the Council and all Councillors and everybody had a part to play. The Council was committed to get to Net Zero by 2030, she had been impressed at how far the Council had come already and wanted to thank the officers. There was an enormous task on the Council's hands, however, she was aware of the great enthusiasm throughout the Council. Partnership working would be a key to achieving this and the Council was looking at

Climate Action in two ways; within Council Services and also across the District. The latter was extremely challenging but progress included two extremely impressive projects to decarbonise heating and cooling systems at Exe Valley and Lords Meadow Leisure Centres.

Following this the Group was presented with, and **NOTED**, a *report to update on the Climate Action Plan (CAP) and the wider Climate and Sustainability Programme.

Consideration was given to:

- The Corporate Project Manager had applied for funding for Culm Valley Leisure Centre for a detailed design for decarbonised heating and cooling.
- Passive House Social Housing and Affordable Housing at Post Hill.
- Working with community groups was very productive and inspirational, for example the Mural at the Pannier Market, tree planting and other various initiatives.
- The Climate and Sustainability Specialist has been running training workshops and getting officers up to date with energy use and data. The Council has cut electricity usage at some of its key buildings by about 21% since 2018/19, unfortunately gas usage had not gone down so there is still work to do there. The decarbonisation project would hit that figure very squarely.
- Officers would be running workshops on various projects and topics such as planning policy and decisions, renewable energy, Energy Champions etc.
- The Net Zero Advisory Group will be reconstituted. The Clerk observed that Member Services awaited parties to put names forward for that group.

The Officer then answered questions from Councillors:

- Carbon footprint. The Annual GHG Emissions by Category (Annexe A figure 1) – the orange dashed line was the “hoped for” trajectory i.e. what we need to achieve to hit net zero by 2030. The black line showed how we were actually doing including a rise in emissions for the year 2021/22.
- Item 3 on table 3 of Annexe A to the report – The Climate and Sustainability Specialist was arranging a project group update for the relevant Cabinet members on renewable energy e.g. the hydroelectric scheme. An update would follow that.
- Green Homes Grant Local Authority Delivery Scheme (3.4.1). The Council were working in partnership with other agencies such as Exeter Community Energy, the peoples path to free advice about retrofitting of insulation etc. On the Council’s Climate and Sustainability Website there were a whole range of links to places where you can get information. Of the 149 home installations, councillors asked what percentage of the properties that equated to? The Officer replied that the figure was being tracked, at the moment it was a low percentage, but they hoped to scale it up.
- Would closer dialogue with Town and Parish Councils assist?
- At Table 2 (H02) Modern Methods of Construction and Self Build Opportunities, Councillors asked if we could track how the Council was doing as a district to encourage more self-build? The officer answered that it was being tracked and the Council had run workshops (Forward Planning).
- Could the Council look for Case Studies and for good and best practice from other housing authorities so that could can learn and look to be the best it can? The Climate and Sustainability Officer said that was already being done and that they worked with developers, giving them check-lists of a whole range of things that they should / could consider and that was their preferred

way of getting feedback on how they were addressing climate change etc. (Reference: [MDDC Climate Emergency Planning Policy Statement and resources](#)) The Corporate Manager for Finance, Property and Climate Change observed that the Planning Team had been on an “Away day” to a fellow Council to learn about self-build, property and planning practices.

- Single Use Plastics at Phoenix House – Councillors asked if there was a policy? What was the update? Was the Council avoiding single use plastics? The officer replied that there was a policy, the previous update had looked at our use of single use plastics at places like our leisure centres. Some things were external and that was more difficult. When it came to enforcement then Trading Standards would be monitoring the new rules coming from Central Government. Matthew Page - Corporate Manager for People, Governance and Waste - commented: The Council were awaiting forthcoming national guidance from Central Government regarding future practice and funding arrangements.
- National Grid Energy Distribution (NGED) power infrastructure, a councillor asked if there was a Cabinet member responsible for looking at this matter. The Climate and Sustainability Specialist said that he tried to keep abreast of the situation; officers such as Forward Planning feed into NGED consultations.
- Retro-fitting measures (Table 2) ENV01 – Councillors asked where the Council was and what were the barriers? The Climate and Sustainability Specialist answered that with regard to renewables it depended upon the ambition the Council had in this direction. He said that the Council were increasing the solar array hosted on the Leisure Centres and on Phoenix House and that these ideas were looking a long way into the future.
- Councillors asked if Electric Vehicle charging could raise funds for the Council? Property Services need a response here.
- Recycling rates and Education of the Public – a Councillor asked about recycling rates and how the Council were doing and mentioned Cllr Taylor’s plans relating to recycling of pots and pans and coffee pods etc. The Corporate Manager for People, Governance and Waste mentioned that at the next meeting of the PDG there would be a review of the BIN it 123 scheme and it would make comparisons between April/May 2022 and April/May 2023. Councillors commented that some members of the public were putting food waste into black sacks which were then being accessed by seagulls and creating a mess – how do we deal with that? Matthew Page, Corporate Manager for People, Governance and Waste commented that when Bin it 123 was introduced they had shown some leniency to help embed the scheme, but now there needs to be further education and if necessary the Council would need to enforce good practice with regard to waste and recycling. Councillors commented that allowances needed to be made for those in flats who did not have access to storage facilities.
- The Corporate Manager for People, Governance and Waste said that they were still getting requests for recycling containers so that was encouraging in terms of the public being committed to supporting the scheme and increasing our recycling rate.
- A member mentioned that the [consultation for developing local partnerships for onshore wind](#) was closing on 7th July, REGEN has information [online](#).

Note: *update previously circulated and attached to the minutes

5 **START TIME OF MEETINGS (0:43:35)**

The Chairman proposed a start time of 5.30pm – carried unanimously

6 **APOLOGIES AND SUBSTITUTE MEMBERS (0:44:00)**

Apologies were received from Cllr M Jenkins. Cllr A Glover attended via Teams.

7 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0:44:16)**

Members were reminded of the need to make declarations where appropriate
Cllr C. Adcock declared a personal interest, he is a Director in South Somerset Community Energy Society, (a Community Benefit Society).

8 **PUBLIC QUESTION TIME (0:44:57)**

There were no questions from members of the public.

9 **MINUTES OF THE PREVIOUS MEETING (0:45:19)**

The minutes of the meeting held on 14 March 2023 were NOTED

10 **CHAIRMAN'S ANNOUNCEMENTS (0:45:48)**

The Chairman thanked the PDG for electing him as Chairman and said he was looking forward to working collaboratively with all members of the PDG across the board.

11 **REVENUE AND CAPITAL OUTTURN REPORT FOR 2022/23 (0:46:10)**

The Group had before it, and **NOTED**, a * report from the Deputy Chief Executive presenting the Revenue and Capital Outturn figures 2022/23 for both the General Fund (GF) and Housing Revenue Account (HRA).

The contents of the report were outlined and a high level summary provided specific to this PDG as follows:

- On the General fund the Council overspent by £190,000 and on the Housing Revenue Account it underspent by £312,000 both of which should be regarded as a good achievements in the current economic circumstances and pointed to a good level of Budget Management.
- The cost of living crisis had impacted the Council with a higher pay award for staff, staff turnover, vacancies and higher than normal sickness levels requiring hiring of temporary staff.
- There had been some investment during the year for example Bin It 123.
- There had been significant levels of grant funding to run the energy rebate schemes.
- With regard to the report the specific page numbers in the pack to refer to were pages 34 Grounds Maintenance, 41-42 Property Services & 45-46 Waste.
- There was minimal variance with regards to Grounds Maintenance. With regard to Property Services the underspend was due to some planned maintenance not being needed and some not being done due to staff

vacancies, those funds would go back into the Reserves so that the funds are there to do the work when needed.

- The notable variance in Waste was due to the funding of the Bin It 123 scheme which was funded out of reserves, increases in fuel costs and additional costs in terms of salaries and agency staff to cover vacancies. That increase in costs had been offset by increased income in things like Green Waste, Trade Waste, the money the Council gets from, for example, recycling materials.
- The Council had also received a higher refund from Devon County Council due to its higher recycling, there was less to put into landfill so DCC could share the saving with Mid Devon DC. – the refund is part of the service budget and so becomes a variance which went into reserves.

Discussion took place regarding:

- In relation to paragraph 3.63 relating to General Fund Housing and how the Council could make its own housing stock more sustainable? – The Climate and Sustainability specialist stated that there was a constant allocation of capital funds to maintain and improve Council stock – they wouldn't be able to retrofit to Passive House but depending upon the type of house, each one would have the potential to retro fit to a certain standard. Some of them have been insulated and then retro fitted with air source heat pumps for example. Some residences are not suitable because they cannot be insulated and draught proofed to the relevant standard, but each archetype has opportunities identified and depending upon what money is in the budget or what funds can be accessed by bidding from Central Government, then the Council is able to invest in those properties. There were a list of projects the Council have for investment in when the funds were available. With regard to new housing stock, the Zed Pods will be capable of Net Zero carbon performance.
- The Corporate Manager for Finance, Property and Climate Change mentioned the Capital section of the report (pg51) Play Areas (very little variance against the budget), Shops (there has been some slippage as the planned maintenance was deemed not necessary at this time, funds would still be there for the following year) and in terms of other projects – there was a major expense that had not been expected in that they had to purchase a new mini excavator.
- In relation to the refurbishment of a Park – Were any further 106 funds earmarked to help play parks? Also could we plant trees using s.106 funds. – The Corporate Manager for Finance, Property and Climate Change would reply in writing.

Note: *report previously circulated and attached to the minutes

12 WORK PROGRAMME (0:57:27)

It was asked if the PDG could look at the fee for the Garden Waste Bin and whether the fee could be paid in instalments? The Corporate Manager for People, Governance and Waste would provide an update at the next meeting in August.

The Clerk reminded the PDG of their Thematic area as set out in the Constitution at page 22, Article 8 – policy Development Groups, in order that the PDG could consider what areas they might want to build into their work programme.

Items suggested were:

- The Data Processing Centre at the Exmouth Swimming Pool.
- Hydro Electric Power
- Linking the Planning Policy Advisory Group and Environment PDG to discuss the subject of Anaerobic Digesters
- Looking at a robust form of green support for all future planning applications. – Planning couldn't insist on very much when it comes to "Green" considerations. Cllr Holdman feeds these issues into the Planning Policy Advisory Group. – Perhaps we could link this PDG with that group?
- Developments around Cullompton and Air Pollution
- The Corporate Manager for People, Governance and Waste said that with regard to Fly Tipping, the Annual Review and First Quarter Enforcement figures will be on the Agenda for the next PDG meeting in August.
- Was there a tree planting plan? – The Climate and Sustainability Specialist answered that we hadn't got a fund but we did have a target of the number of trees to be planted. – A tree planting event was a good idea, he would work with the open spaces officers.
- Observation of Planning policies – people bought properties with large trees in the garden and then apply for them to be removed altogether rather than being pollarded – perhaps more trees need TPO's to be applied to them.
- The Climate and Sustainability Specialist informed the PDG that the Biodiversity duty to the Council has been upgraded and work is required this year. There may again be an overlap with the Planning Policy Advisory Group.
- The Scrutiny Committee would be looking at Motion 583 Protecting Rivers and Seas, where there may again be overlaps with Planning and the Environment PDG. – This PDG may want to look at that motion.
- Do we want to have a specific managing process as a specific focus group on ensuring that we can deliver net zero by 2030? The Climate and Sustainability Specialist said that this information was already included within the report that he would produce for each meeting of the PDG.
- Strengths and obligations on biodiversity net gains – The Climate and Sustainability Specialist responded that there are two main elements. Firstly the obligation for a 10% minimum biodiversity net gain on new developments. Local Authorities if they wish, could write in a higher obligation. Secondly nature conservation and enhancement of biodiversity – Government though the Environment Act 2021 requires plans to set out what local authorities will do and how – the Council needs to set some targets etc. The Climate and Sustainability Expert will pull a report together over the next six months.

The following areas were added to the Work Plan for this PDG:

- Garden Waste (the Corporate Manager for People, Governance and Waste will provide an update at the August PDG meeting)
- Renewable and Alternative Energy, Energy Efficiency including Community Energy Projects
- Green Standards in Planning
- Nature Recovery and Conservation within Planning

(The meeting ended at 6.57 pm)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ENVIRONMENT POLICY DEVELOPMENT GROUP**
held on 15 August 2023 at 5.30 pm

Present

Councillors

M Fletcher (Chairman)
E Buczkowski, G Czapiewski, C Harrower, B Holdman,
J Poynton, S Robinson and G Westcott

Apologies

Councillor(s)

C Adcock, and B Fish

Also Present

Councillor(s)

D Broom, J Buczkowski, S J Clist, R Gilmour, L Taylor and
D Wulff

Also Present

Officer(s):

Andrew Jarrett (Deputy Chief Executive (S151)), Matthew Page (Corporate Manager for People, Governance and Waste), Jason Ball (Climate and Sustainability Specialist), Darren Beer (Operations Manager for Street Scene), Luke Howard (Environment and Enforcement Manager), Andrew Seaman (Member Services Manager) and Angie Howell (Member Services Officer)

13 **APOLOGIES AND SUBSTITUTE MEMBERS (03:50)**

Apologies were received from Cllr C Adcock and Cllr B Fish.

The following Cllrs attended via teams:- Cllr G Duchesne, Cllr M Farrell, Cllr A Glover, Cllr S Keable, Cllr J Wright.

14 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (04:14)**

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

None were declared.

15 **PUBLIC QUESTION TIME (04:24)**

Questions were received from Town Councillor Sophia Beard, Castle Ward, Tiverton Town Council. The Chairman read out the following questions:-

In respect to your proposal to cease side waste collections from the 1 October 2023:-

Question 1

Please provide a detailed account of how this will be communicated to the wider public, including highlighting of your plan to reach those in the community for whom English is not their first language.

Answer

A wide variety of media would be used to include Press Releases, Social Media, Potential Posters. There is a google translation that is accessible on our website.

Question 2

How are you justifying giving less than 2 months notice of this significant change to policy?

Answer

We should not be collecting side waste as part of a 3 weekly scheme as it defeats its purpose. We made it clear before introducing 3 weekly collections that the collection of side waste was a temporary measure and that all residual waste should be placed in the black bin.

Question 3

What consultation has been undertaken with the Town and Parish Councils in the district in respect of the implementation of your proposals?

Answer

We spoke with Cullompton Town Council before 3 weekly collections were introduced and also regularly speak to other Town and Parish Councillors around arising issues. We have continued to offer meetings and have also gone into certain different areas and proactively talked to residents around these issues.

Question 4

What consultations and collaborative working can you evidence has taken place with grassroot organizations on this issue for example Sustainable Tiverton, Tiverton Town Centre Partnership and their counterparts in the district?

Answer

We have worked with these organisations where appropriate according to the nature of the issues eg grass and hedge cutting, maintenance of town centre open spaces. We are willing to work with groups on increasing our recycling rates and cement best practice.

Question 5

How will you inform residents as to why the side waste left on pavements has not been collected? (assuming that they have not received your pre-implementation communications?)

Answer

Our Collections team have already been labelling both recycling and garden waste that has not been put out for collection properly over previous months and education has been invested in through the appointment of Recycling Officers. As you heard about in the last item the Environment Enforcement team have tackled the more serious waste offences including fly tipping. This will continue.

Question 6

What are you expecting residents to do with the additional side waste not collected (ie. Hold it for an additional 3 weeks?)

Answer

Ask them to put it into the black bin (and if capacity is an issue we look at that with them). Ultimately we would target problem areas for education through site visits and subsequent enforcement as we currently do so.

Question 7

Under the Equalities Impact Assessment, how will this change in policy effect residents who currently benefit from the assisted collections policy, will you be leaving their side waste also?

Answer

Again we would work with the residents on their needs and if capacity is an issue we would address it with them.

Question 8

Under the Equalities Impact Assessment, what considerations will be made for residents residing in HMOs, flats and properties with no outside in the implementation of this proposal if it goes ahead?

Answer

We would work with the residents on their needs and if capacity is an issue we would address it with them. We are also working with town centre landlords to look at appropriate solutions and if more want to come and talk to us they can do so.

Question 9

With regard specifically to Tiverton Castle Ward, given that the Town Centre has a larger concentration of HMOs, flats and properties with no outside space, how will you support the Town Centre Businesses who will be adversely effected by the implementation of this policy where it leaves the uncollected side waste outside trading premises, creating a negative impression of the town centre as it prepares for the Christmas season.

Answer

We regularly patrol town centre spaces and car parks to identify potential problem areas and where we require either additional education, enforcement or ad hoc waste collections we implement this. So this is already in hand.

Question 10

How do you envisage the policy working in the post Christmas period where additional waste is likely to be created combined with the addition of bank holidays, will you still implement no side collections during this period into January 2024?

Answer

We would look to be more flexible in the post-Christmas period regarding additional waste as this is always a challenging time.

Hilary Tosdevin

Question 1

Would like details of who has been consulted regarding the Devon Carbon Plan.

Answer

It was explained that 70 people were randomly selected and it was discussed over 4 weekends. All information could be seen on the Devon Climate Website.

The Chairman also indicated that a written response would be provided.

James King

Question 1

Cost of net zero plans - shows £170m for net zero projects. My concern is what is that money going to be spent on? Strongly believe it could be invested to make the community a 15 or 20 minute city. Tiverton seems to be shutting down quickly. Money could be better spent in developing the town rather than increasing car park charges.

Answer

All projects though up are estimates. Most are projects that the Council wouldn't be leading on or funding. A breakdown will be provided. Mid Devon District Council would welcome any suggestions.

It was also indicated by the Chairman that a written response would be provided.

Elizabeth Anne

Question 1

Does council know the following?

The human and environmental suffering involved in EV/ green component mining i.e. lithium and cobalt, 300 year damage to the local water supply, human slavery and child labour. Shipping companies are starting to ban EVs because of the fires that can't be put out. UK companies have banned their use on trains and buses.

Question 2

Has Devon Fire Service been consulted with regard to management of toxic run off from EV fires?

Question 3

Have you individually independently researched this whole net zero carbon neutral narrative? Should you choose to continue with this extreme plan? Remember we are mostly carbon!

I am requesting a public forum where Council can evidence their climate data and their claim of a *man-made* climate emergency, because half an hour is not sufficient time.

Most people don't know the full extent of the Net Zero plans. Few have read the Absolute Zero, C40 Cities & IPCC reports and are blissfully ignorant of how much our lives will radically change if recommendations go ahead.

A few examples from these reports;

By 2030, UK airports close except Heathrow, Glasgow and Belfast, which close by 2050. By 2030, 50% less lamb and beef production... had *you* noticed we're being conditioned to eat insects? Industries destroyed, limited employment.

Petrol and Diesel completely phased out by 2050, but don't worry, you'll have a rather generous 3 item clothing allowance per year!
And so it goes on.

If you expect the public to willingly go along with losing our entire way of life, our livelihoods and our freedom and being impoverished, for generations, then you absolutely must *conclusively* prove it's necessary. Anything less is unconstitutional.

And evidence not just using cherry picked data the, zero authority IPCC put out. Full chart data showing everything, including the inconvenient ice core sample data which shows CO2 levels over 5 times greater than they are now with much higher global temperatures, with no detriment to the planet. CO2 is in fact a gas of life and at 0.04% of the atmosphere. The science community is not settled on this narrative, thousands of scientists have been silenced and threatened to not speak.

I'm not a climate change denier, she is alive so will evolve and change. The onus is on council to *prove* these effects are man-made and a disaster/emergency.

From your agenda today

“Legal Implications: Full Council declared a Climate Emergency in June 2019”.?
Excuse me how is that legal?

Question 4

Can council confirm the constitutional basis by which either they, or central government (both organizations made by the people) may act in any of these respects?

All I can find is on 1st May 2019 uk gov passed a non-binding motion to declare a climate emergency. All that is, is an opinion it has no legal binding and never lawful binding. It could not be voted on as it would be unconstitutional to every man woman boy and girl of the land.

The Chairman indicated that a written response would be provided.

Les Tosdevin

How can you communicate the Council's plans to the 86% of voters that did not vote?

The Chairman indicated that a written response would be provided.

16 **MINUTES OF THE PREVIOUS MEETING (33:24)**

The minutes of the previous meeting, held on 20 June 2023, were approved as a correct record and **SIGNED** by the Chairman.

17 **CHAIRMAN'S ANNOUNCEMENTS (34:11)**

The Chair encouraged all members to share any ideas for this PDG to address and look into where possible.

18 **CABINET MEMBER FOR ENVIRONMENT AND CLIMATE CHANGE UPDATE (34:47)**

The Cabinet Member for Climate Change addressed the Group. She hoped the report would answer the questions raised and explained that the science had existed for several decades and should not deter us from delivery. This was an international problem as well as a local problem.

Following this the group had before it, and **NOTED**, a "report from the Climate and Sustainability Specialist giving an update on the Climate Action Plan (CAP) and the wider Climate and Sustainability Programme.

The contents of the report were outlined as followed:-

- There were several updates and milestone transformational projects that had been implemented such as at leisure centres and community outreach projects that had been celebrated across Mid-Devon.
- Some of these had made the local press and social media such as the wildlife gardening, wildlife recovery projects and green spaces.
- A summary of our carbon footprint report which showed that progress was not as good as the Council would like.
- The report showed the figures and key points and how we could focus and prioritise actions looking at budgets and what we could afford to do.
- Good positive tangible progress had been made that the Council could be proud of.

Consideration was given to:-

- Zed pods and whether they would have electric chargers for cars.
- The amount of emissions and to continue working to reduce this.
- To continue to improve recycling rates.
- The fly over in Tiverton and the impact of air quality.

Note: *report previously circulated and attached to the minutes.

19 ENVIRONMENT AND ENFORCEMENT POLICY UPDATE/REVIEW REPORT (42:28)

The Chair advised the Environment PDG that the title of this Agenda Item was incorrect and should read Environment and Enforcement Update and Review and that there were two reports under this item: the End of Year report and the Quarter One report.

The Group had before it, and **NOTED** a *report from the Corporate Manager for People, Governance and Waste which provided Councillors with an overview of the Environment and Enforcement service for the financial year 2022/23 – he introduced the report by advising the Environment PDG of the importance of the two reports to look at the action taken around issues such as fly tipping, abandoned vehicles and dog fouling and that there had been a real improvement and excellence over the last 12-18 months.

The Environment Enforcement Manager highlighted the following:-

- Schemes had been implemented to encourage members of the public to be more environmentally aware and encouraged to come forward and report incidents such as fly tipping, dog fouling and abandoned vehicles.
- The implementation of evening patrols of car parks had been undertaken as spaces were being occupied without permits.
- A health and safety introduction for District Officers had been made with a video camera which had shown to be effective as there were less confrontations with members of the public.
- There had been a uniform rebranding during the summer of 2022 for the District Officers who were now identified by wearing coloured vests - blue for car parking and red for environment duties.
- Visits to primary schools were being continued to raise awareness of environmental crime and to give advice.
- Clear procedure for interviewing people under Police and Criminal Evidence (PACE) conditions which is a legally recorded interview.
- Mid Devon County Council also lead on a Task Group made up of several local authorities as part of the 'Clean Devon' scheme to tackle fly tipping which would meet every six weeks to discuss problems in Devon and engaging with ways to tackle this as a collective group.
- The new electric fleet had been delivered and being utilised and hand held devices were being looked at.
- That a short report was due to be submitted to Parking and Traffic Regulations Outside London Joint Committee (PATROL_ for recognition regarding changes to parking service. This was an organisation that oversees car parking elements and if recognised we would receive an award.

In addition, the Group had before it, and **NOTED** a *report from the Corporate Manager for People, Governance and Waste which provided Councillors with an overview of performance from the Environment and Enforcement service during Quarter 1 of the financial year 2022/23. The Environment Enforcement Manager highlighted the following:-

- Statistics showed a strong improvement from last year.

- Cleaning inspections had shown a high proportion of highways and footpaths being graded as A or B.
- There had been several successful Fixed Penalty Notices issued to individuals for fly tipping.
- There had been a significant increase in the use of Ringo.
- The Street Cleansing Service had recently procured a walk-behind mechanical sweeper which had received positive feedback from the public.

Discussion took place regarding:-

- The grading on the report and what they represented.
- Ringo and how income was gained.

Note: *update previously circulated and attached to the minutes.

20 REVIEW OF BIN IT 123 SCHEME (01:37)

The Group had before it a report* from the Corporate Manager for People, Governance and Waste as to the Bin it 123 Scheme and the future Waste Service provision.

The contents of the report were outlined as followed:-

- The Council moved to a 3 weekly bin collection which was implemented in October 2022 to drive a lower carbon footprint.
- The report showed encouraging early signs with a 4.5% in recycling compared to last year.
- During the past 10 months the Council had been flexible with collecting side waste and the provision of extra bins and caddies though it was made clear that this would not be for the long term.
- Other Authorities had a zero tolerance of side waste and we also need to eliminate this.

The following was discussed:-

- The need to engage with members of the public and landlords to provide advice and support.
- The lack of space for some properties for waste to be stored before it is collected.

It was therefore **RESOLVED** to **RECOMMEND** to Cabinet:

1. To cease collecting side waste from 1 October 2023 and deliver a comprehensive communications programme in advance of this to minimise the need for enforcement.
2. To postpone the trial scheduled for 2023-2024 to allow for an evaluation of the effectiveness of the current scheme against the metrics of recycling % achieved, residual tonnage reduction, and overall cost to the Authority.

(Proposed by the Chairman)

Note: *Repot previously circulated and attached to the minutes.

21 **WORK PROGRAMME (01:58)**

The Group had before it their current work programme * for 2023/24.

The following was **AGREED** as needing to be added to the work programme for 2023/2024:

- The green standards in planning and information on how other local authorities put this into their work plan as residents had been sending examples of residential energy efficiency metrics.
- For waste to be an ongoing subject on the agenda.

Note: * Work Programme previously circulated

22 **QUARTER 1 POSITION AND FURTHER FINANCIAL TRAINING SPECIFIC TO THE PDG (02:00)**

The Deputy Chief Executive (S151) gave a verbal update on the Quarter 1 position and explained that the report was on a rolling quarterly basis to give the Environment PDG a finance performance update along with service delivery metrics and associated risks.

The presentation would be distributed to all members of the Committee with a request for any queries to be send directly to him.

Note: *report previously circulated.

(The meeting ended at 7.37 pm)

CHAIRMAN

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 13 June 2023 at 2.15 pm

Present

Councillors

C Adcock (Chairman)
J Cairney, M Farrell, A Glover, F W Letch, N Letch and
S Robinson

Apologies

Councillors

E Buczkowski and C Connor

Also Present

Councillors

D Broom, J Buczkowski, G Duchesne, B Holdman, J Lock
and D Wulff

Present

Officers

Simon Newcombe (Corporate Manager for Public Health,
Regulation and Housing), Paul Deal (Corporate Manager
for Finance), David Parker (Member Services & Policy
Research Officer) and Sarah Lees (Member Services
Officer)

1 **ELECTION OF CHAIRMAN**

RESOLVED that Cllr C Adcock be elected Chairman of the Homes Policy Development Group for the municipal year 2023/2024.

2 **ELECTION OF VICE CHAIRMAN**

Due to the fact that 2 Members of the Policy Development Group had sent apologies for the meeting and 2 were absent it was **AGREED** to defer the election of Vice Chairman until the next meeting.

3 **START TIME OF MEETINGS**

Due to the fact that two Members had sent apologies to the meeting, two were absent and that moving the start time to the evening may affect some Members attending Parish Council meetings later in the day, it was **AGREED** to defer a decision on the start time of future meetings until the following Policy Development Group meeting in August.

4 **APOLOGIES AND SUBSTITUTE MEMBERS**

Apologies were received from:

- Cllr E Buczkowski who was substituted by Cllr S Robinson.
- Cllr C Connor who was substituted by Cllr Matt Farrell.

5 PUBLIC QUESTION TIME

Paul Elstone asked the following questions in relation to the Leisure VAT refund, it was asked:

What the exact reason was for the Leisure VAT Refund, being repaid; who was refunding, to the Council, the Leisure VAT Refund; what period does the Leisure VAT Refund cover and had the Council actually received the Leisure VAT Refund.

In addition, Paul Elstone asked questions in relation to Zed Pod modular housing units, it was asked:

If the Council would provide a detailed breakdown of the £500,000 additional spend required for the Shapland Place and St Andrews Estate Modular Units referred to in the report.

If an explanation could be provided as to why these modular developments were taking so very long to complete and whether these completion dates were reliable given that not even the groundworks at St Andrews had been started.

If the Council could explain why these Zed Pod modules were seen as good value, when they cost considerably more than a conventional built home, needed more maintenance, had a shorter life expectancy and took longer to build?

If this Committee would fully investigate whether the revised module designs, at Shapland Place, met the Governments Minimum Floor Space Standards and the Building Regulation Overheating risk mitigation requirements.

It was confirmed by the officers in attendance that a written response would be provided and attached to the minutes of the meeting.

6 DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

Cllr A Glover declared a personal interest in that she lived in and rented a Council property.

7 MINUTES

The minutes of the meeting held on 21 March 2023 were **AGREED** as a true and accurate record and signed by the Chairman.

8 CHAIRMAN'S ANNOUNCEMENTS (00:05:00)

The Chairman had no announcements to make.

9 REVENUE AND CAPITAL OUTTURN REPORT (00:20:00)

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive presenting the Revenue and Capital Outturn figures for the financial year 2022/2023 for both the General Fund (GF) and Housing Revenue Account (HRA).

The contents of the report were outlined and a high level summary provided as follows:

- The outturn position on the General Fund showed a small overspend of £190k. This represented a good achievement given the current economic circumstances. The Housing Revenue Account showed a small underspend of £312k.
- Notable variances included a higher than expected staff pay award and higher levels of staff sickness than expected,
- The cost of living crisis had had a significant impact across the Council's finances.
- Reserves were still in a healthy position and the Housing Revenue Account (HRA) was in a strong position to support future investment in the Council's housing stock.
- The increasing cost of Homelessness provision was being offset by Government grants.
- The HRA variances related to staff vacancies, interests through investments, depreciation being higher than expected and the increase of material costs to maintain the housing stock.

Discussion took place regarding:

- The impact of staff vacancies would could lead to an increased risk of a drop in productivity. The biggest challenge at the moment was in recruiting people to the trades. The hope was to recruit locally wherever possible and ensuring the Council took on apprentices to grow its own workforce.
- A request to show plus's and minus's in separate columns in future.
- The new waste depot and the timescales involved in having it operational.
- The Right to Buy Scheme which was a legal requirement. The Council received a proportion of each sale which was used to invest back into the house building programme. That proportion had increased recently on a temporary basis under new flexibilities recently announced by Government
- The revised Voids Management policy which now used a new measure related to turn around time. When a property became a void it often provided an opportunity to deal with damage caused by the previous tenant, modernise a property or hold it for redevelopment. The new overarching target within the policy that 97% of the Council's stock was occupied at any one time was highlight.
- A request to see data which showed how long a property had been void for. The next item on service delivery and future performance reporting (including voids) was highlighted
- Zed Pod buildings as with all other residential new-build property had to comply with building regulations. These specific building were also highly insulated beyond minimum requirements so retained warmth in the winter whilst being cool in the summer.
- The complexities involved in trying to show how many Tenants, who were in rent arrears, were still waiting to receive benefit claims before paying their rent.

It was requested that the Group receive background information in relation to Voids Management at the next meeting.

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

10 MID DEVON HOUSING SERVICE DELIVERY REPORT (00:50:00)

The Group had before it, and **NOTED**, a report * from the Corporate Manager for Public Health, Regulation and Housing providing a quarterly update to Members on enforcement and other activity undertaken by Mid Devon Housing and provides a summary of the final Q4 and outturn for 2022/2023.

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

- Mid Devon Housing was entering into a new a consumer led regulatory regime with 22 key performance indicators relating to tenant satisfaction and which needed to be reported on. These measures included a combination of hard information and perception surveys.
- Only a small proportion of tenancies reached the formal eviction phase. Ward Members were invited to attend eviction panels and could act as an advocate for a tenant should they wish.

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

11 MID DEVON HOUSING ANTI-SOCIAL BEHAVIOUR POLICY UPDATE (01:04:00)

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing. Under the Neighbourhood and Community Standard, The Regulator of Social Housing (RSH) requires all registered providers to publish a policy setting out, how in consultation with their tenants, they will maintain and improve the neighbourhood's associated with their homes. Registered suppliers are required to publish a policy on how they work with relevant partners to prevent and tackle Anti-Social Behaviour (ASB).

The contents of the report were outlined and the following highlighted:

- This was a refreshed policy which set out how MDH worked with partners.
- Representatives from this Policy Development Group had joined with the Community PDG working group on ASB in 2022, and the housing team had worked hard with this group together with consulting tenants and key partners in updating the policy.
- There were challenging issues around, drug trafficking, county lines and the targeting of vulnerable individuals.
- There had been revised guidance from the Housing Ombudsman and a new Tenant Satisfaction Measure for TSM defining what ASB is and how it should be measure taken account in the updated report. An example being how a neighbourhood boundary dispute is no longer classified as ASB.

Discussion took place with regard to:

- The Housing officers and previous working group were thanked for the work they had undertaken to produce such a detailed and important piece of work.
- Currently there were enough powers and tools to enable officers to deal with anti-social behaviour on Council housing estates but this ability relied heavily on being able to liaise closely with other agencies such as the Police.

- There would always be some anti-social behaviour and it was important to remember that there were complex issues involved.

RECOMMENDED to the Cabinet that the updated Anti-Social Behaviour Policy, Statement, Procedures and Equality Impact Assessment contained in Annexes A,B,C & D respectively be adopted.

(Proposed by Cllr F Letch and seconded by Cllr S Robinson)

Reason for the decision

The Council is required, under Section 12 of the Anti-social Behaviour Act 2003, to prepare a policy and procedure on ASB and to publish the following documents:

- Statement of policy on ASB;
- Statement of procedure on ASB;
- Summary statement of current policy and procedures on ASB

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

12 **MID DEVON HOUSING COMPLAINTS HANDLING ANNUAL REPORT 2022-2023**
(00:01:17)

The Group had before it, and **NOTED**, a report * from the Corporate Manager for Public Health, Regulation and Housing presenting the Mid Devon Housing Complaints Handling Annual Report for 2022-2023.

The following was highlighted within the report:

- A whole new approach to the handling of complaints came about as a result of the Grenfell disaster. The Corporate Manager welcomed the greater transparency now needed which necessitated a lot of detailed reporting under the Housing Ombudsman Complaints Handling Code setting out how the Council needed to fulfil key criteria and comply with key tenant satisfaction measures.
- It was difficult to compare current complaint data with previous data as the whole regime had changed.
- Currently the Council upheld about a third of its complaints with only a very small number of those being referred to the Ombudsman. Lessons to be learnt were properly captured and acted upon under the Code as set out in the relevant Annex.

Discussion took place with regard to:

- The increased administrative burden upon staff and the effect upon their morale.
- There was some correlation between the numbers of repairs and complaints.
- The aggressive practices of some claims companies in relation to disrepair claims arising from complaints
- All the regulatory changes placing greater burden on private landlords and potentially having a negative impact on the availability of private sector housing leading to social housing pressures

- The neighbourhood walkabouts with Ward Members were greatly appreciated and offered a good opportunity to get to know the area. They also provided an opportunity to identify problems sooner than might otherwise have been the case.

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

13 PRESENTATION ON THE HOMES FOR UKRAINE SCHEME (01:42:00)

The Group received an update, by way of presentation, on the Homes for Ukraine Scheme. This included the following information:

- Background to the scheme
- Scheme details
- Local Authority Statutory Role
- Short / medium / long term requirements
- Wraparound support
- Specific MDDC support and initiatives
- Using the voluntary sector
- The number involved both overall and current
- The Local Authority Housing Fund
- Homelessness Prevention Grant
- Managing local risks
- The future and looking ahead.

Discussion took place regarding:

- The team were to be congratulated for providing this support on top of all their other work.
- Operating the scheme had enabled the Council to pilot some initiatives which looking ahead may work more broadly.
- The willingness of the UK people to open their doors was key to the success of the scheme.
- The support needed and given to the refugee community generally.
- If people were given the opportunity to work there were benefits not only to them but also the local and wider communities.

14 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (02:35:00)

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

- Background information in relation to Void Management
- A work programme for the Group for 23/24

(The meeting ended at 4.46 pm)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 8 August 2023 at 2.15 pm

Present

Councillors

C Adcock (Chairman)
J Cairney, C Harrower, F W Letch, N Letch,
H Tuffin, S Chenore and S Robinson

Also Present

Councillors

D Broom, E Buczkowski, J Buczkowski, M Farrell,
R Gilmour and S Keable

Also Present

Virtually

S Clist, A Glover, J Lock and D Wulff

Also Present

Officers

Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Claire Fry (Housing Services Operations Manager), Mike Lowman (Building Services Operations Manager), Dr Stephen Carr (Corporate Performance & Improvement Manager), Carole Oliphant (Member Services Officer), Angie Howell (Member Services Officer) and Sarah Lees (Member Services Officer)

15 **ELECTION OF VICE CHAIRMAN**

RESOLVED that Cllr S Chenore be elected as the Vice Chairman of the Homes Policy Development Group for the municipal year 2023/2024.

16 **START TIME OF MEETINGS**

It was **AGREED** that the start time of meetings for the remainder of the municipal year continue to be 2.15pm on Tuesday afternoons.

17 **APOLOGIES AND SUBSTITUTE MEMBERS**

There were no apologies for absence.

18 **PUBLIC QUESTION TIME**

No members of the public had registered to ask a question.

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

No interests were declared under this item.

20 MINUTES

The minutes of the meeting held on 13 June 2023 were approved as a correct record of the meeting and signed by the Chairman subject to the following amendment:

- Minute no. 9 – Revenue and Capital Outturn Report – 5th bullet point under ‘Discussion took place regarding’ – the last word corrected from ‘highlight’ to ‘highlighted’.

21 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements to make.

22 UPDATE TO MID DEVON HOUSING NEIGHBOURHOOD MANAGEMENT POLICY (00:11:00)

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing. Under the Neighbourhood and Community Standard, the Regulator of Social Housing (RSH) required all registered providers to publish a policy setting out, how in consultation with their tenants, they would maintain and improve the neighbourhood’s associated with their homes. This has been developed following an in-depth review of the policy in consultation with tenants and partner organisations.

The contents of the report were outlined with the following being highlighted:

- The requirements of the Regulator.
- The 22 new Tenant Satisfaction Measures (TSM’s), TM10 and TM11 being particularly relevant to Neighbourhood Management.
- Changes in the way the Government wanted some complaints recorded, for example, every day noise should not now be treated as Anti-Social Behaviour.
- The policy now provided clearer definitions of accountability in areas such as safety checks, risk assessments, pest control etc.
- Responsibilities in relation to seeking permissions for hanging structures and neighbourhood disputes, for example, had been tightened up.

Discussion took place regarding:

- The challenges involved in seeking tenant involvement particularly when tenants were ‘happy’ and did not have comments to make.
- A request that the tenant newsletter be circulated to the Policy Development Group Members.
- The problems associated with the communal areas of some housing estates where the properties were built decades ago when design standards were different and would not be chosen today.
- The time delay between an officer’s initial visit and an issue actually being resolved. It was acknowledged that teams were busy but the comments made would be fed back through operational leads.
- The number of Neighbourhood officers employed by the Council were within industry standards, however, this was kept under constant review.

- Neighbourhood teams worked in liaison with other services areas across the Council, such as Grounds Maintenance, as such, work needed to be co-ordinated.
- The key was 'communication' keeping everybody informed at each stage.
- Tenants needed to feel they were being listened to even if they received an acknowledgement but no immediate action.
- The benefits that the Apprenticeship scheme could bring, however, engaging with tenants was a demanding frontline role requiring a certain amount of 'resilience'.
- The benefit of employing officers who have or continue to be Council tenants. The same was true of serving Councillors.

It was suggested that an explanatory paper be brought to the next meeting setting out how Neighbourhood Management worked in reality.

RECOMMENDED to the Cabinet that the updated Neighbourhood Management Policy and Equality Impact Assessment contained in Annexes A and B respectively be approved.

(Proposed by Cllr F Letch and seconded by Cllr S Robinson)

Reason for the decision

Under the Neighbourhood and Community Standard, the Regulator of Social Housing (RSH) required all registered providers to publish a policy setting out, how in consultation with their tenants, they would maintain and improve the neighbourhood's associated with their homes.

Note: (i) * Report previously circulated.
(ii) Cllr A Glover declared a personal interest in that she was a Council tenant.

23 **BRIEFING ON VOIDS MANAGEMENT (00:50:00)**

The Corporate Manager for Public Health, Regulation and Housing and the Building Services Operations Manager provided the Group with a verbal update on Voids Management.

This included the following information:

- This was a complex area, often requiring difficult decisions to be made.
- An extensive review of the Voids Management Policy had been undertaken during 2023 and a revised policy had been approved by the Cabinet. A review of this policy would be undertaken by the Policy Development Group in the next 12 months.
- In reality 'a void' presented a critical, sometimes complex, asset management decision weighing-up cost efficiencies, opportunities, property safety or condition with loss of rent and maximising occupancy of our stock. It also required a balancing act of meeting the Council's legal obligations, strategic long-term goals and managing short-term pressures.
- 348 properties on the housing stock list were of the prefabricated variety, 10 towards the end of life.

- The historic approach and changes from two separate housing service areas to one amalgamated 'Mid Devon Housing' was explained. The service was working much more efficiently as a result.
- Trees and overgrown gardens were causing a lot of issues at the moment. Other challenges included all the sign off processes that needed to be completed before the keys to a previously void property could be handed over.

Consideration was given to the following:

- The challenges facing the service other than the cost and supply of materials which included an inability to fill staff vacancies in an industry where the Council paid less than the private sector.
- An additional challenge was the necessity to undertake compliance work in order to ensure the Council was not putting itself at legal risk. This often had to take priority over voids.
- How the number of days a property was vacant was calculated.
- New legislation in relation to fire doors and the impact of this on supply times.
- The difficulties involved in trying to undertake works or upgrades when the tenant was in place.
- Access was difficult in some cases, the Council needed good grounds to request access, for example, to check gas safety arrangements.
- The service sometimes had to deal with tenants who had a lot of complex issues.

24 MDH SERVICE DELIVERY UPDATE (01:42:00)

The Group had before it, and **NOTED**, a report * from the Corporate Manager for Public Health, Regulation and Housing setting out the performance and headline activity of the Mid Devon Housing (MDH) service for the first quarter (Q1) of 2023/24 using the updated reporting framework agreed at the previous Homes Policy Development Group meeting.

Discussion followed with regard to:

- This was a rolling report brought to the Group every quarter and now included the new Tenancy Satisfaction Measures. This was a new requirement and as such there was currently no data to compare with. Going forwards, it would be helpful to see how Mid Devon District Council compared with other similar rural authorities.
- Overall performance was quite strong. The service was not where it wanted to be in terms of voids targets but it needed to prioritise tenant safety over everything else, for example, a heating repair. Despite this, 98% of Council properties were currently occupied.
- Leasehold arrangements had been tightened to ensure gas safety checks were as robust as they could be.
- The Council had complied with the detailed Housing Ombudsman Complaints Handling Code and there was a new Tenant Satisfaction Measure (TSM) measuring tenant satisfaction would how complaints are handled. This TSM was a challenging one to assess and benchmark since whilst a tenant might be content that their complaint had been dealt with well, they may still unhappy about having to make a complaint in the first instance.

- Again, staff vacancies were an issue since potential applicants could be paid more in the private sector.
- The Regulators actively encouraged tenants to make complaints in the light of Grenfell.
- Of course it was the case that tenants were listened to but the Council also had to ask questions in relation to upgrades. There was a planned cycle of maintenance and unfortunately it simply was not possible to action low priority ad-hoc requests for upgrades. Any requests that compromised the safety of tenants would always be dealt with first, however, requests were considered on a case by case basis against the planned maintenance programme.

Note: * Report previously circulated.

25 **WORK PROGRAMME FOR 2023 / 2024 (02:00:00)**

The Group had before it their current work programme * for 2023/24.

The following was **AGREED** as needing to be added to the work programme for 2023/2024:

- An update on the Tenant Assistance Policy to the January 2024 meeting providing information on the use of Disabled Facilities Grants which had shown an underspend in recent years. This to include any links with Devon County Council.
- The first round of budget proposals to come to the September meeting as well as an update in relation to financial monitoring.
- Investigations would be undertaken to see if the Tenancy Inspection Policy could be moved from the planned November meeting to the September meeting instead.

Note: * Work Programme previously circulated.

26 **FINANCE AND PERFORMANCE UPDATE (02:14:00)**

The Corporate Manager for Finance, Property and Climate Change and the Corporate Performance & Improvement Manager provided the Group with a presentation on the financial and performance situation as it affected the Homes Policy Development Group which highlighted what the Group's responsibilities were in relation to monitoring the areas falling under its remit. Officers were particularly keen to receive feedback from Members on the new 'dashboard' showing financial and performance data for the Homes PDG.

The following was summarised:

- The basics in relation to local government finance.
- Net service expenditure and income streams.
- Budget by committee and the timetable involved.
- The Medium Term Financial Plan and how this facilitated budget reviews and shifts in focus to address local priorities.
- Future budget shortfalls which currently included a 10% budget gap for next year. The two main drivers for this were high inflation and lower government funding.

- The Group were requested to approach budget monitoring with an open, independent mind, asking questions in relation to whether or not a service was delivering in the most cost effective way. It was also encouraged to study the metrics used on the dashboard so that it had a really good grasp of how the housing service was performing. Were the targets right for example? Following this, officers could further refine the dashboard.
- Quarter 1 budget variances were also highlighted.
- Debt collection rates were currently commensurate with the previous year, however, bad debt provision had been built into the budget to allow for the 'cost of living' crisis.
- There may need to come a time when some of the discretionary services were reduced.
- The Council did have reserves as a safety net, however, if used, they would need to be paid back.

27 IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (02:50:00)

In addition to the items already listed in the work programme for the next meeting the Group requested that it receive the following:

- A briefing on Neighbourhood Management.
- Financial monitoring and the first round of budget proposals for 2024/2025.

(The meeting ended at 5.08 pm)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **COMMUNITY POLICY DEVELOPMENT GROUP**
held on 27 June 2023 at 2.15 pm

**Present
Councillors**

S Chenore, C Connor, A Cuddy, A Glover,
B Holdman, H Tuffin, C Harrower, J Cairney
and M Farrell

**Apologies
Councillor(s)**

E Buczkowski and G Cochran

**Also Present
Councillor(s)**

D Broom, R Gilmour, J Lock and D Wulff and S Keable
(online)

**Also Present
Officer(s):**

Paul Deal (Corporate Manager for Finance, Property and
Climate Change), Lisa Lewis (Corporate Manager for
Business Transformation and Customer Engagement), Lee
Chester (Operations Manager Leisure Services), Angie
Howell (Member Services Officer) and Sarah Lees
(Member Services Officer)

1 ELECTION OF CHAIR (00:25)

RESOLVED that Cllr B Holdman be elected as Chairman of the Community PDG for
the municipal year 2023/2024.

(Proposed by Cllr A Glover and seconded by Cllr A Cuddy)

2 ELECTION OF VICE CHAIR (06:04)

RESOLVED that Cllr C Connor be elected as Vice Chairman of the Community PDG
for the municipal year 2023/2024.

(Proposed by Cllr J Cairney and seconded by Cllr M Farrell)

3 CONFIRM START TIME OF MEETINGS (08:03)

It was **AGREED** that the start time of meetings for the remainder of the municipal
year continued to be at 2.15pm.

4 **APOLOGIES AND SUBSTITUTE MEMBERS (08:30)**

Apologies were received from Cllr G Cochran - Cllr M Farrell attended as his substitute and Cllr E Buczkowski – Cllr J Cairney as her substitute.

5 **PUBLIC QUESTION TIME (09:03)**

Nick Quinn – local resident

A long term court case has ended with the agreement that payments for Council Leisure Sessions are VAT free.

Your Finance Officers are in the process of claiming a refund of the overpaid VAT on Leisure sessions, going back to 2011.

An estimate of the amount being claimed is shown on the Corporate Management Table, on page 28, of your papers, where there is an entry for “Corporate VAT Refund” (under 'Major Changes to Income Levels').

The total shown is £2,998,700.

There will, no doubt, be debates over how this Leisure Refund is used, if it ever arrives, but my question relates to whether this Community PDG wishes to consider how the removal of this VAT requirement should affect Leisure session payments.

As Cllr Holdman might remember, in November 2022 after excluding the public, the previous Community PDG voted to give away its delegated authority to set the Leisure Pricing Strategy, for the remainder of 2022 and for 2023/2024, to the Cabinet Member for Community Wellbeing.

But, there is no longer a Cabinet Member for Community Wellbeing and the removal of VAT will produce a significant (20%) reduction in session prices.

My question is: In the light of the change in Cabinet responsibilities and the removal of the requirement to charge VAT on Leisure sessions, will this Community PDG consider taking back the responsibility for the Leisure Pricing Strategy and the setting of Leisure Session Charges?

It was confirmed that a written response would be provided and attached to the minutes of the meeting.

6 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (13:39)**

There were no declarations of interest received.

7 **MINUTES OF THE PREVIOUS MEETING (13:56)**

The Minutes of the Meeting held on 28 March 2023 were **NOTED**.

8 CHAIRMANS ANNOUNCEMENTS (14:34)

The Chairman thanked the two outgoing Chairmen – Cllr Mrs C Daws and Cllr Mrs M Squires for all their time and effort working on this Policy Development Group (PDG) over the last four years. He also hoped to bring in some constructive policies moving forward.

9 REVENUE AND CAPITAL OUTTURN REPORTS FOR 22/23 (15:45)

The Group had before it and **NOTED** a report* presented by the Corporate Manager for Finance, Property and Climate Change which provided Members with the Revenue and Capital Outturn figures for the financial year 2022/2023 for both the General Fund (GF) and Housing Revenue Account (HRA).

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

- This was an historic report for noting which showed the outturn achieved for 2022/2023.
- Outturn position for the General Fund was an overspend of £190,000 and for the Housing Revenue Account an underspend of £312,000 – both were considered good achievements in the relevant economic circumstances.
- There were variances to note – the cost of living crisis which had had an effect on staff pay. Much higher staff turnover and sickness in the year 2022/2023 which resulted in higher staffing costs. Additional grant payments have been awarded such as the Home for Ukraine Scheme and also had to account the VAT refund which was currently being audited by HMRC.
- There were 4 services that report through this PDG
 - i) Customer Services which had an underspend due to staff vacancies
 - ii) Public Health – significant amounts of grant funding for Homes for Ukraine Scheme and some funds had rolled forward and were earmarked for reserves in 2023/2024.
 - iii) Planning - there was an additional grant income – £180,000 feasibility works on Junction 28 and Section 106 Air Pollution earmarked for 2023/2024.
 - iv) Leisure Services had shown an overspend. The Salix funding trying to decarbonise Leisure Centres was slippage in terms of maintenance work. Income remained lower than budget.
- Capital outturn position the bulk of this was leisure spend and the Salix project. A considerable achievement largely on budget and timeframe and benefits would be seen shortly being brought into the two Leisure Centres and would make a significant difference to the carbon used on these sites as well as a significant financial difference.
- A lot of the capital programme was not planned for 2022/2023 as it spanned over a number of future years.
- Bidding for a grant for Culm Valley Leisure Centre was also underway.

The following was discussed by the Committee:-

- Welfare of staff to ensure retention. The Performance Report was due to go to Cabinet on 4 July 2023.
- It was commented that the Council should be applauded for having the foresight to go ahead and make these changes at the Leisure Centres to keep costs down for our residents.

Note: *Report previously circulated.

10 **COMMUNICATION AND ENGAGEMENT STRATEGY (31:12)**

The Group had before it a report* presented by the Corporate Manager for Digital Transformation and Customer Engagement with the revised Communication and Engagement Strategy and accompanying Media and Social Media Policy and highlighted the following:

- The report was a review of the Policy which took place every 2 years and this Group was being asked to recommend to Cabinet the revised content of the Strategy and the Policy.

It was therefore **RECOMMENDED** to the Cabinet that the content of the revised Communication and Engagement Strategy and Media and Social Media Policy be approved.

(Moved by the Chair).

Reason for decision: As set out in the report.

Note: *Report previously circulated.

11 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING 33:27)**

The following items were identified by the Group for items to be brought to the next Meeting:-

- Leisure Pricing Strategy and VAT
- Vulnerability Statement – the Corporate Manager for Digital Transformation and Customer Engagement would bring a report for discussion at the next meeting.
- Customer Service Front Desk – the Corporate Manager for Digital Transformation and Customer Engagement would bring a report to the next meeting to outline the current usage of customer services for calls and how the Council's services were utilised. It would also include a Community Survey.
- Climate Emergency – a standard item for the Environment PDG, the Corporate Manager for Finance, Property and Climate Change would look into arranging a briefing for this Group.

(The meeting ended at 14:56pm).

CHAIRMAN

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **COMMUNITY POLICY DEVELOPMENT GROUP** held on 22 August 2023 at 2.15 pm

Present

Councillors

B Holdman (Chairman)
D Broom, G Cochran, C Connor (Vice Chairman), A Cuddy,
R Gilmour, H Tuffin, C Harrower and S Robinson

Apologies

Councillors

A Glover

Also Present

Councillors

J Lock, J Cairney and D Wulff

Present

Officers:

Maria De Leiburne (District Solicitor and Monitoring Officer), Lisa Lewis (Corporate Manager for Business Transformation and Customer Engagement), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Dr Stephen Carr (Corporate Performance & Improvement Manager), Jason Ball (Climate and Sustainability Specialist), Lynsey Chilcott (Customer Services Manager), Sarah Lees (Member Services Officer) and David Parker (Member Services & Policy Research Officer)

12 APOLOGIES AND SUBSTITUTE MEMBERS (0.03.47)

Apologies were received from Cllr A. Glover, Cllr R. Gilmour attended in her place.

Cllrs. E. Buczkowski, J. Buczkowski, L. Knight attended via Teams.

13 PUBLIC QUESTION TIME (0.04.11)

Mr Martin Freeman read the following statement in connection with Item 7 – Customer Service front desk and regarding opening hours for the MDDC Officers.

Mr Freeman ran a Building design business and quite often for most projects needed to make contact with the Council. He wanted to persuade the Council to open the offices for the whole of working week. He was glad with the new regime and perhaps breath of fresh air to have this opportunity to bring this to their attention. With regard to the Council access from a planning point, he made reference to the history of the relationship between the Council and the general public:

25 years ago there was no restriction, within reason, to access to the offices. During Covid part-time opening began. The Council has slowly but surely been divorcing itself from the public. He hoped the Councillors would see that the contact the general public has, has gone from what he would expect to a part time access arrangement. Since offices had been closed in Cullompton and Crediton, this HQ was the only access the people of Mid Devon have to the Council. The importance of the MDDC HQ - It was a one stop place for the public to get help with services and information from a friendly face for the benefit of the people of Mid Devon as whole for the whole working week. The offices were part of the prestige of the town.

Due to working remotely, the work flow for creative and constructive Ideas wouldn't be happening and not very efficiently (he knew this from his own experience). He mentioned it made it more difficult for the general public to access services, help and information (that the Council had to provide for legal reasons). He said one couldn't have a public service without seeing the public. Mr Freeman queried what was the knock on effect? Some bright spark might come up with the idea the offices may be used as a mini market or eight to late shop!

Mr Freeman brought his statement to a close by saying: As he laid out, the opening hours need to be reinstated for the benefit of all the inhabitants of Mid Devon.

14 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0.10.57)**

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

15 **MINUTES OF THE PREVIOUS MEETING (0.11.08)**

The Minutes of the Meeting held on 27 June 2023 were approved as a correct record and **SIGNED** by the Chairman.

16 **CHAIRMAN'S ANNOUNCEMENTS (0.12.11)**

The Chairman requested that members continue to come up with ideas for the work plan so that the committee could be as fruitful as possible.

17 **VULNERABILITY STATEMENT (0.13.07)**

Lisa Lewis (Corporate Manager for Digital Transformation and Customer Engagement) brought the statement* to the committee at the request of the PDG to help them better understand how the Council deal with customers with vulnerabilities. The report made reference to other policies which detailed how service/practice was amended in light of vulnerability. Appendix 1 gave a list of possible vulnerabilities.

The Corporate Recovery Policy and the Mid Devon Housing Vulnerability Policy detail amendments to council practice in light of some vulnerabilities. The Customer Care Charter and the Council Safeguarding Policy are due for review Autumn 2023 and amended as appropriate with further information around vulnerability.

The report was welcomed and noted the Care Leavers Council Tax Exemption Scheme. It was suggested that the Council should look at its relationship with other groups on the list such as CAB, CHAT, and those helping Refugee schemes and how MDDC could help them.

It was **AGREED** to add "The Council's relationship with other Agencies" to the Work programme.

It was commented that those with learning disabilities and those with what might be called learning difficulties do not want to see themselves included in the same group and so could separate groups be made. It was also suggested that Asylum Seekers and Refugees also be added to the list and that "Late term pregnancy" be changed to "Pregnancy". It was also suggested that at the end of the list there should be a statement that this was not an exhaustive list. The Committee **NOTED** the Vulnerability Statement.

Note: *report previously circulated and attached to the minutes

18 CUSTOMER SERVICE FRONT DESK (0.24.17)

The Corporate Manager for Digital Transformation and Customer Engagement brought the Customer Service Front Desk Report* to the Committee.

The Corporate Manager for Digital Transformation and Customer Engagement highlighted the following:

- Phoenix House opening times to the public and that customers can contact by telephone to arrange a face to face appointment at an alternative time if required.
- The telephone contact centre is available Mon-Thu 08:30-17:00 and 08:30-16:40 Friday. That the Council Offices were open and Officers were available via the telephone and on-line between 9.00am and 5.00pm Monday to Friday.
- Before the Covid Pandemic the footfall was reducing exponentially every year and that access to the officers via telephone and on-line was generally preferred by customers, she pointed out that the available face to face appointments were not being filled. At no time did the Council want to reduce the level of service to the customer but resource was channelled as dictated by customer behaviour.

The following was discussed:

- That members of the public don't pre-plan their conversations with the Council and that Councillors' anecdotal experience was that members of the public do want face to face meetings with officers of the Council.
- A councillor had witnessed three people trying to access the Council building including a young lady who had been sent to the Council Offices having just been evicted.
- If the reduced hours for physical access to the building had to stay in place could the closed day be moved to a Friday as it was clear that there were more Council Officers in the building on a Wednesday, the day the building was closed, and less on a Friday when many Council Officers worked from home.
- Could Staff manning the front desk be able to deal with any on-line queries from that position so that when there was no-one to deal with, their time could be utilised. The Corporate Manager for Digital Transformation and Customer Engagement commented that it wasn't possible to access some of the work from the front desk but that that issue was being looked at.
- When the offices were closed that there be an intercom facility at the front door for members of the public to speak with an officer and where necessary an officer could arrange for someone to open the door for that customer.
- That if the face to face appointment cost as little as the report stated it did at paragraph 3.4 then members of staff should have their pay increased.
- That whilst looking at Customer Engagement the issue of staff safety and security should be considered as there was no available "panic button" and no direct-line to the police – at the moment a member of the customer services team had to call the police.
- The Corporate Manager for Income, Revenues Benefits, Recovery and Leisure commented that his team had run some very large claim schemes paying our very

large amounts in total to those in need and that all of the schemes have been administered on-line and by phoning and writing to customers using a flexible policy to accommodate members of the public. They were now administering the “Housing Support 4 Fund” and again it was all on-line and was evidence that the Council’s customers were very able to access the services by phone and on-line.

- How customers were looked after when they entered the building – were they offered a glass of water for instance. The Corporate Manager for Digital Transformation and Customer Engagement replied that most customers were seen by appointment and that they were seen within 15 minutes and so that was not necessary.

Regarding the Mid Devon Community Survey, it was asked why 644 people abandoned the survey before they had finished. The Corporate Manager for Digital Transformation and Customer Engagement replied that the survey was possibly too long and lessons had been learnt for the future. The survey was about the various methods members of the public used to access council services and there was a lot of repetition so it was necessary for the exercise. In future surveys would be shorter taking just a few minutes to complete. It was suggested that there could be an option at the end for those wanting to continue with a longer survey.

The Chairman said that he was minded to set up a working group to consider how the opening hours were affecting vulnerable customers. The Councillors who agreed to sit on the working group were: Cllr B Holdman, Cllr G Cochran, Cllr A Glover and Cllr C Harrower.

The Committee **NOTED** the Customer Services Briefing Report.

The Committee **NOTED** the Customer Services Briefing Report.

Note: *report previously circulated and attached to the minutes

Note: The Chairman would like the working group to meet on Friday 15th September 2023.

19 **REGULATION OF INVESTIGATORY POWERS ACT (0.53.28)**

The District Solicitor and Monitoring Officer gave a verbal report that within the last year no applications had been made under this legislation.

20 **FINANCE AND PERFORMANCE UPDATE AND TRAINING* (0.54.14)**

The Corporate Manager for Finance, Property and Climate Change and the Corporate Manager for Performance and Improvement gave a verbal update and some further training designed to provide greater clarity on the financial responsibilities falling within the remit of the Community Policy Development Group.

Revenue is the Day to Day income and spend and Capital is any expenditure on anything that would last more than one year.

The Pressures on the Community PDG could be summarised as:

- Community Grants, and whether these continued to be awarded.
- Customer Services – CRM project – maximise benefits, channel shift
- Public Health – minimum regulatory requirements +
- Public Health – additional requirements from Govt – Homes for Ukraine
- Planning – the possibility of a recession
- Planning – enforcement
- Planning – appeals

- Leisure – inflation pressure in pay exceeding fee income increases
- Leisure – Swimming pools were loss making
- Leisure centre market position, should the leisure centres aim for high end or low end.

The Mid Term Financial Plan is a 5 year plan on a rolling basis which was refreshed annually. The Corporate Manager for Performance and Improvement had been developing these dashboards for six months and this would be the format how finances would be reported going forward.

It was asked if in future the previous quarter's figures could be shown. In reply The Corporate Manager for Finance, Property and Climate Change said that the figures were set against the outturn at the end of the year.

It was understood that the statutory spend as against the discretionary spend was about 70/30 and so it was asked if columns could be provided to show the statutory spend and the discretionary spend so as to concentrate minds on what could be changed and the Corporate Manager for Finance, Property and Climate Change said that he thought that would be a good idea.

Note *Presentation subsequently circulated to members of the PDG

21 **WORK PROGRAMME FOR 2023/2024 (1.25.30)**

The Group had before it, and **NOTED**, the *Community Policy Development Group Work Plan for 2022-2023. An update from the Customer Services Front Desk working group would be added to the meeting on 24th October 2023. The Leisure Policy and Pricing strategy would also be looked at the meeting on 24th October 2023.

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

22 **CLIMATE EMERGENCY (1.28.04)**

The Climate and Sustainability Specialist briefed the Policy Development Group as follows:

The Net Zero Advisory Group was to have its first meeting of the new administration on 22 August 2023. There were various subjects that crossed between Policy Development Groups (PDG's) but some of the areas that may be covered by the Community PDG were:

- Energy use at home
- Travel and Transport
- Food and Health
- Lifestyles

The Climate and Sustainability Specialist mentioned the transformation at the Leisure Centres – the Council will use less gas but more electricity but that electricity would be sustainable and would be supplemented by the solar PV being placed on the Leisure Centres.

The Carbon footprint of the Council has gone up over 2022/23 which was disappointing news. We can make a difference by careful selection of our contractors and selecting them bearing in mind their own carbon usage.

There was confusion over Carbon Action Planning – costs were huge and how they were funded matters – any project needed to be feasible and affordable. All possibilities needed to

be looked at so that Councillors could make decisions on an informed basis. Comments were made relating to the Cost –v- Prioritisation argument and the horror of some constituents of the reported spend of £117m on carbon action planning.

The Climate and Sustainability Officer commented that he totally understood that the Council should be careful of what or how information was presented to the public and that the figure mentioned included spending tens of years into the future. It was agreed that communication was key.

(The meeting ended at 3.54 pm)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 8 June 2023 at 5.30 pm

Present

Councillors

G Cochran, A Cuddy, J M Downes,
M Farrell, B Holdman, N Letch, R Roberts
and G Westcott

Apology

Councillor

B Fish

Also Present

Councillors

D Broom, J Buczkowski, S J Clist, F W Letch and D Wulff

Also Present

Officers

Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place), Matthew Page (Corporate Manager for People, Governance and Waste), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Luke Howard (Environment and Enforcement Manager), Adrian Welsh (Strategic Manager for Growth, Economy and Delivery), Zoë Lentell (Economic Development Team Leader), Linda Perry (Economic Development Officer), David Parker (Member Services & Policy Research Officer) and Sarah Lees (Member Services Officer)

1 **ELECTION OF CHAIRMAN (00:00:17)**

RESOLVED that Cllr J M Downes be elected Chairman of the Economy Development Group for the municipal year 2023/24.

2 **ELECTION OF VICE CHAIRMAN (00:07:26)**

RESOLVED that Cllr M Farrell be elected Vice Chairman of the Policy Development Group for the municipal year 2023/2024.

3 **START TIME OF MEETINGS (00:08:49)**

It was **AGREED** that the start time of meetings for the remainder of the municipal year remain at 5.30pm.

4 **APOLOGIES AND SUBSTITUTE MEMBERS (00:09:17)**

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

Cllr M Fletcher attended the meeting virtually.

5 **PUBLIC QUESTION TIME (00:09:32)**

There were no public questions.

6 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT (00:09:53)**

No interests were declared under this item.

7 **MINUTES (00:10:11)**

The minutes of the meeting held on 16 March 2023 were confirmed as a true record and signed by the Chairman.

8 **CHAIRMAN'S ANNOUNCEMENTS (00:10:48)**

The Chairman had the following announcements to make:

- He informed those present that he would be taking the Introduction and Overview item from the Economic Development Team after the financial outturn report.
- He stated that whilst the Policy Development Group did not have many statutory responsibilities it did have responsibility for maximising opportunities to improve revenue streams.
- He also reminded Members that the meeting was being recorded and the public would be able to access the recording during and after the meeting.

9 **REVENUE AND CAPITAL OUTTURN REPORT FOR 2022 - 2023 (00:17:00)**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive presenting the Revenue and Capital Outturn figures for the financial year 2022/2023 for both the General Fund (GF) and Housing Revenue Account (HRA).

The contents of the report were outlined and a high level summary provided as follows:

- The outturn position on the General Fund showed a small overspend. This represented a good achievement given the current economic circumstances. The Housing Revenue Account showed a small underspend.
- Notable variances included a higher than expected staff pay award, investments in schemes such as Bin-It 123, a significant VAT refund and an impairment of some loans to 3 Rivers. Despite this small overspend, reserves remained in a healthy position and amounts set aside for future planned capital projects remained untouched.
- Returns on interest rates had been higher than expected.
- It was confirmed that there was no further external borrowing requirement for this financial year.
- Regarding service areas that fell within the remit of this Policy Development, Parking Services showed a £40k over achievement on income and the Economic Development area had come in under budget caused by delays in incurring expenditure. Overall there were no particular issues to highlight from a financial position.

Discussion took place regarding:

- An underspend was showing against some projects as they had not fully got off the ground yet. This could be due to a number of reasons, for example, not being successful in being awarded the funding applied for, capacity within the team or procurement issues. However, it was still hoped that these projects could be brought forward as soon as feasible.
- Members were informed that the forum for discussing economic development growth principally took place at the Planning Policy Advisory Group, which all Members could attend.

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

10 **MID DEVON ECONOMY - INTRODUCTION AND OVERVIEW (00:30:00)**

The Group had before it, and **NOTED**, a report * from the Director of Place providing an introduction to Mid Devon's local economy, its current position including arising issues and opportunities.

The following was highlighted within the report and by way of presentation:

- The reporting structure of the team was outlined, officers introduced and the role of the function of the team explained.
- Key themes in the work undertaken included, Employment and Skills, Place, Infrastructure, Hi-Tech, Innovation and Green Energy, Agriculture, Food and Drink. It was explained that this Policy Development Group had been a key player in determining these themes as priorities for Economic Development.
- Examples of Growth and Infrastructure Projects were provided and the Shared Prosperity Fund was explained.
- The importance of 'Visit Mid Devon' and the Tiverton Pannier Market which were managed by the team were also highlighted as key areas of work.
- The team actively sought to engage and work with town councils to develop projects in their towns. Members were encouraged to talk to the team at any time about particular schemes, ideas or concerns.

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

11 **ESTABLISHMENT OF A CAR PARKING WORKING GROUP (00:47:00)**

The Group had before it a report * from the Environment and Enforcement Manager providing an update on the forming of a future Car Parking and Permit working group to consider potential future fee and tariff prices. The working group was designed to feed into potential future price increases and assist the consultation by involving the necessary personnel and local representatives from the District.

Consideration was given to:

- The process that had led to the proposal to set up a Working Group.
- The emphasis going forward would be to engage with local businesses and the community.
- The recommendations from the Working Group being a part of the budget setting process each year.

- The aim of the first meeting of the Working Group would be to set the Terms of Reference.
- It was explained that the Group would not only need to look at fees and charges but also, and importantly, amenity provision, demand and supply, availability of parking, discount policies, permits and payment options. There was much to consider in order to make better use of car parks for the public. This would need to be made clear in the Terms of Reference.
- Sustainable travel would be considered as a part of this but would also be picked up and promoted through other Policy Development Groups going forwards.

It was **AGREED** that three Members of the Policy Development Group would join the Working Group, each one representing the views of their town. These would be:

Cllr G Cochran (for Crediton) who volunteered to be Chairman
 Cllr A Cuddy (For Tiverton)
 Cllr M Fletcher (For Cullompton)

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

12 **MID DEVON'S PROSPERITY PROGRAMME: UPDATE (01:05:00)**

The Group had before it, and **NOTED**, a report * from the Director of Place updating Members on the progress under the Shared Prosperity Investment Plan (Year 1:2022/23) and informing them of the Year 2 (2023/24) Delivery Plan for Mid Devon's Prosperity Programmes.

Prior to discussion of the SPF the Group were provided with pertinent information by the Economic Development Officer in relation to types of employment in Mid Devon, the health of the high streets (which were continuing to suffer as a result of the pandemic), employment space and business growth hubs.

Following this the contents of the report were outlined and reference made to the following:

- The primary aim for the team was to make best use of a limited funding resource.
- The team had to be regimented in terms of what it could do as strict criteria was in place regarding funding.
- Many of the projects listed in the report were now in the delivery phase.
- Members of the Policy Development Group were encouraged to act as ambassadors in order to help promote these schemes.
- Recent significant success had included the creation of business hubs.
- Business support programmes were being run by Devon County Council and where there were opportunities to align the District Council's schemes with theirs the team ensured that they did.

Consideration was given to:

- The Policy Development Group had been proactive in the proposal of many of the projects listed in the report.

- It remain a key challenge of the Group to try and identify where economic opportunities existed.
- There was a significant need for ‘shovel ready projects’ as funding was often unexpected but needed utilising quickly according to strict criteria.
- Disappointment with the delay of receiving funding. The first tranche had been received late and the second had not been received yet.
- Members were encouraged to contact the team to understand how the SPF allocation worked within their areas.
- A lot of work had already been undertaken to prepare businesses in readiness for receive funds to grow their business, for example, getting three quotes in order to fulfil any procurement requirements.
- 25 businesses were due to attend a business launch event at Petroc the following day.

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

13 **ECONOMIC DEVELOPMENT TEAM UPDATE (01:20:00)**

The Group had before it, and **NOTED**, a report * from the Director of Place updating Members on activities undertaken by the Economic Development Team during the last quarter.

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

14 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:25:00)**

The items identified for the next meeting were **NOTED**.

A brief discussion took place regarding the reporting of the economic benefits brought about by the 3 Rivers company and whether this should be reported through the Economy Policy Development Group. It was explained that it may not be wholly appropriate for this to come through the Growth and Economic Development team and that the reporting of this would likely be taking place elsewhere.

Going forwards, the Chairman encouraged Members to bring forward ideas so that the team could be discharged to develop schemes and projects, where funding allowed, in order to improve the economic position of the district.

(The meeting ended at 6.58 pm)

CHAIRMAN

This page is intentionally left blank

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 3 August 2023 at 5.30 pm

Present

Councillors

J M Downes (Chairman)
G Cochran, A Cuddy, M Farrell (Vice Chairman), B Fish,
M Fletcher and R Roberts

Apologies

Councillor(s)

G Westcott

Also Present

Councillor(s)

D Broom, R Gilmour, B Holdman, S Keable and S Robinson

Present

Officer(s):

Richard Marsh (Director of Place), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Luke Howard (Environment and Enforcement Manager), Zoë Lentell (Economic Development Team Leader) and Andrew Seaman (Member Services Manager)

15 **Apologies and Substitute Members (00:03:46)**

Apologies were received from Cllr G Westcott who was substituted by Cllr M Jenkins

Cllrs J Buczkowski, S Clist, A Glover, F Letch, J Lock and M Fletcher attended the meeting via Teams.

16 **Public Question Time (00:04:16)**

There were no public questions.

17 **Declaration of Interests under the Code of Conduct (00:04:32)**

No interests were declared under this item. Members were reminded of the need to make declarations of interest where appropriate.

18 **Minutes (00:04:50)**

The minutes of the previous meeting, held on 8 June 2023, were approved as a correct record and **SIGNED** by the Chairman.

19 **Chairman's Announcements (00:05:23)**

The Chairman encouraged and welcomed ideas from Councillors that supported revenue generating opportunities for the Council.

20 **Car Parking Working Group Update (00:06:41)**

The Group received and **NOTED** a verbal update from the Chairman of the Working Group on car parking. The working group aimed to look at: the sustainability of car park; improved presence of the Council to user groups; development of redundant and zero revenue parking areas; future planning and community provision; revenue streams; tariff and permit options and Devon County Council (DCC) traffic management plans.

The following was discussed:

- Coach parking was important for the local area and should be included within the provision of the working group.
- A sensibly priced option for car parking, there were some cases where cars needed to move in the afternoon, this was particular to those who worked in Town and why an all-day option was needed.
- There was a need to look at long term stay parking and to encourage use of car parks. There was a need to promote options available to the public such as parking permits.
- That working group present the finance options report for the Economy Policy Development Group.
- It was raised whether there were flexible options for parking permits, there could be more flexibility, officers explained that communications had been made to make residents aware.
- Making residents aware of the options available was very important and needed to be clear.
- Whether there was an opportunity for parking overnight for motorised homes.
- The Chairman encouraged other Councillors to participate with the working group.

21 **Economic Development Team Update (00:22:47)**

The Group received and **NOTED** a report* which provided an update which provided members on activities undertaken by the Economic Development Team during the last two months.

The following was highlighted:

- Funding of £1m from the Shared Prosperity Fund (SPF) was received. £800k had also been allocated from the Rural England Prosperity Fund (REPF)

- Through the REPF grant schemes 16 applications of interest had been received with 11 meeting the necessary criteria. Work was being done to encourage others to apply.
- Town centre projects were being promoted with 6 projects undertaken, next round of applications were due to take place in October 2023.
- Promotion of the 'Field to Fork' scheme continued.
- Pilot of a walking festival was due to be launched in September 2024.
- Other local support activities that had occurred included job fairs, a recent event saw 22 employers participate and that the next job fair was due to place on 20 September.
- A shop survey had been undertaken in Crediton, Cullompton and Tiverton. Vacancy rates were: 4.3% for Crediton, 15.5% for Collumpton and 9.9% for Tiverton. The national average for vacancy rates was 13.8%.
- Footfall for Quarter 1 had exceeded pre-pandemic levels. The latest Visit Mid Devon Guide had been launched. Public engagement in schemes such as the 'Escape to Mid Devon was to be analysed.
- Visitor boards were due to be drafted for Bradninch and Bampton in September 2023.

The following was discussed:

- Asked how many responses there had been, it was confirmed that the Council received 40 responses from the consultation.
- Asked why there was not a pie chart for Cullompton it was explained by officers that this data was not available but could be gathered for the next Economy PDG meeting.
- That the shop vacancy rate in Cullompton was above average and that work had been undertaken through the heritage works. It was raised whether businesses were encouraged to set up within the Cullompton high street. Officers explained that a Project Officer was working on the long-term occupancy of shops within the Cullompton high street.
- It was noted that spaces along high streets needed to be utilised and that bigger retail units were struggling.
- It was asked if, for the Shopfront Enhancement Scheme there could be pie charts to show funds allocated and funds remaining.

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

22 Finance and performance update (00:44:58)

The Group were presented and **NOTED** a presentation was given by corporate manager for finance, which provided an introduction to finance as well as budgetary information which related to the Economy PDG's remit.

The Committee Members were given the opportunity to ask questions to which the Corporate Manager for Finance and the Director of Place answered accordingly.

23 Identification of items for the next meeting (01:37:52)

The following items were identified by the Group as needing to come to a future meeting:

- Junction 27 Update
- Viability of a Crematorium in Mid Devon
- Budget Options

(The meeting ended at 19:10)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **PLANNING COMMITTEE** held on 14 June 2023 at 2.15 pm

Present

Councillors S J Clist, G Cochran, F J Colthorpe, L J Cruwys, G Duchesne, M Farrell
R Gilmour, B Holdman, F W Letch and N Letch

Apologies

Councillors M Jenkins

Also Present

Councillors D Broom, G Czapiewski, S Keable, J Lock, S Robinson, G Westcott, D Wulff,
A Glover (online) and James Buczkowski (online).

Present

Officers: Angie Howell (Member Services Officer), Richard Marsh (Director of Place),
Maria De Leiburne (District Solicitor and Monitoring Officer), Angharad
Williams (Development Management Manager), Jake Choules (Planning
Officer), Sarah Lees (Member Services Officer), Christie McCombe (Area
Planning Officer), James Clements (Principal Planning Officer) and Michelle
Woodgate Devereux (Area Team Leader).

External

Officers: Michelle Woodgate (Devon County Council - Highways)

1 **ELECTION OF CHAIRMAN (0:00:20)**

RESOLVED that Cllr L J Cruwys be elected Chairman of the Planning Committee for the municipal year 2023/2024.

(Proposed by Cllr G Cochran and seconded by Cllr S J Clist)

2 **ELECTION OF VICE CHAIRMAN (0:08:46)**

RESOLVED that Cllr G Cochran be elected Vice Chairman of the Planning Committee for the municipal year 2023/2024.

(Proposed by Cllr G Duchesne and seconded by Cllr M Farrell)

3 **START TIME OF MEETINGS (0:10:55)**

It was **AGREED** that the start time of meetings for the remainder of the municipal year continued to be at 2.15pm.

Notes:-

- Cllr G Cochran wished to have noted that he voted against this decision.

4 **APOLOGIES AND SUBSTITUTE MEMBERS (0:14:28)**

Apologies were received from Cllr M Jenkins.

5 **PUBLIC QUESTION TIME (0:15:23)**

Members of the public attended the meeting and asked the following questions:-

Peter Drew in respect of Application No. 22/01209/FULL

The Officer's report discusses whether there is a 'planning betterment', but it fails to provide a balanced argument and does not address a point raised during consultation. That is why this question needs to be addressed now.

Members will note the planning history set out in the report. The livestock building has been erected and there is no dispute that it required planning permission because it is within the specified distance of my dwelling. However the storage building, which is the subject of a current application, is in my view permitted development. Officers have failed to respond to an outstanding complaint on this point prior to reporting the matter to this Committee as I had requested. If the Officers had properly assessed that issue in a timely manner then they should have found criterion (g), set out in the report, is not met such that the principle of a dwelling outside the settlement boundary is contrary to the local plan policy correctly cited by the Canal Joint Advisory Committee, who have not withdrawn their objection. The Officer's claim that the applicant can chose whether to apply under the prior notification process undermines the purpose of the legislation and is not supported by any case law.

Without prejudice to that view, when Class Q is invoked a range of restrictions are brought into play. Foremost amongst these is a preclusion on the erection of agricultural buildings on the farm unit for a period of 10 years. Moreover if the conversion of the barn took place under Class Q that would mean that other barns on the holding, such as the prominent barn on the highest land at Higher Town, could not be converted because the cumulative floorspace would exceed the threshold in the statutory instrument.

Whilst condition 7, as proposed in the Committee Report, reflects another restriction in the statutory instrument the Officers are being inconsistent in not imposing similar conditions to remove permitted development rights across the farm unit. In these circumstances, if betterment is genuinely to be shown, will Officers agree to the 2 additional conditions that I have suggested to them? If not, will they please explain their inconsistent approach, particularly in the light of the fact that there was never a legitimate agricultural need for 2 livestock buildings at the site?

Giles Fawssett in respect of Application No. 22/00067/MFUL

The last time I was asking a question here, about the Creedy Bridge development on the north side of Crediton, it was before the local elections. So what a dramatic change. Back then, it felt like no one was able to stop what our local plan calls "car-dependent estates where residents have little need or opportunity to relate to other parts of the town or to each other".

So looking at Wellparks, as I do when I cycle back from Exeter, what is the issue. Wellparks farm is at the eastern end of Crediton and of all the approaches to Crediton, Wellparks is the most visible site. The idea of building two commercial units in front of a historically important site is madness.

This key gateway view would be damaged. As our local plans puts it; "The prospect of dense and badly designed buildings on green field sites, compromising the town's landscape and setting, and generating traffic around the town raises concerns".

So while I support the housing, the commercial buildings would visibly be in the wrong place.

The Chairman noted that this was not a question.

Nick Hasted in respect of Application No. 22/00067/MFUL

Bearing in mind we now have a different group of politicians in control of Mid Devon: I would like to know what environmental demands are being asked of the developer in this proposal with respect to energy.

Will the houses have solar panels?

Will central heating be based on heat pumps instead of gas?

If the answer is no, then is Mid Devon Council planning to set higher energy source standards so that in future developments the homes built will be for the 21st century?

Gerald Dinnage in respect of Application No. 22/01209/FULL

I have concerns about harmful impact on two conservation areas. I will explain the context and then ask my question.

The Highway Authority and officers have accepted a drawing from the applicant that claims that there is 45 metres of visibility from the site access. If you ask officers to show the applicant's access drawing, you will see that, after just 13m, the visibility line to the north-east clearly passes through the wall of a building on the bend. (Drawing - 2927-DR-A-050-0117 Rev -).

For visibility splays as short as that, Manual for Streets, Table 7.1, says additional features are needed. None have been proposed. As objectors have pointed out, introducing traffic calming features here, where the canal conservation area overlaps with the village conservation area, could adversely affect both. The Committee Report says nothing on this.

Two different conservation officers have considered this development, reaching different conclusions. The Committee Report implies that just one conservation officer has changed his or her view but that is not the case. Only the first conservation officer based his report on Local Plan Policy DM25.

He found, with direct reference to DM25, that the application could not be described as '*betterment*' as it would '*erode the experience and setting of the canal.*'

He based this judgement not only on the *'form'* of the dwelling (which has been amended) but also on its *'position'* as it *'introduces a clearly visible dwelling'* in a location that is *'isolated'* from the settlement. The isolated position remains, no matter what the design may be. The Grand Western Canal Joint Committee objects for the same reason.

I have objected that even the revised form of the redesigned dwelling still harms the setting of the canal conservation area. In particular, its new roof line does not offer 'betterment' to the public enjoying the canal's open views at that point. This is shown by cross-sections on the most recent Site Plan. (Drawing - 2927-DR-A-050-011 Rev - G)

So my question is -

With direct reference to the visibility drawing, to the first conservation officer report and to cross-sections shown on the applicant's site plan, will officers please confirm that Manual for Streets says that *'additional features will be needed'* to limit speeds at the access within two conservation areas and that the southern end of the roofline of the dwelling will be 2.5m (or about 70%) higher than the existing lean-to section of the barn that it replaces?

Jamie Byrom in respect of Application No. 22/01209/FULL

This concerns Application 22/01209, at Sampford Peverell. On 15 May, I sent an objection that the Committee Report fails to mention.

In that objection, I pointed out that the applicant has stated belatedly that he intends this proposed new dwelling to be a farmhouse. As a result, officers (including Public Health) have now accepted that the dwelling is to be a farmhouse. That is important. It led officers to recommend an agricultural occupancy condition, restricting occupancy to those engaged in agriculture.

Strangely, the Committee Report tells us that officers dropped that recommendation on the grounds that [quote] *'... it is the applicant's intention that his daughter eventually moves into the property who may not always work in agriculture full-time'*. Members may wish to ask officers how this informal statement from an applicant about *'eventual'* occupancy and possible later use of a development is a material planning consideration when it does not appear in the applicant's supporting evidence and clearly cannot be enforced.

Leaving aside speculation about eventual use, officers have accepted that this is an application to build a new farmhouse, as a Class Q fallback scheme. In my objection in May, I reminded officers that the Council has published its own local requirement for agricultural developments. When this application was validated in July 2022, this local requirement applied to all planning applications for [quote] *'... a new agricultural dwelling or other building in countryside for farming or other purposes'*.

It says that these applications must be accompanied by a written justification that must be sent to an independent agricultural consultant who will assess the application for viability and need. The website says nothing about any exceptions to this rule.

But no such assessment of this application has taken place.

I wanted to be sure that avoiding the requirement is lawful and I have been helped by my Ward Councillor, Gill Westcott, to whom I express my thanks. Officers have told her that, where an application such as this is based on permitted development rights, the principle of development has been established and therefore the local requirement does not apply. I could not find this qualification to the local requirement anywhere on the Council's website.

So, in the interests of transparent, lawful, decision-making, my question is:

- Is it the case that, unless the principle of development by permitted development rights has been accepted, all applications for developments that are described in that local requirement would have to comply with its terms? If there are other ways of avoiding its terms, please set these out to the Committee.

A related supplementary question is:

- Will officers confirm that the proposed non-fragmentation agreement will still allow letting of the new dwelling to non-agricultural workers or visitors?

The Chairman informed those present that the questions would be answered when the application was discussed.

6 **DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT (0:30:24)**

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

- Cllr S J Clist confirmed that he had a Declaration of Pecuniary Interest and an Other Registrable Interest for Application No. 22/00067/MFUL and would leave the room whilst this was being discussed and voted on.
- Cllr B Holdman declared that he was a member of the Planning Committee on the Tiverton Town Council.
- Cllr L J Cruwys regarding Application 22/01209/FULL declared that he was a member of the Grand Western Canal Joint Advisory Committee as several references were made to that Committee during the meeting.
- Cllr L J Cruwys regarding Application No. 22/01098/MOUT also stated that this was brought to the Tiverton Town Council Planning Committee although he did not vote on the application.

7 **MINUTES OF THE PREVIOUS MEETING 0:32:27)**

The minutes of the previous meeting held on the 5 April 2023 were agreed as a true record and duly **SIGNED** by the Chairman.

8 **CHAIRMAN'S ANNOUNCEMENTS (0:32:56)**

The Chairman made no announcements.

9 **WITHDRAWALS FROM THE AGENDA (0:33:06)**

There were no withdrawals from the agenda.

10 PLANS LIST (0:33:14)

The Committee considered the applications in the “Plans List.

Note: *List previously circulated and attached to the minutes.

- a) 22/00067/MFUL - Conversion of farmhouse and buildings to 17 dwellings, the erection of 14 dwellings and erection of 2 commercial buildings (Use Classes B8, E, Sui Generis) at Wellparks, Exeter Road, Crediton.**

The Principal Planning Officer outlined the application by way of a presentation and advised the Committee of an additional condition as set out below:

- Waste Management Plan - During Construction (including relevant refuse disposal details)
- No development shall commence until a waste management plan during construction had been submitted to and approved in writing by the local planning authority. The plan should detail the following:
 - The type of material to be demolished and/or excavated;
 - The volume of material to be demolished and/or excavated;
 - Opportunities for the reuse and recovery of materials;
- A demonstration of how to manage disposal of waste having regard to the significance of the; heritage assets and their setting and the visual amenities of this gateway site.
- Additional s106 Heads of Terms

Phasing scheme to be agreed to ensure that the works to the listed building are carried out at an early stage of the development to ensure that the heritage benefits are secured.

In response to the public questions the Principal Planning Officer outlined that:

- The Planning officer outlined that there were issues securing reductions in carbon emissions (for solar panels and air source heat pumps) because the Council does not have a planning policy that sets a target which would enable the Council to secure improvements. There is also potential harm to the listed buildings and their setting; and the scheme is also very close to being unviable.

Consideration was given to:-

- The Management Plan and ensuring the upkeep is up to standard.
- Parking limitations.
- Solar panels.
- Environment health conditions – there were restrictions in place in terms of hours of use.
- Bio diversity – that the development was carried out in accordance with the Ecology Management Plan as there were bats roosting in the farmhouse.

RESOLVED that planning permission be granted subject to conditions and the signing of a S106 agreement to secure as recommended by the Development Management Manager.

(Proposed by Cllr F J Colthorpe and seconded by Cllr F W Letch)

Reason for the decision: As set out in the report.

Notes:-

- Cllr S J Clist left the room whilst this application was debated and voted upon due to a declaration of pecuniary interest and other registrable interest.
- Cllr N Letch declared she was a Planning Committee Member at Crediton Town Council.
- Cllr Liz Brookes-Housing spoke on behalf of Crediton Town Council.

b) 23/00326/FULL - Erection of replacement clubhouse with additional changing and toilet facilities following demolition of existing buildings at Crediton United AFC, Commercial Road, Lords Meadow Industrial Estate.

In accordance with its agreed procedure the Committee determined the above application could be dealt with without debate.

It was therefore **RESOLVED** that the above application be granted subject to conditions as recommended by the Development Management Manager.

(Proposed by the Chairman)

Reason for the decision: As set out in the report.

Cllr R Gilmour at this point left the meeting.

c) 22/01209/FULL - Erection of dwelling following demolition of an agricultural building utilising the Class Q fallback position at Land and Buildings at NGR 302779 113776, (Morrells Farm, South West of Chains Road), Sampford Peverell.

The Principal Planning Officer outlined the application by way of a presentation which highlighted:-

- That there was a fall-back position having gone through the legislation.
- The design and impact on the Conservation Area
- Whether there was a planning betterment

In response to the public questions asked the Principal Planning Officer stated that:

- 2 Conservation Officers had been consulted on the scheme. However, the first left the Council by the time the revised plans were submitted. The Council's current Conservation Officer had reviewed the revised plans and raised no objections to the scheme.
- In terms of the height, the proposed dwelling was taller than the lean-to section of the barn, but the overall ridge heights of both buildings were very similar.
- The visibility to the north/west in particular was good and Highways had no objections.
- There was no requirement for applicants to submit a prior notification or application initially, if they would rather submit a full application. The officer is still required to do the relevant assessment.
- Condition suggestions relating to removing permitted development rights relating to agriculture buildings and Class Q - the conditions were not considered to meet the requirements of planning conditions in that they were not reasonable or necessary. Much of the applicant's land was outside of the red line subject to this application so it would not be possible to enforce conditions on the wider holding.
- The principle was established due to the class Q fall-back position and not because it was a rural worker's dwelling.
- The class Q development would be closer to the livestock dwelling than the proposed dwelling.

Consideration was given to:-

- The amount of traffic on the roads and the upkeep of maintenance.
- Betterments included solar panels, bird and bat boxes and landscaping.

It was therefore **RESOLVED** that the above application be granted subject to conditions as recommended by the Development Management Manager.

(Proposed by Cllr F W Letch and seconded by Cllr G Cochran)

Reason for the decision: As set out in the report.

Notes:-

- Cllr F J Colthorpe, Cllr G Duchesne and Cllr B Holdman wished to have noted that they voted against the application.
- Mr Jamie Bryrom spoke as the Objector.
- Mr Stephen Baimbridge spoke as the Agent.
- Cllr G Westcott and Cllr J Lock spoke as the Ward Members.

d) 22/01098/MOUT - Outline for the erection of up to 120 dwellings and associated access, with all other matters reserved at Land and Buildings North of Blundells Road (Newberry Metals Ltd & Horsdon Garage), Tiverton, Devon

The Area Team Leader outlined the application by way of a presentation and advised the Committee of an amendment to the recommendation and an additional condition as set out below:

Amend recommendation point a) as follows:

Grant permission subject to conditions and a S106 legal agreement to include:

- a) At the expense of the applicant, an independent verification viability assessment of the site to make financial contributions, no more than 6 months prior to the commencement of each phase of development in accordance with the submitted and approved phasing plan;
- b) Subject to the outcome of point a) above make financial contributions towards the delivery of infrastructure needed to support the development including (but not restricted to):
 - i) Affordable housing;
 - ii) Education;
 - iii) DCC Highway Authority Travel and Action Plan;
 - iv) Public open space;
 - v) Community centre; and
 - vi) NHS.
- c) At the expense of the applicant, a monitoring fee, subject to the verification viability assessment and any associated financial contributions arising;
- d) A junction on Heathcoat Way and a safeguarded road route through the site to serve as a future second strategic road access for development on the Tiverton Eastern Urban Extension; and
- e) A DCC Highway Authority Contribution of £5000 for a Traffic Regulation Order (TRO).

New wording for Condition 21:

The existing access shall be effectively and permanently closed to vehicles associated with the application site in accordance with details which shall have previously been submitted to and approved by the Local Planning Authority as soon as the new access on to Heathcoat Way is capable of use.

REASON: To reduce the volume of traffic associated with the application site from taking access on and off the traffic calmed Blundell's Road.

Existing means of access associated with existing properties, not associated with the application site, will be retained from Blundell's Road.

Consideration was given to:-

- The Management Plan and ensuring this would be enforced.
- Potential S106 funds.
- Environmental Health would oversee contamination conditions.

- The new junction on to Heathcoat Way being a 40mph junction not a 30mph junction for road safety reasons.

It was therefore **RESOLVED** that permission be granted subject to the revised recommendation and condition and the signing of a S106 agreement to secure.

(Proposed by Cllr F W Letch and seconded by Cllr G Duchene)

Reason for the decision: As set out in the report.

Notes:-

- Cllr G Duchesne declared that she lived locally and was affected by the impact.
- Cllr L J Cruwys confirmed that his ward was affected the other side of the boundary line.
- Cllr L J Cruwys wished to have noted that he abstained from voting.

11 MAJOR APPLICATIONS WITH NO DECISION (1:28:20)

The Committee had before it, and **NOTED**, a *list of major applications with no decision.

The Committee agreed that:

Application 22/02339/MFUL – Erection of extensions and improvement works to existing Church and presbytery, St James Church, Old Road, Tiverton, Devon, EX16 4HJ to be determined by Committee and to arrange a site visit if minded to be approved.

12 APPEAL DECISIONS (1:30:00)

The Committee had before it, and **NOTED**, a *list of appeal decisions.

Note: *list previously circulated and attached to the minutes

(The meeting ended at 5.49 pm)

CHAIRMAN

Public Document Pack

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **PLANNING COMMITTEE** held on 12 July 2023 at 2.15 pm

Present

Councillors

L J Cruwys (Chairman)
S J Clist, G Cochran (Vice Chairman),
Mrs F J Colthorpe, G Duchesne, M Farrell,
R Gilmour, B Holdman, M Jenkins,
F W Letch and N Letch

Also Present

Councillor(s)

D Broom and C Harrower

Present

Officers:

Richard Marsh (Director of Place), Maria De Leburne (District Solicitor and Monitoring Officer), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Angharad Williams (Development Management Manager), Jake Choules (Planning Officer), Tim Jarrett (Arboricultural Officer), Angie Howell (Member Services Officer) and Sarah Lees (Member Services Officer)

13 APOLOGIES AND SUBSTITUTE MEMBERS (04:21)

There were no apologies or substitute members.

Cllrs J Buczkowski, A Glover, S Keable and D Wulff attended via teams.

14 PUBLIC QUESTION TIME (04:33)

There were no public questions.

15 DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT 04:33)

Members were reminded of the need to declare any interests where appropriate.

16 MINUTES OF THE PREVIOUS MEETING (06:55)

The minutes of the previous meeting on the 14 June 2023 were agreed as a true record and duly signed by the Chairman.

Cllr N Letch arrived at 14.23pm.

17 CHAIRMAN'S ANNOUNCEMENTS (07:45)

The Chairman advised the Committee that there would be a site visit for the Planning Committee for Planning Application 22/00907/FULL – Retention of disused quarry for use as two firing ranges at Devon & Cornwall Constabulary, Pondground Quarry, Holcombe Rogus, Devon. The Committee Clerk would confirm the date to all Members.

18 WITHDRAWALS FROM THE AGENDA (08:23)

There were no withdrawals from the Plans List.

19 THE PLANS LIST (08:33)

Cllr M Farrell arrived at 14:25pm

The Committee considered the application in the *Plans List.

Note: *List previously circulated and attached to the minutes.

- a) 23/00654/FULL - Erection of a dwelling with associated hard and soft landscaping works at Land at NGR 303782 111147, Fir Close, Willand.

The Principal Planning Officer outlined the contents of the report by way of a presentation which highlighted the following:-

- The application was for the erection of a dwelling with associated landscaping which had been brought to Committee as Mid Devon District Council were the applicant.
- That minor residential developments were supported in this area.
- The building was a zed pod modular home which were generally accepted as environmentally friendly and energy efficient homes.
- A contamination assessment had shown potential impacts for contamination on the site. Therefore a pre-commencement condition had been suggested which would indicate if any further survey work was required.
- The application was for a one person dwelling and the space met the nationally described space standards.
- The occupant would benefit from good levels of natural lighting.
- A terrace and 2 car parking spaces would be provided.
- It was not expected to have an adverse impact on the local road networks.
- The design differed slightly than to existing dwellings in the close but a condition would be used to control the final colour and materials used.
- The dwelling was approximately 20 metres from the terrace dwellings in the close which was common for this area. Distances had been measured and considered acceptable.
- The site was within the development limit. Access and parking was acceptable and policy compliant.
- No public objections had been received in assessing the application.

Consideration was given to:-

- The dwelling being for only 1 person and meeting the national space standards.
- The allocation of 2 car parking spaces.
- The standard of the building, the long term design quality, longevity and life span.

It was therefore **RESOLVED** that planning permission be granted.

(Proposed by the Chairman).

Reason for the Decision – as set out in the report.

Notes:-

- i) Cllr S J Clist, Cllr G Cochran, Cllr F J Colthorpe, Cllr L J Cruwys, Cllr G Duchesne, Cllr R Gilmour, Cllr B Holdman, Cllr M Jenkins, Cllr F W Letch made declarations in accordance with the Protocol of Good Practice for Councillors dealing with planning matters as they had all received correspondence with regard to the application.
- ii) Cllr G Cochran declared a personal interest and stated that he was the Vice Chairman of the Town Strategy and Planning in Crediton.
- iii) Cllr S Clist declared an Other Registerable Interest as the application fell within his Cabinet portfolio brief although he had not been directly involved. He had also received emails and a telephone communication on this application.
- iv) Mr Paul Elstone spoke as an objector.

20 **TREE PRESERVATION ORDER (TPO) REPORT (39:38)**

The Committee had before it a *report of the Head of Planning and Regeneration presenting the Tree Preservation Order (TPO) for land bordering Station Road and Lakeridge, Newton St Cyres, Devon

The Arboricultural Officer outlined the contents of the report by way of a presentation which highlighted the site location plan and photographs of the site and the trees. He also outlined the following:-

- The TPO also included two copper beach trees T8 and T9 within the order.
- The trees were included due to the obvious visibility within the order due to the contrasting colours of foliage and were a prominent natural feature which were clearly visible.
- An objection had been received regarding:-
 - a) Lack of consultation
 - b) Low visibility amenity of the trees
 - c) The minimal contribution to the character of the area as the trees were non-native and
 - d) The additional cost of having trees with TPOs.

- These issues were addressed in the report.
 - a) The period of consultation occurred once the provisional order was made and before the order was confirmed. This period allowed for interested parties to make their representations.
 - b) The trees had been assessed using the standard amenity evaluation method and were viewed to merit a TPO.
 - c) The beech trees were native and contributed to the character of the area. However a tree being native or non-native should not be a significant influencing factor when deciding if a tree merits a TPO.
 - d) There were no financial costs when submitting an application.
- The trees add good amenity and were likely to contribute to the local area for the long term and should be included in the order.

Consideration was given to:-

- Whether the trees impinged upon any properties in the area and whether there were any possibilities of them damaging properties.
- The importance of retaining the colour and contributing to the landscape in the future.

It was **RESOLVED** that: the Tree Preservation Order be confirmed to include the two copper beech trees.

(Proposed by Cllr F J Colthorpe and seconded by Cllr S Clist).

Reason for the decision: As set out in the report.

Notes: *Report previously circulated copy attached to the minutes.

21 **MAJOR APPLICATIONS WITH NO DECISION (47:36)**

The Committee had before it, and **NOTED**, a list *of major applications with no decision.

It was **AGREED** that the applications remain as delegated.

Note: *List previously circulated, copy attached to the minutes.

22 **APPEAL DECISIONS (48:20)**

The Committee had before it, and **NOTED**, a list of appeal decisions.

Note: *List previously circulated, copy attached to the minutes.

(The meeting ended at 3.04 pm)

CHAIRMAN