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A MEETING of the **MID DEVON DISTRICT COUNCIL** will be held in the Phoenix Chambers, Phoenix House, Tiverton on Wednesday, 21 February 2024 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, 24 April 2024 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.

The meeting will be Hybrid and an audio recording made and published on the website after the meeting

To join the meeting online, CLICK HERE
Meeting ID: 341 529 063 417
Passcode: PCYyV4

STEPHEN WALFORD
Chief Executive

13 February 2024

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**

To consider whether to approve the minutes as a correct record of the meeting held on 20th December 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 602 (Cllr Lance Kennedy)**

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

   Motion on Posthumous awards to emergency service workers

   This council supports the National campaign to award emergency services workers killed on duty a posthumous medal to recognise the sacrifice given on our behalf and requests the Chief Executive and Chairman of the council to write to Rt.Hon. Chris Philp MP, Minister of State for Crime, Policing and Fire expressing our support.

2. **Motion 603 (Cllr Lance Kennedy)**

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

   Motion on Dangerous toys & packaging

   In the interest of animal welfare this council supports the banning

of toys and packaging, such as hollow Frisbee type rings and multiple plastic drink can-rings, which can become lodged around the necks of seals, birds and other animals causing unnecessary suffering and death various animals including endangered species. This Council therefore resolves this to be the policy of the Council.

3. Motion 604 (Cllr Beckett Fish)

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

Motion on Proportional Representation

First Past the Post (FPTP) originated when land-owning aristocrats dominated parliament and voting was restricted to property-owning men. In Europe, only the UK and authoritarian Belarus still use archaic single-round FPTP for general elections. Internationally, Proportional Representation (PR) is used to elect the parliaments of more than 80 countries. These countries tend to be more equal, freer and greener. PR ensures all votes count, have equal value, and that seats won match votes cast. Under PR, MPs and Parliaments better reflect the age, gender, and protected characteristics of both local communities and of the nation.

MPs better reflecting the communities they represent in turn leads to improved decision-making, wider participation, and increased levels of ownership of decisions taken. PR would also end minority rule. In 2019, 43.6% of the vote produced a government with 56.2% of the seats and 100% of the power. Fair, proportional votes also prevent 'wrong winner' elections such as occurred in 1951 and February 1974. PR is the national policy of the Labour Party, Liberal Democrats, Green Party, SNP, Plaid Cymru, Reform UK and Women's Equality Party along with a host of Trade Unions and pro-democracy organisations. PR is already used to elect the parliaments and assemblies of Scotland, Wales, and Northern Ireland. Its use should now be extended to include Westminster.

This Council therefore resolves to write to H.M. Government calling for a change in our outdated electoral laws and to enable Proportional Representation to be used for UK general elections.

8 **Report of minutes held between 5th December 2023 to 13th February 2024** *(Pages 7 - 488)*

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

1. **Cabinet**
   12th December 2023

   9th January 2024

   6th February 2024- To Follow
   (Recommended to Council the Business Rates Tax Base, 2024/25 Capital Strategy and 2024/25- 2028/29 Capital Programme, Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2024/25, 2024/25 Budget, Pay Policy, Policy Framework, Homes Safety Policy)

2. **Scrutiny Committee**
   18th December 2023
   15th January 2024

3. **Audit Committee**
   16th January 2024
   (Recommendation to Council the Revision of the Financial Regulation)

4. **Community Policy Development Group**
   23rd January 2024

5. **Environment Policy Development Group**
   04th January 2024

6. **Homes Policy Development Group**
   16th January 2024

7. **Economy Policy Development Group**
   04th January 2024

8. **Planning Committee**
   10th January 2024

9 **2024/25 Council Tax Resolution** *(Pages 489 - 508)*

To consider a report of the Deputy Chief Executive (S151) on the Council Tax Resolution for 2024/25.

10 **Devolution** *(Pages 509 - 512)*

To receive a report on devolution from the Chief Executive.

The Devon and Torbay Devolution Deal was approved for consultation by Devon County Council and Torbay by their respective cabinets/executives on 2nd February. The consultation went live on 12th February. All information can be found either in the reports that went to DCC's cabinet or at the webpage here:
https://www.devontorbaydeal.org.uk/

It is recommended that council approves the response (as published) to the consultation, and that delegated authority is given to the Chief Executive in conjunction with the Leader to add to this if required following district-level briefing by the team at DCC.

11 **Seat Allocation- To Follow**

12 **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.

13 **Special Urgency Decisions**

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

14 **Questions to Cabinet Members**

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

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 Democratic 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 Laura Woon on: lwoon@middevon.gov.uk

Public Wi-Fi is available in all meeting rooms.

MINUTES of a **MEETING** of the **COUNCIL** held on 20 December 2023 at 6.00 pm

Present Councillors

C Adcock, D Broom, E Buczkowski, J Buczkowski, J Cairney, S J Clist, G Cochran, F J Colthorpe, C Connor, L J Cruwys, G Czapiewski, J M Downes, G Duchesne, B Fish, M Fletcher, R Gilmour, A Glover, B Holdman, M Jenkins, S Keable, L Knight, N Letch, F W Letch, J Lock, J Poynton, R Roberts, L Taylor, H Tuffin, G Westcott, J Wright and D Wulff

Apologies Councillor(s)

M D Binks, J Frost, C Harrower, L G J Kennedy, S J Penny, S Robinson and N Woollatt

Also Present Officer(s):

Andrew Jarrett (Deputy Chief Executive (S151), Maria De Leiburne (District Solicitor and Monitoring Officer), Richard Marsh (Director of Place), Laura Woon (Democratic Services Manager) and David Parker (Democratic Services & Policy Research Officer)

Councillors Online

N Bradshaw, S Chenore, A Cuddy and M Farrell

93 APOLOGIES

Apologies were received from Councillors: M Binks, J Frost, C Harrower, L Kennedy, S Penny, S Robinson and N Woollatt

94 PUBLIC QUESTION TIME

Paul Elstone

My first two questions relate to Agenda Item 11 - Member Allowances

Question 1:

It is noted that the recommendation is to increase member allowances by 6.4% to £6,387

1. A recent BBC Report reveals that this Councils Member allowances are already the highest amongst LA's in Devon.
2. That despite Torridge District Council not increasing member allowances for several years they have recently voted for a rise of just 3.9% to £5,538 or £849 a year less than this Councils proposal.
3. That it is being proposed that members reduce much needed Grant Funding by around 20% in real terms.

When voting on this recommendation will each member consider these points?

Question 2

Will this matter be decided by a recorded vote?

Question 3

A scurrilous allegation was made against certain members of the General Public at the Scrutiny Committee Meeting of the 18th December 2023. An allegation that stated that they have cost MDDC Council Taxpayers a significant sum of money. This given the requirement to have the Devon Audit Partnership investigate unsubstantiated allegations of either fraud or malpractice.

If the 3 Rivers Working Group had conducted their investigation with the rigor both required and expected, they would have known the full truth.

It is a matter of fact that it was a long-standing Council Leader who called for the DAP investigation and while he was in position. Even detailing the scope of the investigation.

It is also a fact that the Interim Council Leader was asked if he agreed to withdraw the requirement for an investigation but declined to do so.

It is also a fact that the very person whose actions would have formed a key part of the investigation set the terms of reference. Terms of reference which were nothing like the original requirement.

It is also known that DAP only considered it was necessary for them to undertake a quick investigation. It seems as an appeasement to the Council Leaders concerns.

It is also a fact that members of the public were constrained in providing the information and evidence they wished to do given time limits imposed amongst other things.

Given the seriousness of these matters and which cannot be understated will the Council Leader now implement a rigorous investigation and so the full truth can be known ?

95 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT**

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

None were declared under this item.

96 MINUTES

The minutes of the meeting held on 1 November and 29 November 2023 were agreed as a correct record and signed by the Chairman

97 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had the following announcements to make:

Global leaders recently met for the COP28 conference in Dubai to tackle the climate crisis and you may have followed some of it in the media.

Britain’s New Zero targets are being taken very seriously in Devon and by Mid Devon District Council. The Council had declared a Climate Emergency, our targets are to achieve net zero by 2023. Mid Devon District Council work towards that with other local authorities across England and through the Devon Carbon plan.

Mid Devon District Council Climate change and sustainability Officers reports progress against the Climate action plan and review all aspects of the corporate services to reduce carbon footprint. Work through the net zero advisory group and community partnership efforts to demonstrate how carbon saving does not have to “cost the earth”. In fact Mid Devon District Council can turn the crisis into an opportunity for green investment and essential for health and wellbeing of the future life for the Council.

98 PETITIONS

There were no petitions presented.

99 NOTICES OF MOTIONS

Motion 600 (Cllr James Buczkowski- 23rd October 2023)

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

Motion on the Poverty Premium

This council notes that:

- Lower income households are affected by the ‘poverty premium’ by being forced to pay more than those on higher incomes to use essential services such as energy, credit and insurance.
- Expert assessment indicates 23% of Households in the Tiverton and Honiton Constituency and 20% of Households in the Central Devon Constituency are being penalised by this - costing local residents in the two constituencies £7.2 million a year to simply do the same basic things as those on higher incomes.
- On average the poverty premium costs those households affected around £400 a year: equivalent to three weeks of food bills for a family of four.

- Lack of government action to properly regulate the commercial practices of national and international companies is the primary cause of these costs.
- Access to local banking and insurance services has significantly worsened in recent times.

This council:

- Opposes this as a penalty for lower income households which exacerbates the difficulties of those managing on low incomes.
- Condemns the government for doing too little to tackle the poverty premium.
- Believes that tackling the poverty premium is an essential part of levelling up.
- Calls upon the Government to act urgently to address these additional costs to our lowest income residents.

Therefore, the council resolves to:

- Endorse the Fair By Design Roadmap for tackling the Poverty Premium (Attached)
- Instruct the Leader of the Council to write to the relevant government minister demanding:
- Urgent action to tackle all forms of poverty premium including those imposed by energy suppliers, insurers, credit sources, banks and other bodies.
- A broadening of the Financial Conduct Authority regulation of credit costs to cover those not currently covered.
- A partnership between the relevant regulators to tackle all forms of poverty premium.
- Beyond immediate action, an inquiry into the scourge of the poverty premium and a strategy to prevent recurrence.

Take action locally by:

- Taking a lead on creating a Vulnerable Citizens Strategy, which should include making sure people on low incomes don’t end up paying more for their essential services and products.
- Investigating local mechanisms for reducing the poverty premium caused by financial services, for example working with ATM providers and exploring local alternative Insurance, credit and banking options including the merits of a community mutual bank.
- Working with other local agencies, community groups and charities to promote take up of available benefits and grants.
- Encouraging local business to commit to Poverty Premium Proofing.
- Working with social and private landlords in Mid Devon to ensure every tenant is automatically placed on the cheapest energy tariff for their needs, minimising the cost of moving into a social housing home and that tenants are provided poverty premium avoidance advice and support.

- Working with other local employers to support low-income employees to avoid the Poverty Premium.
- Working across the Council to identify further measures it can take.

(In accordance with Procedure Rule 14.4, the Chairman of the Council has decided that this Motion (if moved and seconded) be dealt with at this meeting.)

The **MOTION** was **MOVED** by Councillor J Buczkowski seconded by Councillor R Gilmour.

Upon a vote being taken the **MOTION** was declared to have been **CARRIED.**

Those **ABSTAINING** from voting: Councillors P Colthorpe and R Roberts.

Motion 601 (Cllr Mark Jenkins- 6th November 2023)

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

Motion: Conflict in Gaza: call for a ceasefire and community safety for religious and ethnic minorities in Mid Devon.

This Council

- Expresses deep sympathy for all those affected by the conflict in Israel and Palestine. To those in the Mid Devon area who have been affected by this conflict we offer our support in this difficult time.
- Calls on the UK government to do everything possible to encourage an immediate further release of all hostages and an immediate ceasefire to allow more medical aid and essential supplies into Gaza; and the possibility of a peaceful long term resolution.
- Believes Muslims, Jews and people of all faiths and none should feel safe and supported throughout the world and condemns the increase in antisemitic and Islamophobic violence and abuse in the UK.
- Condemns the use of all dehumanising language and calls on our communities to treat each other with respect and refrain from inflammatory terms to describe either the Palestinian or Israeli populations, especially in a time of crisis.

The Council resolves to fly the UN flag as a symbol of peace outside Phoenix House until a ceasefire is agreed.

(In accordance with Procedure Rule 14.4, the Chairman of the Council has decided that this Motion (if moved and seconded) be dealt with at this meeting.)

Consideration was given to:

- Remove from the motion, the Council resolves to fly the UN flag as a symbol of peace outside Phoenix House until a ceasefire is agreed.
- In addition to Palestinians in Gaza what about the Ukraine Citizens under legal occupation of Purton Russian, Muslins in China or women in Afghanistan. The world is not a safe or fair place and sympathise with those in difficulties and residents of our District deserve our undivided attention and support first.
- To add to the pressure for a ceasefire and in order humanitarian can meet and encourage political conversation and lead to lasting sensations of hostilities, motions like this had been to other councils.
- The motion conflicts and should not discriminate on faith, race or disability.

Cllr M Jenkins **MOVED** an **AMENDMENT** seconded by Cllr J Lock that:

To remove from the motion, the Council resolves to fly the UN flag as a symbol of peace outside Phoenix House until a ceasefire is agreed.

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

Those **AGAINST** from voting: Councillors L Cruwys and R Roberts.

Those **ABSTAINING** from voting: Councillors P Colthorpe.

Cllr N Letch **MOVED** an **AMENDMENT** seconded by Cllr Poynton that:

At the beginning of motion to have the council condensed their atrocity committed by Hamas in Israel.

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

Upon a vote being taken the **MOTION** was declared to have been **CARRIED**

Those **AGAINST** from voting: Councillors N Letch and J Poynton.

Those **ABSTAINING** from voting: Cllr L Cruwys, Cllr P Colthorpe.

100 **CABINET REPORT OF THE MEETING HELD ON 14 NOVEMBER 2023**

The Leader of the Council presented the report of the meeting of the Cabinet held on 14 November 2023.

This covers minute numbers 61 to 75

At minute number 67 there is a RECOMMENDATION to full Council:

Minute 67: RECOMMENDED to Full Council

Minute 68: RECOMMENDED to Full Council

Minute 74: RECOMMENDED to Full Council

The recommendation are included on agenda items 9, 10 and 12 and will be covered at those items.

101 **SCRUTINY COMMITTEE- REPORT OF THE MEETING HELD ON THE 30 OCTOBER 2023**

The Chairman of the Scrutiny Committee presented the report of the meeting of the Scrutiny Committee held on 30 October 2023.

102 **AUDIT COMMITTEE- REPORT OF THE MEETING HELD ON 5 DECEMBER 2023**

The Vice Chairman of the Audit Committee presented the report of the meeting of the Audit Committee held on 5 December 2023.

103 **COMMUNITY POLICY DEVELOPMENT GROUP- REPORT OF THE MEETING HELD ON 28 NOVEMBER AND 5 DECEMBER 2023**

The Chairman of the Homes Policy Development Group presented the report of the meeting of the Homes Policy Development Group held on 28 November and 5 December 2023.

104 **ENVIRONMENT POLICY DEVELOPMENT GROUP - REPORT OF THE MEETING HELD ON 16 NOVEMBER 2023**

The Chairman of the Environment Policy Development Group presented the report of the meeting held on 16 November 2023.

105 **HOMES POLICY DEVELOPMENT GROUP- REPORT OF THE MEETING HELD ON 21 NOVEMBER 2023**

The Chairman of the Homes Policy Development Group presented the report of the meeting of the Homes Policy Development Group held on 21 November 2023.

106 **ECONOMY POLICY- REPORT OF THE MEETING HELD ON PDG 16 NOVEMBER 2023**

The Chairman of the Environment Policy Development Group presented the report of the meeting held on 16 November 2023.

107 **PLANNING COMMITTEE- REPORT OF THE MEETING HELD ON 8 NOVEMBER AND 22 NOVEMBER 2023**

The Chairman of the Planning Committee presented the report of the meeting held on 8 November and 22 November 2023.

108 **LICENSING COMMITTEE- REPORT OF THE MEETING HELD ON 1 DECEMBER 2023**

The Chairman of the Licensing Committee presented the report of the meeting held 1 December 2023.

109 **REGULATIONS COMMITTEE REPORT OF THE MEETING HELD 1 DECEMBER 2023**

The Chairman of the Regulation Committee presented the report of the meeting held on 1 December 2023.

110 **STANDARD COMMITTEES REPORTS ON THE MEETING HELD ON 18 OCTOBER 2023**

The Chairman of the Standards Committee presented the report of the meeting held on 18 October 2023

This covers minute numbers 13 - 23.

Minute 19: **RECOMMENDED** to Full Council that: G of the Task and Finish Group on Council Procedure Rules not be supported.

Minute 20: **RECOMMENDED** to Full Council that Motion 577:

(i) Be amended to read as follows:

'When an enquiry, to which an answer is required, is made by a Member at a formal meeting and an answer cannot be given at that meeting, a written response shall be sent to the enquiring Member within 10 days. A copy of the question(s) and answer(s) will be circulated to members of the committee (or Full Council) and will also be attached to the minutes.

(ii) The Motion, as amended, be supported.

Following discussion and upon a vote being taken the **MOTION** was declared to have been **CARRIED**.

111 **TREASURY MANAGEMENT STRATEGY MID-YEAR REVIEW REPORT 2023/24**

The Cabinet Member for Finance outlined the contents of the report with particular reference to the following:

- Changes in the Regulations required more regular reports to be presented to the decision makers of local authorities.
- Higher returns had been achieved due to an increase in interest rates and a slippage on the Capital Programme.
- No additional borrowing had been required.
- An economic summary had been provided, showing the deposits held at the end of the quarter and the yields being achieved.
- The report confirmed that the lending criteria remained appropriate.

The report was presented to Cabinet on the 14 November 2023 and had made the recommendation to Full Council.

THAT the recommendation of the Cabinet as set out in Minute 67 to be **APPROVED**

A) That a continuation of the current policy outlined at paragraphs 4.0 – 4.5 be approved; and

b) The changes to the Capital Financing Requirement, Operational Boundaries and Authorised Limits for the current year at paragraphs 5.4 – 5.5 be approved.

Cllr J Buczkowski **MOVED**, seconded by The Leader of the Council Cllr L Taylor

Following discussion and upon a vote being taken the **MOTION** was declared to have been **CARRIED**.

112 **TAX BASE CALCULATION 2024/25**

The Cabinet Member for Finance outlined the contents of the report with particular reference to the following:

- It was reiterated that each year the Council had to set its Council Tax Base against which all Town and Parish Council's could set their precepts.
- Within the calculation were the actual numbers of properties within the district, the number of properties falling within the Council Tax Reduction Scheme, the forecast growth in properties and the likely level of collection, all of which are converted into an average amount for a Band D property.
- For 2024/25 there was projected to be 30,222.10 Band D properties which was growth of 389 on the current year and the Council expected to collect 97.5% of the precept which was up from 96.5% in 23/24.

The report was presented to Cabinet on the 14 November 2023 and had made the recommendation to Full Council.

THAT the recommendation of the Cabinet as set out in Minute 68 to be **APPROVED**

a) That the calculation of the Council's Tax Base for 2024/25 be approved in accordance with The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 at 30,222.1 an increase of circa 389.12 Band D equivalent properties from the previous financial year.

b) That the current collection rate of 96.5% be increased to 97.5% detailed in Section 2.

Consideration was given to:

- Clarification in regards to the tax base band D property and when the model was proposed things were different. Mid Devon District Council had limited powers to make adjustments for those living in poverty.
- Clarification on dates and charges against empty properties.

Cllr J Buczkowski **MOVED**, seconded by Cllr J Lock

Following discussion and upon a vote being taken the **MOTION** was declared to have been **CARRIED**.

113 MEMBER ALLOWANCE- INDEPENDENT REMUNERATION PANEL REPORT

The Council had before it a report of the District Solicitor and Monitoring Officer setting out the recommended Members' Scheme of Allowances for 1 April 2024 to 31 March 2025.

The District Solicitor outlined the contents of the report of the Independent Remuneration Panel.

Considerations was given to:

- Mid Devon District Council receive one of the highest allowances amongst peer authorities.
- A fundamental review after a full year of office from members and understanding of the workloads.
- The different values of the allowances to all members.
- Peer authorities and their scheme of allowances for members and their Special Responsibilities allowances being considerably more.
- The cost of living crisis and the pressures on residents.
- The importance of the report being from an independent panel from the Council.
- The feedback from members provided as part of the review from the Independent Remuneration Panel.
- The next report will cover three years passed the election cycle.

Cllr J Buczkowski **MOVED** an **AMENDMENT**, Seconded by Cllr F Letch that:

"No increases are made for 24/25, so there is essentially a freeze on all allowances and the retrospective for 24/25 again is frozen as was in the original proposal."

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

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

114 SCHEDULE OF MEETINGS

The Council had before it the * Schedule of Meetings for 2024/2025.

The report was presented to Cabinet on the 14 November 2023 and had made the accordance recommendation to Full Council.

THAT the recommendation of the Cabinet as set out in Minute 74 to be **APPROVED**

Cllr J Buczkowski **MOVED**, seconded by Cllr J Lock

Following discussion and upon a vote being taken the **MOTION** was declared to have been **CARRIED**.

115 **QUESTIONS IN ACCORDANCE WITH PROCEDURE RULE 13**

There were no questions submitted under Procedure Rule 13.2.

116 **SPECIAL URGENCY DECISIONS**

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.

117 **QUESTIONS TO CABINET MEMBERS**

With regard to questions to Cabinet Members

The Chairman informed the meeting that no were no questions.

118 **MEMBERS BUSINESS**

Councillor J Lock highlighted to members that she attended Corporate Parenting Board and raised the subject of Staying close grant that has been rewarded to Devon by the Government that will look at accommodation and support for care leavers.

Councillor N Bradshaw in the East of the District the Blackdown Hills of the Area for Outstanding National Beauty has become a National Landscapes and will be a review within the management plan over the next 6 to 9 months any contributions welcomed.

(The meeting ended at Time 19.22pm) **CHAIRMAN**

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Full Council 20 December 2023 Public Questions and Answers

Name of person submitting	Questions
Mr Paul Elstone	**My first two questions relate to Agenda Item 11 - Member Allowances** **Question 1:** It is noted that the recommendation is to increase member allowances by 6.4% to £6,387 A recent BBC Report reveals that this Councils Member allowances are already the highest amongst LA's in Devon. That despite Torridge District Council not increasing member allowances for several years they have recently voted for a rise of just 3.9% to £5,538 or £849 a year less than this Councils proposal. That it is being proposed that members reduce much needed Grant Funding by around 20% in real terms. When voting on this recommendation will each member consider these points? **Response From the Chairman of the Council:** **Members considered what other local authorities received for members' allowances during the discussion.** **Question 2:** Will this matter be decided by a recorded vote? **Response From the Chairman of the Council:** **This did not require a recorded vote, and when it was requested by one member there was not the required ten members requesting a recorded vote.**

	Question 3 Relates to this councils business. A scurrilous allegation was made against certain members of the General Public at the Scrutiny Committee Meeting of the 18th December 2023. An allegation that stated that they have cost MDDC Council Taxpayers a significant sum of money. This given the requirement to have the Devon Audit Partnership investigate unsubstantiated allegations of either fraud or malpractice. If the 3 Rivers Working Group had conducted their investigation with the rigor both required and expected, they would have known the full truth. It is a matter of fact that it was a long-standing Council Leader who called for the DAP investigation and while he was in position. Even detailing the scope of the investigation. It is also a fact that the Interim Council Leader was asked if he agreed to withdraw the requirement for an investigation but declined to do so. It is also a fact that the very person whose actions would have formed a key part of the investigation set the terms of reference. Terms of reference which were nothing like the original requirement. It is also known that DAP only considered it was necessary for them to undertake a quick investigation. It seems as an appeasement to the Council Leaders concerns. It is also a fact that members of the public were constrained in providing the information and evidence they wished to do given time limits imposed amongst other things. Given the seriousness of these matters and which cannot be understated will the Council Leader now implement a rigorous investigation and so the full truth can be known? **Response from the Leader of the Council:** **The Working group had already completed the report and the Council is satisfied with the report and the answer is no in relation to the question.**

MINUTES of a **MEETING** of the **CABINET** held on 12 December 2023 at 5.15 pm

Present Councillors	L Taylor (Leader) N Bradshaw, J Buczkowski, S J Clist, S Keable, J Wright and D Wulff.
Also Present Councillor(s)	D Broom, E Buczkowski, M Fletcher, R Gilmour, L Knight, S Robinson
Councillors Online	P Colthorpe, G DuChesne
Officer(s):	Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151), Maria De Leiburne (District Solicitor and Monitoring Officer), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Matthew Page (Corporate Manager for People, Governance and Waste), Darren Beer (Operations Manager for Street Scene), Luke Howard (Environment and Enforcement Manager), Jason Ball (Climate and Sustainability Specialist) Tristan Peat (Forward Planning Team Leader), Laura Woon (Democratic Services Manager) and Sarah Lees (Democratic Services Officer)

76. APOLOGIES

There were no apologies for absence.

77. **PUBLIC QUESTION TIME**

The following questions were received from members of the public:

Paul Elstone

Question 1:
How much exactly (including land purchase, S106 Agreements. planning design cost, planning fees, and procurement cost etc.) has the Post Hill site cost this Council to date?

Answer:
£2,247,000 and that's the total cost of Post Hill to the Council to date.

Question 2:
How much out of the total cost exposure to this Council was paid to 3 Rivers Development for their work?
A company named as a nominee in the original land purchase agreement and who it was clearly intended at the outset would take the project forward?

Answer:
Zero total cost exposure to the Council that was paid to 3Rivers.

Question 3
How much of the S106 payments made by this Council, were paid to the Tiverton Golf Club to enable them to realign the 12th hole?
It is known that Tiverton Golf Club required £125,000 for this work and on a no cost basis, and something required before the Post Hill site purchased by this Council could be developed.

Answer:
£27,694.00 S106 payment made by this Council for the Tiverton Golf Club.

Question 4:
Paragraph 4.5 of your papers says the tenure mix is subject to further confirmation, however informally the provider has indicated an intention to provide a mix of general needs and shared ownership affordable accommodation.

The site was obtained by the Council as part of an agreement to deliver the affordable housing allocation to the whole development of this area.

Does "general needs" include market value and not just affordable homes?

Question 5
If so, by selling the land, will the Council be breaking the formal agreement to ensure the appropriate allocation of affordable homes across the whole Braid Park and Fairfax Heath site?

Answer to question 5 & 6:
There is a planning requirement for 70 affordable homes to be delivered.

Question 6
The recommendation is that Cabinet agree approval of the sale of the Post Hill Site. For Cabinet tonight to agree this sale goes very much against the stated position of the Council Leader. Someone who has said that he both wanted and intended to eliminate autocratic and poor Cabinet decision making.

Will the Council Leader supported by Cabinet empower the relevant Committees and Full Council to be fully involved in this important decision ahead of final agreement?

Nick Quinn

Question 1:
On 6 June 2023, Cabinet approved the transfer of £660,000(earmarked for a new Waste Depot) to be taken from earmarked reserves and used to partially offset a £4.5 Million impairment of 3 Rivers Loans. I see, in the Capital Programme Appendix, that the new Waste and Recycling Depot is now to be funded by 50 year borrowing. Does this mean that, effectively, 3 Rivers losses are being covered by 50 year loans?

Answer:
As highlighted within previous financial report the impairment loans for 3Rivers will have future consequences such as the above example where future expenditures no longer be met through the use of reserves alternative funding sources will be required to progress these projects.

Question 2:
I cannot see in the public report any indication of the numbers of properties that the prospective land purchaser intends to build, nor any guarantee that there will be at least 70 affordable properties. The Council purchased the Post Hill land from a developer under an agreement that the Council would build the 70 Affordable Houses, required by the Planning Permission, for the whole site.
The Council entered into legal agreements to ensure that 70 Affordable Houses were built on this land. If the Council does not build these, or ensures that the prospective purchaser does, will this mean that the developer of the previously completed part of the site is deficient in its planning obligations?

Answer:
There is a planning requirement for 70 affordable homes to be delivered.

Question 3:
If the non-delivery of these 70 affordable properties means a breach of the Planning obligations for the whole development site, will this Council take action against the original developer, or itself?

Answer:
There is a planning requirement for 70 affordable homes to be delivered.

78. **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00:14:04)**

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

79. **MINUTES OF THE PREVIOUS MEETING(00:14:16)**

The minutes of the previous meeting held on 14 November 2023 were approved as a correct record and SIGNED by the Leader

80. **SILVERTON NEIGHBOURHOOD PLAN (00:14:50)**

Cabinet had before it a report * from the Director of Place about the Silverton Neighbourhood Plan. It had been examined by an independent Examiner and the Council had received the final examiner's report on the 2nd November 2023.

The Cabinet Member for Planning and Economic Regeneration outlined the contents of the report with particular reference to following:

- Silverton Parish Council has been preparing a Neighbourhood Plan following the designation of the neighbourhood area in July 2014.
- The neighbourhood area covers the parish of Silverton. The preparation of the neighbourhood plan has included consultation on a pre-submission draft plan in 2021 and two consultations on a regulation 16 publication plan in 2023.
- The Neighbourhood Plan has since been examined by an independent Examiner and the Council received the final Examiner's report on 2nd November this year.
- There is now a need for the Council to consider the Examiner's recommended modifications and reach a decision whether the Silverton Neighbourhood Plan with the Examiner's recommended modifications be agreed, and that the plan proceeds to a local referendum. This forms the basis for the recommendations that are before the Cabinet.
- Following the decision of Cabinet a Decision Statement will be published and a local referendum will be arranged in accordance with the relevant regulation requirements.
- If the Neighbourhood Plan referendum is successful a report seeking the adoption of the neighbourhood plan will need to go to 2nd of April Cabinet and Full Council on the 24th of April.
- The Planning Policy Advisory Group was consulted on the decision on the Examiner's report for the Silverton Neighbourhood Plan at its meeting on 20th November 2023, and has endorsed the recommendations in this report.

The Cabinet Member for Environment and Services, Ward Member for Silverton outlined the following:

- A community led project, the process was started by a former councillor and was ready for a referendum.
- A team of volunteers had pulled together and held a parish wide consultation at the heart of the process. He thanked them for their work.
- The community had worked together to ensure a successful and adaptable future.

RESOLVED that:

1. The Examiner's modifications (Table 2) be agreed, and that subject to these modifications the Silverton Neighbourhood Plan is determined to meet the Basic Conditions (as defined in the Town and Country Planning Act 1990 Schedule 4B) and other legislative requirements;

2. The Decision Statement attached at Appendix 2 be approved;

3. The Silverton Neighbourhood Plan (at Appendix 3) subject to the Examiner's modifications, proceed to a local Referendum based on the boundary of the Silverton Neighbourhood Area.

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

Reason for the Decision:

The referendum is a statutory requirement, and will be subject to The Neighbourhood Planning (Referendums) Regulations 2012. Changes made to section 38 of the Planning and Compulsory Purchase Act 2004 (through provision 3 of the Neighbourhood Planning Act 2017) mean a neighbourhood plan attains the same legal status as a local plan (and other documents that form part of the statutory development plan) once it has been approved at a referendum, rather than when it is made (adopted) by the relevant authority. At this point it comes into force as part of the statutory development plan. Applications for planning permission must be determined in accordance with the development plan, unless material considerations indicate otherwise. Policies of the Silverton Neighbourhood Plan will be used alongside policies in the adopted Mid Devon Local Plan, the Devon Minerals and Waste Plans, to help guide planning applications submitted to the Council for determination and the decisions made on these in the Silverton Neighbourhood area (Silverton Parish).

Note: * Report previously circulated.

81. **JOINT STRATEGY (00:21:28)**

Cabinet had before it a report * from the Director of Place about the Joint Strategy for East Devon, Exeter, Mid Devon and Teignbridge.

The Cabinet Member for Planning and Economic Regeneration outlined the contents of the report with particular reference to following:

- This report sought the approval of a Joint Strategy for the East Devon, Exeter, Mid Devon and Teignbridge planning areas.
- The Joint Strategy, called 'Our Shared Coordinates', had been prepared by consultants LDA Design. This followed decisions taken by each of the four Councils in 2021 with support from Devon County Council. It showed a continued commitment to collaborative working and joined up thinking across the area on strategic matters, and compliance with the duty to cooperate.
- The Joint Strategy was a non-statutory document that reflected the ambitions and proposals of existing and emerging Local Plans. It covered a range of strategic planning matters and included a high-level list of infrastructure

matters that had cross-boundary significance for supporting the delivery of planned new homes, jobs, services, transport and other development. As a non-statutory document it was effectively a sub-regional plan that could now be used to support our own Local Plan and the Local Plans of three other planning authorities. The abolition of the Local Enterprise Partnership increased the need for such an approach.

- The Joint Strategy did not include planning policies or site allocations, and would have no weight in making planning decisions. However, the informal document would benefit the four Council's through helping to establish a recognisable 'brand' and serve as a prospectus for the area, which may assist when making bids for Government (or other) infrastructure and delivery funding.
- The Strategy makes specific reference to the 'strategic intervention' required at Junction 28 and this document would therefore be helpful to us as we continued to seek funding to deliver both the Cullompton relief road and the upgrade to Junction 28.
- The Joint Strategy had been subject to a focused consultation with key stakeholders including statutory bodies and agencies, transport and utilities infrastructure providers and other organisations and had been amended to reflect comments received.
- The Joint Strategy had already been considered and approved by the relevant committee of the other three Councils, those being East Devon, Exeter and Teignbridge.

Discussion took place regarding:

- Exeter City Council, East Devon and Teignbridge District Councils were taking equivalent reports through their committee processes in late 2023 had this taken place?
- Strategic active travel routes and trails and to see more of this, had there been group work previously?
- The Cullompton relief road would be the centre project.
- The exceptional place figure of 21,000 jobs between 2020-2040, was this solely Exeter as further on stated different figures?
- Blackdown Hill and East Devon Area of Outstanding Natural Beauty had changed to Blackdown Hill and East Devon National landscape.
- An update in the Joint Strategy to change the above names and Bio Diversity Duty.
- Connectivity Plan and the lack of cycling routes in the rural areas.
- The Joint Strategy had no relationship to Greater Exeter Strategic Plan.

RESOLVED that

The Joint Strategy (Appendix 1) subject to this being agreed by the partner authorities, with delegated authority given to the Director of Place in consultation with the Cabinet Member for Planning and Economic Regeneration to make any amendments arising from the resolution of the other authorities provided these do not materially alter the content of the document.

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

Reason for the Decision:

The need for the Council to work collaboratively with neighbouring authorities on strategic planning matters is enshrined in the Planning and Compulsory Purchase Act 2004, paragraphs 24-27 of the National Planning Policy Framework 2023 and the Planning Practice Guidance. These set out that local authorities have a legal duty to cooperate with each other and other organisations to seek to address strategic planning matters that are likely to have an impact beyond the immediate district. In particular Section 33A of the Planning and Compulsory Purchase Act 2004 sets out that to maximise effective working on strategic matters throughout the preparation of plans, authorities have a duty to engage constructively, actively and on an ongoing basis. The Joint Strategy helps to demonstrate compliance with this legislation. It should be noted however that the Joint Strategy itself is a non-statutory, informal document. It does not include policies or site allocations and will have no weight in making planning decisions.

The Joint Strategy includes illustrative, schematic diagrams and maps showing the spatial strategy for the area and the locations of major growth. These maps do not show specific allocations. The recommendation to approve the Joint Strategy should not be interpreted to suggest, that the Council supports specific allocations or proposed allocations which may be included in the local plans of neighbouring authorities.

Note * Report previously circulated.

82. **FLY TIPPING POLICY (00:41:52)**

Cabinet had before it a report * from the Environment and Enforcement Manager and Corporate Manager for People, Governance and Waste.

The Cabinet Member for Environment and Services outlined the contents of the report with particular reference to following:

- The report looked to explore and make recommendations regarding recent increases to the Fixed Penalty Notice (FPN) fine amount for fly tipping and breach of care for household waste offences This related to local authorities (LA) tackling anti-social behaviour in their communities.

The Environment and Enforcement Manager highlighted the following:

- On July 31st 2023, Central Government released new legislation in respect of Local Authorities and Police powers to tackle anti-social behaviour in communities.
- This provided LA's the opportunity to introduce a sliding scale in respect of the fine amount. An Environmental Legal Specialist working with Keep Britain Tidy had ratified this.
- The waste duty of care required occupiers of domestic property to take all reasonable measures available to them in the circumstances to ensure that they only transfer household waste produced on that property to an authorised person for disposal.
- Alongside proportionate fines for each offence, the sliding scale was likely to encourage offenders to make payment in a timely manner. This reduced the

cost of staff time in preparing case files for prosecution and the associated court costs.
- There were 605 reported incidents of fly tipping. These varied in scale from singular black bags to van sized loads, with a higher percentage being the latter. This was equivalent to 96 tonnes of waste disposed of illegally.
- The Enforcement Team was proactive in taking action against offenders, it was hoped an increased fine amount would deter those who may consider fly tipping from a commercial standpoint.

Discussion took place regarding:

- The system was efficient of clearing the fly tipping.
- Communication via Social Media about fly tipping.
- The fixed penalty notices being issued on a sliding scale on a case by case basis, would this be a fairer approach? With the on the spot fines, delegated to the Environment and Enforcement Manager would that be rolled out to the officers on the ground?
- Enforcing and prosecuting the offenders where possible on fly tipping.
- Duty of care of household waste- how was this measured in regards to waste?
- The prevent strategy with regards to waste and what measures were in place to ensure fly tipping could be prevented where possible?
- The fixed penalty notice fines were at the maximum they could be.

RESOLVED that

1. Delegate authority to the Environment and Enforcement Manager in respect of determining FPN value.

2. To amend the fly tipping policy to allow

    - For a sliding scale in respect of fly tipping Fixed Penalty Notice (FPN) amount, with the minimum being £400 and maximum amount £1000.
    - For a sliding scale in respect of breach of duty of care for household waste fixed penalty with the minimum being £150 and the maximum amount £600

3. To amend the fly tipping policy (see attached) for general updating purposes.

(Proposed by Cllr J Wright and seconded by Cllr J Lock)

Reason for the Decision:

The authority has a statutory duty to remove and dispose of Fly Tipping within communities. We have powers under S33 of the Environmental Protection Act 1990 to prosecute offenders for the offence.

Note * Report previously circulated.

83. **REVIEW OF BIN IT 123 INCLUDING SIDE WASTE COLLECTION (01:02:00)**

Cabinet had before it a report * from the Operations Manager for Street Scene and Open Spaces and Corporate Manager for People, Governance and Waste. The report measured the effectiveness of the Council's waste and recycling scheme,

known as the Bin-it 123 scheme, as implemented in October 2022. The steps the service have taken to raise awareness of the public in the District around the need to use appropriate containers and caddies for recycling.

The Cabinet Member for Environment and Services outlined the contents of the report with particular reference to following:

- The review of the performance since the implementation of the three weekly collections and positive results in the report. The recycling rate had increased and residual collection tonnage reduced since the schemes implementation.
- An increase in recycling would further enable the Council to reduce its carbon footprint and hit its carbon net zero commitment.
- Referred to the residual waste graph in the report and the 50% of residual waste that had provision to recycle (and would be the main focus over the next few years for environmental implication and for the financial cost).
- Bin-it 123 had now been in place for a year which had included the waste and recycling crews collecting side waste from households. This had helped support residents during the transition period by giving more flexibility.
- It is now necessary however to ensure that the Bin-It 123 scheme is fully implemented and complied with to reduce our residual tonnage and increase recycling.
- The steps were highlighted on the education and enforcement that would be taken to ensure residents supported the scheme and followed good practice.
- The Waste and Recycling Management presented to other National Councils from DEFRA how successful the three weekly collection had been maintained and the good results the Council had achieved in maintaining this.

The Corporate Manager for People and Governance and Waste highlighted the following:

- The challenges that the Council faced and the improvements that could still be made.
- Recycling Advisors are now employed in the community and talking to residents about Bin-it 123 and how residents could help implement the scheme.

The Operation Manager for Street Scene and Open spaces highlighted the following:

- Reflection on delivering the presentation to other national councils. It highlighted the engagement with residents and how to be a part of the scheme and the residents taking ownership of Bin-it 123.

Consideration were given to:

- Explanation about the graph in the report on WEEE and fines.
- Issues on side waste in different areas where the waste had been fly tipped in other resident’s bins or homes and they had then received a letter from the Council threatening prosecution. How was this monitored and the communication to residents?
- Knowledge and recognising the concerns of residents.
- Communal waste areas and how the waste was being dealt with.

- The tone of the letter that residents received.
- Positive messaging to residents about the good work in recycling and balancing the approach to residents. Positive publicity or campaigning about the recycling.
- The food waste that was happening and how to improve the wastage.
- Encourage recycling over the festive period.

RESOLVED that:

To review the contents of this report and provide recommendations for future reports.

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

Reason for the Decision:

Under Section 46 of the Environmental Protection Act, Waste Collection Authorities may by means of notice specify how householders present their waste for collection.

84. **CREDITON TOWN CENTRE MASTERPLAN (01:30:00)**

Cabinet had before it a report * from the Senior Project Officer and Strategic Manager for Growth, Economy and Delivery. The Council had resolved to develop a Masterplan for Crediton Town Centre as a Supplementary Planning Document. Consultants had been commissioned for its production following agreement by Cabinet on 1st November 2022.

The Cabinet Member for Planning and Economic Regeneration outlined the contents of the report with particular reference to the following:

- The report sought the Cabinet's approval of the masterplan for a formal six-week consultation period beginning in January.
- The Masterplan had been prepared by consultants LHC Design and would be adopted as a Supplementary Planning Document. It would form a framework for key regeneration projects underpinned by four main themes; Community Infrastructure, Circulation and Movement, Wayfinding and Legibility and Green and Blue Infrastructure.
- In accordance with the Council's Statement of Community Involvement, the Masterplan would be subject to two stages of public consultation. Stage 1 had already taken place and scoped out the proposed contents of the masterplan and options that might be included. This report related to Stage 2: to present the draft masterplan itself.
- The formal 6 week consultation period was intended to commence on January 15th, following consultation with Crediton Town Council, during which interested parties would be invited to comment on the plan and answer some specific questions.
- There were also two planned events at the Boniface Centre, Crediton, at which members of the public and stakeholders would be able to view the proposals and ask questions of officers and the consultants.
- In addition to the Stage 1 consultation the draft masterplan had already been shared with local members at a meeting on 18th October and PPAG on 20th

November. At both meetings, members were supportive of the general approach and of the individual projects.

RESOLVED that:

1. That the Masterplan be approved for public consultation for a period of six weeks to commence in early January 2024;

2. That Cabinet approve the associated Strategic Environmental Assessment Screening Report and the Habitats Regulations Assessment Screening Report for consultation;

3. That delegated authority be granted to the Director of Place in consultation with the Cabinet Member for Planning and Economic Regeneration to finalise the material and arrangements for consultation.

(Proposed by Cllr S Keable and seconded by Cllr J Lock)

Reason for the Decision:

The process for preparing and adopting the Crediton Town Centre Masterplan will need to comply with the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's Statement of Community Involvement. Whilst the Adopted Masterplan would not form part of the Development Plan, it would be a material consideration in the determination of planning applications relating to the town centre.

Note * Report previously circulated.

85. **THE MDH TENANCY INSPECTION POLICY (01:36:18)**

Cabinet had before it a report * from the Corporate Manager for Public Health, Regulation and Housing. The policy sets out the approach to obtaining access to tenanted properties, including gardens and outside areas and explains the type of information collected and the action to be taken when concerns are raised.

The Cabinet Member for Housing and Property Services outlined the contents of the report with particular reference to following:

- One of the main reasons for Tenancy Inspections, also referred to as Tenancy Home Checks, to assist Mid Devon Housing understand if tenants have any vulnerabilities and require help to sustain their tenancies.
- The policy aims to ensure that tenants are aware of the circumstances when Mid Devon Housing seek access to their properties and that the tenant's responsibility in providing that access.
- The purpose of conducting Tenancy Home Checks to ensure the property condition, reduce tenancy fraud and homes go to those in most need and identify tenancy management issues including tenants who require additional support to sustain their tenancies.

RESOLVED that:

1. That Cabinet adopt the updated Tenancy Inspection Policy and Equality Impact Assessment contained in Annexes A and B respectively.

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

Reason for the Decision:

See Section 2, Introduction with regard to Consumer Standards and new consumer regulation regime. In accordance with the Localism Act 2011, the Council is required to publish a clear and accessible policy which outlines its approach to tenancy management which includes reference to the prevention of tenancy fraud. The Council has a Tenancy Policy and uses tenant inspections as a means of preventing fraud.

Note * Report previously circulated.

86. **MTFP - BUDGET UPDATE (01:40:34)**

Cabinet had before it a report * from the Deputy Chief Executive (S151) Officer on the Medium Financial Plan (MTFP) covering the period of 2024/2025 to 2028/2029 and potential saving options.

The Cabinet Member for Finance outlined the contents of the report with particular reference to the following:

- The third update of the Medium Term Financial Plan covering the five years 2024/25 to 2028/29. The report encompassed all elements including the General Fund, Housing Revenue Account and the Capital Programme.
- The outcome was a savings increase of £307k bringing the total up to £1.644m.
- The RAG rating was referred to from the report, red and amber indicates the savings that could be taken, but there were risks and implications, the green indicates a saving that was a recommendation by officers.
- In addition to the revisions made to the previously provided savings, there had been a full and detailed review of all budget areas through a Star Chamber type approach.
- In the Housing Revenue account, an update showed a stark difference to the General Fund position, the forecast included assumptions for the cost increases as a result of the cost of living crisis which remained volatile, along with additional investment in Fire Safety and preventing Damp and Mould.
- The draft capital programme was available for review. The forecast was quite different to that projected during the current capital programme following the decision to soft close 3Rivers and remove the Post Hill development.
- The next steps were highlighted and members were encouraged to engage in the process and report to the Policy Development groups or directly to Cabinet.

The Deputy Chief Executive (S151) Officer highlighted the following:

- The budget position, he had heard from ministers that an announcement made on the 19th or 20th of December and would give detailed funding for Mid Devon District Council.
- Soft closure process of 3Rivers, soft closure plan was agreed with 3Rivers shareholders representative with other Council Officers after the last Full Council meeting and the closure of business by March 2024.
- Weekly meeting tracking progress against the soft closure plan.
- St Georges sale process has had an offer made and accepted and now with the legal parties on both sides to carry out the legal due diligence process.
- First sale at Haddon Heights in Bampton has completed and another completion will be happening next week and an update at a later date will be provided.
- Build process at Haddon Heights is completed just decoration to take place.
- Discussion on asset transfer were doing well and due to complete end of January.

RESOLVED that:

1. Note the updated MTFP's for the General Fund, Housing Revenue Account and Capital Programme covering the years 2024/25 to 2028/29
2. Consider and agree the revisions to the savings options within Appendix 1.
3. Consider and agree the savings options within Appendix 2.
4. Consider any additional suggestions to balance the remaining shortfall and request that the Policy Development Groups identify further savings options and recommend back to Cabinet for approval.

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

ACCESS TO INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC

The Leader of the Council advised the Cabinet that item 11 will continue in Part 1 to be open and transparent and if the Cabinet would like to discuss further information contained in annex A the Cabinet will need to agree to move into Part 2.

87. **PURCHASE OFFER FOR LAND AT POST HILL, TIVERTON (01:53:33)**

Cabinet had before it a report * from the Deputy Chief Executive (S151) Officer and the Corporate Manager for Public Health, Regulation and Housing on the Purchase for Land at Post Hill Tiverton.

The Cabinet Member for Housing and Property Services outlined the contents of the report with particular reference to following:

- On the 29 August 2023 Cabinet resolved that the Council's Housing Revenue Account (HRA) would not progress its proposed development and tender for Post Hill, Tiverton for the provision of 70 affordable homes. This decision was informed by a detailed options analysis that determined the site was not viable and did not represent a strong value for money business case for the HRA.
- Cabinet further resolved to grant delegated authority to the S151 Officer and the Corporate Manager for Public Health, Regulation and Housing to explore alternative options for the delivery of affordable housing at Post Hill including

potential sale or transfer of the site in order to complete the development of 70 units. This was to be brought back to Cabinet for future consideration.
- The purpose of this report was to advise members on options that had now been explored with third-party registered housing providers including a bidding process and confirm the sale of the Post Hill site.

The Cabinet member for Finance highlighted the following:

- The Cabinet chose not to progress the project as it was not financially viable and there has been an offer put forward for the Land at Post Hill.

Consideration was given to:
- The energy performance and representative of the developer for the site.
- The leverage following the sale to collaborate with the development about Bio Diversity duty and net zero.

RESOLVED that:

1. Approve the sale of Post Hill for affordable housing development to Bidder 1 as set out in Annex A (Part II).

2. Delegated authority be granted to the S151 Officer and the Corporate Manager for Public Health, Regulation and Housing (in consultation with the Cabinet Members for Finance and Housing & Property Services) to complete the contract of sale.

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

Reason for the Decision:

Any registered provider bringing forward a scheme of affordable housing on this site must meet a core legal definition of this type of accommodation. Affordable housing includes homes for sale or rent and is for people whose needs are not met by the private market. The Government's National Planning Policy Framework (NPPF) defines the types of affordable housing as Affordable Housing for Rent and Affordable Housing for Sale.

Note * Report previously circulated.

88. **NOTIFICATION OF KEY DECISIONS (02:05.46)**

The Cabinet had before it and noted the notification of Key Decisions.

Two additions had been made to this since the publication of the document with the agenda for this meeting:
- Bio Diversity Duty
- New Homes Safety Policy

Note: * Notification of Key Decisions previously circulated.

(The meeting ended at 19.31pm) **CHAIRMAN**

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MINUTES of a **MEETING** of the **CABINET** held on 9 January 2024 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 Councillor(s)	D Broom, E Buczkowski, B Holdman, S Robinson
Councillors online:	P Colthorpe, G Czapiewski, A Glover, N Woollatt
Present Officer(s):	Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Matthew Page (Corporate Manager for People, Governance and Waste), Dr Stephen Carr (Corporate Performance and Improvement Manager), Jason Ball (Climate and Sustainability Specialist), Zoe Lentell (Growth and Regeneration Officer) Laura Woon (Democratic Services Manager) and Sarah Lees (Democratic Services Officer)

89. **APOLOGIES**

There were no apologies for absence.

90. **PUBLIC QUESTION TIME**

The following questions were received from members of the public:

Mr Barry Warren

Question 1:

Within Willand Parish there are 9 play areas, 6 of which are managed by the Parish Council, either owned or under lease from MDDC. MDDC are contracted to carry out

monthly safety inspections of the play equipment in the 6 areas and the Parish are invoiced twice yearly, 6 months in advance.

The table shows that for 2023/24 we paid £2,293.06 but we actually paid £1,841.26. [A considerable 24.5% difference.] The second invoice was more than the first as it appears the second had an additional site added and there was a rise in other charges of 16.89%.

Why is there a discrepancy between the figure shown in the table and what we actually paid?

Response from the Cabinet Member for Finance:

The bill for the period of April 2023 to September 2023 was £578.94 total amount £694.73 including VAT. The bill for the period of October 2023 to March 2024 was £955.44 total amount £1146.53 including VAT with the Chestnut drive play area added following completion of the lease to the Parish these reflect the sum quoted to the amount paid. The £2293.06 including VAT, the sum quoted in Cabinet report was for October to March over a full year.

Question 2:

The new charges for 2024/25 are set out in the table but it is not clear how the charges will be worked out. Worked out one way we would be charged £2,764.80; a 50.15%% rise having already experienced a 16.89% rise for the second half of 2023/24.

There is a potential alternative way to work out the costs and Willand inspections cost would be £3369.60 an 83% rise on the previous year. We are unclear as to which system will be used.

How are the charges to be worked out?

What are MDDC actually expecting Willand Parish Council to pay for safety inspections for play equipment for the whole of 2024/25 for monthly safety inspections of play equipment covering all 6 sites?

Response from the Cabinet Member for Finance:

The revision to the proposed fee structure provides greater equity across the Parishes, the forecast cost £3369.00 as calculation includes the Chestnut drive play area the other partial reason for the increase. Officers of the Council will contact the Parish Clerk to discuss the changes in the fee structure.

Question 3:

It is stated that if approved by Cabinet these charges will be implemented as of 1 April 2024 but we are having to set our precepts now. We are unaware of any communication with the Parishes on this issue.

How does this action fit with the stated intention of this administration to work more closely with Parishes?

If one looks at recommendation 2, what will be put in place for timely discussion with Parishes in order that they may look elsewhere for the service if needs be before having to set their precepts?

Response from the Cabinet Member for Finance:

The Fees were published a soon as practical and three months prior to be implemented, if approved the council will engaged with each parish affected

Response from the Leader:

Mid Devon District Council has a State of District debate this month to engage more with Parish Council. This is the first year of administration and have the intention to work closely with Parishes and is part of the corporate plan to engage more.

Mr Nick Quinn

Question 1:

On 19 July 2023, Full Council passed Motion 593, which included a commitment 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……..".

The consideration of leisure pricing by the Community Policy Development Group, was not the 'open and transparent' review required by the Council. At their October 2023 meeting, after excluding the press and public, the PDG just took the fees and charges that were proposed in an unpublished Officer report and recommended that Cabinet approve them.

In view of this fact, will this Cabinet please refuse to 'note'; accept; approve; or otherwise allow for implementation, the new leisure fees and charges for 2024/25 as set out in Appendix 2 – and ask the Community Policy Development Group to undertake a totally Open and Transparent review of leisure pricing - as required by Council Motion 593?

Response from the Cabinet Member for Community and Leisure:

Whilst the motion as passed requested an 'open and transparent approach' when setting fees and charges for our Leisure service, there is a legal exemption: "Charge Strategies are Commercially Sensitive 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)."

In 2023/24 the Council appointed a specialist Leisure consultancy company to look at the service before any fee changes were considered. The outcome of their extensive report was that our fees could be increased when compared to the market locally and

nationally. The external report formed the basis of the commercially sensitive report presented to the PDG in October 2023 as required by Motion 593 point 2.

That report remains commercially sensitive and therefore exempt from publication. The fees recommended by the PDG also help to reduce the taxpayer subsidy which Motion 593 point 4 required the Council to take into account.

All 42 elected members had visibility of the proposals and the opportunity to speak, comment and challenge at the PDG and previous cabinet meeting when discussed, and thorough scrutiny of the proposals was provided.
The charges were published and open to public scrutiny and comment 3 months before implementation. Our charges remain very competitive in the Leisure sector and the number of Mid Devon Leisure memberships is increasing.

Mr Adam Pilgrim statement

You will have seen my message to you, dated 15th December 2023, drawing your attention to the historical agreement that the Canal would be funded **equally** by Devon County and Mid Devon District Councils.
This had followed the 1971 agreement between Devon County, Tiverton District and Tiverton Borough Councils.

The Canal Manager, Mark Baker, has already clearly outlined the benefits enjoyed by Mid Devon's residents and the consequences of reducing the funding of the Grand Western Canal. Cutting the Canal's funding will downgrade the high standards that have been achieved over a number of years and will be extremely difficult and costly to recover.

You should not follow the PDG's recommendation to cut MDDC's contribution to the Grand Western Canal by a further 15% since it's based on a false premise; that MDDC's contribution to the Canal is a Grant rather than an Obligation.
Following this recommendation would be an unsound decision.

1971 was the original Agreement; 50% of the canal's costs to be borne by Devon County Council and 50% to be borne by the two local Authorities; Tiverton District and Tiverton Borough Councils.
In 1974 after the District and Borough Councils combined to form Mid Devon District Council it was confirmed that the new Council would take on the Obligations of its predecessors.

On 29th January 1974 the Amenities and Countryside Committee resolved "that the cost be shared equally between the County Council and Tiverton District Council"

In March 1988 Mid Devon District Council's Environment & Leisure Committee's meeting noted that
"The funding of the work, both capital and revenue, to the Grand Western Canal is shared equally between Mid Devon District Council and Devon County Council."

The two authorities' contributions on the same basis was confirmed by the Mid Devon Partnership Committee in 14th March and in April 1998.

There doesn't appear to have been any formal dissolution of this arrangement.

Consequently, to execute the PDG's recommendation would perpetuate and compound MDDC's evasion of its historical obligation to the detriment of MDDC's "Jewel in its Crown".

91. **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT**

The Leader declared that all members of the Cabinet had been contact prior to the meeting in regards to the Grand Western Canal.

92. **MINUTES OF THE PREVIOUS MEETING ON 12 DECEMBER 2023**

The minutes of the previous meeting held on 12 December 2023 were approved as a correct record and SIGNED by the Leader.

93. **2024/25 – 2028/29 MEDIUM TERM FINANCIAL PLAN REPORT**

Cabinet had before it a report * from the Deputy Chief Executive (S151) Officer on the Medium Term Financial Plan (MTFP) covering the period of 2024/2025 to 2028/2029.

The Cabinet Member for Finance outlined the contents of the report with particular reference to the following:

- This reports covers the fourth update of the Medium Term Financial Plan covering the five years 2024/25 to 2028/29. This report encompasses all elements including the General Fund, Housing Revenue Account and the Capital Programme.
- The initial results of the budget element within the resident's survey has been included within Section 3 of the report. The results are similar to previous years and the allocation of the Council's resources reflect the public's priorities as far as possible within the Council's financial constraints and statutory requirements.
- Since the December Cabinet, further work had been undertaken to reduce the shortfall further. £103k of further savings has been identified, the majority of which (£78k) results from changes to the Building Control Partnership where the council pick up a lower percentage of the costs. Crucially, the staff savings has reduced by more than half and no resulting redundancies.
- In December the local government finance settlement was announced. Although very much a like for like settlement compared to 2023/24, this did announce £85k of additional grant funding above the forecast and additional Council Tax income following the announcement of 3% cap not 2%.
- Due to the scale of the services that report into the Economy and Homes PDG, and the Council will not look at those PDG's to identify any further savings for 2024/25 – although of course any ideas are always welcomed.
- Given the scale of the budgets the following PDGs are responsible for, the Council will still seek further savings from the Community and Environment PDG's, and I will be proposing that any remaining shortfall to the general fund after this round is met from reserves.
- Appendix 2 details the Housing Revenue Account and proposes a balanced budget for the HRA. Since the December update, clarification has been given by government on the Social Rent Cap which allows the Council to increase by September CPI +1% (7.7%). Therefore the proposed Rent Charges now reflect this as per Appendix 3. The additional income generated enables

increased investment in both the maintenance and further carbon reduction of our existing stock. It also enables greater investment in new stock through the housing development programme. There are also financial adjustments to update the bad debt provision and the recharges to the General Fund.

The proposed capital programme was presented for review. It remained largely the same as that presented to Cabinet in December, with the General Fund showing a small £1.5m reduction and the HRA showing no change in the 2024/25 deliverable budget. Changes in the assumed funding of the programme see forecast borrowing increase by just over £0.5m. Within the General Fund, the significant investment is the Cullompton Relief Road with a sufficient funding source still being sought. The HRA has significant investment included to deliver the Housing Development Programme that will increase the Council's existing stock by c.500 units.

Discussions took place regarding:

- A full report to Cabinet in March 2024 not 2023.
- Savings from reserves and would this leave the reserves vulnerable?

RESOLVED that:

- The initial results from the 2023 Residents Survey in relation to the Budget (section 3) be noted;
- Cabinet agree revisions as detailed in section 4 and recommend the use of reserves to mitigate the remaining budget deficit, delegate precise makeup of the recommendation to S151 in consultation with Cabinet member for finance.
- The update on the Local Government Finance Settlement included within Section 5 be noted;
- To consider and agree the revisions to the 2024/25 Housing Revenue Account Budget as outlined within Section 6;
- To consider and agree the proposed increase in HRA Rents and Fees as outlined in Appendix 3;
- To consider and agree the updated 2024/25 to 2028/29 Capital Programme explained in Section 7 and Appendix 4.
- The updated MTFP's for the General Fund, Housing Revenue Account and Capital Programme covering the years 2025/26 to 2028/29 and agree that work on strategic planning for delivering a balanced budget for 2025/26 and beyond is commenced immediately.

(Proposed by Cllr J Buczkowski and seconded by Cllr J Lock)

Reason for Decision:

In order to comply with the requirement to set a balanced budget, management must ensure that the proposed savings are robust and achievable. The Council must also ensure that the assumptions it has used are realistic and prudent. Failure to set a robust deliverable budget puts the Council at risk of not being able to meet its commitments and casts doubt on its "going concern" and "Value for Money" status.

Note * Report previously circulated.

94. **2024/2025 FEES AND CHARGES REPORT**

Cabinet had before it a report * from the Deputy Chief Executive (S151) Officer on the 2024/2025 Fees and Charges.

The Cabinet Member for Finance outlined the contents of the report with particular reference to the following:

- Charges for Council services formed a key income stream for the Council totalling over £11m and enabled many discretionary services to continue to be provided and helped address the financial challenge the Council faced.
- The Council charges fees for different reasons such as:
  They are set by statute such as planning.
  They recover costs (the Council adopts a full cost recovery policy)
  They support the provision of discretionary services.
- The setting of fees also helped to drive efficiency and customer behaviour and also ensured general taxation isn't being used to subsidise certain services that are only used by a small proportion of people. All fees needed to be set within any overarching legal requirements and must consider equalities.
- Following a full review, the majority of fees were proposed to be increased in line with September's CPI inflation (6.7%). The September figure represented the mid-point for the year and was also the latest CPI available at the time of drafting the proposals for the various PDG's to consider. It was also central Governments measure used when calculating national schemes such as pensions, business rates and grant increases. Where a service wished to vary from this, it had set out the justification to the relevant PDG.

There were currently several routes for approving the fees within the constitution, including; Cabinet or Cabinet Member decision, delegated decision by an officer, or by committees other than Cabinet. Therefore the fees had been split into 2 appendices – with Appendix 1 requiring Cabinet approval. Appendix 2 provided the fees approved elsewhere and so was just for noting. Some minor technical amendments and clarifications had been made within the supplementary update.

Discussions took place regarding:

- The inflation uplift of 6.7%.
- Venue hire and the meeting rooms in Phoenix House and Crediton Town Square facilities and guidance around this.
- Political party using the facilities and how this would be dealt with.
- The figures on Leisure were not the fees that were agreed at the Policy Development Groups.
- Discrepancies in the charge of leisure for yoga fees that had been agreed at the Policy Development group and in the published minutes.
- The proposal exceeded inflation and the justification for this had been presented to and supported by the relevant Policy Development Group in part 2.
- Queries regarding the leisure price increases.
- The public were unable to see anything in part 2 and Members were not able to disclosure this information.
- Motion 593, as agreed at Full Council, stated that the leisure fees would be reviewed in an open and transparent way.
- The issues that arose last year in regards of fee increases.

- Fees and Charges needed to be more open and transparent at the Policy Development groups when discussed.

RESOLVED that:

- The proposed Fees and Charges from 1 April 2024 set out in Appendix 1 be agreed;
- Delegated approval be given to the Deputy Chief Executive (S151) for discretionary fees to increase annually in the future in line with September CPI inflation, or potentially above annual inflation where the market will bear it following a review by the relevant Policy Development Group.
- The proposed / agreed Fees and Charges in Appendix 2 which have / will be approved through alternative routes as outlined in Para 1.4 be noted.

(Proposed by Cllr James Buczkowski and seconded by Cllr S Keable)

Reason for Decision:

The Localism Act 2011 also provides local authorities with a general power of competence that confers on them the power to charge for services unless there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging. Paragraph 1.6 outlines the three key principles for setting discretionary charges. The proposed fee uplifts are mainly inflationary. Therefore it is assumed that this will not have a material impact on the usage of that service. Any proposed uplift above inflation has been assessed by the service manager to again not materially alter the usage of the service.

Note * Report previously circulated.

95. **CORPORATE PERFORMANCE REPORT**

Cabinet had before it a report * from the Corporate Manager for People, Governance & Waste on the Corporate Performance Report.

The Corporate Performance and Improvement Manager outlined the contents of the report with particular reference to the following:

- Appendices 1-5 provided Members with details of performance against the Corporate Plan and local service targets for quarter 2, financial year 2023/24. This spanned the period July 2023 to September 2023.
- The Corporate Plan had four themes: Homes, Environment, Economy, and Community. Climate Change was a cross cutting theme of the Plan. Alongside the performance reporting of the Corporate Plan, the Council presented performance information on a wide range of corporate performance indicators, these were detailed in Appendix 5.

Discussion took place regarding:

- Bin collection being below target and the CRM (Customer Relationship Management) system, can the CRM track other services or support calls across the Council?

RESOLVED that:

- Members reviewed and scrutinise the Performance Indicators and information detailed in this report.

(Proposed by the Leader)

Reason for Decision:

There were no direct legal implications arising from this report. However, if the performance of some indicators is not at required levels, there is a risk of legal challenge. Performance management helped the Council meet its duties in relation to Value for Money.

Note * Report previously circulated.

96. **CORPORATE PERFORMANCE DASHBOARD**

Cabinet had before it, and NOTED, a verbal update * from the Corporate Manager for People, Governance & Waste on the Corporate Performance Dashboard.

The Corporate Performance and Improvement Manager outlined the contents of the report with particular reference to the following:

- The performance dashboard gave an overview of Performance, Finance and risk. Each Policy Development Group and Planning Committee had a dashboard.
- Dashboards were available on the Council website for public performance reporting.
- The dashboard states the rag rating to show the performance.

Discussion took place regarding:

- The management system for staff sickness to reduce and improve the sickness levels.
- The amber and red rag rating to have an explanation and actions to improve these ratings.
- The Council Tax collection to date, how did this track to where the Council needs to be?
- National bench marking comparator data with the dashboard.
- The challenges against targets that had been set.
- To publicise the dashboard on the achievements made.

Note * Dashboard previously circulated.

97. **CORPORATE RISK REPORT**

Cabinet had before it a report, and NOTED, * from the Corporate Manager for People, Governance & Waste on the Corporate Risk Report.

The Corporate Performance and Improvement Manager outlined the contents of the report with particular reference to the following:

- The Corporate Risk Register contained the strategic risks which were most likely to impact the corporate priorities of Mid Devon District Council. It was reviewed at least quarterly by Corporate Managers and the Leadership Team and updated as required. It was then presented to the Audit committee and to Cabinet. Risks were managed on the Council's corporate performance and risk management system, SPAR.
- The corporate risks were presented on a risk matrix (heat map), Appendix 1. Information on each risk was presented in a standard template, Appendix 2. These risks have been determined by the Council's Leadership Team in consultation with Corporate Managers and other Council officers.

Discussions took place regarding:

- Narrative around the risk and how do the council define severity as 1 to 5 to understand the levels of severity.

Reason for Decision:

There were no direct financial implications arising from this report. However, risks which were not mitigated may have financial implications for the Council. Equally, the treatment of risk may require resources to be (re)allocated. Having a robust approach to risk management will continue to help the Council minimise future financial risks and implications. A number of the Corporate Risks being managed contain financial risk, such as CR7 Financial Sustainability.

Note * Report previously circulated.

98. **BIODIVERSITY DUTY**

Cabinet had before it a report * from the Climate and Sustainability Specialist on the statutory duty to conserve and enhance biodiversity.

The Cabinet Member for Climate Change outlined the contents of the report with particular reference to the following:

- The first consideration to implement the biodiversity duty that came into law at the end of 2023.
- A requirement for public authorities to assess how they can take action to conserve and enhance biodiversity, and then take these actions (beyond simply discharging its duties as the Local Planning Authority(LPA).
- The aim was to provide for the enhancement or improvement of biodiversity, not just its maintenance in its current state.
- To comply, a public authority must periodically consider the opportunities available across the full range of its functions. This represented a proactive, strategic assessment of a public authority's functions, rather than considering each function in isolation.
- The Climate sustainability specialist had coordinated preliminary consultants across the council about actions and policy areas where benefits could be delivered.

- The Council shall establish district targets considered to be aligned with (i.e. will contribute positively towards) the requisite goals set out by government legislation and guidance. Targets should be achievable or surpassable, assuming a favourable strategic environment (with appropriate government funding, etc.).
- The Council, as a local authority, must:
  a) Consider what it can do to conserve and enhance biodiversity.
  b) Agree policies and specific objectives based on its consideration.
  c) Act to deliver its policies and achieve its objectives.
  d) Report on its biodiversity duty actions. (Defra has guidance on this.)
- The Climate sustainability specialist had coordinated across the Council regarding actions and policy areas

The Climate Sustainability Specialist highlighted that the first consideration had been completed and the report sets out the next steps.

Discussion took place regarding:

- The Planning policy and how much control the district council had for enforcing and introducing change for biodiversity.

RESOLVED that:

1. To note that the Cabinet Member for Climate Change has submitted comment on this matter (to the Climate and Sustainability Specialist preliminary briefings) as the first consideration of what action to take with regard to this duty.
2. To note that action and policy development will be split into two separate streams: either matters within the Council's statutory Planning Policy making process and the statutory powers as a Local Planning Authority (largely governed and prescribed by national policy and through the work of the Forward Planning and Development Management teams); or items outside those functions, such as land and built asset management and its wider corporate operations.
3. To note that the responsibility to deliver on the general biodiversity duty is shared across all Council operations. As such, this matter will be raised on agendas for all Policy Development Groups (PDGs) and, where within the jurisdiction of the LPA, the Planning and Policy Advisory Group (PPAG) to request input to the policy framework and action plan.
4. That Cabinet delegates authority to the Cabinet Member for Climate Change, the Director of Place and the Climate and Sustainability Specialist to develop a policy framework and action plan in consultation with staff and Council bodies as above, then recommendations brought to Cabinet.

(Proposed by Cllr Natasha Bradshaw and seconded by Cllr S Keable)

Reason for Decision:

The general duty to conserve and enhance biodiversity is set out in the Environment Act 2021 and the Natural Environment and Rural Communities Act 2006 (NERC Act) as amended. Mid Devon as LPA has set duties to discharge in line with national

policy and this is separate and distinct from anything which the authority chooses to do as a corporate land/property owner.

Note * Report previously circulated.

99. **THE DEVON SERIOUS VIOLENCE STRATEGY**

Cabinet had before it a report * from the Corporate Manager for Public Health, Regulation and Housing on the Serious Violence Duty Strategy.

The Cabinet Member for Community and Leisure outlined the contents of the report with particular reference to the following:

- The Serious Violence Duty was a new legal responsibility introduced in 2023. It required specified authorities to work together to prevent and reduce serious violence in the area.
- The core elements of this new duty Devon-wide are to:
  Prepare a local serious violence Strategic Needs Assessment.
  Prepare and publish a local strategy to prevent and reduce serious Violence informed by that needs assessment.
- Local authorities at District and County level and their Community Safety Partnerships are specifically named as specified authorities in the duty. Other such authorities are the Police, Probation and Youth Offending Teams, Fire authorities and the NHS Clinical Commissioning Groups. No one authority had a lead role.
- There is a legal requirement to have completed the Strategic Needs Assessment in 2023, which was work completed by the Safer Devon Partnership (as the County upper-tier Community Safety Partnership). This was undertaken in collaboration with all the district Community Safety Partnerships including our East and Mid Devon Community Safety Partnership.
- The duty governance arrangements build on existing peninsula wide partnership working between all Community Safety Partnerships and the Police and Crime Commissioner where the Council's local Community Safety Partnership is represented through its membership and engagement with the Safer Devon Partnership.
- The Safer Devon Partnership had been working hard to finalise the public-facing publication version of the strategy, which would be ready in the next week or so. In the meantime, all Safer Devon Partnership partners including Mid Devon had agreed and finalised the core strategy components as set out in Section 3 of the report. In particular, this included the six key priorities set out in Section 3.7 which formed the overall statement of intent of the strategy.
- These priorities reflected the legal duty requirement to take a public health, preventative and trauma-informed approach. As defined focus areas, they are also in keeping with the duty by encompassing public space youth violence, including weapons-related violence and drug related criminal activities with a strong emphasis on young people. They were of course also reflective of the findings around serious violence identified in the Devon Strategic Needs Assessment.

Discussion took place regarding:

- The formula funding and how it had been split into areas and the populations within these.
- Concerns about overall reasonability of the Serious Violence Duty Strategy.
- The language used in the strategy impact assessment provided by Devon County Council regarding care experience or involved in children social care.
- Devon wide Strategy and would this work with 9 Local authorities and would the strategy be shared before adopting?
- The Strategy to go to Community Policy Development Group (PDG) before coming to Cabinet for adopting.
- Dismantling of Youth services and facilities for young people.
- When adopting the strategy would Mid Devon interpret the overarching strategy priorities into a local context as part of wider set of priorities in its Community Safety Partnership Action Plan.
- Request to consider further information on the formula for calculating the core and labour funding at upper tier level and how this may be challenged
- Clarification on whether the final Serious Violence Strategy will go to Community Policy Development Group.

RESOLVED that:

1. That Cabinet approve the overarching statements of intent (Priorities 1-6) within the Devon Preventing Serious Violence Strategy 2024-29 and Impact Assessment set out in Section 3.7 and Annex A of this report respectively to enable publication of the strategy as required by 31 January 2024.
2. That the Devon Preventing Serious Violence Strategy 2024-29 and wider governance arrangements is brought back to the Community Policy Development Group and Cabinet in due course to embed the strategy within the Council policy framework to enable delivery.

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

Reason for Decision:

There is a risk that if the Devon strategy and in particular the overarching statements of intent (Priorities 1-6) are not agreed by CSPs then a collaborative strategy for Devon cannot be published by the deadline of the 31 January 2024. Consequently, all specified authorities including the Council would not be complying with the legal SV duty and funding may not be provided by the Home Office.

Note * Report previously circulated.

100. **STRATEGIC GRANTS REVIEW**

Cabinet had before it a report * from the Director of Place.

The Cabinet Member for Community and Leisure outlined the contents of the report with particular reference to the following:

- The purpose of today's report is to approve the funding decisions recommended by the Community Policy Development Group (PDG) to be awarded to organisations as part of the Council's strategic grants programme. Secondly, to agree a recommended funding period of two years.

- This Cabinet requested for 2024/25 that, in light of the financial pressures on the Council, the total Strategic Grants budget is capped at £120,000. The Community Policy Development Group (PDG) met on 28 November 2023 to review the grants with current recipients attending the meeting to give presentations on their services, how the funding is used and the potential implications of any reductions in grant funding on their service delivery. Written submissions and accounts were also provided to that committee.
- That despite the significant budget challenges as a Council, this Cabinet and the Community Policy Development Group (PDG) have both expressed their steadfast dedication to keep awarding these discretionary grants. We have no obligation to award these grants. In these very difficult times as we seek to balance our future budget, the choice to continue to award them is a statement of how highly we value these organisations and the benefit they bring to our communities.
- As part of the review, Members considered:
  a) The criteria for the prioritisation of the agencies that should be funded;
  b) The level of funding for each agency, taking into account the proposed budget by Cabinet and the impact of any proposed reductions on the organisation and on vulnerable residents that access support through that organisation.
  c) The term of the funding period, taking into account the Council's budgetary position and the need to provide certainty to strategic partners for the purposes of financial planning.

Consistent with previous reviews, Community Policy Development Group (PDG) Members prioritised funding decisions against categories of eligible potential strategic partners, where group 1 was the highest priority, group 2 the next highest, group 3 the least:

Group 1: defined as providing essential services to residents that represent a strong strategic alignment with the Council's objectives
Group 2: defined as providing important services to residents that represent some strategic alignment with the Council's objectives
Group 3: recognised as providing valued but non-essential services to residents that represent a weak alignment with the Council's objectives.

The Community PDG determined the following recommendations:

- To assist with financial forecasting and planning for funding recipients, that the strategic grant offers are made for a two-year period (April 2024 to March 2026).
- To ensure a balanced budget, organisations in group 1 to receive a 90% funding allocation compared to current award (10% reduction) and organisations in group 2 to receive an 85% funding allocation compared to current award (15% reduction). None of the organisations were classed as group 3.
- The Community Policy Development Group (PDG) also recommended that the next review to take place in 2025/26 be added to their forward plan.
- It is essential to acknowledge that we are not alone in facing budgetary constraints, rising costs, and inflationary pressures. We would all prefer to allocate more grants from a larger funding pool. However, our current circumstances require us to address a reduction in funding. This is not the

ideal scenario, but it provides an opportunity to recognise and celebrate the invaluable contributions of these organisations to our communities.

- That recognition is why Mid Devon has awarded strategic grants since 2004/2005 to voluntary and community organisations that provide key services to Mid Devon residents and visitors. The last strategic grant review was undertaken in 2020/2021 with grant awards offered from April 2021 for a period of 3 years (ending March 2024).
- The Strategic Grants are revenue grants. The purpose is to support the organisations' running costs such as Director/Chief Officer salaries, rent and other running costs with the intention of allowing those organisations to apply for capital funding for growth, of which capital schemes tend to be more available than revenue schemes such as this one.
- When considering grant decisions, we should highlight that despite the ongoing financial pressures for some years now, Mid Devon has continued to offer strategic grants to the same level since 2017. We should be proud of this. As we should be of our commitment to keep supporting them with a fund of £120k despite the even greater pressures we face today, and in the years ahead.

  The Council have reviewed our records and can see that, since at least 2011, the Grand Western Canal's grant was paid from the Council's Strategic Grants budget and not via a separate contribution. The Canal's contribution was reviewed (along with the other grant awards) as part of the grants review at that time. All of the grant offer letters that we have on file for the Canal refer to the grant being approved as part of a Strategic Grants Review.
- All grants from the 2020 financial year onwards have been paid from one grants budget (although New Homes Bonus has continued to support that budget).
- There has been consideration of whether the Canal could be moved from group 2 (important services) to group 1 (essential services). When we talk about the terms important and essential this is how these groups are aligned to our Corporate Plan, and our core objectives of Homes, Environment, Economy, and Community.
- A new Corporate Plan will be created this year, and this provides the opportunity for this Council to set out new objectives and priorities in advance of the next Strategic Grants review.

In conclusion, this report underscores the importance of our continued support for voluntary and community organisations in Mid Devon through our discretionary Strategic Grants funding. While we face budgetary challenges, our commitment to these organisations remains steadfast, emphasising the vital role they play in our communities.

The Leader of the Council highlighted the difficulty for charities, groups and organisation to take a cut in funding. Every year Central Government reduces the amount of funding year on year. The Grand Western Canal is a vital service to Mid Devon District Council and still receives a third of the total grant fund which shows how important is it to Mid Devon District Council.

The Cabinet Member for Planning and Economic Regeneration commended the work undertaken by all the voluntary groups, community groups, committees, supporters and volunteers. He continued to highlight the following:

Any reduction in funding from Mid Devon is regretted but with an effective halving of Government Grant funding to Mid Devon in the last 10-years, plus per annum capping Council Tax increases to 3%, plus rapid inflation that has exceeded 10% in the last year, does put us and all other Council's into an impossible position. Given these conditions Mid Devon has done well to maintain the Canal grant at 85% together with a pledge to maintain with no further reduction in the next 2 financial years. Suffolk have just announced 100% deletion of their entire budget to Arts & Culture and with immediate effect in April. The financial position of Somerset Council facing bankruptcy through funding starvation and Government policy has been covered widely in the press.

Last May, this Administration, made a commitment to fiscal responsibility. The 15% reduction in grant could have been much higher. Through my own life-long commitment to voluntary organisations, and the worthwhile work undertaken, I know the adverse impact any larger grant reduction would have made. Indeed, much of my professional career was dedicated in working with the voluntary sector and helping raise funds. Given the pressure on public finances, this 15% reduction, maintained at this level until 2025/26, was providing a clear positional 'green light' indication that local organisations needed to seek alternative funding. Until there is a change in Central Government policy this approach is the direction of travel for discretionary non grant funding. The Canal have faced in the recent past the situation that Suffolk arts and culture group face a total loss of funding.

November 2012 Councillor Slade produced a report titled 'Grant payments to external organisation 2016/17'. The report states "Grand Western Canal a Devon County Council facility which the District Council makes a contribution towards, given the challenges faced by the District Council in 2015 to meet the legal obligation of setting a balance budget it is recommended MDDC investment in the Canal is removed by 2017/18.

The Cabinet Member for Planning and Economic Regeneration would encourage the organisations linked to Great Western Canal to have a strategic and co-ordinated fundraising strategy.

Discussion took place regarding:

- The disappointment with the reduction to the Grand Western Canal.
- Seeking engagement with Parishes around the Canal to raise their precept to cover the shortfall.
- Since the grants have been reviewed by Community Policy Development Group (PDG), the Council was now subject to the Biodiversity Duty.
- The others that had also received a reduction in the grant funding had they come forward?
- The prioritised funding decisions against categories.
- The organisations had time to make plans in the two year time frame.

RESOLVED that:

1. That Cabinet sets a grant funding period of two years (2024/25 and 2025/26).
2. That Cabinet approves recommended strategic grant funding awards for 2024/25 and 2025/26 as outlined in the report.

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

Reason for Decision:

The budget allocated for the combined grants during 2023/24 was £138,500. The funding available for 2024/25 was set at £120,000, of which any grant award to the Canal will be funded from New Homes Bonus and the rest from General Fund. This funding recommendation is £225 over the budget for 2024/25, which will need to be sourced from the General Fund.

Note * Report previously circulated.

101. **NOTIFICATION OF KEY DECISIONS**

The Cabinet had before it and noted the notification of Key Decisions.

One addition had been made to this since the publication of the document with the agenda for this meeting:

- Review of the Safeguarding Policy.

Note: * Notification of Key Decisions previously circulated.

(The meeting ended at Time Not Specified) **CHAIRMAN**

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Report for:	**Cabinet**
Date of Meeting:	6 February 2024
Subject:	**NNDR 1 for 2024/25**
Cabinet Member:	Cllr James Buczkowski
Responsible Officer:	Andrew Jarrett - Deputy Chief Executive (S151)
Exempt:	N/a
Wards Affected:	All
Enclosures:	NNDR1

Section 1 – Summary and Recommendation(s)

To provide Members with an update of the income generation and financial implications of the number of Business Rate properties in Mid Devon and to approve the NNDR1 (estimated income to be generated in 2024/25 from business rates).

To ensure that the Council meets its statutory deadline for notifying Precepting Authorities and the Government by 31 January 2024 of their appropriate shares in accordance with the Non Domestic Rating (Rates Retention) Regulations 2013, following approval by Council.

Recommendation(s):

Cabinet are asked to recommend to Council the following:

1. **That the calculation of the NNDR1 net yield of £18,304,353 from 3,557 Business Rated properties is noted and approved for 2024/25;**

2. **That the proportions distributed to the respective authorities and Central Government be allocated as per the statutory regulations; and**

3. **That Members note that Central Government will reimburse the Council through a Section 31 grant to compensate it for the reduction in collectable business rates as a result of introducing various reliefs.**

4. **That Members agree to Mid Devon rejoining the Devon Business Rates Pool for 2024/25.**

Section 2 – Report

1.0 Introduction

1.1 Councils must submit a return known as the NNDR1 form to the Department for Levelling Up, Housing and Communities (DLUHC). This form provides the local tax base for business properties in the area for the forthcoming year and determines the value of income from Non-Domestic Rates between Central Government, Mid Devon District Council and the Devon and Somerset Fire & Rescue Authority. As such the NNDR1 form is a key document in the budget setting process.

1.2 The NNDR1 form must be certified by the Section 151 Officer. Councils are expected to adopt a similar approval process used for the Council Tax Base, i.e. approval by Council.

2.0 Business Rates Retention Scheme

2.1 Prior to 1 April 2013, all billing authorities collected the business rates in their area and passed this money onto a Central Government pool. The pool was then redistributed to local authorities throughout the country based on their needs, resources and the services they provide to their community. For example, one billing authority may collect £15m and only require £10m to run its services, whereas another billing authority may collect £10m and require £15m to run its services. The shortfall and excess was then redistributed by Central Government through a fixed sum as part of the Formula Grant Settlement.

2.2 From 1 April 2013, Central Government changed the way this financing is distributed. Each billing authority now has to forecast the amount of revenue it will generate from business rates and then redistribute that income between Central Government, the County Council, the Fire Authority and itself, based on a centrally prescribed formula (see below).

2.3 The Business Rates Retention Scheme as it is now known, also allows the billing authority to keep a share of the increase in revenue it generates, therefore encouraging billing authorities to encourage business growth in its area. However, the converse of this applies and if a billing authority's business rates decline, the District Council (i.e. MDDC) will see a proportionate drop in revenue.

2.4 This is the key difference between the old and new schemes. As under the old business rates scheme, the level of funding was determined at the beginning of the year and was fixed thereafter, thereby protecting billing authorities.

2.5 In order to assist local authorities in retaining revenue within the counties, Central Government allowed Upper Tier Councils (Unitary and County Councils) and Lower Tier Councils (District Councils) to join together to pool their growth and offset the growth of one area against a decline in another area. Effectively, this creates a larger critical mass across the county to alleviate exposure to individual authority losses, thus enabling Counties and Districts to retain more of the rates collected instead of contributing this money to the central pool.

2.6 Mid Devon District Council joined the Devon County-wide pool in 2014 and wishes to remain in the pool for 2024/25 to maximise the amount of Business Rates it can retain.

2.7 This report details the calculations necessary to determine the estimated debit the Council is expected to collect in business rates for the 2024/25 year. The net collectable debit is then split proportionally in accordance with the provisions of the Local Government Finance Settlement issued in December 2020 which enables the whole of Devon to have a 50% rates retention, subject to tariffs / Top-ups and levies. The tier split for Devon is as follows:

- 9% is distributed to Devon County Council
- 40% is kept by Mid Devon District Council
- 1% is distributed to the Devon & Somerset Fire & Rescue Authority

3.0 S31 Grant Reliefs (funded reliefs)

3.1 The Government provides grants to Councils under Section 31 (S31) of the Local Government Act 2003 (LGA 2003) for a wide range of purposes. Within the Business Rates service area, S31 grants are provided to recompense the Council for a range of reliefs, including the Small Business Grant Fund and Retail, Hospitality and Leisure schemes introduced in response to Covid-19.

3.2 Part 2, Section 39 of the NNDR1 calculates that MDDC is due £2,739,142 in S31 Grant in 2024/25 across the various reliefs applied. This is largely due to the Government's announcement to continue the relief available to Retail, Hospitality and Leisure businesses in 2024/25 at a rate of 75%.

4.0 2024/25 Forecast Yield

4.1 The Council is notionally able to keep 40% of the total business rates it collects and this would generate an estimated £7,321,741 (less Tariff and Levy). MDDC gets £123,164 as a cost of collecting the years' business rates and will continue to retain the income from renewable energy schemes of £233,823 in 2024/25.

4.2 Prudent forecast are included for the possibility of losing income as a result of a business appealing its Rateable Value, or for non-payment of the charge.

5.0 Changes being introduced for 2024/25

5.1 A new improvement relief is being introduced with effect from the 1st April 2024 the level of relief awarded is calculated by the Valuation Office Agency who issue Certificates to the billing authority to allow for the relief. This is funded by Section 31 grants so there is no cost to the Council

5.2 The restriction preventing Council's from making a decision to award Discretionary Relief more than 6 months after the end of the relevant financial year has been removed. We have revised our Discretionary Relief Policy to reflect this change; we will now exercise this where the Relief applied for is funded via Section 31 grants will go beyond the year in which the claim is made by one further year; where Section 31 grant is not payable the relief will only be applied to the year in which the application is made

5.3 Rural Rate Relief, Public Toilet Relief, Heat Network Relief becomes a mandatory relief with effect from the 1st April 2024; as this is no longer funded by Section 31 grants these changes will now incur a cost to the Council.

6.0 Conclusion

6.1 Due to the associated volatility and significant sums of revenue involved, we will continue to maintain a Business Rates Smoothing Reserve and provide Members with regular updates on the level of business rates being collected during 2024/25.

Financial Implications

Mid Devon District Council is a Statutory Billing Authority and has a duty to carry out this task each year as part of the budgetary process.

Legal Implications

This is a statutory function and is a legal requirement. The Council must set its budget annually based on the Council Tax tax base and the projected NNDR1 values.

Risk Assessment

If the Council fails to carry out this duty, then it will not be able to forecast its future budget positions. The calculation of the NNDR1 involves a number of estimates made by professional officers, but due to the volatility and uncertainty of Business Rates appeals and Central Government retention policies, the Council holds a Business Rates Smoothing Reserve which can be used to mitigate fluctuations in Business Rates receipts.

Impact on Climate Change

No climate change issues identified for this report.

Equalities Impact Assessment

No equality issues identified for this report.

Relationship to Corporate Plan

This report sets out the estimated net business rates for 2024/25; the estimate will then be used in the calculation of future Council business rates budgets. This report is in line with the Council's Corporate Plan objectives and is essential to delivering the necessary funding to balance the 2024/25 General Fund Revenue budget.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 26/01/2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 26/01/2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 26/01/2024

Performance and risk: Dr Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 26/01/2024

Cabinet member notified: (yes)

Section 4 - Contact Details and Background Papers

Contact**:** Andrew Jarrett, Deputy Chief Executive (S151)
Email: ajarrett@middevon.gov.uk
Telephone: 01884 234242

Contact**:** Dean Emery, Corporate Manager for Revenues, Benefits, Corporate Recovery, Corporate Fraud, Welfare & Leisure
Email: demery@middevon.gov.uk
Telephone: 01884 234328

Background papers: NNDR1

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NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2024-25

Please e-mail with certification to: nndr.statistics@levellingup.gov.uk by no later than 31 January 2024.

All figures must be entered in whole £

If you are content with your answers please return this form to DLUHC as soon as possible

Select your local authority's name from this list:

Mansfield
Medway UA
Melton
Merton
Mid Devon
Mid Suffolk

Authority Name	Mid Devon
E-code	E1133
Local authority contact name	
Local authority contact number	
Local authority e-mail address	

Ver 1.1

PART 1A: NON-DOMESTIC RATING INCOME

This section of the form uses entries from other parts to calculate the forecast net business rates income for the authority in 2024-25. Note that you still need to enter data for line 5 and line 9a, but otherwise it is all calculated. Also please note that Parts 1B and 1C are below.

	£
COLLECTABLE RATES (See Note A)	
1. Net amount receivable from rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs and accounting adjustments	17,665,662
TRANSITIONAL PROTECTION PAYMENTS	
2. Sums due to the authority	1,096,516
3. Sums due from the authority	0
COST OF COLLECTION (See Note B)	
4. Cost of collection formula	123,164
5. Legal costs	0
6. Allowance for cost of collection	123,164
SPECIAL AUTHORITY DEDUCTIONS	
7. City of London Offset : Not applicable for your authority	0
DISREGARDED AMOUNTS	
8. Amounts retained in respect of Designated Areas	0
9. Amounts retained in respect of Renewable Energy Schemes (See Note C)	334,661
of which:	
9a. sums retained by billing authority	233,823
9b. sums retained by major precepting authority	100,838
10. Amounts retained in respect of Shale Oil and Gas Sites Schemes (See Note D)	0
NON-DOMESTIC RATING INCOME	
11. Line 1 plus line 2, minus lines 3, 6 to 9 and 10	18,304,353

FOR INFORMATION: Breakdown of Collectable Rates

Gross rates payable in year	28,099,558	Part 2, Line 5
Cost of mandatory relief	-6,197,329	Part 2, Line 18 + Part 2
Cost of discretionary relief	-2,825,051	Part 2, Line 35 + Part 2
Cost of transitional arrangements	-1,096,516	Part 2, Line 8
Cost of accounting adjustments for losses on collection	-65,000	Part 3, Line 2
Cost of accounting adjustments for addition to appeals provision	-250,000	Part 3, Line 3
Collectable Rates	17,665,662	**Part 1, Line 1**

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2024-25

Please e-mail with certification to: nndr.statistics@levellingup.gov.uk by no later than 31 January 2024.

All figures must be entered in whole £

If you are content with your answers please return this form to DLUHC as soon as possible

Local Authority : Mid Devon

PART 1B: PAYMENTS

This page is for information only; please do not amend any of the figures

The payments to be made, during the course of 2024-25 to:

i) the Secretary of State in accordance with Regulation 4 of the Non-Domestic Rating (Rates Retention) Regulations 2013;
ii) major precepting authorities in accordance with Regulations 5, 6 and 7; and to be
iii) transferred by the billing authority from its Collection Fund to its General Fund,

are set out below

	Column 1 **Central Government**	Column 2 **Mid Devon**	Column 3 **Devon County Council**	Column 4 **Devon and Somerset Fire Authority**	Column 5 **Total**
Retained NNDR shares	£	£	£	£	£
12. % of non-domestic rating income to be allocated to each authority in 2024-25	50%	40%	9%	1%	100%
Non-Domestic Rating Income for 2024-25					
13. Non-domestic rating income from rates retention scheme	9,152,176	7,321,741	1,647,392	183,044	18,304,353
14.(less) deductions from central share	0				0
15 **TOTAL:**	9,152,176	7,321,741	1,647,392	183,044	18,304,353
Other Income for 2024-25					
16. add: cost of collection allowance		123,164			123,164
17. add: amounts retained in respect of Designated Areas		0			0
18. add: amounts retained in respect of renewable energy schemes		233,823	100,838		334,661
19. add: amounts retained in respect of Shale oil and gas sites schemes		0	0	0	0
20. add: qualifying relief in Designated Areas		0	0	0	0
21. add: City of London Offset		0			0
22. add: in respect of Port of Bristol hereditament		0			0
Estimated Surplus/Deficit on Collection Fund	£	£	£	£	£
23. Surplus/Deficit at end of 2023-24 (+ve = surplus, -ve = deficit)	334,881	267,904	60,278	6,698	669,761
TOTAL FOR THE YEAR	£	£	£	£	£
24. Total amount due to authorities	9,487,057	7,946,633	1,808,508	189,742	19,431,939

NATIONAL NON-DOMESTIC RATES RETURN - NNDR1
2024-25

Please e-mail with certification to: nndr.statistics@levellingup.gov.uk by no later than 31 January 2024.

All figures must be entered in whole £

If you are content with your answers please return this form to DLUHC as soon as possible

Local Authority : Mid Devon

PART 1C: SECTION 31 GRANT (See Note E)

This page is for information only; please do not amend any of the figures

Estimated sums due from Government via Section 31 grant, to compensate authorities for the cost of changes to the business rates system announced in the 2013 to 2016 and 2022 to 2023 Autumn Statements, 2020 and 2021 spending reviews, and 2017 (March and November), 2018 (October) and 2021 (October) Budgets

Small Business Rates Multiplier Adjustment Factor: 1.248
Supplementary Multiplier Adjustment Factor: 1.167

	Column 2 **Mid Devon**	Column 3 **Devon County Council**	Column 4 **Devon and Somerset Fire Authority**	Column 5 **Total**
Multiplier Cap	£	£	£	£
25. Cost of cap on 2014-15, 2015-16 and post-2018-19 and freezing of 2021-22, 2022-23, 2023-24 small business rates and standard business rates multipliers and the 2024-25 small business rates multiplier - Loss of net rates income	1,497,768	346,448	36,299	1,880,515
26. Cost of cap on 2014-15, 2015-16 and post-2018-19 and freezing of 2021-22, 2022-23, 2023-24 small business rates and standard business rates multipliers and the 2024-25 small business rates multiplier - Uprating to grants in respect of Section 31 funded reliefs	521,030	117,232	13,026	651,288
27. Total compensation for cost of cap on 2014-15, 2015-16 and post-2018-19 and freezing of 2021-22, 2022-23, 2023-24 small business rates and standard business rates multipliers and the 2024-25 small business rates multiplier	2,018,798	463,680	49,325	2,531,803
Small Business Rate Relief				
28. Cost of doubling SBRR & threshold changes for 2024-25	1,089,642	245,169	27,241	1,362,052
28a. Additional compensation for loss of supplementary multipler income	41,010	9,227	1,025	51,262
29. Cost to authorities of maintaining relief on "first" property	0	0	0	0
Rural Rate Relief				
30. Cost to authorities of providing 100% rural rate relief	4,757	1,071	119	5,947
Supporting Small Business Scheme				
31. Cost to authorities of providing relief	156,981	35,320	3,924	196,225
Designated Areas qualifying relief in 100% business rates retention areas				
32. Cost to authorities of providing relief	0	0	0	0
Local newspaper relief				
33. Cost to authorities of providing relief	600	135	15	750
Public lavatories relief				
34. Cost to authorities of providing relief	2,781	625	69	3,475
Retail, Hospitality and Leisure relief				
35. Cost to authorities of providing relief	938,078	211,067	23,452	1,172,597
Freeports relief				
36. Cost to authorities of providing relief	0	0	0	0
Investment Zones relief				
37. Cost to authorities of providing relief	0	0	0	0
Low-carbon heat networks relief				
38. Cost to authorities of providing relief	0	0	0	0
TOTAL FOR THE YEAR	£	£	£	£
39. Amount of Section 31 grant due to authorities to compensate for reliefs	4,252,647	966,294	105,170	5,324,111

NB To determine the amount of S31 grant due to it, the authority will have to add / deduct from the amount shown in line 39, a sum to reflect the adjustment to tariffs / top-ups in respect of the multiplier cap (See notes for Line 39)

This completed Excel form should be e-mailed to nndr.statistics@levellingup.gov.uk and any relevant precepting authorities by the Chief Financial / Section 151 Officer. The email should include the officer's electronic signature and the following statement:

I confirm that the entries in this form are the best I can make on the information available to me and amounts are calculated in accordance with regulations made under Schedule 7B to the Local Government Act 1988. I also confirm that the authority has acted diligently in relation to the collection of non-domestic rates.

Local Authority : Mid Devon

PART 2: RELIEFS AND NET RATES PAYABLE (See Note F)

This section of the form is for you to enter the gross rates value and the amount of various business rates reliefs forecast for 2024-25. This will then calculate the forecast net rates payable. These values also populate the section 31 payment calculations in Part 1.

Please Select:

Some authorities may be unable to provide data on reliefs disaggregated by the multiplier applied to hereditaments. Please indicate if you are able to provide this data.

Yes - able to provide disaggregated data

You should complete columns 1 & 4 only		Column 1	Column 2	Column 3		Column 4	Column 5	Column 6	Column 7
		Hereditaments using the small business rating multiplier				**Hereditaments using the standard multiplier**			
		BA Area (exc. Designated areas).	**Designated areas**	**TOTAL (All BA Area)**		**BA Area (exc. Designated areas)**	**Designated areas**	**TOTAL (All BA Area)**	**GRAND TOTAL**
GROSS RATES PAYABLE (All data should be entered as +ve unless specified otherwise) - See Note G		Complete this column	Do not complete this column	Do not complete this column		Complete this column	Do not complete this column	Do not complete this column	Do not complete this column
		£		£		£		£	£
1. Rateable Value at	14/01/2024	29,100,422		29,100,422		24,868,950		24,868,950	53,969,372
2. Multiplier for 2024-25 (pence)	49.9				54.6				
3. Gross rates 2024-25 (RV x multiplier)		14,521,111				13,578,447			28,099,558
4. Estimated growth/decline in gross rates (+ = increase, - = decrease)		0				0			0
5. Forecast gross rates payable in 2024-25		14,521,111		14,521,111		13,578,447		13,578,447	28,099,558

You should complete columns 1 & 4 only	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	Hereditaments using the small multiplier			**Hereditaments using the standard multiplier**			
	BA Area (exc. Designated areas).	**Designated areas**	**TOTAL (All BA Area)**	**BA Area (exc. Designated areas)**	**Designated areas**	**TOTAL (All BA Area)**	**GRAND TOTAL**
TRANSITIONAL ARRANGEMENTS (See Note H)	Complete this column	Do not complete this column	Do not complete this column	Complete this column	Do not complete this column	Do not complete this column	Do not complete this column
6. Revenue foregone because increases in rates have been deferred (Show as -ve)	-917,511		-917,511	-179,005		-179,005	-1,096,516
7. Changes as a result of estimated growth / decline in cost of transitional arrangements	0			0			
TRANSITIONAL PROTECTION PAYMENTS							
8. Sum due to/(from) authority	917,511		917,511	179,005		179,005	1,096,516

Local Authority : Mid Devon

PART 2: RELIEFS AND NET RATES PAYABLE (See Note F)

This section of the form is for you to enter the gross rates value and the amount of various business rates reliefs forecast for 2024-25. This will then calculate the forecast net rates payable. These values also populate the section 31 payment calculations in Part 1.

Please Select:

Some authorities may be unable to provide data on reliefs disaggregated by the multiplier applied to hereditaments. Please indicate if you are able to provide this data.

Yes - able to provide disaggregated data

You should complete columns 1 & 4 only	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	Hereditaments using the small business rating multiplier			Hereditaments using the standard multiplier			
	BA Area (exc. Designated areas).	Designated areas	TOTAL (All BA Area)	BA Area (exc. Designated areas)	Designated areas	TOTAL (All BA Area)	GRAND TOTAL
MANDATORY RELIEFS (See Note I) (All data should be entered as -ve unless specified otherwise)							
Small Business Rate Relief							
9. Forecast of relief to be provided in 2024-25	-4,127,431		-4,127,431	0		0	-4,127,431
10. *of which:* relief on existing properties where a 2nd property is occupied	0		0	0		0	0
Charitable occupation							
11. Forecast of relief to be provided in 2024-25	-671,355		-671,355	-1,114,277		-1,114,277	-1,785,632
Community Amateur Sports Clubs (CASCs)							
12. Forecast of relief to be provided in 2024-25	-21,756		-21,756	0		0	-21,756
Rural rate relief							
13. Forecast of relief to be provided in 2024-25	-23,789		-23,789	0		0	-23,789
Public Lavatories relief (See note J)							
14. Forecast of relief to be provided in 2024-25	-6,949		-6,949	0		0	-6,949
Low-carbon heat networks relief							
15. Forecast of relief to be provided in 2024-25	0		0	0		0	0
16. Forecast of mandatory reliefs to be provided in 2024-25 (Sum of lines 9 to 16)	-4,851,280			-1,114,277			
17. Changes as a result of estimated growth/decline in mandatory relief	0			0			
18. Total forecast mandatory reliefs to be provided in 2024-25	-4,851,280		-4,851,280	-1,114,277		-1,114,277	-5,965,557
UNOCCUPIED PROPERTY (See Note K) (All data should be entered as -ve unless specified otherwise)							
Partially occupied hereditaments							
19. Forecast of 'relief' to be provided in 2024-25	0		0	0		0	0
Empty premises							
20. Forecast of 'relief' to be provided in 2024-25	-231,772		-231,772	0		0	-231,772
21. Forecast of unoccupied property 'relief' to be provided in 2024-25 (Line 19 + line 20)	-231,772			0			
22. Changes as a result of estimated growth/decline in unoccupied property 'relief' (+ = decline, - = increase)	0			0			
23. Total forecast unoccupied property 'relief' to be provided in 2024-25	-231,772		-231,772	0		0	-231,772

Local Authority : Mid Devon

PART 2: RELIEFS AND NET RATES PAYABLE (See Note F)

This section of the form is for you to enter the gross rates value and the amount of various business rates reliefs forecast for 2024-25. This will then calculate the forecast net rates payable. These values also populate the section 31 payment calculations in Part 1.

Please Select:

Some authorities may be unable to provide data on reliefs disaggregated by the multiplier applied to hereditaments. Please indicate if you are able to provide this data.

Yes - able to provide disaggregated data

You should complete columns 1 & 4 only	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	Hereditaments using the small business rating multiplier			Hereditaments using the standard multiplier			
	BA Area (exc. Designated areas).	**Designated areas**	**TOTAL (All BA Area)**	**BA Area (exc. Designated areas)**	**Designated areas**	**TOTAL (All BA Area)**	**GRAND TOTAL**
DISCRETIONARY RELIEFS (See Note L) (All data should be entered as -ve unless specified otherwise)							
Charitable occupation							
24. Forecast of relief to be provided in 2024-25	-65,934		-65,934	-11,384		-11,384	-77,318
Non-profit making bodies							
25. Forecast of relief to be provided in 2024-25	-4,987		-4,987	0		0	-4,987
Community Amateur Sports Clubs (CASCs)							
26. Forecast of relief to be provided in 2024-25	-3,604		-3,604	0		0	-3,604
Small rural businesses							
27. Forecast of relief to be provided in 2024-25	0		0	0		0	0
Other ratepayers (refer to guidance for further details)							
28. Forecast of relief to be provided in 2024-25			0	0		0	0
of which:	*of which:*			*of which:*			
29. Relief given to Case A hereditaments							
30. Relief given to Case B hereditaments	0			0			
31. Relief given to Freeports (See Note M)							
32. Relief given to Investment Zones (See Note M)	0			0			
33. Forecast of discretionary relief to be provided in 2024-25 (Sum of lines 23 to 28)	-74,525			-11,384			
34. Changes as a result of estimated growth/decline in discretionary relief (+ = decline, - = increase)	0			0			
35. Total forecast discretionary relief to be provided in 2024-25	-74,525		-74,525	-11,384		-11,384	-85,909

Local Authority : Mid Devon

PART 2: RELIEFS AND NET RATES PAYABLE (See Note F)

This section of the form is for you to enter the gross rates value and the amount of various business rates reliefs forecast for 2024-25. This will then calculate the forecast net rates payable. These values also populate the section 31 payment calculations in Part 1.

Please Select:

Some authorities may be unable to provide data on reliefs disaggregated by the multiplier applied to hereditaments. Please indicate if you are able to provide this data.

Yes - able to provide disaggregated data

You should complete columns 1 & 4 only	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
	Hereditaments using the small business rating multiplier			**Hereditaments using the standard multiplier**			
	BA Area (exc. Designated areas).	**Designated areas**	**TOTAL (All BA Area)**	**BA Area (exc. Designated areas)**	**Designated areas**	**TOTAL (All BA Area)**	**GRAND TOTAL**
DISCRETIONARY RELIEFS FUNDED THROUGH SECTION 31 GRANT(See Note N) (All data should be entered as -ve unless specified otherwise)							
Supporting Small Business Scheme							
36. Forecast of relief to be provided in 2024-25	-392,449		-392,449	0		0	-392,449
Local newspaper relief							
37. Forecast of relief to be provided in 2024-25	-1,500		-1,500	0		0	-1,500
Retail, Hospitality and Leisure relief							
38. Forecast of relief to be provided in 2024-25	-1,615,561		-1,615,561	-729,632		-729,632	-2,345,193
39. Forecast of discretionary reliefs funded through S31 grant to be provided in 2024-25 (Sum of lines 37 to 39)	-2,009,510			-729,632			
40. Changes as a result of estimated growth/decline in Section 31 discretionary relief (+ = decline, - = increase)	0			0			
41. Total forecast of discretionary reliefs funded through S31 grant to be provided in 2024-25	-2,009,510		-2,009,510	-729,632		-729,632	-2,739,142
NET RATES PAYABLE							
42. Forecast of net rates payable by rate payers after taking account of transitional adjustments, unoccupied property relief, mandatory and discretionary reliefs	£ 6,436,513		£ 6,436,513	£ 11,544,149		£ 11,544,149	£ 17,980,662

Local Authority : Mid Devon

PART 3: COLLECTABLE RATES AND DISREGARDED AMOUNTS

Enter accounting adjustments in this section, which calculations will deduct from the net rates calculated from entries in Part 2. You must break down estimated bad debts and repayments by hereditaments receiving the small and standard mutliplier, but adjustments from line 5 onwards should reflect the total of both types of hereditament.

You should complete column 1 only

	Column 1	Column 2	Column 3
	Enter data for all hereditaments in these columns		
	BA Area (exc. Designated areas)	**Designated Areas**	**TOTAL (All BA Area)**
	Complete this column	**Do not complete this column**	**Do not complete this column**
NET RATES PAYABLE	**£**		**£**
1. Sum payable by rate payers after taking account of transitional adjustments, empty property rate, mandatory and discretionary reliefs	**17,980,662**		**17,980,662**
(LESS) LOSSES (Data should be entered as -ve)			
2. Estimated bad debts in respect of 2024-25 rates payable	**-65,000**		**-65,000**
3. Estimated repayments in respect of 2024-25 rates payable	**-250,000**		**-250,000**
COLLECTABLE RATES			
4. Net Rates payable less losses	**17,665,662**		**17,665,662**

	Column 1	Column 2	Column 3
	BA Area (exc. Designated areas)	**Designated Areas**	**TOTAL (All BA Area)**
	Complete this column	**Do not complete this column**	**Do not complete this column**
DISREGARDED AMOUNTS (Data should be entered as +ve)			
5. Renewable Energy (see Note B)	**334,661**		**334,661**
6. Shale oil and gas sites scheme (see Note C)	**0**		**0**
7. Transitional Protection Payment			
8. Baseline			
DISREGARDED AMOUNTS			
9. Total Disregarded Amounts			**0**
DESIGNATED AREAS IN 100% BRR AUTHORITIES			
10. Designated Areas Qualifying Relief: Not applicable	**0**		**0**
DEDUCTIONS FROM CENTRAL SHARE			
11. Designated Areas Qualifying Relief	**0**		**0**
Port of Bristol			
12. In respect of Port of Bristol: Not applicable	**0**		**0**
DEDUCTIONS FROM CENTRAL SHARE			
13. Total Deductions	**0**		**0**

Local Authority : Mid Devon

PART 4: ESTIMATED COLLECTION FUND BALANCE

This section estimates the collection fund closing balance for the current year (*not* the forecast year otherwise referred to in this form). Please refer to guidance notes for details. Note that you can edit the blue-bordered cells, but you will be asked to provide a comment explaining why they are changed from the prepopulated figures.

	£	£
OPENING BALANCE		
1. Opening Balance (From Collection Fund Statement)		-266,893
BUSINESS RATES CREDITS AND CHARGES		
2. Business rates credited and charged to the Collection Fund in 2023-24 (enter as +ve)	15,744,548	
3. Sums written off in excess of the allowance for non-collection (enter as -ve)	0	
4. Changes to the allowance for non-collection	-335,002	
5. Amounts charged against the provision for alteration of lists and appeals following RV list changes (enter as +ve)	44,972	
6. Changes to the provision for alteration of lists and appeals	-44,972	
7. Total business rates credits and charges (Total lines 2 to 6)		15,409,546
OTHER RATES RETENTION SCHEME CREDITS (enter as +ve)		
8. Transitional protection payments received, or to be received in 2023-24	2,443,710	
9. Transfers/payments to the Collection Fund for end-year reconciliations	26,444	
10. Transfers/payments into the Collection Fund in 2023-24 in respect of a previous year's deficit	447,820	
11. Total Other Credits (Total lines 8 to 10)		2,917,974
OTHER RATES RETENTION SCHEME CHARGES (enter as -ve)		
12. Transitional protection payments made, or to be made, in 2023-24	0	
13. Payments made, or to be made, to the Secretary of State in respect of the central share in 2023-24	-8,460,775	
14. Payments made, or to be made to, major precepting authorities in respect of business rates income 2023-24	-1,692,156	
15. Transfers made, or to be made, to the billing authority's General Fund in respect of business rates income in 2023-24	-6,768,621	
16. Transfers made, or to be made, to the billing authority's General Fund; and payments made, or to be made, to a precepting authority in respect of disregarded amounts in 2023-24	-469,314	
17. Transfers/payments from the Collection Fund for end-year reconciliations	0	
18. Transfers/payments made from the Collection Fund in 2023-24 in respect of a previous year's surplus	0	
19. Total Other Charges (Total lines 12 to 18)		-17,390,866

ESTIMATED SURPLUS/(DEFICIT) ON COLLECTION FUND IN RESPECT OF FINANCIAL YEAR 2023-24 - Surplus (positive), Deficit (Negative)	£
20. Opening balance plus total credits, less total charges (Total lines 1, 7, 11,19)	669,761

APPORTIONMENT OF ESTIMATED SURPLUS / DEFICIT (See Note N)

	Column 1 **Central Government**	Column 2 **Mid Devon**	Column 3 **Devon County Council**
21. % for distribution of prior year surplus/deficit (i.e. 2022-23)	50%	40%	9%
22. Total prior year surplus (+)/deficit (-)	90,464	72,371	16,283
23. % for distribution of in-year surplus/deficit (i.e. 2023-24)	50%	40%	9%
24. In year surplus (+)/deficit (-)	244,417	195,534	43,995
25. Total (total lines 22 and 24)	334,881	267,904	60,278

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Report for:	**Cabinet**
Date of Meeting:	6 February 2024
Subject:	**2024/25 Capital Strategy and 2024/25 – 2028/29 Capital Programme**
Cabinet Member:	Cllr James Buczkowski – Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett – Deputy Chief Executive (S151)
Exempt:	N/a
Wards Affected:	All
Enclosures:	Appendix 1 – 2024/25 – 2028/29 Capital Programme

Section 1 – Summary and Recommendation(s)

The Capital Strategy is a key document for the Council and forms part of the Council's integrated financial planning processes which includes the setting of the capital and revenue budgets, business plan and council tax for the year ahead, consideration of the medium-term financial plans and production of a Treasury Management Strategy.

To agree the proposed 2024/25 Capital Strategy and to seek approval of the 2024/25 Capital Programme and note the indicative Capital Programmes for 2025/26 to 2028/29.

Recommendation(s):

That Cabinet recommend to Full Council:

1. **That the proposed 2024/25 Capital Strategy is approved.**
2. **To approve in principal the current estimated amounts of Slippage of £28,833k from the 2023/24 Deliverable Capital Programme and £44,947k of 2023/24 Capital Programme expenditure profiled over the life of the remaining MTFP. This will be finalised and formal approval sought as part of 2023/24 Outturn report.**
3. **The overall Capital Programme for new projects commencing in 2024/25 of £18,967k be approved and the indicative Capital Programmes across**

the four remaining years of this Medium Term Financial Plan covering 2025/26 to 2028/29 be noted.

4. **To approve the 2024/25 Deliverable Budget based on the forecast spend profile of £40,701k, this will include elements of amounts detailed in recommendations 2 and 3 above and will form the budget to monitor against as part of the Council's quarterly budget monitoring processes in 2024/25, subject to any changes referred to in recommendation 2 at Outturn.**

Section 2 – 2024/25 Capital Strategy

1.0 Introduction

1.1 The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risk is managed and the implications for future financial sustainability.

1.2 The strategy is designed to be a user-friendly document, which can direct stakeholders to the relevant documents relating to Treasury decisions, Asset Management and the Capital Programme for the coming years. It provides a link between these activities and reiterates the need for these to be co-ordinated to support the objectives of the Corporate Plan.

1.3 This strategy brings together the statutory requirements of the Chartered Institute of Public Finance Accountants (CIPFA) and the CIPFA Prudential Code for Capital Finance in Local Authorities. There is also a strong link with the Treasury Management Strategy that provides a framework for the borrowing and lending activity of the Council.

1.4 The Capital Strategy needs to be relevant in the current financial and economic climate and therefore needs a cautious and measured, yet flexible, approach that reflects the fact that:

- The impact on the Revenue Budget arising from the Capital Investment Programme must be affordable and sustainable, and be used to aid the bottom line;
- Capital resources available to the Council are limited, with little direct funding provided from Government and currently limited scope to raise income from Capital Receipts;
- Local Government's range of responsibility is constantly changing along with the role that it plays within the community, leading to an expectation that Society will assist in the delivery of services.

1.5 The Council is required, by regulation, to publish a number of indicators relating to the Capital Investment Programme, Treasury Management and the revenue

implications of the programme, known as the Prudential Indicators. This report, along with the Treasury Management Strategy, publishes those indicators, based on the assumption that Cabinet / Council will approve the proposals contained within the Revenue Budget and Capital Programme.

2.0 Strategic Aims

2.1 The key objective of the Capital Strategy is to deliver a Capital Programme that:

- Ensures that the Council has assets that are fit for purpose and enable the delivery of the priorities set out in the Corporate Plan;
- Supports the Council's service specific plans and strategies;
- Facilitates income generation that aids the Revenue Budget;
- Is affordable, financially prudent and sustainable.

This should not however prevent the authority from:

- Reducing the on-going liability of holding assets by engaging with communities to develop alternative service delivery options including asset transfer;
- Fully utilising resource opportunities available for Capital Investment from outside sources where this does not create ongoing revenue liabilities or commitments that cannot be met.

3.0 Priorities

3.1 The Council's priority areas for investment can be summarised as:

3.1.1 **Asset replacement and/or enhancement**: The services delivered by the Council depend upon a variety of assets such as Plant, Property and Equipment (PPE) or vehicles. These need to be updated/upgraded on a regular basis to ensure service delivery is maintained or enhanced. Asset maintenance is a revenue cost; the purchase or enhancement is a capital cost.

3.1.2 **Income Generation:** The Council is looking to identify investments that generate an income to replace the lost grant funding and ease the pressure on the Revenue Budget. Specific projects / investment opportunities will be brought forward for approval by the Cabinet as they are identified.

3.1.3 **Economic Regeneration:** The Council is committed to investing in the District's future through regeneration projects. Any schemes will need to be self-financing so that borrowing costs are covered by either Grant, investment income or capital receipts leaving no ongoing impact on the Council's Revenue Budget.

3.1.4 **Invest to save**: The Council is always looking for opportunities to deliver future efficiencies in service provision, known as 'Invest to Save'. This could include investment in technology or processes. The "green" investments are a good

example of this, where investment in more efficient heating systems reduces the ongoing cost of energy consumption.

3.1.5 **Health and Wellbeing:** The Council's receives the Disabled Facilities scheme, which pays for essential housing adaptations to help disabled people stay in their own homes. In the current climate, it is also important that the Council plays a wider role in the health and wellbeing of its local community.

4.0 Capital Expenditure and Financing

4.1 Capital expenditure is incurred on the acquisition or creation of assets, or expenditure that enhances or adds to the life or value of an existing asset that is needed to provide services. Assets can be tangible or intangible assets and yield benefits to the Council generally for a period of more than one year e.g. land, buildings, vehicles. This contrasts with revenue expenditure which is spending on the day-to-day running costs of services such as employee costs and supplies and services. In Local Government, this includes spending on assets owned by other bodies, or loans and grants to other bodies enabling them to buy/build assets. The Council has limited discretion on what counts as capital expenditure, for example assets costing below £20k are deemed deminimis and are not capitalised but are instead charged to revenue in-year.

4.2 The detail of our approach to capitalisation is shown in our Accounting Policies in the Statement of Accounts that are produced each year. The Audit Committee have approved the latest draft Accounts subject to some minor outstanding queries. The latest Accounts can be found here:

https://www.middevon.gov.uk/your-council/finance/annual-accounts/

4.3 Service managers bid annually to include projects in the Council's Capital Programme. Bids are collated by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). The relevant PDGs consider the Capital Programme and the funding thereof and can make recommendations to Cabinet. The final Capital Programme is then presented to Cabinet in February who recommend it to Full Council for approval the same month each year.

4.4 In 2024/25, the Council is requesting approval of new capital expenditure of £18,967k for new projects due to start in 2024/25 as well as estimated £21,734k of expenditure approved in prior years that has slipped in timescale or was planned for future years. These projects have an expenditure profile within 2024/25 of £40,701k which forms the Deliverable Budget for the year (as detailed in **Appendices 1 and 2**). It can be summarised as follows:

Table 1: Prudential Indicator: Estimates of Capital Expenditure

Capital Expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund Projects	4,910	4,459	24,675	21,780	2,580
HRA Projects[1]	6,957	7,414	16,025	16,290	25,236
Loans to Subsidiary Company*	5,363	2,639	0	0	0
Total	**17,230**	**14,512**	**40,701**	**38,070**	**27,816**

**This figure is gross loans and excludes repayments and working capital loans (which are treated as Revenue)*

4.5 All capital expenditure must be financed, whether from external sources (Government grants and other contributions), the Council's own resources (Revenue, Reserves and Capital Receipts) or Debt (Borrowing, Leasing and Private Finance Initiative).

4.6 Borrowing may be internal or external:

4.6.1 **Internal borrowing** uses the cash balances of the Council. Currently, these balances yield small returns on the investment market and is therefore cheaper than the interest rate payable on an external loan and so is maximised as far as possible. This has been a significant funding source in recent years.

4.6.2 **External borrowing** is via loans. Within Local Government, the main provider for long-term borrowing has traditionally been the Public Works Loan Board [PWLB]. However, the Council also uses other organisations, such as other Local Authorities for shorter-term cash flow requirements.

4.7 An increasing number of assets are leased, such as the new vehicles within our fleet. These are normally taken through Finance Leases where the asset remains owned by the finance company, but the Council rents them.

4.8 The planned financing of the expenditure in Table 1 above is as follows:

Table 2: Capital financing

Financing of Capital Expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital receipts	865	1,306	1,394	1,855	1,097
Capital grants	4,967	4,665	15,943	21,240	12,295
Revenue Contributions	0	0	0	0	0
Borrowing	4,018	4,593	5,120	3,799	2,746
Total	**7,380**	**3,948**	**18,244**	**11,176**	**11,678**

[1] The Housing Revenue Account (HRA) is a ring-fenced account, which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately.

4.9 Debt is only a temporary source of finance, as loans and leases must be repaid and is therefore replaced over time by other financing, usually from revenue, which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as Capital Receipts) may be used to replace debt finance.

4.10 The Council's full Minimum Revenue Provision / loans fund repayments statement is shown in **Appendix 1** of the Treasury Management Strategy Statement. This strategy is also included elsewhere on the meeting agenda. Planned MRP is as follows:

Table 3: Planned MRP payments

Planned MRP Payments £000	**2022/23 Actual**	**2023/24 Estimate**	**2024/25 Estimate**	**2025/26 Estimate**	**2026/27 Estimate**
General Fund	2,868	803	989	1,086	1,125
Housing Revenue Account	972	991	1,008	1,099	1,342
Total	**3,840**	**1,794**	**1,997**	**2,184**	**2,568**

4.11 The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP / loan repayments and capital receipts used to replace debt. Members should note the reduction in the 2023/24 estimate resulting from closing 3 Rivers Developments Ltd. Based on the above figures for expenditure and financing, the Council's estimated CFR is expected to increase by £15,721k during 2024/25 and continue to gradually increase over future years as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement

Capital Financing Requirement £000	**2022/23 Actual**	**2023/24 Estimate**	**2024/25 Estimate**	**2025/26 Estimate**	**2026/27 Estimate**
General Fund Services	9,623	9,722	18,657	21,892	21,880
Council Housing (HRA)	40,552	40,163	46,949	52,651	61,719
Loans to Subsidiary Company*	14,417	0	0	0	0
Total CFR	**64,592**	**49,885**	**65,606**	**74,543**	**83,599**
Movement in CFR	**3,464**	**-14,707**	**15,721**	**8,937**	**9,056**

** Loans to Subsidiary Company investments relate to capital expenditure on housing developments and investment properties.*

This table is cumulative including existing and future borrowing. This is reduced as and when repayments are scheduled.

5.0 Treasury Management

5.1 Treasury Management is concerned with keeping sufficient, but not excessive cash, available to meet the Council's spending needs, while managing the risks involved. To avoid excessive credit balances or overdrafts in the bank current account, surplus cash is invested until required while a shortage of cash will be met by borrowing. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

5.2 Due to decisions taken in the past, at 31 March 2024 the Council is forecast to have £31,373k of borrowing (excluding finance leases) at an average interest rate of 2.91% and £17,901k of short term treasury investments earning interest at an average rate of 5.48%.

5.3 **Borrowing strategy:** The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (up to 1 year, mainly through other Local Authorities - currently available at around 5%) and long-term fixed rate loans where the future cost is known but higher (currently around 5.4% from PWLB[2]).

5.4 Projected levels of the Council's total outstanding debt (which comprises borrowing and leases) are shown below, compared with the Capital Financing Requirement.

Table 5: Prudential Indicator: Gross Debt and the Capital Financing Requirement

Gross Debt and The Capital Financing Requirement £000	**2022/23 Actual**	**2023/24 Estimate**	**2024/25 Estimate**	**2025/26 Estimate**	**2026/27 Estimate**
Debt (including Leases)	35,291	33,465	41,179	45,362	53,626
Capital Financing Requirement (CFR)	64,592	49,885	65,606	74,543	83,599
Under / (Over) Borrowing	**29,301**	**16,420**	**24,427**	**29,181**	**29,973**

5.5 Statutory guidance is that Debt should remain below the Capital Financing Requirement, except in the short-term. As can be seen from table 5, the Council expects to comply with this in 2024/25 through to 2026/27.

5.6 **Affordable borrowing limit:** The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year

[2] As at the time of drafting this report – 26 January 2024

and to keep it under review. In line with statutory guidance, a lower “Operational Boundary” is also set as a warning level should debt approach the limit. Further details on borrowing are included with the Treasury Management Strategy, which is also included elsewhere on the meeting agenda.

Table 6: Prudential Indicators: Authorised Limit and Operational Boundary for external debt

Authorised Limit and Operational Boundary for External Debt £000	2022/23 Limit	2023/24 Limit	2024/25 Limit	2025/26 Limit	2026/27 Limit
Authorised Limit	81,000	60,000	75,000	85,000	93,000
Operational Boundary	72,000	51,000	66,000	76,000	84,000

5.7 **Investment strategy:** Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of Treasury Management.

5.8 The Council's policy on treasury investments is to prioritise Security and Liquidity over Yield (SLY Principle), to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the Government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice. Further details on treasury investments is included within the Treasury Management Strategy, but can be summarised as follows[3]:

Table 7: Treasury Management investments

Treasury Management Investments £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate
Short-Term Investments	19,757	17,901	10,000
Long-Term Investments	5,000	5,000	5,000
Total	**24,757**	**22,901**	**15,000**

5.9 **Governance:** Decisions on Treasury Management investment and borrowing are made daily and are therefore delegated to the S151 (Deputy Chief Executive) and finance staff, who must act in line with the Treasury Management Strategy approved by Full Council annually. Reports on Treasury Management activity are presented to Cabinet three times per year.

6.0 Investments for Commercial and Economic Development Purposes

6.1 The Council makes investments to assist local public services, including making loans to other public sector bodies to promote economic development and

[3] As at the 31 March of the appropriate year

provide an income stream. In light of the public service objective, the Council is willing to take more risk than with other treasury investments; however it is still a requirement for such investments to generate a profit after all costs, and after conducting all appropriate due diligence.

6.2 For example, the Council facilitated a loan to fund a GP Surgery/NHS Hub in Crediton. Not only will this provide the Council with a return on its loan, it will also provide an important, modern NHS Hub in Crediton, replacing two existing GP Surgeries and offering further NHS services to the public.

6.3 With Central Government financial support for local public services declining and the tightening of regulations within the Prudential Code that prohibits the Council from investing primarily for financial return, the options for the Council to invest in Commercial and for Economic Development purposes is limited.

6.4 The Council also has commercial activities in retail properties, which expose it to normal commercial risks. The over-arching ethos behind these activities is economic regeneration and retention of premises within the town centre rather than the income stream.

6.5 **Governance:** Decisions on commercial investments are made by the S151 (Deputy Chief Executive) in conjunction with the Leadership Team, in line with the criteria and limits approved by Council in the Treasury Management Strategy Statement (TMSS). Property and most other commercial investments are also capital expenditure and asset purchases will therefore also be approved alongside the capital programme.

7.0 Asset Management

7.1 In order to ensure the Council is allocating its resources in the most effective way, an Asset Management Plan (AMP) is maintained. It outlines where capital investment can assist the Council achieve its goals or where investment and use of resources plays a contributing role to shared priorities. Therefore the AMP helps set out the Council's approach to the Strategic Management of its land and building assets. It has been developed in consultation with the Senior Officers and Members of the Council who form the Capital Strategy Asset Management Group (CSAG). The AMP seeks to ensure that assets are used in the most effective and efficient way to support the delivery of the Corporate Plan.

7.2 The latest version of the AMP was considered and approved by Cabinet on 4 March 2021. It can be found here:

https://www.middevon.gov.uk/media/353719/supplement-revised-format-for-asset-management-and-capital-strategy-plan-04032021-v1.pdf

7.3 The AMP enables the Council to consider the best use of its assets by identifying those that require investment in planned maintenance; those that it should consider disposal of, those that could generate additional income from leasing out etc. These considerations will then inform the Capital Programme and funding decisions.

7.4 **Asset disposals:** When a capital asset is no longer needed, it may be sold so that the proceeds, known as Capital Receipts, can be spent on new assets or to repay debt. The Council expects to receive c£1,000k of Capital Receipts in 2024/25 (net of Government Pooling); these are associated with the sale of Council Houses through the 'Right to Buy' scheme.

8.0 Liabilities

8.1 In addition to debt of £41,179k in 2024/25 detailed in Table 5 above, the Council is committed to making future payments to cover its pension fund deficit (valued at £16,077k in March 2023).

8.2 **Governance:** The risk of liabilities crystallising and requiring payment is monitored by Finance and Legal. Any new material liabilities would be reported to Full Council for approval/notification as appropriate.

9.0 Revenue Budget Implications

9.1 Although capital expenditure is not charged directly to the Revenue Budget, interest payable on loans and Minimum Revenue Provision (MRP) are charged to revenue, offset by any investment income receivable. The net annual charge is known as Capital Financing Costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, Business Rates and general Government Grants.

Table 8: Prudential Indicator: Proportion of financing costs to net revenue stream

Proportion of Financing Costs to Net Revenue Stream %	**2022/23 Actual**	**2023/24 Estimate**	**2024/25 Estimate**	**2025/26 Estimate**	**2026/27 Estimate**
General Fund	16.33%	-4.15%	1.57%	4.82%	5.74%
Housing Revenue Account	12.31%	9.16%	9.57%	11.34%	13.76%

**Further details on the revenue implications of capital expenditure are found in the Revenue Budget report.*

9.2 **Sustainability:** Due to the very long-term nature of capital expenditure and financing, the Revenue Budget implications of capital expenditure incurred in the next few years will extend for up to 50 years into the future. The S151 (Deputy Chief Executive) is satisfied that the Council has adequate means of

financing and repaying any required borrowing and therefore the proposed Capital Programme is prudent, affordable and sustainable. .

10.0 Knowledge and Skills

10.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the S151 (Deputy Chief Executive) and Corporate Manager for Finance, Property and Climate Change are both qualified accountants with 20+ years' of experience. In addition, the Council employs eight finance staff who hold one or more of the following qualifications CIPFA, ACA, CIMA, ACCA and AAT.

10.2 To support those staff, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Link Group as treasury management advisers and Ichabod Industries as technical advisers on accountancy matters. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

The 2024/25 Capital Programme and 2024/25 – 2028/29 Capital Medium Term Financial Plan (CMTFP)

11.0 The 2024/25 Capital Programme

11.1 The 2024/25 Capital Programme includes significant new investment into Council House building projects and future years indicative programmes include 'spend to save' projects improving the energy efficiency of our property estate that will only be undertaken if the Council is successful in securing sufficient external funding and is accompanied by a robust business case that demonstrates an acceptable payback.

11.2 There is also projected slippage detailed on the appendices relating to the 2023/24 Deliverable Programme currently estimated to be £28,833k that will roll into the 2024/25 Capital Programme. In addition there is £44,947k within the 2023/24 Capital Programme with spend profiled over future years. Both of these are detailed in recommendation 2 and are estimates at this stage. The approval of final figures will be sought as part of the Outturn Report to either add to the 2024/25 Capital Programme or relevant year of the CMTFP.

11.3 Full project approval is requested at project inception, for 2024/25 this amounts to £18,967k. This is then profiled by spending managers as their best estimate of when spending will take place to form the Deliverable Budget of £40,701k. This gives a better indication of what is deliverable each year and will better inform our Treasury Management activities.

11.4 **Appendix 1** shows the proposed 2024/25 Capital Programme. The Deliverable Budget includes the proportion of expected spend within the 2024/25 Capital Programme and the estimated slippage and profiled spend of the 2023/24 Capital Budget forecast to be spent in 2024/25. This is the value that will be monitored against in-year.

11.5 **Appendix 1** also shows the updated indicative Capital Programme for the remaining years within this CMTFP, refreshed with up to date information on expenditure and funding. These projections are likely to alter, as we get closer to those years as greater information becomes available. Therefore, only the Capital Programme for 2024/25 is proposed for approval; the indicative future years are only for information and noting.

11.6 General Fund Investment.

11.6.1 Further investment to enable the Council to update its infrastructure and improve our carbon footprint is included. Within the investment in our Leisure Service, there are a number of investments in new equipment to maintain a competitive service offering.

11.6.2 There is an assumption included in respect of the Cullompton Relief Road. Currently, funding has been secured to cover the initial projected estimated cost of this project. However, costs have dramatically increased since that funding was received. Therefore, the Council have submitted three bids to the Levelling Up Fund to cover the forecast difference for the Cullompton project. These bids have all been rejected and currently other forms of funding are actively being sought to enable this project to be delivered.

11.6.3 As in previous years, the Disabled Facilities Grant funding will be used to improve homes across the district that will enable residents with health problems to remain in their homes, therefore avoiding or delaying the need for them to enter the health care system.

11.7 Housing Revenue Account Investment

11.7.1 A number of projects to enhance the quality of our existing housing stock costing c£3m per annum are undertaken each year through the planned maintenance scheme. In 2024/25, provision has been made to invest in garage refurbishments, replace roofing, windows and doors in properties where required, along with general modernisation works, including updating heating systems.

11.7.2 Significant new investment is planned to deliver new housing within the district predominantly through highly efficient (zero carbon) modular buildings. To fund the proposed Housing Development Schemes, a prudent assumption has been included for the utilisation of 1-4-1 receipts or for additional grant funding to be made available from Homes England and One Public Estate Funding; although a substantial element of the cost remains with the Council. In total, £27,554k is assumed to be secured from 1-4-1 receipts or external grant funding, leaving £30,054k to be funded by borrowing.

11.7.3 A significant amount of work was undertaken when producing the Council's Capital Medium Term Financial Plan (CMTFP) during the year, which helped to scope the size and funding of the 2024/25 Capital Programme. A number of subsequent meetings were held with Corporate Managers, which focused on the essential projects (in terms of end of life asset replacement or health and safety) and involved reprioritising or rescheduling expenditure to future years.

12.0 <u>Funding the Capital Programme</u>

12.1 The 2024/25 Capital Programme is fully funded by a combination of :

Table 10: 2024/25 Capital Programme Funding (based on project inception)

Funding Sources	Funding 2024/25 £000's
Funding from Revenue EMR's	4,971
Funding from Government Grants	16,892
Usable Capital Receipts	1,067
Borrowing	17,772
General Fund Subtotals	**40,701**

12.2 The projected level of usable capital receipts (this includes unring-fenced useable capital receipts and capital receipts ring-fenced for 1:4:1 replacement homes) available for 2024/25 is £1,067k. All other previously generated capital receipts have been used to balance the subsequent years of the MTFP. This only enables a small number of Council funded schemes to be incorporated into the Capital Programme. The figures assumed for receipts from the sale of assets have been calculated prudently and therefore if any additional receipts are generated, the Council could reduce the need for external borrowing, or return to some of the projects which could not be funded in the first instance and consider their inclusion. Any decision to increase the Capital Programme (subject to constraints within the financial rules) would require Full Council approval and be linked to the Corporate Plan priorities.

12.3 The Government Pooling arrangements mean a proportion of the Council House sale proceeds are pooled to the Government; a proportion is retained in a ring-fenced reserve for replacement house building (linked to the HRA self-financing arrangements that have been in place since 01/04/12). The balance is retained by the Authority as a useable capital receipt, which can be used to support our Capital Programme.

12.4 The works programme identified to maintain our existing council house stock will be funded mainly from the Major Repairs Reserve (MRR). The balance of available monies will remain in the MRR in order to deal with future additional spend that has been identified by the stock condition survey.

12.5 The Council continues to set aside sinking funds for future asset maintenance, replacement of Leisure plant and equipment and for future replacement of ICT systems and equipment. This ensures the Revenue base budget is more robust. However, given the pressure on its finances, the Council will need to assess whether this remains affordable, or whether alternative options should be explored.

13.0 <u>Council Borrowing</u>

13.1 Prudential borrowing has been estimated for 2024/25 at £17,772k, this will be used to fund General Fund schemes amounting to £9,978k and HRA schemes

amounting to £7,794k. All schemes will be subject to a rigorous business case assessment; their cost and timing of spend will determine the amount of actual prudential borrowing required. The use of internal borrowing will be applied wherever possible.

13.2 New Borrowing is also envisaged across the remainder of this MTFP i.e. 2025/26 to 2028/29 amounting to £29,207k (excluding those projects being rolled forward from the already approved 2023/24 Capital Programme); of this £6,397k will be used to deliver General Fund projects and £22,810k to deliver HRA projects.

13.3 Borrowing will be supported or supplemented with short and medium term Treasury Management decisions based on prevailing and future interest rates and will only be considered in exceptional circumstances. This is in relation to the projects detailed above or for spend to save projects following a robust cost/benefit analysis exercise that would be able to demonstrate both an acceptable 'payback period' and that savings would be generated in excess of the annual revenue cost of servicing the debt.

14.0 Conclusion

14.1 As previously mentioned, the Capital Programme for the next five years is limited due to the scarce availability of funding (with the exception of borrowing). It is, therefore, imperative that capital funds are only spent on those projects that enable the Council to deliver its Corporate Plan objectives, reduce operational cost, or generate a financial return.

14.2 The Capital Programme encompasses a broad range of expenditure including operational assets, which will be used for more than one year; assets owned by other bodies, or loans and grants to other bodies enabling them to buy/build assets.

14.3 Funding for this programme includes significant borrowing. The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken, and the type of borrowing should allow the Council transparency and control over its debt.

14.4 The Treasury Management Strategy Statement details the approach that the Council will take in ensuring it has sufficient cash available to meet the Council's spending needs. Reports on Treasury Management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review, and an annual report after its close, will be taken to Full Council via the Cabinet.

Financial Implications

Good financial management and administration underpins the entire strategy. The Capital Strategy sets the boundaries in which the Council's capital and treasury management functions operate. The 2024/25 Capital Programme of £18,967k is fully funded. It does, however, include £17,772k of anticipated PWLB borrowing to fund various projects. Future capital receipts are now estimated at such a low level that the Council needs to continually evaluate ways of making additional provision to fund its long-term capital programme or reduce its property portfolio. This is especially relevant due to the uncertainty around the future of New Homes Bonus and its availability as an income stream going forward.

Legal Implications

Authorities are required by regulation to prepare a Capital Strategy for each financial year that needs to be approved by Full Council prior to the start of the financial year. Authorities must also 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. A co-ordinated approach to Asset Management and Financial Planning will help mitigate the risks associated with holding and utilising assets. Financial risk is mitigated by sound Treasury Management practices and defined limits. There is a risk of clawback of external funds if sums received are not spent in accordance with the terms on which they were given, or not within agreed timescales. New Capital Receipts for 2024/25 have been projected at a prudent level but there is a risk that if these do not materialise, the Authority may need to delay scheme start dates to the following financial year or identify an alternative funding mechanism to ensure full programme delivery. Other risks, such as cash flow management are managed through the operation of the Treasury Management Strategy.

Impact on Climate Change

The Council has committed to a net zero carbon policy by 2030. Any major asset replacements/upgrades will consider the environmental impact in relation to carbon footprint.

Equalities Impact Assessment

Each of the capital investments will be, where appropriate, subject to an impact assessment. This is done with a view to identifying possible actions to mitigate negative impacts. However, many of the proposals do not have a direct impact on the public and therefore do not require an Impact Assessment.

Relationship to Corporate Plan

A strategic approach to Asset Management supports our Corporate Plan priorities of business retention, growth and development. Maximising our return from all associated treasury activities enables the Council to support current levels of spending in accordance with our Corporate Plan. The Capital Programme identifies the capital investment proposed across all strands of the Corporate Plan over the next five years.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 26 January 2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 26 January 2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 26 January 2024

Performance and risk: Steve Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 26 January 2024

Cabinet member notified: (yes)

Section 4 - Contact Details and Background Papers

Contact: Andrew Jarrett, Deputy Chief Executive (S151)
Email: ajarrett@middevon.gov.uk
Telephone: 01884 234242

Contact: Paul Deal, Corporate Manager for Finance, Property and Climate Change
Email: pdeal@middevon.gov.uk
Telephone: 01884 234254

Background papers:

- 2024/25 – 2028/29 Medium Term Financial Plan update (December 2023 Cabinet)
- 2024/25 – 2028/29 Medium Term Financial Plan update (January 2024 Cabinet)

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2024/25 - 2028/29 Capital Programme - SUMMARY

Capital Expenditure Summary		To be rolled f/wd from 2023/24		Total Project Costs for Approval							Spend Profile					
Area	Sub Area	Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
Leisure	Exe Valley Leisure Centre	-	-	650	-	-	100	100	**850**	**850**	650	-	-	100	100	**850**
Leisure	Lords Meadow Leisure Centre	197	-	150	-	200	100	100	**550**	**747**	347	-	200	100	100	**747**
Leisure	Culm Valley Sports Centre	44	174	710	-	-	100	100	**910**	**1,128**	604	324	-	100	100	**1,128**
Leisure	Leisure - Other	200	-	-	-	-	-	-	**-**	**200**	200	-	-	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	-	-	-	260	400	-	-	**660**	**660**	-	260	400	-	-	**660**
Other MDDC Buildings	Other - Climate Change/Net Zero	-	-	995	-	240	-	-	**1,235**	**1,235**	995	-	240	-	-	**1,235**
Other MDDC Buildings	Phoenix House	103	-	150	-	-	-	-	**150**	**253**	253	-	-	-	-	**253**
Other MDDC Buildings	MDDC Depots	1,000	250	2,395	3,500	-	-	-	**5,895**	**7,145**	3,645	3,500	-	-	-	**7,145**
Other MDDC Buildings	MDDC Shops/Industrial Units	197	-	-	-	-	-	-	**-**	**197**	197	-	-	-	-	**197**
Other MDDC Buildings	Public Conveniences	-	-	160	-	-	-	-	**160**	**160**	50	110	-	-	-	**160**
HIF	HIF Schemes	13,139	16,541	-	-	-	-	-	**-**	**29,680**	13,139	16,541	-	-	-	**29,680**
Private Sector Housing	Private Sector Housing	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	**3,000**
Other	General Car Parks	90	-	115	-	-	-	-	**115**	**205**	205	-	-	-	-	**205**
Other	Parks & Play Areas	32	-	245	-	-	-	-	**245**	**277**	277	-	-	-	-	**277**
Other	ICT Projects	257	-	80	130	120	565	240	**1,135**	**1,392**	337	130	120	565	240	**1,392**
Other	Other Projects	87	112	1,687	200	-	-	-	**1,887**	**2,086**	1,886	200	-	-	-	**2,086**
Other	GF Vehicles	-	-	1,340	140	1,020	145	270	**2,915**	**2,915**	1,340	140	1,020	145	270	**2,915**
General Fund Subtotals		**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**52,130**
HRA Projects	Existing Housing Stock	34	-	3,060	2,885	2,910	2,800	2,835	**14,490**	**14,524**	3,094	2,885	2,910	2,800	2,835	**14,524**
HRA Projects	Housing Schemes (1:4:1 Projects)	464	963	-	400	400	-	-	**800**	**2,227**	464	1,003	400	360	-	**2,227**
HRA Projects	Housing Development Schemes (HE)	12,914	26,907	6,600	7,800	5,000	-	-	**19,400**	**59,221**	12,313	12,402	21,926	12,580	-	**59,221**
HRA Projects	Other HRA Projects	75	-	-	-	-	-	-	**-**	**75**	75	-	-	-	-	**75**
Other	HRA Vehicles	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	**550**
HRA Subtotals		**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**76,597**
Grand Totals		**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**128,727**

Capital Funding Summary		To be rolled f/wd from 2023/24														
Funding Type	Funding Description	Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
Revenue	S106 (Revenue) Contributions	-	-	50	-	-	-	-	**50**	**50**	50	-	-	-	-	**50**
Revenue	RCCO - From Revenue EMR's - Other	119	9	315	-	-	-	-	**315**	**443**	443	-	-	-	-	**443**
Revenue	RCCO - From Revenue EMR's - Leisure	-	-	600	-	-	300	300	**1,200**	**1,200**	600	-	-	300	300	**1,200**
Revenue	RCCO - From Revenue EMR's - ICT	190	-	-	30	-	465	-	**495**	**685**	190	30	-	465	-	**685**
Revenue	RCCO - From Revenue EMR's - Capital	42	48	180	-	-	-	-	**180**	**270**	270	-	-	-	-	**270**
Revenue	RCCO - From Revenue EMR's - Waste Infrastructure EMR	-	250	65	-	-	-	-	**65**	**315**	315	-	-	-	-	**315**
Capital Grants	Capital Grants Unapplied - DCC	-	-	215	-	-	-	-	**215**	**215**	215	-	-	-	-	**215**
Capital Grants	Govt Grant (DCLG passported from DCC)	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	**3,000**
Capital Grants	DCC Funding - HIF Project	153	1,347	-	-	-	-	-	**-**	**1,500**	153	1,347	-	-	-	**1,500**
Capital Grants	HIF Funding	3,234	3,655	-	-	-	-	-	**-**	**6,889**	3,234	3,655	-	-	-	**6,889**
Capital Grants	Govt Grants - Levelling - up Funding	6,437	11,539	-	-	-	-	-	**-**	**17,976**	6,437	11,539	-	-	-	**17,976**
Capital Grants	Salix Funding or Equivalent - to be identified	-	-	995	260	640	-	-	**1,895**	**1,895**	995	260	640	-	-	**1,895**
Capital Grants	DLUHC - Changing Places Fund bid	66	-	-	-	-	-	-	**-**	**66**	66	-	-	-	-	**66**
Capital Receipts	Usable Capital Receipts	137	55	150	-	72	-	-	**222**	**414**	342	-	72	-	-	**414**
Borrowing	Borrowing 3 Yrs	-	-	230	100	120	100	240	**790**	**790**	230	100	120	100	240	**790**
Borrowing	Borrowing 5 Yrs	103	-	150	-	-	-	-	**150**	**253**	253	-	-	-	-	**253**
Borrowing	Borrowing 10 Yrs	3,668	174	940	200	128	-	-	**1,268**	**5,110**	4,458	524	128	-	-	**5,110**
Borrowing	Borrowing 25 Yrs	197	-	100	-	-	-	-	**100**	**297**	297	-	-	-	-	**297**
Borrowing	Borrowing 50 Yrs	1,000	-	1,180	3,500	-	-	-	**4,680**	**5,680**	2,070	3,610	-	-	-	**5,680**
Borrowing	GF - Lease Finance	-	-	2,670	140	1,020	145	270	**4,245**	**4,245**	2,670	140	1,020	145	270	**4,245**
Capital Grants	SPF Funding (DLUHC)	-	-	224	-	-	-	-	**224**	**224**	224	-	-	-	-	**224**
Capital Grants	REPF Funding (DLUHC)	-	-	613	-	-	-	-	**613**	**613**	613	-	-	-	-	**613**
General Fund Subtotals		**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**52,130**
Revenue	S106 (Revenue) Contributions	150	800	-	-	-	-	-	**-**	**950**	150	800	-	-	-	**950**
Revenue	MRA Reserve	34	-	2,500	2,320	2,340	2,225	2,255	**11,640**	**11,674**	2,534	2,320	2,340	2,225	2,255	**11,674**
Revenue	RCCO - From HRA Revenue EMR's - Other	25	-	-	-	-	-	-	**-**	**25**	25	-	-	-	-	**25**
Revenue	RCCO - From HRA Revenue EMR's - Renewable Energy	-	-	250	250	250	250	250	**1,250**	**1,250**	250	250	250	250	250	**1,250**
Revenue	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	225	-	225	225	224	-	-	**674**	**899**	144	399	156	200	-	**899**
Capital Grants	Government Grants - Homes England Funding	3,974	11,113	2,002	3,015	2,250	-	-	**7,267**	**22,354**	4,062	3,438	9,194	5,660	-	**22,354**
Capital Grants	One Public Estate Funding	284	2,211	180	660	480	-	-	**1,320**	**3,815**	343	426	1,861	1,185	-	**3,815**
Capital Receipts	Usable Capital Receipts	13	629	1,009	315	1,020	325	330	**2,999**	**3,641**	540	1,426	414	931	330	**3,641**
Capital Receipts	UCR 1:4:1 Replacement Homes	185	385	-	655	160	-	-	**815**	**1,385**	185	429	611	160	-	**1,385**
Borrowing	Borrowing 25 Yrs	50	-	-	-	-	-	-	**-**	**50**	50	-	-	-	-	**50**
Borrowing	Borrowing 50 Yrs	8,547	12,732	3,494	3,645	1,586	-	-	**8,725**	**30,004**	7,664	6,801	10,410	5,129	-	**30,004**
Borrowing	HRA - Lease Finance	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	**550**
HRA Subtotals		**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**76,597**
Grand Totals		**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**128,727**

2024/25 - 2028/29 Capital Programme - EXPENDITURE

Area	Sub Area	Project Title	To be rolled f/wd from 2023/24 Capital Programme		Total Project Costs for Approval							Spend Profile					
			Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
General Fund																	
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	160	-	-	-	-	-	-	-	**160**	160	-	-	-	-	**160**
Leisure	Lords Meadow Leisure Centre	Leisure - Improved Disabled Toilet facilities - CPT	37	-	-	-	-	-	-	-	**37**	37	-	-	-	-	**37**
Leisure	Culm Valley Sports Centre	CVSC - Remodelling of Ground Floor	15	174	-	-	-	-	-	-	**189**	15	174	-	-	-	**189**
Leisure	Culm Valley Sports Centre	Leisure - Improved Disabled Toilet facilities - CPT	29	-	-	-	-	-	-	-	**29**	29	-	-	-	-	**29**
Leisure	Leisure - Other	All leisure sites replacement management/site access system (Hardware Element)	200	-	-	-	-	-	-	-	**200**	200	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Building Mgmt System for Heating Control	103	-	-	-	-	-	-	-	**103**	103	-	-	-	-	**103**
Other MDDC Buildings	MDDC Depots	Land acquisition for operational needs	1,000	-	1,000	-	-	-	-	**1,000**	**2,000**	2,000	-	-	-	-	**2,000**
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	-	250	-	3,500	-	-	-	**3,500**	**3,750**	250	3,500	-	-	-	**3,750**
Other MDDC Buildings	MDDC Shops/Industrial Units	36 & 38 Fore Street including Flat above structure & cosmetic works	197	-	-	-	-	-	-	-	**197**	197	-	-	-	-	**197**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	13,139	16,541	-	-	-	-	-	-	**29,680**	13,139	16,541	-	-	-	**29,680**
Other	General Car Parks	West Exe South - Remodelling - additional parking	90	-	-	-	-	-	-	-	**90**	90	-	-	-	-	**90**
Other	Parks & Play Areas	Open Space Infrastructure (incl Play Areas)	32	-	-	-	-	-	-	-	**32**	32	-	-	-	-	**32**
Other	ICT Projects	Server hardware/software Citrix Replacement	50	-	-	-	-	220	-	**220**	**270**	50	-	-	220	-	**270**
Other	ICT Projects	VM/Storage Area Network	120	-	-	-	-	140	-	**140**	**260**	120	-	-	140	-	**260**
Other	ICT Projects	UPS Replacements	20	-	-	30	-	35	-	**65**	**85**	20	30	-	35	-	**85**
Other	ICT Projects	Server farm expansion/upgrades	67	-	-	-	-	-	-	-	**67**	67	-	-	-	-	**67**
Other	Other Projects	Land drainage flood defence schemes - St Marys Hemyock	-	50	-	-	-	-	-	-	**50**	50	-	-	-	-	**50**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	-	62	-	-	-	-	-	-	**62**	62	-	-	-	-	**62**
Other	Other Projects	Land drainage flood defence schemes - Ashleigh Park Bampton	87	-	-	-	-	-	-	-	**87**	87	-	-	-	-	**87**
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	-	-	220	-	-	-	-	**220**	**220**	220	-	-	-	-	**220**
Leisure	Exe Valley Leisure Centre	CHP -Replacement future energy saving project	-	-	180	-	-	-	-	**180**	**180**	180	-	-	-	-	**180**
Leisure	Exe Valley Leisure Centre	Wetside resin floor replacement	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	**90**
Leisure	Exe Valley Leisure Centre	Learner pool floor replacement	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	**100**
Leisure	Exe Valley Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	**60**
Leisure	Lords Meadow Leisure Centre	Wetside resin floor replacement	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	**90**
Leisure	Lords Meadow Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	**60**
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	-	-	210	-	-	-	-	**210**	**210**	210	-	-	-	-	**210**
Leisure	Culm Valley Sports Centre	Fitness Studio renewal of equipment	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	**150**
Leisure	Culm Valley Sports Centre	Replacement skate park (poss relocation)	-	-	350	-	-	-	-	**350**	**350**	200	150	-	-	-	**350**
Other MDDC Buildings	Other - Climate Change/Net Zero	All Fleet - Vehicle live monitoring for CO2 emissions	-	-	115	-	-	-	-	**115**	**115**	115	-	-	-	-	**115**
Other MDDC Buildings	Other - Climate Change/Net Zero	MSCP -Solar carport and additional security	-	-	600	-	-	-	-	**600**	**600**	600	-	-	-	-	**600**
Other MDDC Buildings	Other - Climate Change/Net Zero	Additional electric car charging points	-	-	80	-	-	-	-	**80**	**80**	80	-	-	-	-	**80**
Other MDDC Buildings	Other - Climate Change/Net Zero	Market Walk - Solar Panels	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Cooling options Air Handing Unit	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	**150**
Other MDDC Buildings	MDDC Depots	Diesel Tank	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	**65**
Other MDDC Buildings	MDDC Depots	Property Leasing - Carlu Close	-	-	1,330	-	-	-	-	**1,330**	**1,330**	1,330	-	-	-	-	**1,330**
Other MDDC Buildings	Public Conveniences	Westexe Rec Toilets - Replacement	-	-	160	-	-	-	-	**160**	**160**	50	110	-	-	-	**160**
Private Sector Housing	Private Sector Housing	DFG and other private sector grants	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	**3,000**
Other	General Car Parks	LED updgrade	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	**65**
Other	General Car Parks	LED lighting replacement	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	**20**
Other	General Car Parks	Becks Square resurfacing & lining	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	**30**
Other	Parks & Play Areas	Widen Riverside Path	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	**20**
Other	Parks & Play Areas	Fencing end of life	-	-	125	-	-	-	-	**125**	**125**	125	-	-	-	-	**125**
Other	Parks & Play Areas	Rubber floor tile replacements	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	**100**
Other	ICT Projects	Laptop/Desktop Refresh	-	-	80	100	120	100	100	**500**	**500**	80	100	120	100	100	**500**
Other	Other Projects	Baler	-	-	500	-	-	-	-	**500**	**500**	500	-	-	-	-	**500**
Other	Other Projects	PDA's for cabs	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	**150**
Other	Other Projects	Fire Safety Measures	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	**200**
Other	Other Projects	Shared Prosperity Fund - Year 3	-	-	224	-	-	-	-	**224**	**224**	224	-	-	-	-	**224**
Other	Other Projects	Rural England Prosperity Fund - Year 2	-	-	613	-	-	-	-	**613**	**613**	613	-	-	-	-	**613**
Other	GF Vehicles	Vehicle leasing - Caretaking Services	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	**30**
Other	GF Vehicles	Vehicle leasing - Street Cleansing	-	-	100	60	150	-	100	**410**	**410**	100	60	150	-	100	**410**
Other	GF Vehicles	Vehicle leasing - Refuse	-	-	900	-	600	120	35	**1,655**	**1,655**	900	-	600	120	35	**1,655**
Other	GF Vehicles	Vehicle leasing - Trade Waste	-	-	160	-	170	-	-	**330**	**330**	160	-	170	-	-	**330**
Other	GF Vehicles	Vehicle leasing - Recycling	-	-	150	80	100	25	35	**390**	**390**	150	80	100	25	35	**390**
Leisure	Leisure - Climate Change/Net Zero	EVLC - Building Fabric - Insulation improvements	-	-	-	260	-	-	-	**260**	**260**	-	260	-	-	-	**260**
Other	Other Projects	Tiverton Market Paving - Permanent Solution	-	-	-	200	-	-	-	**200**	**200**	-	200	-	-	-	**200**
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	LMLC -Building Fabric -Insulation improvements	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	CVSC-Building Fabric -Insulation improvements	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	**200**
Other MDDC Buildings	Other - Climate Change/Net Zero	MDDC commercial property building fabric	-	-	-	-	240	-	-	**240**	**240**	-	-	240	-	-	**240**
Leisure	Exe Valley Leisure Centre	Exe Valley Capital Works	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	**200**
Leisure	Lords Meadow Leisure Centre	Lords Meadow Capital Works	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	**200**
Leisure	Culm Valley Sports Centre	Culm Valley Capital Works	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	**200**
Other	ICT Projects	Audio/Video replacement for Phoenix House	-	-	-	-	-	-	140	**140**	**140**	-	-	-	-	140	**140**
Other	ICT Projects	Hybrid Screen replacements	-	-	-	-	-	70	-	**70**	**70**	-	-	-	70	-	**70**
Other	GF Vehicles	Vehicle leasing - Grounds Maintenance	-	-	-	-	-	-	100	**100**	**100**	-	-	-	-	100	**100**
General Fund Subtotals			**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**52,130**

2024/25 - 2028/29 Capital Programme - EXPENDITURE

Area	Sub Area	Project Title	To be rolled f/wd from 2023/24 Capital Programme		Total Project Costs for Approval							Spend Profile					
			Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
HRA																	
HRA Projects	Existing Housing Stock	Roofing	15	-	600	600	600	600	600	**3,000**	**3,015**	615	600	600	600	600	**3,015**
HRA Projects	Existing Housing Stock	Structural	19	-	250	260	270	280	290	**1,350**	**1,369**	269	260	270	280	290	**1,369**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	210	-	-	-	-	-	-	**-**	**210**	210	-	-	-	-	**210**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	38	-	-	-	-	-	-	**-**	**38**	38	-	-	-	-	**38**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	21	360	-	-	-	-	-	**-**	**381**	21	360	-	-	-	**381**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	10	198	-	-	-	-	-	**-**	**208**	10	198	-	-	-	**208**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	23	207	-	-	-	-	-	**-**	**230**	23	207	-	-	-	**230**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	22	198	-	-	-	-	-	**-**	**220**	22	198	-	-	-	**220**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	140	-	-	-	-	-	-	**-**	**140**	140	-	-	-	-	**140**
HRA Projects	Housing Development Schemes (HE)	Project 15	4,685	-	-	-	-	-	-	**-**	**4,685**	3,000	1,685	-	-	-	**4,685**
HRA Projects	Housing Development Schemes (HE)	Project 18	1,022	-	-	-	-	-	-	**-**	**1,022**	1,022	-	-	-	-	**1,022**
HRA Projects	Housing Development Schemes (HE)	Project 10	1,474	-	500	-	-	-	-	**500**	**1,974**	1,474	500	-	-	-	**1,974**
HRA Projects	Housing Development Schemes (HE)	Project 14	883	-	-	-	-	-	-	**-**	**883**	883	-	-	-	-	**883**
HRA Projects	Housing Development Schemes (HE)	Project 9	1,128	-	-	-	-	-	-	**-**	**1,128**	1,128	-	-	-	-	**1,128**
HRA Projects	Housing Development Schemes (HE)	Project 11	1,522	-	-	-	-	-	-	**-**	**1,522**	1,522	-	-	-	-	**1,522**
HRA Projects	Housing Development Schemes (HE)	Project 3	1,485	-	-	-	-	-	-	**-**	**1,485**	1,485	-	-	-	-	**1,485**
HRA Projects	Housing Development Schemes (HE)	Project 25	50	2,340	-	-	-	-	-	**-**	**2,390**	50	2,340	-	-	-	**2,390**
HRA Projects	Housing Development Schemes (HE)	Project 8	-	2,229	-	-	-	-	-	**-**	**2,229**	-	223	2,006	-	-	**2,229**
HRA Projects	Housing Development Schemes (HE)	Project 29	48	990	-	-	-	-	-	**-**	**1,038**	48	990	-	-	-	**1,038**
HRA Projects	Housing Development Schemes (HE)	Project 28	110	990	-	-	-	-	-	**-**	**1,100**	110	990	-	-	-	**1,100**
HRA Projects	Housing Development Schemes (HE)	Project 37	-	1,530	-	-	-	-	-	**-**	**1,530**	153	1,377	-	-	-	**1,530**
HRA Projects	Housing Development Schemes (HE)	Project 33	-	1,138	-	-	-	-	-	**-**	**1,138**	1,138	-	-	-	-	**1,138**
HRA Projects	Housing Development Schemes (HE)	Project 36	170	1,530	-	-	-	-	-	**-**	**1,700**	-	170	1,530	-	-	**1,700**
HRA Projects	Housing Development Schemes (HE)	Project 20	337	16,160	-	-	-	-	-	**-**	**16,497**	-	337	8,080	8,080	-	**16,497**
HRA Projects	Other HRA Projects	Old Road Depot remodelling options - forecast expenditure to maintain operations	50	-	-	-	-	-	-	**-**	**50**	50	-	-	-	-	**50**
HRA Projects	Other HRA Projects	Sewerage Treatment Works - Washfield	25	-	-	-	-	-	-	**-**	**25**	25	-	-	-	-	**25**
HRA Projects	Existing Housing Stock	Garage Mods	-	-	150	150	150	-	-	**450**	**450**	150	150	150	-	-	**450**
HRA Projects	Existing Housing Stock	Decent Homes	-	-	395	195	195	200	200	**1,185**	**1,185**	395	195	195	200	200	**1,185**
HRA Projects	Existing Housing Stock	Fire Safety	-	-	40	30	20	20	20	**130**	**130**	40	30	20	20	20	**130**
HRA Projects	Existing Housing Stock	Window/Doors	-	-	400	400	400	400	400	**2,000**	**2,000**	400	400	400	400	400	**2,000**
HRA Projects	Existing Housing Stock	Heating	-	-	405	410	415	420	425	**2,075**	**2,075**	405	410	415	420	425	**2,075**
HRA Projects	Existing Housing Stock	Renewables	-	-	250	250	250	250	250	**1,250**	**1,250**	250	250	250	250	250	**1,250**
HRA Projects	Existing Housing Stock	Adaptations	-	-	310	315	320	325	330	**1,600**	**1,600**	310	315	320	325	330	**1,600**
HRA Projects	Existing Housing Stock	Void Capital Works	-	-	140	145	150	155	160	**750**	**750**	140	145	150	155	160	**750**
HRA Projects	Existing Housing Stock	Double Glazed Unit Replacement	-	-	20	20	20	20	20	**100**	**100**	20	20	20	20	20	**100**
HRA Projects	Existing Housing Stock	Responsive capital works	-	-	100	110	120	130	140	**600**	**600**	100	110	120	130	140	**600**
HRA Projects	Housing Development Schemes (HE)	Project 26	-	-	1,200	-	-	-	-	**1,200**	**1,200**	-	120	1,080	-	-	**1,200**
HRA Projects	Housing Development Schemes (HE)	Project 22	-	-	2,800	-	-	-	-	**2,800**	**2,800**	280	2,520	-	-	-	**2,800**
HRA Projects	Housing Development Schemes (HE)	Project 27	-	-	1,700	-	-	-	-	**1,700**	**1,700**	-	170	1,530	-	-	**1,700**
HRA Projects	Housing Development Schemes (HE)	Project 54	-	-	200	-	-	-	-	**200**	**200**	20	180	-	-	-	**200**
HRA Projects	Housing Development Schemes (HE)	Project 55	-	-	200	-	-	-	-	**200**	**200**	-	20	180	-	-	**200**
Other	HRA Vehicles	Vehicle leasing - Housing	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	**550**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	-	-	-	200	-	-	-	**200**	**200**	-	20	180	-	-	**200**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	-	-	-	200	-	-	-	**200**	**200**	-	20	180	-	-	**200**
HRA Projects	Housing Development Schemes (HE)	Project 16	-	-	-	1,000	-	-	-	**1,000**	**1,000**	-	100	900	-	-	**1,000**
HRA Projects	Housing Development Schemes (HE)	Project 23	-	-	-	4,100	-	-	-	**4,100**	**4,100**	-	410	3,690	-	-	**4,100**
HRA Projects	Housing Development Schemes (HE)	Project 12	-	-	-	1,600	-	-	-	**1,600**	**1,600**	-	160	1,440	-	-	**1,600**
HRA Projects	Housing Development Schemes (HE)	Project 30	-	-	-	1,100	-	-	-	**1,100**	**1,100**	-	110	990	-	-	**1,100**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	-	-	-	-	200	-	-	**200**	**200**	-	-	20	180	-	**200**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	-	-	-	-	200	-	-	**200**	**200**	-	-	20	180	-	**200**
HRA Projects	Housing Development Schemes (HE)	Project 24	-	-	-	-	1,100	-	-	**1,100**	**1,100**	-	-	110	990	-	**1,100**
HRA Projects	Housing Development Schemes (HE)	Project 35	-	-	-	-	1,700	-	-	**1,700**	**1,700**	-	-	170	1,530	-	**1,700**
HRA Projects	Housing Development Schemes (HE)	Project 31	-	-	-	-	1,100	-	-	**1,100**	**1,100**	-	-	110	990	-	**1,100**
HRA Projects	Housing Development Schemes (HE)	Project 13	-	-	-	-	1,100	-	-	**1,100**	**1,100**	-	-	110	990	-	**1,100**
HRA Subtotals			**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**76,597**
Grand Totals			**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**128,727**

2024/25 - 2028/29 Capital Programme - FUNDING

Area	Sub Area	Project Title	Funding Description	To be rolled f/wd from 2023/24 Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	To be rolled f/wd from 2023/24 Forecast Budget from 2023/24 to be spent over life of MTFP £000's	Total Project Costs for Approval 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	Spend Profile 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Beyond 2028/29 £000's	Total £000's
General Fund																			
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	Borrowing 10 Yrs	48	-	-	-	-	-	-	-	**48**	48	-	-	-	-	-	**48**
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	Usable Capital Receipts	70	-	-	-	-	-	-	-	**70**	70	-	-	-	-	-	**70**
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	RCCO - From Revenue EMR's - Capital	42	-	-	-	-	-	-	-	**42**	42	-	-	-	-	-	**42**
Leisure	Lords Meadow Leisure Centre	Leisure - Improved Disabled Toilet facilities - CPT	DLUHC - Changing Places Fund bid	37	-	-	-	-	-	-	-	**37**	37	-	-	-	-	-	**37**
Leisure	Culm Valley Sports Centre	CVSC - Remodelling of Ground Floor	Borrowing 10 Yrs	15	174	-	-	-	-	-	-	**189**	15	174	-	-	-	-	**189**
Leisure	Culm Valley Sports Centre	Leisure - Improved Disabled Toilet facilities - CPT	DLUHC - Changing Places Fund bid	29	-	-	-	-	-	-	-	**29**	29	-	-	-	-	-	**29**
Leisure	Leisure - Other	All leisure sites replacement management/site access system (Hardware Element)	Borrowing 10 Yrs	200	-	-	-	-	-	-	-	**200**	200	-	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Building Mgmt System for Heating Control	Borrowing 5 Yrs	103	-	-	-	-	-	-	-	**103**	103	-	-	-	-	-	**103**
Other MDDC Buildings	MDDC Depots	Land acquisition for operational needs	Borrowing 50 Yrs	1,000	-	1,000	-	-	-	-	**1,000**	**2,000**	2,000	-	-	-	-	-	**2,000**
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	RCCO - From Revenue EMR's - Waste Infrastructure EMR	-	250	-	-	-	-	-	-	**250**	250	-	-	-	-	-	**250**
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	Borrowing 50 Yrs	-	-	-	3,500	-	-	-	**3,500**	**3,500**	-	3,500	-	-	-	-	**3,500**
Other MDDC Buildings	MDDC Shops/Industrial Units	36 & 38 Fore Street including Flat above structure & cosmetic works	Borrowing 25 Yrs	197	-	-	-	-	-	-	-	**197**	197	-	-	-	-	-	**197**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	Govt Grants - Levelling - up Funding	6,437	11,539	-	-	-	-	-	-	**17,976**	6,437	11,539	-	-	-	-	**17,976**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	DCC Funding - HIF Project	153	1,347	-	-	-	-	-	-	**1,500**	153	1,347	-	-	-	-	**1,500**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	HIF Funding	3,234	3,655	-	-	-	-	-	-	**6,889**	3,234	3,655	-	-	-	-	**6,889**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	Borrowing 10 Yrs	3,315	-	-	-	-	-	-	-	**3,315**	3,315	-	-	-	-	-	**3,315**
Other	General Car Parks	West Exe South - Remodelling - additional parking spaces	Borrowing 10 Yrs	90	-	-	-	-	-	-	-	**90**	90	-	-	-	-	-	**90**
Other	Parks & Play Areas	Open Space Infrastructure (incl Play Areas)	RCCO - From Revenue EMR's - Other	32	-	-	-	-	-	-	-	**32**	32	-	-	-	-	-	**32**
Other	ICT Projects	Server hardware/software Citrix Replacement	RCCO - From Revenue EMR's - ICT	50	-	-	-	-	220	-	**220**	**270**	50	-	-	220	-	-	**270**
Other	ICT Projects	VM/Storage Area Network	RCCO - From Revenue EMR's - ICT	120	-	-	-	-	140	-	**140**	**260**	120	-	-	140	-	-	**260**
Other	ICT Projects	UPS Replacements	RCCO - From Revenue EMR's - ICT	20	-	-	30	-	35	-	**65**	**85**	20	30	-	35	-	-	**85**
Other	ICT Projects	Server farm expansion/upgrades	Usable Capital Receipts	67	-	-	-	-	-	-	-	**67**	67	-	-	-	-	-	**67**
Other	Other Projects	Land drainage flood defence schemes - St Marys	Usable Capital Receipts	-	50	-	-	-	-	-	-	**50**	50	-	-	-	-	-	**50**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	RCCO - From Revenue EMR's - Other	-	9	-	-	-	-	-	-	**9**	9	-	-	-	-	-	**9**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	Usable Capital Receipts	-	5	-	-	-	-	-	-	**5**	5	-	-	-	-	-	**5**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	RCCO - From Revenue EMR's - Capital	-	48	-	-	-	-	-	-	**48**	48	-	-	-	-	-	**48**
Other	Other Projects	Land drainage flood defence schemes - Ashleigh Park Bampton	RCCO - From Revenue EMR's - Other	87	-	-	-	-	-	-	-	**87**	87	-	-	-	-	-	**87**
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	Capital Grants Unapplied - DCC	-	-	110	-	-	-	-	**110**	**110**	110	-	-	-	-	-	**110**
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	Borrowing 10 Yrs	-	-	110	-	-	-	-	**110**	**110**	110	-	-	-	-	-	**110**
Leisure	Exe Valley Leisure Centre	CHP -Replacement future energy saving project	RCCO - From Revenue EMR's - Capital	-	-	180	-	-	-	-	**180**	**180**	180	-	-	-	-	-	**180**
Leisure	Exe Valley Leisure Centre	Wetside resin floor replacement	RCCO - From Revenue EMR's - Leisure	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	-	**90**
Leisure	Exe Valley Leisure Centre	Learner pool floor replacement	RCCO - From Revenue EMR's - Leisure	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	-	**100**
Leisure	Exe Valley Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	RCCO - From Revenue EMR's - Leisure	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	-	**60**
Leisure	Lords Meadow Leisure Centre	Wetside resin floor replacement	RCCO - From Revenue EMR's - Leisure	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	-	**90**
Leisure	Lords Meadow Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	RCCO - From Revenue EMR's - Leisure	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	-	**60**
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	Capital Grants Unapplied - DCC	-	-	105	-	-	-	-	**105**	**105**	105	-	-	-	-	-	**105**
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	Borrowing 10 Yrs	-	-	105	-	-	-	-	**105**	**105**	105	-	-	-	-	-	**105**
Leisure	Culm Valley Sports Centre	Fitness Studio renewal of equipment	Usable Capital Receipts	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	-	**150**
Leisure	Culm Valley Sports Centre	Replacement skate park (poss relocation)	RCCO - From Revenue EMR's - Leisure	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	-	**200**
Leisure	Culm Valley Sports Centre	Replacement skate park (poss relocation)	Borrowing 10 Yrs	-	-	150	-	-	-	-	**150**	**150**	-	150	-	-	-	-	**150**
Other MDDC Buildings	Other - Climate Change/Net Zero	All Fleet - Vehicle live monitoring for CO2 emissions	Salix Funding or Equivalent - to be identified	-	-	115	-	-	-	-	**115**	**115**	115	-	-	-	-	-	**115**
Other MDDC Buildings	Other - Climate Change/Net Zero	MSCP -Solar carport and additional security	Salix Funding or Equivalent - to be identified	-	-	600	-	-	-	-	**600**	**600**	600	-	-	-	-	-	**600**
Other MDDC Buildings	Other - Climate Change/Net Zero	Additional electric car charging points	Salix Funding or Equivalent - to be identified	-	-	80	-	-	-	-	**80**	**80**	80	-	-	-	-	-	**80**
Other MDDC Buildings	Other - Climate Change/Net Zero	Market Walk - Solar Panels	Salix Funding or Equivalent - to be identified	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Cooling options Air Handing Unit	Borrowing 5 Yrs	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	-	**150**
Other MDDC Buildings	MDDC Depots	Diesel Tank	RCCO - From Revenue EMR's - Waste Infrastructure EMR	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	-	**65**
Other MDDC Buildings	MDDC Depots	Property Leasing - Carlu Close	GF - Lease Finance	-	-	1,330	-	-	-	-	**1,330**	**1,330**	1,330	-	-	-	-	-	**1,330**
Other MDDC Buildings	Public Conveniences	Westexe Rec Toilets - Replacement	Borrowing 50 Yrs	-	-	160	-	-	-	-	**160**	**160**	50	110	-	-	-	-	**160**
Private Sector Housing	Private Sector Housing	DFG and other private sector grants	Govt Grant (DCLG passported from DCC)	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	-	**3,000**
Other	General Car Parks	LED updgrade	RCCO - From Revenue EMR's - Other	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	-	**65**
Other	General Car Parks	LED lighting replacement	RCCO - From Revenue EMR's - Other	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	-	**20**
Other	General Car Parks	Becks Square resurfacing & lining	RCCO - From Revenue EMR's - Other	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	-	**30**
Other	Parks & Play Areas	Widen Riverside Path	Borrowing 50 Yrs	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	-	**20**
Other	Parks & Play Areas	Fencing end of life	Borrowing 25 Yrs	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	-	**100**
Other	Parks & Play Areas	Fencing end of life	S106 (Revenue) Contributions	-	-	25	-	-	-	-	**25**	**25**	25	-	-	-	-	-	**25**
Other	Parks & Play Areas	Rubber floor tile replacements	Borrowing 10 Yrs	-	-	75	-	-	-	-	**75**	**75**	75	-	-	-	-	-	**75**
Other	Parks & Play Areas	Rubber floor tile replacements	S106 (Revenue) Contributions	-	-	25	-	-	-	-	**25**	**25**	25	-	-	-	-	-	**25**
Other	ICT Projects	Laptop/Desktop Refresh	Borrowing 3 Yrs	-	-	80	100	120	100	100	**500**	**500**	80	100	120	100	100	-	**500**
Other	Other Projects	Baler	Borrowing 10 Yrs	-	-	500	-	-	-	-	**500**	**500**	500	-	-	-	-	-	**500**
Other	Other Projects	PDA's for cabs	Borrowing 3 Yrs	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	-	**150**
Other	Other Projects	Fire Safety Measures	RCCO - From Revenue EMR's - Other	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	-	**200**
Other	Other Projects	Shared Prosperity Fund - Year 3	SPF Funding (DLUHC)	-	-	224	-	-	-	-	**224**	**224**	224	-	-	-	-	-	**224**
Other	Other Projects	Rural England Prosperity Fund - Year 2	REPF Funding (DLUHC)	-	-	613	-	-	-	-	**613**	**613**	613	-	-	-	-	-	**613**
Other	GF Vehicles	Vehicle leasing - Caretaking Services	GF - Lease Finance	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	-	**30**
Other	GF Vehicles	Vehicle leasing - Street Cleansing	GF - Lease Finance	-	-	100	60	150	-	100	**410**	**410**	100	60	150	-	100	-	**410**
Other	GF Vehicles	Vehicle leasing - Refuse	GF - Lease Finance	-	-	900	-	600	120	35	**1,655**	**1,655**	900	-	600	120	35	-	**1,655**
Other	GF Vehicles	Vehicle leasing - Trade Waste	GF - Lease Finance	-	-	160	-	170	-	-	**330**	**330**	160	-	170	-	-	-	**330**
Other	GF Vehicles	Vehicle leasing - Recycling	GF - Lease Finance	-	-	150	80	100	25	35	**390**	**390**	150	80	100	25	35	-	**390**
Leisure	Leisure - Climate Change/Net Zero	EVLC - Building Fabric - Insulation improvements	Salix Funding or Equivalent - to be identified	-	-	-	260	-	-	-	**260**	**260**	-	260	-	-	-	-	**260**
Other	Other Projects	Tiverton Market Paving - Permanent Solution	Borrowing 10 Yrs	-	-	-	200	-	-	-	**200**	**200**	-	200	-	-	-	-	**200**
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	Usable Capital Receipts	-	-	-	-	72	-	-	**72**	**72**	-	-	72	-	-	-	**72**
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	Borrowing 10 Yrs	-	-	-	-	128	-	-	**128**	**128**	-	-	128	-	-	-	**128**
Leisure	Leisure - Climate Change/Net Zero	LMLC -Building Fabric -Insulation improvements	Salix Funding or Equivalent - to be identified	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	CVSC-Building Fabric -Insulation improvements	Salix Funding or Equivalent - to be identified	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	-	**200**
Other MDDC Buildings	Other - Climate Change/Net Zero	MDDC commercial property building fabric improvements	Salix Funding or Equivalent - to be identified	-	-	-	-	240	-	-	**240**	**240**	-	-	240	-	-	-	**240**
Leisure	Exe Valley Leisure Centre	Exe Valley Capital Works	RCCO - From Revenue EMR's - Leisure	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	-	**200**
Leisure	Lords Meadow Leisure Centre	Lords Meadow Capital Works	RCCO - From Revenue EMR's - Leisure	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	-	**200**
Leisure	Culm Valley Sports Centre	Culm Valley Capital Works	RCCO - From Revenue EMR's - Leisure	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	-	**200**
Other	ICT Projects	Audio/Video replacement for Phoenix House	Borrowing 3 Yrs	-	-	-	-	-	-	140	**140**	**140**	-	-	-	-	140	-	**140**
Other	ICT Projects	Hybrid Screen replacements	RCCO - From Revenue EMR's - ICT	-	-	-	-	-	70	-	**70**	**70**	-	-	-	70	-	-	**70**
Other	GF Vehicles	Vehicle leasing - Grounds Maintenance	GF - Lease Finance	-	-	-	-	-	-	100	**100**	**100**	-	-	-	-	100	-	**100**
General Fund Subtotals				**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**-**	**52,130**

2024/25 - 2028/29 Capital Programme - FUNDING

Area	Sub Area	Project Title	Funding Description	To be rolled f/wd from 2023/24 Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	To be rolled f/wd from 2023/24 Forecast Budget from 2023/24 to be spent over life of MTFP £000's	Total Project Costs for Approval 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	Spend Profile 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Beyond 2028/29 £000's	Total £000's
HRA																			
HRA Projects	Existing Housing Stock	Roofing	MRA Reserve	15	-	600	600	600	600	600	**3,000**	**3,015**	615	600	600	600	600	-	**3,015**
HRA Projects	Existing Housing Stock	Structural	MRA Reserve	19	-	250	260	270	280	290	**1,350**	**1,369**	269	260	270	280	290	-	**1,369**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	UCR 1:4:1 Replacement Homes	84	-	-	-	-	-	-	-	**84**	84	-	-	-	-	-	**84**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	Borrowing 50 Yrs	126	-	-	-	-	-	-	-	**126**	126	-	-	-	-	-	**126**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	UCR 1:4:1 Replacement Homes	15	-	-	-	-	-	-	-	**15**	15	-	-	-	-	-	**15**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	Borrowing 50 Yrs	23	-	-	-	-	-	-	-	**23**	23	-	-	-	-	-	**23**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	UCR 1:4:1 Replacement Homes	8	144	-	-	-	-	-	-	**152**	8	144	-	-	-	-	**152**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	Borrowing 50 Yrs	13	116	-	-	-	-	-	-	**129**	13	116	-	-	-	-	**129**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	S106 (Revenue) Contributions	-	100	-	-	-	-	-	-	**100**	-	100	-	-	-	-	**100**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	UCR 1:4:1 Replacement Homes	4	79	-	-	-	-	-	-	**83**	4	79	-	-	-	-	**83**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	Borrowing 50 Yrs	6	69	-	-	-	-	-	-	**75**	6	69	-	-	-	-	**75**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	S106 (Revenue) Contributions	-	50	-	-	-	-	-	-	**50**	-	50	-	-	-	-	**50**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	UCR 1:4:1 Replacement Homes	9	83	-	-	-	-	-	-	**92**	9	83	-	-	-	-	**92**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	Borrowing 50 Yrs	14	74	-	-	-	-	-	-	**88**	14	74	-	-	-	-	**88**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	S106 (Revenue) Contributions	-	50	-	-	-	-	-	-	**50**	-	50	-	-	-	-	**50**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	UCR 1:4:1 Replacement Homes	9	79	-	-	-	-	-	-	**88**	9	79	-	-	-	-	**88**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	Borrowing 50 Yrs	13	69	-	-	-	-	-	-	**82**	13	69	-	-	-	-	**82**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	S106 (Revenue) Contributions	-	50	-	-	-	-	-	-	**50**	-	50	-	-	-	-	**50**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	UCR 1:4:1 Replacement Homes	56	-	-	-	-	-	-	-	**56**	56	-	-	-	-	-	**56**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	Borrowing 50 Yrs	34	-	-	-	-	-	-	-	**34**	34	-	-	-	-	-	**34**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	S106 (Revenue) Contributions	50	-	-	-	-	-	-	-	**50**	50	-	-	-	-	-	**50**
HRA Projects	Housing Development Schemes (HE)	Project 15	Government Grants - Homes England Funding	937	-	-	-	-	-	-	-	**937**	600	337	-	-	-	-	**937**
HRA Projects	Housing Development Schemes (HE)	Project 15	Borrowing 50 Yrs	3,523	-	-	-	-	-	-	-	**3,523**	2,257	1,266	-	-	-	-	**3,523**
HRA Projects	Housing Development Schemes (HE)	Project 15	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	225	-	-	-	-	-	-	-	**225**	144	81	-	-	-	-	**225**
HRA Projects	Housing Development Schemes (HE)	Project 18	Government Grants - Homes England Funding	459	-	-	-	-	-	-	-	**459**	459	-	-	-	-	-	**459**
HRA Projects	Housing Development Schemes (HE)	Project 18	Borrowing 50 Yrs	488	-	-	-	-	-	-	-	**488**	488	-	-	-	-	-	**488**
HRA Projects	Housing Development Schemes (HE)	Project 18	One Public Estate Funding	75	-	-	-	-	-	-	-	**75**	75	-	-	-	-	-	**75**
HRA Projects	Housing Development Schemes (HE)	Project 10	Government Grants - Homes England Funding	465	-	157	-	-	-	-	**157**	**622**	465	157	-	-	-	-	**622**
HRA Projects	Housing Development Schemes (HE)	Project 10	Borrowing 50 Yrs	1,009	-	343	-	-	-	-	**343**	**1,352**	1,009	343	-	-	-	-	**1,352**
HRA Projects	Housing Development Schemes (HE)	Project 14	Government Grants - Homes England Funding	395	-	-	-	-	-	-	-	**395**	395	-	-	-	-	-	**395**
HRA Projects	Housing Development Schemes (HE)	Project 14	Borrowing 50 Yrs	413	-	-	-	-	-	-	-	**413**	413	-	-	-	-	-	**413**
HRA Projects	Housing Development Schemes (HE)	Project 14	One Public Estate Funding	75	-	-	-	-	-	-	-	**75**	75	-	-	-	-	-	**75**
HRA Projects	Housing Development Schemes (HE)	Project 9	Government Grants - Homes England Funding	240	-	-	-	-	-	-	-	**240**	240	-	-	-	-	-	**240**
HRA Projects	Housing Development Schemes (HE)	Project 9	Borrowing 50 Yrs	888	-	-	-	-	-	-	-	**888**	888	-	-	-	-	-	**888**
HRA Projects	Housing Development Schemes (HE)	Project 11	Government Grants - Homes England Funding	507	-	-	-	-	-	-	-	**507**	507	-	-	-	-	-	**507**
HRA Projects	Housing Development Schemes (HE)	Project 11	Borrowing 50 Yrs	915	-	-	-	-	-	-	-	**915**	915	-	-	-	-	-	**915**
HRA Projects	Housing Development Schemes (HE)	Project 11	One Public Estate Funding	100	-	-	-	-	-	-	-	**100**	100	-	-	-	-	-	**100**
HRA Projects	Housing Development Schemes (HE)	Project 3	Borrowing 50 Yrs	717	-	-	-	-	-	-	-	**717**	717	-	-	-	-	-	**717**
HRA Projects	Housing Development Schemes (HE)	Project 3	S106 (Revenue) Contributions	100	-	-	-	-	-	-	-	**100**	100	-	-	-	-	-	**100**
HRA Projects	Housing Development Schemes (HE)	Project 3	Government Grants - Homes England Funding	668	-	-	-	-	-	-	-	**668**	668	-	-	-	-	-	**668**
HRA Projects	Housing Development Schemes (HE)	Project 25	Government Grants - Homes England Funding	10	557	-	-	-	-	-	-	**567**	10	557	-	-	-	-	**567**
HRA Projects	Housing Development Schemes (HE)	Project 25	Borrowing 50 Yrs	22	1,033	-	-	-	-	-	-	**1,055**	22	1,033	-	-	-	-	**1,055**
HRA Projects	Housing Development Schemes (HE)	Project 25	Usable Capital Receipts	13	629	-	-	-	-	-	-	**642**	13	629	-	-	-	-	**642**
HRA Projects	Housing Development Schemes (HE)	Project 25	One Public Estate Funding	5	121	-	-	-	-	-	-	**126**	5	121	-	-	-	-	**126**
HRA Projects	Housing Development Schemes (HE)	Project 8	Government Grants - Homes England Funding	-	1,005	-	-	-	-	-	-	**1,005**	-	101	904	-	-	-	**1,005**
HRA Projects	Housing Development Schemes (HE)	Project 8	Borrowing 50 Yrs	-	1,039	-	-	-	-	-	-	**1,039**	-	103	936	-	-	-	**1,039**
HRA Projects	Housing Development Schemes (HE)	Project 8	One Public Estate Funding	-	185	-	-	-	-	-	-	**185**	-	19	166	-	-	-	**185**
HRA Projects	Housing Development Schemes (HE)	Project 29	Borrowing 50 Yrs	27	210	-	-	-	-	-	-	**237**	27	210	-	-	-	-	**237**
HRA Projects	Housing Development Schemes (HE)	Project 29	S106 (Revenue) Contributions	-	300	-	-	-	-	-	-	**300**	-	300	-	-	-	-	**300**
HRA Projects	Housing Development Schemes (HE)	Project 29	One Public Estate Funding	-	90	-	-	-	-	-	-	**90**	-	90	-	-	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 29	Government Grants - Homes England Funding	21	390	-	-	-	-	-	-	**411**	21	390	-	-	-	-	**411**
HRA Projects	Housing Development Schemes (HE)	Project 28	Borrowing 50 Yrs	66	665	-	-	-	-	-	-	**731**	66	665	-	-	-	-	**731**
HRA Projects	Housing Development Schemes (HE)	Project 28	S106 (Revenue) Contributions	-	250	-	-	-	-	-	-	**250**	-	250	-	-	-	-	**250**
HRA Projects	Housing Development Schemes (HE)	Project 28	One Public Estate Funding	-	75	-	-	-	-	-	-	**75**	-	75	-	-	-	-	**75**
HRA Projects	Housing Development Schemes (HE)	Project 28	Government Grants - Homes England Funding	44	-	-	-	-	-	-	-	**44**	44	-	-	-	-	-	**44**
HRA Projects	Housing Development Schemes (HE)	Project 37	Government Grants - Homes England Funding	-	688	-	-	-	-	-	-	**688**	69	619	-	-	-	-	**688**
HRA Projects	Housing Development Schemes (HE)	Project 37	Borrowing 50 Yrs	-	740	-	-	-	-	-	-	**740**	74	666	-	-	-	-	**740**
HRA Projects	Housing Development Schemes (HE)	Project 37	One Public Estate Funding	-	102	-	-	-	-	-	-	**102**	10	92	-	-	-	-	**102**
HRA Projects	Housing Development Schemes (HE)	Project 33	Government Grants - Homes England Funding	-	512	-	-	-	-	-	-	**512**	512	-	-	-	-	-	**512**
HRA Projects	Housing Development Schemes (HE)	Project 33	Borrowing 50 Yrs	-	548	-	-	-	-	-	-	**548**	548	-	-	-	-	-	**548**
HRA Projects	Housing Development Schemes (HE)	Project 33	One Public Estate Funding	-	78	-	-	-	-	-	-	**78**	78	-	-	-	-	-	**78**
HRA Projects	Housing Development Schemes (HE)	Project 36	Government Grants - Homes England Funding	76	689	-	-	-	-	-	-	**765**	-	76	689	-	-	-	**765**
HRA Projects	Housing Development Schemes (HE)	Project 36	Borrowing 50 Yrs	94	691	-	-	-	-	-	-	**785**	-	94	691	-	-	-	**785**
HRA Projects	Housing Development Schemes (HE)	Project 36	One Public Estate Funding	-	150	-	-	-	-	-	-	**150**	-	-	150	-	-	-	**150**
HRA Projects	Housing Development Schemes (HE)	Project 20	Government Grants - Homes England Funding	152	7,272	-	-	-	-	-	-	**7,424**	-	152	3,636	3,636	-	-	**7,424**
HRA Projects	Housing Development Schemes (HE)	Project 20	Borrowing 50 Yrs	156	7,478	-	-	-	-	-	-	**7,634**	-	156	3,739	3,739	-	-	**7,634**
HRA Projects	Housing Development Schemes (HE)	Project 20	One Public Estate Funding	29	1,410	-	-	-	-	-	-	**1,439**	-	29	705	705	-	-	**1,439**
HRA Projects	Other HRA Projects	Old Road Depot remodelling options - forecast expenditure to maintain operations	Borrowing 25 Yrs	50	-	-	-	-	-	-	-	**50**	50	-	-	-	-	-	**50**
HRA Projects	Other HRA Projects	Sewerage Treatment Works - Washfield	RCCO - From HRA Revenue EMR's - Other	25	-	-	-	-	-	-	-	**25**	25	-	-	-	-	-	**25**
HRA Projects	Existing Housing Stock	Garage Mods	MRA Reserve	-	-	150	150	150	-	-	**450**	**450**	150	150	150	-	-	-	**450**
HRA Projects	Existing Housing Stock	Decent Homes	MRA Reserve	-	-	395	195	195	200	200	**1,185**	**1,185**	395	195	195	200	200	-	**1,185**
HRA Projects	Existing Housing Stock	Fire Safety	MRA Reserve	-	-	40	30	20	20	20	**130**	**130**	40	30	20	20	20	-	**130**
HRA Projects	Existing Housing Stock	Window/Doors	MRA Reserve	-	-	400	400	400	400	400	**2,000**	**2,000**	400	400	400	400	400	-	**2,000**
HRA Projects	Existing Housing Stock	Heating	MRA Reserve	-	-	405	410	415	420	425	**2,075**	**2,075**	405	410	415	420	425	-	**2,075**
HRA Projects	Existing Housing Stock	Renewables	RCCO - From HRA Revenue EMR's - Renewable Energy	-	-	250	250	250	250	250	**1,250**	**1,250**	250	250	250	250	250	-	**1,250**
HRA Projects	Existing Housing Stock	Adaptations	Usable Capital Receipts	-	-	310	315	320	325	330	**1,600**	**1,600**	310	315	320	325	330	-	**1,600**
HRA Projects	Existing Housing Stock	Void Capital Works	MRA Reserve	-	-	140	145	150	155	160	**750**	**750**	140	145	150	155	160	-	**750**
HRA Projects	Existing Housing Stock	Double Glazed Unit Replacement	MRA Reserve	-	-	20	20	20	20	20	**100**	**100**	20	20	20	20	20	-	**100**
HRA Projects	Existing Housing Stock	Responsive capital works	MRA Reserve	-	-	100	110	120	130	140	**600**	**600**	100	110	120	130	140	-	**600**
HRA Projects	Housing Development Schemes (HE)	Project 26	Government Grants - Homes England Funding	-	-	270	-	-	-	-	**270**	**270**	-	27	243	-	-	-	**270**
HRA Projects	Housing Development Schemes (HE)	Project 26	Borrowing 50 Yrs	-	-	705	-	-	-	-	**705**	**705**	-	-	705	-	-	-	**705**
HRA Projects	Housing Development Schemes (HE)	Project 26	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	225	-	-	-	-	**225**	**225**	-	93	132	-	-	-	**225**
HRA Projects	Housing Development Schemes (HE)	Project 22	Government Grants - Homes England Funding	-	-	630	-	-	-	-	**630**	**630**	63	567	-	-	-	-	**630**
HRA Projects	Housing Development Schemes (HE)	Project 22	Borrowing 50 Yrs	-	-	1,471	-	-	-	-	**1,471**	**1,471**	-	1,471	-	-	-	-	**1,471**
HRA Projects	Housing Development Schemes (HE)	Project 22	Usable Capital Receipts	-	-	699	-	-	-	-	**699**	**699**	217	482	-	-	-	-	**699**
HRA Projects	Housing Development Schemes (HE)	Project 27	Government Grants - Homes England Funding	-	-	765	-	-	-	-	**765**	**765**	-	68	697	-	-	-	**765**
HRA Projects	Housing Development Schemes (HE)	Project 27	Borrowing 50 Yrs	-	-	755	-	-	-	-	**755**	**755**	-	102	653	-	-	-	**755**
HRA Projects	Housing Development Schemes (HE)	Project 27	One Public Estate Funding	-	-	180	-	-	-	-	**180**	**180**	-	-	180	-	-	-	**180**
HRA Projects	Housing Development Schemes (HE)	Project 54	Government Grants - Homes England Funding	-	-	90	-	-	-	-	**90**	**90**	9	81	-	-	-	-	**90**

2024/25 - 2028/29 Capital Programme - FUNDING

Area	Sub Area	Project Title	Funding Description	To be rolled f/wd from 2023/24 Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	To be rolled f/wd from 2023/24 Forecast Budget from 2023/24 to be spent over life of MTFP £000's	Total Project Costs for Approval 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	Spend Profile 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Beyond 2028/29 £000's	Total £000's
HRA Projects	Housing Development Schemes (HE)	Project 54	Borrowing 50 Yrs	-	-	110	-	-	-	-	**110**	**110**	11	99	-	-	-	-	**110**
HRA Projects	Housing Development Schemes (HE)	Project 55	Government Grants - Homes England Funding	-	-	90	-	-	-	-	**90**	**90**	-	9	81	-	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 55	Borrowing 50 Yrs	-	-	110	-	-	-	-	**110**	**110**	-	11	99	-	-	-	**110**
Other	HRA Vehicles	Vehicle leasing - Housing	HRA - Lease Finance	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	-	**550**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	UCR 1:4:1 Replacement Homes	-	-	-	80	-	-	-	**80**	**80**	-	-	80	-	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	Borrowing 50 Yrs	-	-	-	120	-	-	-	**120**	**120**	-	20	100	-	-	-	**120**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	UCR 1:4:1 Replacement Homes	-	-	-	80	-	-	-	**80**	**80**	-	-	80	-	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	Borrowing 50 Yrs	-	-	-	120	-	-	-	**120**	**120**	-	20	100	-	-	-	**120**
HRA Projects	Housing Development Schemes (HE)	Project 16	Government Grants - Homes England Funding	-	-	-	450	-	-	-	**450**	**450**	-	40	410	-	-	-	**450**
HRA Projects	Housing Development Schemes (HE)	Project 16	Borrowing 50 Yrs	-	-	-	460	-	-	-	**460**	**460**	-	60	400	-	-	-	**460**
HRA Projects	Housing Development Schemes (HE)	Project 16	One Public Estate Funding	-	-	-	90	-	-	-	**90**	**90**	-	-	90	-	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 23	Government Grants - Homes England Funding	-	-	-	1,845	-	-	-	**1,845**	**1,845**	-	185	1,660	-	-	-	**1,845**
HRA Projects	Housing Development Schemes (HE)	Project 23	Borrowing 50 Yrs	-	-	-	1,670	-	-	-	**1,670**	**1,670**	-	-	1,670	-	-	-	**1,670**
HRA Projects	Housing Development Schemes (HE)	Project 23	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	-	225	-	-	-	**225**	**225**	-	225	-	-	-	-	**225**
HRA Projects	Housing Development Schemes (HE)	Project 23	One Public Estate Funding	-	-	-	360	-	-	-	**360**	**360**	-	-	360	-	-	-	**360**
HRA Projects	Housing Development Schemes (HE)	Project 12	Government Grants - Homes England Funding	-	-	-	720	-	-	-	**720**	**720**	-	72	648	-	-	-	**720**
HRA Projects	Housing Development Schemes (HE)	Project 12	Borrowing 50 Yrs	-	-	-	760	-	-	-	**760**	**760**	-	88	672	-	-	-	**760**
HRA Projects	Housing Development Schemes (HE)	Project 12	One Public Estate Funding	-	-	-	120	-	-	-	**120**	**120**	-	-	120	-	-	-	**120**
HRA Projects	Housing Development Schemes (HE)	Project 30	UCR 1:4:1 Replacement Homes	-	-	-	495	-	-	-	**495**	**495**	-	44	451	-	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 30	Borrowing 50 Yrs	-	-	-	515	-	-	-	**515**	**515**	-	66	449	-	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 30	One Public Estate Funding	-	-	-	90	-	-	-	**90**	**90**	-	-	90	-	-	-	**90**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	UCR 1:4:1 Replacement Homes	-	-	-	-	80	-	-	**80**	**80**	-	-	-	80	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	Borrowing 50 Yrs	-	-	-	-	8	-	-	**8**	**8**	-	-	8	-	-	-	**8**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	-	-	112	-	-	**112**	**112**	-	-	12	100	-	-	**112**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	UCR 1:4:1 Replacement Homes	-	-	-	-	80	-	-	**80**	**80**	-	-	-	80	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	Borrowing 50 Yrs	-	-	-	-	8	-	-	**8**	**8**	-	-	8	-	-	-	**8**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	-	-	112	-	-	**112**	**112**	-	-	12	100	-	-	**112**
HRA Projects	Housing Development Schemes (HE)	Project 24	Government Grants - Homes England Funding	-	-	-	-	495	-	-	**495**	**495**	-	-	50	445	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 24	Borrowing 50 Yrs	-	-	-	-	515	-	-	**515**	**515**	-	-	60	455	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 24	One Public Estate Funding	-	-	-	-	90	-	-	**90**	**90**	-	-	-	90	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 35	Government Grants - Homes England Funding	-	-	-	-	765	-	-	**765**	**765**	-	-	76	689	-	-	**765**
HRA Projects	Housing Development Schemes (HE)	Project 35	Borrowing 50 Yrs	-	-	-	-	25	-	-	**25**	**25**	-	-	-	25	-	-	**25**
HRA Projects	Housing Development Schemes (HE)	Project 35	Usable Capital Receipts	-	-	-	-	700	-	-	**700**	**700**	-	-	94	606	-	-	**700**
HRA Projects	Housing Development Schemes (HE)	Project 35	One Public Estate Funding	-	-	-	-	210	-	-	**210**	**210**	-	-	-	210	-	-	**210**
HRA Projects	Housing Development Schemes (HE)	Project 31	Government Grants - Homes England Funding	-	-	-	-	495	-	-	**495**	**495**	-	-	50	445	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 31	Borrowing 50 Yrs	-	-	-	-	515	-	-	**515**	**515**	-	-	60	455	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 31	One Public Estate Funding	-	-	-	-	90	-	-	**90**	**90**	-	-	-	90	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 13	Government Grants - Homes England Funding	-	-	-	-	495	-	-	**495**	**495**	-	-	50	445	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 13	Borrowing 50 Yrs	-	-	-	-	515	-	-	**515**	**515**	-	-	60	455	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 13	One Public Estate Funding	-	-	-	-	90	-	-	**90**	**90**	-	-	-	90	-	-	**90**
HRA Subtotals				**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**-**	**76,597**
Grand Totals				**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**-**	**128,727**

Report for: **Cabinet**

Date of Meeting:	6 February 2024
Subject:	**Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2024/25**
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett, Deputy Chief Executive (S151)
Exempt:	N/A
Wards Affected:	All
Enclosures:	Appendix 1 – Prudential and treasury indicators and MRP statement Appendix 2 – Interest rate forecasts Appendix 3 – Economic background Appendix 4 – Treasury management practice 1 – credit and counterparty risk management Appendix 5 – Approved countries for investments Appendix 6 – Treasury management scheme of delegation Appendix 7 – The treasury management role of the Section 151 Officer

Section 1 – Summary and Recommendation(s)

To agree the proposed Treasury Management Strategy, Minimum Revenue Provision Policy and Annual Investment Strategy for 2024/25.

Recommendation(s):

That Cabinet recommends to Full Council that the proposed Treasury Management Strategy and Annual Investment Strategy for 2024/25, including the prudential indicators for the next 3 years and the Minimum Revenue Provision Statement (Appendix 1), be approved.

Section 2 – Report

1.0 Background

1.1 The Council is required to operate a balanced budget, which broadly means that the cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

1.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

1.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

1.5 CIPFA defines treasury management as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

1.6 In the latest Devon Audit Partnership audit (December 2022), a Substantial Assurance opinion was given, meaning the Council has "a sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited".

2.0 Reporting requirements

2.1 Treasury Strategy

2.1.1 The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed; and
- the implications for future financial sustainability.

2.1.2 The aim of this treasury strategy is to ensure that all elected members of the Council fully understand the overall long-term policy objectives and resulting treasury strategy requirements, governance procedures and risk appetite.

2.2 Treasury Management reporting

2.2.1 The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- the capital plans (including prudential indicators);
- a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be organised), including treasury indicators; and
- an investment strategy (the parameters on how investments are to be managed).

b. A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, members will receive quarterly treasury updates as part of the financial monitoring.

c. An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

2.2.2 **Scrutiny.** The above reports are required to be adequately scrutinised before being recommended to the Council. The Cabinet undertakes this role.

2.3 Treasury Management Strategy for 2024/25

2.3.1 The strategy for 2024/25 covers two main areas:

2.3.2 **Capital issues**

- The capital expenditure plans and the associated prudential indicators; and

- The minimum revenue provision (MRP) policy.

2.3.3 **Treasury management issues**

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the Council;
- Prospects for interest rates;
- The borrowing strategy;
- Policy on borrowing in advance of need;
- Debt rescheduling;
- The investment strategy;
- Creditworthiness policy; and
- The policy on the use of external service providers.

2.3.4 These elements cover the requirements of the Local Government Act 2003, the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code, Department for Levelling Up, Housing and Communities (DLUHC – this was formerly the Ministry of Housing, Communities and Local Government [MHCLG]) MRP Guidance, the CIPFA Treasury Management Code and DLUHC Investment Guidance.

2.4 Training

2.4.1 The CIPFA Treasury Management Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for Scrutiny.

2.4.2 Furthermore, the Code states that all organisations are expected to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

2.4.3 The scale and nature of this will depend on the size and complexity of the organisation's treasury management needs. Organisations should consider how to assess whether treasury management staff and council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

2.4.4 As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified;
- Prepare tailored learning plans for treasury management officers and board/council members;
- Require treasury management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation); and
- Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.

2.4.5 In further support of the revised training requirements, CIPFA's Better Governance Forum and Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', which is available from the CIPFA website to download.

2.4.6 Training requirements of members are being reviewed and training will be arranged as required.

2.4.7 The training needs of treasury management officers are periodically reviewed.

2.4.8 A formal record of the training received by officers central to the Treasury function will be maintained by the S151 (Deputy Chief Executive). Similarly, a formal record of the treasury management/capital finance training received by members will be maintained by the Democratic Services Manager.

2.5 Treasury management consultants

2.5.1 The Council uses Link Group as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers.

2.5.2 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

3.0 The Capital Prudential Indicators 2024/25 – 2026/27

3.1.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the Prudential Indicators, which are designed to assist members' overview and confirm capital expenditure plans.

3.2 Capital expenditure and financing

3.2.1 This Prudential Indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The below table shows planned expenditure in the 2024/25 Capital Programme of £40,701k, (£11,868k new projects plus the projected slippage from prior years of £28,833k).

Prudential Indicator: Estimates of Capital Expenditure

Capital Expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	4,910	4,459	24,676	21,780	2,580
HRA	6,957	7,414	16,025	16,290	25,236
Loans to Subsidiary Company *	5,363	2,639	0	0	0
Total	**17,230**	**14,512**	**40,701**	**38,070**	**27,816**

** Loans to Subsidiary Company are non-treasury investments and so not covered in detail in this report. Refer to the Capital Strategy for further information.*

For Members clarity, the NHS Hub loan is treated as General Fund.

3.2.2 Other long-term liabilities – The above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

3.2.3 The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital receipts	865	1,306	1,394	1,855	1,097
Capital grants	4,967	4,665	15,943	21,240	12,295
Capital reserves	0	0	0	0	0
Revenue	4,018	4,593	5,120	3,799	2,746
Net financing need for the year	**7,380**	**3,948**	**18,244**	**11,176**	**11,678**

3.2.4 The net financing need for Loans to Subsidiary Company included in the above table against expenditure is shown below:

Loans to Subsidiary Company £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Capital Expenditure	5,363	2,639	0	0	0
Financing costs	0	0	0	0	0
Net financing need for the year	**5,363**	**2,639**	**0**	**0**	**0**
Percentage of total net financing need %	72.7%	66.3%	0.0%	0.0%	0.0%

The financing costs are zero as, to date, all lending has been funded through internal borrowing. With the company now going through a soft closure, it is not expected that any external borrowing will be required to fund the lending.

3.3 The Council's borrowing need (the Capital Financing Requirement)

3.3.1 The second Prudential Indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

3.3.2 The CFR does not increase indefinitely, as the Minimum Revenue Provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

3.3.3 The CFR includes any other long-term liabilities (e.g. PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has £2.092m of such schemes within the CFR.

3.3.4 **The Council is asked to approve the CFR projections below:**

Prudential Indicator: Estimates of Capital Financing Requirement

Capital Financing Requirement £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
CFR - General Fund	9,623	9,722	18,657	21,892	21,880
CFR - Housing	40,552	40,163	46,949	52,651	61,719
CFR - Loans to Subsidiary Company	14,417	0	0	0	0
Total CFR	**64,592**	**49,885**	**65,606**	**74,543**	**83,599**
Movement in CFR*	**3,464**	**-14,707**	**15,721**	**8,937**	**9,056**

**The movement in CFR will not directly match the Net Financing Need (see 3.2.3) due to the annual MRP charge reducing the balance in line with each asset's expected life. The CFR is cumulative, so increases and decreases for scheduled loans to, and repayments from, 3 Rivers Developments Ltd.*

3.4 Liability Benchmark

3.4.1 The Authority is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.

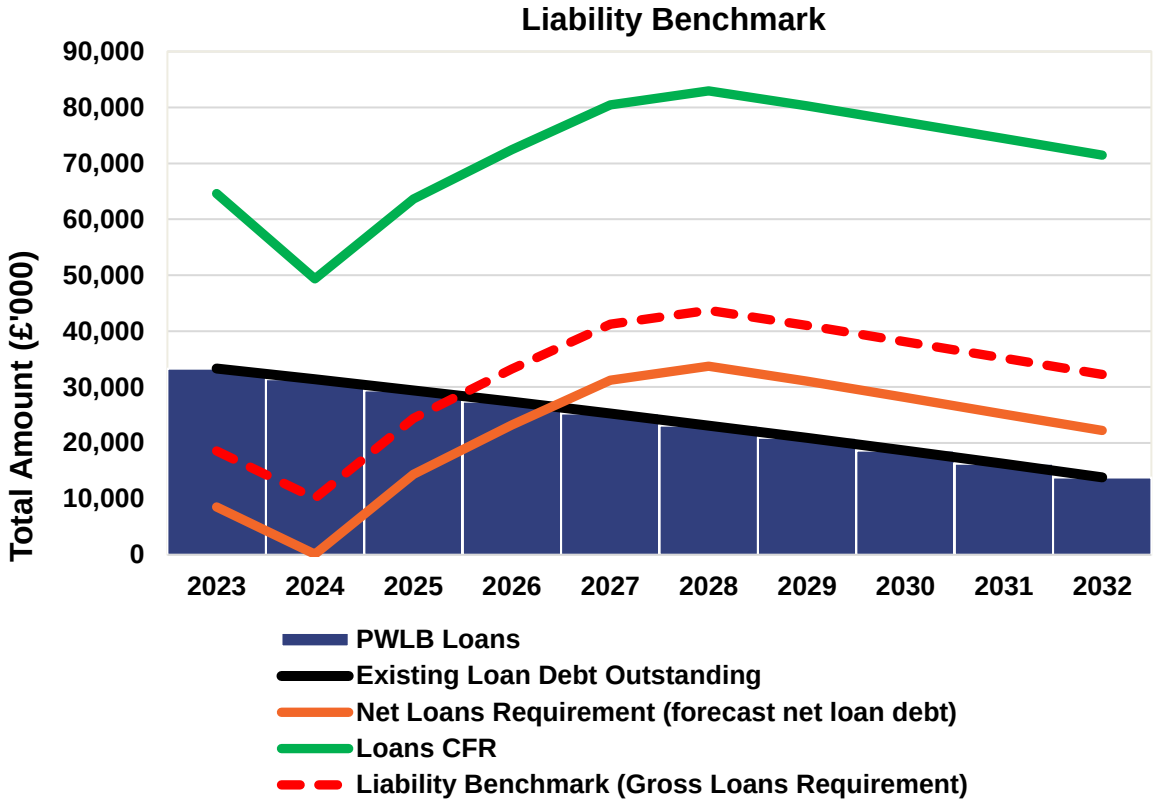
3.4.2 There are four compenents to the LB:

1 **Existing loan debt outstanding**: the Council's existing loans that are still outstanding in future years.
2 **Loans CFR**: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.

3 **Net loans requirement**: this will show the Council's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.

4 **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus a short-term liquidity allowance.

3.4.3 The Council's Liability Benchmark for years ending March 2023 to March 2032 is shown below:



3.4.4 The chart can be interpreted as follows:

- The liability benchmark (red dashed line) is the Council's need for external borrowing.
- Where the liability benchmark exceeds the existing loans (black line) then there is a need for new borrowing. Where the liability benchmark is below the existing loans then the Council is holding surplus cash that will be put into short-term investments.
- The area between the liability benchmark and net loans requirement (orange line) shows the cash required to manage the Council's day-to-day cash flow need, which is estimated to be £10m.
- The area between the loans CFR (green line) and liability benchmark shows the potential for internal borrowing, which currently stands at circa £40m.

4.0 Borrowing

4.1 The capital expenditure plans set out in Section 3 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. This strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

4.2 Current portfolio position

4.2.1 The overall treasury management portfolio as at 31 March 2023 and the position as at 31 December 2023 are shown below for both borrowing and investments.

TREASURY PORTFOLIO				
	Actual	**Actual**	**Current**	**Current**
	31/03/2023	**31/03/2023**	**31/12/2023**	**31/12/2023**
Treasury Investments	**£000**	**%**	**£000**	**%**
Banks	7,757	31%	9,301	27%
Building Societies	0	0%	0	0%
Local Authorities	12,000	48%	15,000	44%
DMADF (H.M.Treasury)	0	0%	5,000	15%
Other Public Bodies	0	0%	0	0%
Total Managed In-House	**19,757**	**80%**	**29,301**	**85%**
Property Funds	5,000	20%	5,000	15%
Total Managed Externally	**5,000**	**20%**	**5,000**	**15%**
Total Treasury Investments	**24,757**	**100%**	**34,301**	**100%**
Treasury External Borrowing				
Local Authorities	0	0%	0	0%
PWLB	33,310	100%	32,349	100%
Total External Borrowing	**33,310**	**100%**	**32,349**	**100%**
Net Treasury Investments / (Borrowing)	**-8,553**		**1,952**	

4.2.2 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt (the treasury management operations) against the underlying capital borrowing need (the Capital Financing Requirement – CFR), highlighting any over or under borrowing.

External Debt £000	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Debt at 1 April	35,234	33,310	31,373	37,198	41,966
Expected Change in Debt	-1,924	-1,937	5,825	4,767	7,908
Other Long-Term Liabilities (OLTL)	2,190	1,981	2,092	3,981	3,397
Expected Change in OLTL	-209	111	1,889	-584	355
Actual Gross Debt at 31 March	**35,291**	**33,465**	**41,179**	**45,362**	**53,626**
The Capital Financing Requirement	**64,592**	**49,885**	**65,606**	**74,543**	**83,599**
Under / (Over) Borrowing	**29,301**	**16,420**	**24,427**	**29,181**	**29,973**

4.2.3 Within the range of Prudential Indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

4.2.4 The S151 (Deputy Chief Executive) reports that the Council complied with this Prudential Indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

4.3 Treasury Indicators: limits to borrowing activity

4.3.1 **The operational boundary.** This is the limit which external debt is not normally expected to exceed. This is the CFR, split between debt and other long term liabilities (leases) and rounded up to the nearest million.

Prudential Indicator: Operational Boundary

Operational boundary £000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Debt	48,000	62,000	72,000	80,000
Other long term liabilities	3,000	4,000	4,000	4,000
Total	**51,000**	**66,000**	**76,000**	**84,000**

4.3.2 **The Authorised Limit for external debt.** This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt, which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

4.3.3 This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised. The

authorised limit is set at the CFR plus £5m for debt and £4m for other long term liabilities, to cover exceptional circumstances and borrowing ahead of need to secure interest rates.

4.3.4 **The Council is asked to approve the following authorised limit:**

Prudential Indicator: Authorised Limit

Authorised limit £000	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
Debt	53,000	67,000	77,000	85,000
Other long term liabilities	7,000	8,000	8,000	8,000
Total	**60,000**	**75,000**	**85,000**	**93,000**

4.4 Prospects for interest rates

4.4.1 The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on future interest rates. The following table gives their view as at 08 January 2024.

Interest Rates	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Bank Rate View	5.25%	5.25%	4.75%	4.25%	3.75%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
5yr PWLB Rate	4.50%	4.40%	4.30%	4.20%	4.10%	4.00%	3.80%	3.70%	3.60%	3.60%	3.50%	3.50%	3.50%
10yr PWLB Rate	4.70%	4.50%	4.40%	4.30%	4.20%	4.10%	4.00%	3.90%	3.80%	3.70%	3.70%	3.70%	3.70%
25yr PWLB Rate	5.20%	5.10%	4.90%	4.80%	4.60%	4.40%	4.30%	4.20%	4.20%	4.10%	4.10%	4.10%	4.10%
50yr PWLB Rate	5.00%	4.90%	4.70%	4.60%	4.40%	4.20%	4.10%	4.00%	4.00%	3.90%	3.90%	3.90%	3.90%

4.4.2 Although CPI inflation has seen large falls to 4.0% in December 2023, down from its high of 11.1% in October 2022, it is expected that the MPC will be keen to underpin its anti-inflation credentials by keeping Bank Rate at 5.25% until at least the second half of 2024. Rate cuts are expected to begin only when the CPI inflation and wage/employment data are unequivocally supportive of such a move.

4.4.3 A more thorough economic outlook provided by our Treasury Advisors is detailed in **Appendices 2 and 3.**

4.5 Borrowing strategy

4.5.1 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has

been used as a temporary measure. With significant levels of capital expenditure expected during 2024/25, it is recommended that the Council maximises its use of internal borrowing rather than seeking to fund projects through new external borrowing. This strategy is prudent as investment returns are lower than the cost of borrowing and counterparty risk is still an issue that needs to be considered.

4.5.2 Against this background and the risks within the economic forecast, caution will be adopted with the 2024/25 treasury operations. The S151 (Deputy Chief Executive) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- If it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed;
- If it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.
- The Council will consider all external loan options available in the market including Public Works Loans Board, Banks, Other Local Authorities and the Municipal Bond Agency. The term and repayment profile of any loans will be determined by the periods financing is required. The level of borrowing will stay within the above limits.

4.5.3 Any decisions will be reported to the Cabinet at the next available opportunity.

4.6 Policy on borrowing in advance of need

4.6.1 The Council can not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

4.6.2 Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequently reported through the mid-year or annual reporting mechanism.

4.7 Debt rescheduling

4.7.1 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as the penalties currently being applied to premature repayments are prohibitive. If rescheduling is done, it will be reported to the Cabinet at the earliest meeting following its action.

4.8 New financial institutions as a source of borrowing and / or types of borrowing

4.8.1 Currently the PWLB Certainty Rate is set at gilts + 80 basis points. There is also a temporary HRA rate set at gilts + 40 basis points, which is currently available until June 2025. Despite these discounted rates, there are more cometitive rates

available elsewhere for some durations, and so consideration will still need to be given to sourcing funding from the following sources:

- Local authorities (primarily shorter dated maturities out to 3 years or so – still cheaper than the Certainty Rate)
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a "cost of carry")
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time)

4.8.2 The degree to which any of these options proves cheaper than PWLB Certainty Rate is constantly evolving but our advisors will keep us informed.

4.9 Approved Sources of Long and Short Term Borrowing

On Balance Sheet	Fixed	Variable
PWLB	●	●
Municipal Bond Agency	●	●
Local Authorities	●	
Banks	●	●
Finance Leases	●	●

5.0 Annual Investment Strategy

5.1 Investment policy – management of risk

5.1.1 The DLUHC and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy (a separate report).

5.1.2 The Council's investment policy has regard to the following:

- DLUHC's Guidance on Local Government Investments ("the Guidance");
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code"); and
- CIPFA Treasury Management Guidance Notes 2021

5.1.3 The Council's investment priorities will be Security first, portfolio Liquidity second and then Yield (return) – known as the SLY Principle.

5.1.4 The above guidance from the DLUHC and CIPFA place a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

5.1.4.1 Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.

5.1.4.2 **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets, which the Council will achieve through engaging with its advisors to maintain a monitor on market pricing.

5.1.4.3 **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

5.1.4.4 The Council has defined the list of **types of investment instruments** that the treasury management team are authorised to use. See **Appendix 4** for a list.

5.1.4.5 **Lending and transaction limits** (amounts and maturity) for each counterparty will be set through applying the matrix table in paragraph 5.2.6.

5.1.4.6 The Council will set a limit for the amount of its investments which are invested for **longer than 365 days** (see paragraph 5.4.9).

5.1.4.7 Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating** (see paragraph 5.3.2).

5.1.5 The Council has engaged external consultants (see paragraph 2.5.1) to provide expert advice on how to optimise an appropriate balance of Security, Liquidity and Yield, given the risk appetite of the Council in the context of the expected level of cash balances and need for liquidity throughout the year.

5.1.6 All investments will be denominated in sterling.

5.1.7 As a result of the change in accounting standards for 2019/20 under IFRS 9, the Council will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, the then MHCLG concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31 March 2023. This override has since been extended to 31 March 2025.

5.1.8 However, the Council will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance (see section 5.5). Regular monitoring of investment performance will be carried out during the year.

5.1.9 The above criteria are unchanged from last year.

5.2 Creditworthiness policy

5.2.1 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested.

5.2.2 The S151 (Deputy Chief Executive) will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.

5.2.3 Credit rating information is supplied by Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to a counterparty with the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

5.2.4 The criteria for providing a pool of high quality investment counterparties (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Council will only use banks which:
    i. are UK banks; and/or
    ii. are non-UK and domiciled in a country which has a minimum sovereign Long Term Fitch rating of AAA; and
    iii. have, as a minimum, a credit rating of F1 (Fitch), with regard for Moody's and Standard & Poor's credit ratings (where rated).
- Banks 2 – The Council's own banker for transactional purposes if the bank falls below the above criteria, although in this case balances will be minimised in both monetary size and time invested.
- Building Societies – The Council will use all societies which:
    i. Meet the Fitch rating for banks outlined above; and
    ii. Have assets in excess of £1bn;
- Money Market Funds Fitch CNAV AAAmmf/AAA
- Money Market Funds LNVAV AAAmmf/AAA
- Money Market Funds VNAV AAAmmf/AAA
- UK Government (including gilts, Treasury Bills and the DMADF)
- Local authorities, Police, Fire, parish councils and other public bodies

5.2.5 **Use of additional information other than credit ratings.** Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information will be applied to compare the relative security of differing investment opportunities.

5.2.6 **Time and monetary limits applying to investments.** The time and monetary limits for institutions on the Council's counterparty list are as follows (these will cover both specified and non-specified investments):

Details	Fitch Short term Rating	Money and/or % Limit	Transaction Limit	Time Limit
The Council's bank* (currently NatWest)	F1	£5m + balance of grant funds	n/a	n/a
Banks 1 (good credit quality)	F1	£5m	£5m	2yr
Banks 2 (Council's banker if not meeting Banks 1)	F2/F3	£5m (call account)	£5m (call account)	1 day
DMADF	UK sovereign rating	unlimited	unlimited	unlimited
Local authorities & other public bodies	N/A	unlimited	unlimited	unlimited
Building Societies	F1	£5m	£5m	2yr
Money Market Funds - CNAV	AAAmmf/AAA	£2m	£2m	liquid
Money Market Funds - LVNAV	AAAmmf/AAA	£2m	£2m	liquid
Money Market Funds - VNAV	AAAmmf/AAA	£2m	£2m	liquid

**This limit was approved in the TMSS for 2021/22 to allow the continued administration of business grant funds.*

The above table relates to financial investments only – non-financial investments, such as commercial loans or purchases of income yielding assets are covered in the Capital Strategy.

5.2.7 The proposed criteria for specified and non-specified investments are shown in **Appendix 4** for approval.

5.2.8 **Creditworthiness**

5.2.9 Significant levels of downgrades to short- and long-term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

5.3 Other limits

5.3.1 Due care will be taken to consider the country, group and sector exposure of the Council's investments.

5.3.2 **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AAA. The list of countries that qualify using this credit criteria as at the date of this report are shown in **Appendix 5**. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

5.3.3 **Other limits.** In addition:

- no more than 30% of overall investment balances will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies; and
- the Council will not hold more than £5m with any banking group.

5.4 Investment strategy

5.4.1 **In-house funds**

5.4.2 Over recent years, the Council has typically held upwards of £20m in short term investments with the objective of managing cash flows whilst earning a return at the same time. These returns remained historically low for two years after interest rates plummeted at the start of the Covid-19 pandemic in Q4 2019/20, however increases to interest rates through 2022 and 2023 have seen returns on short term investments rebound from £54k in 2021/22, to £539k in 2022/23, and a forecast £1,198k in 2023/24.

5.4.3 Retaining cash balances (short term investments + current account) of £10m would be enough to ensure a regular turnover in short term investments to manage the fluctuations in cash flows. Therefore, internal borrowing will be used to finance capital expenditure where cash balances remain above £10m, with external borrowing only sought to keep balances above this limit where necessary. Although there is currently not much difference between interest rates currently available from PWLB and rates available for short term investments, taking out new PWLB loans would expose the Council to high rates of interest for the duration of those loans. With interest rates expected to come down over the next couple of years, maximising internal borrowing is still the most prudent approach.

5.4.4 As cash balances reduce through 2024/25, there will be a need to reduce the average maturity on investments to ensure a regular turnover of maturities, which will be matched with the Council's large cash outflows. This will mean the primary consideration for investments will be the core balance and cash flow requirements,

with the outlook for short-term interest rates only considered where significant changes are expected. Greater returns are usually obtainable by investing for longer periods, however this needs to be balanced with the Council's cash requirements.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

5.4.5 **Investment returns expectations**

5.4.6 The current forecast shown in paragraph 4.4.1 includes a forecast for Bank Rate to start reducing in Q3 2024 from the current high of 5.25%.

5.4.7 The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Year	%
2024/25	4.55%
2025/26	3.10%
2026/27	3.00%
2027/28	3.25%
Later years	3.25%

5.4.8 **Investment treasury indicator and limit -** total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

5.4.9 **The Council is asked to approve the following treasury indicator and limit:**

Upper limit for principal sums invested for longer than 365 days	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)
Principal sum invested for longer than 365 days but not exceeding 2 years.	5	5	5

5.4.10 For its cash flow generated balances, the Council will seek to utilise money market funds and short-dated deposits (overnight to 365 days) in order to benefit from the compounding of interest.

5.5 Investment performance / risk benchmarking

5.5.1 The Council will use an investment benchmark to assess the performance of its investment portfolio of 7 day SONIA (Sterling Overnight Index Average).

5.6 End of year investment report

5.6.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

5.7 Commercial and Non-Financial Investments

5.7.1 **Property Investments.** A limit of £5m will be applied to the use of non-specified investments. This principally relates to property funds, which is within the Local Authorities' Property Fund via CCLA.

5.7.2 **Non-Financial Investments.** On the 30th March 2017, Cabinet approved the establishment of a Special Purpose Vehicle – 3 Rivers Developments Limited and that the Council could lend to 3 Rivers Developments Ltd. This company is a subsidiary of Mid Devon District Council and has the sole purpose of property development.

5.7.3 There was no cap on the amount of money that can be loaned to 3 Rivers Developments Ltd. However, for each new project the company takes on, there is an individual loan agreement signed by the S151 Officer prior to any lending. All project spending / borrowing requirements are approved annually by Cabinet as part of the company's Annual Report/Business Plan, with individual Business Cases reviewed and approved by Cabinet on any development over £1m.

5.7.4 At a Full Council meeting on 06 September 2023, a soft closure of 3 Rivers was agreed. Therefore no further funding will be required apart from amounts to complete live developments.

5.7.5 Please refer to the Capital Strategy for a more detailed programme and borrowing streams.

6.0 Conclusion

6.1 Treasury management is a highly complex and specialist subject. It is tightly controlled by regulation and procedures that the Council must abide by. In addition to the skilled staff in house, the Council has access to advice from its Treasury Advisors (Link Group) where we need it to ensure that we comply with these rules.

6.2 Cabinet will consider the Treasury Management Strategy before recommending Full Council approve it at its budget meeting on 21 February.

Financial Implications: Good financial management and administration underpins the entire strategy. The Council's Treasury Management Strategy should attempt to maximise investment return commensurate with minimum risk to the principal sums invested**.**

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 helps manage the risk associated with the Council's treasury management activity.

Impact on Climate Change: There are no Climate Change implications relating to the content of this report.

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

Relationship to Corporate Plan: Maximising investment return whilst minimising risk of credit default enables the Council to finance the delivery of its Corporate Plan objectives.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 26/01/2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 26/01/2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 26/01/2024

Performance and risk: Steve Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 26/01/2024

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: Capital Strategy 2024/25 (Cabinet 06/02/2024)

APPENDIX 1

1.0 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2024/25 – 2026/27

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

1.1 Capital expenditure

See section 3.2 for the breakdown of capital expenditure.

1.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. **The Council is asked to approve the following indicators:**

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

%	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	16.33%	-4.15%	1.57%	4.82%	5.74%
HRA	12.31%	9.16%	9.57%	11.34%	13.76%

The estimates of financing costs include current commitments and the proposals in this budget report.

1.3 Minimum Revenue Provision (MRP) Policy Statement

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department of Levelling Up, Housing & Communities' *Statutory Guidance on Minimum Revenue Provision* (the DLUHC Guidance).

The broad aim of the DLUHC Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The DLUHC Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.

The Council is recommended to approve the following MRP Statement*:*

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Based on CFR** – MRP will be based on the CFR.

This option provides for an approximate 4% reduction in the borrowing need (CFR) each year.

From 1 April 2008 for all unsupported borrowing (including PFI and finance leases) the MRP policy will be*:*

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction)

This option provides for a reduction in the borrowing need over approximately the asset's life.

Finance leases will have their capital financing applied on a straight-line basis over the life of the lease contract.

There is no requirement on the HRA to make a Minimum Revenue Provision but there is a requirement for a charge for depreciation to be made.

The MRP requirement for a finance lease or PFI contract is deemed to be equal to the element of the charge/rent that goes to write down the balance sheet liability.

For capital expenditure loans to third parties that are expected to be repaid in full, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement. Where it becomes probable that a loan will not be repaid in full, MRP will be charged in accordance with the Expected Credit Loss (ECL) model outlined in IFRS 9.

MRP will not be charged against capital expenditure in the year it is incurred, but will instead commence the following year. Capital expenditure incurred during 2023/24 will not be subject to a MRP charge until 2024/25.

1.4 MRP Overpayments

A change introduced by the revised DLUHC MRP Guidance was the allowance that any charges made over the statutory Minimum Revenue Provision (MRP), Voluntary Revenue Provision (VRP) or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. Up until the 31 March 2023, the total VRP overpayments were £0m.

APPENDIX 2 – Provided by Link Group (MDDC's Treasury Advisor)

2.0 INTEREST RATE FORECASTS 2024-2026

Link Group Interest Rate View

Interest Rates	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Bank Rate View	5.25%	5.25%	4.75%	4.25%	3.75%	3.25%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
5yr PWLB Rate	4.50%	4.40%	4.30%	4.20%	4.10%	4.00%	3.80%	3.70%	3.60%	3.60%	3.50%	3.50%	3.50%
10yr PWLB Rate	4.70%	4.50%	4.40%	4.30%	4.20%	4.10%	4.00%	3.90%	3.80%	3.70%	3.70%	3.70%	3.70%
25yr PWLB Rate	5.20%	5.10%	4.90%	4.80%	4.60%	4.40%	4.30%	4.20%	4.20%	4.10%	4.10%	4.10%	4.10%
50yr PWLB Rate	5.00%	4.90%	4.70%	4.60%	4.40%	4.20%	4.10%	4.00%	4.00%	3.90%	3.90%	3.90%	3.90%

Our central forecast for interest rates was previously updated on 8 January and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by keeping Bank Rate at 5.25% until at least H2 2024. We expect rate cuts to start when both the CPI inflation and wage/employment data are supportive of such a move, and when there is a likelihood of the overall economy enduring at least a slowdown or mild recession over the coming months (although most recent GDP releases have surprised with their on-going robustness).

Naturally, timing on this matter will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.

In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but also international factors such as policy development in the US and Europe, the provision of fresh support packages to support the faltering recovery in China as well as the on-going conflict between Russia and Ukraine, and Gaza and Israel.

PWLB RATES
The short and medium part of the gilt curve has rallied since the start of November as markets price in a quicker reduction in Bank Rate through 2024 and 2025 than held sway back then. This reflects market confidence in inflation falling back in a similar manner to that already seen in the US and the Euro-zone. At the time of writing there is c70 basis points difference between the 5 and 50 year parts of the curve.

The balance of risks to the UK economy
The overall balance of risks to economic growth in the UK is even.

Downside risks to current forecasts for UK gilt yields and PWLB rates include:

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, could keep gilt yields high for longer).

- **The Bank of England** has increased Bank Rate too fast and too far over recent months, and subsequently brings about a deeper and longer UK recession than we currently anticipate.

- **Geopolitical risks,** for example in Ukraine/Russia, the Middle East, China/Taiwan/US, Iran and North Korea, which could lead to increasing safe-haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates:

- Despite the tightening in Bank Rate to 5.25%, the **Bank of England allows inflationary pressures to remain elevated** for a long period within the UK economy, which then necessitates Bank Rate staying higher for longer than we currently project.

- **The pound weakens** because of a lack of confidence in the UK Government's pre-election fiscal policies, which may prove inflationary, resulting in investors pricing in a risk premium for holding UK sovereign debt.

- Projected **gilt issuance, inclusive of natural maturities and QT,** could be too much for the markets to comfortably digest without higher yields compensating.

LINK GROUP FORECASTS
We expect the MPC will keep Bank Rate at 5.25% until the second half of 2024, to combat on-going inflationary and wage pressures, even if they have dampened somewhat of late. We do not think that the MPC will increase Bank Rate above 5.25%.

Gilt yields and PWLB rates
The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, as inflation continues to fall through 2024.

Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below:

PWLB debt	Current borrowing rate as at 08.01.24 p.m.	Target borrowing rate now (end of Q4 2025)	Target borrowing rate previous (end of Q3 2025)
5 years	4.53%	3.70%	3.80%
10 years	4.67%	3.90%	3.80%
25 years	5.19%	4.20%	4.20%
50 years	4.97%	4.00%	4.00%

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate remains at 3% and reflects Capital Economics' research that suggests AI and general improvements

in productivity will be supportive of a higher neutral interest rate. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to factor in Bank Rate reductions for 2024 and later.

APPENDIX 3 – Provided by Link Group (MDDC's Treasury Advisor)

3.0 ECONOMIC BACKGROUND

The third quarter of 2023/24 saw:

- A 0.3% m/m decline in real GDP in October, potentially partly due to unseasonably wet weather, but also due to the ongoing drag from higher interest rates. Growth for the second quarter, ending 30th September, was revised downwards to -0.1% and growth on an annual basis was also revised downwards, to 0.3%;
- A sharp fall in wage growth, with the headline 3myy rate declining from 8.0% in September to 7.2% in October, although the ONS "experimental" rate of unemployment has remained low at 4.2%;
- CPI inflation continuing on its downward trajectory, from 8.7% in April to 4.6% in October, then again to 3.9% in November;
- Core CPI inflation decreasing from April and May's 31 years' high of 7.1% to 5.1% in November, the lowest rate since January 2022;
- The Bank of England holding Bank Rate at 5.25% in November and December;
- A steady fall in 10-year gilt yields as investors revised their interest rate expectations lower.

The revision of GDP data in Q2 to a 0.1% q/q fall may mean the mildest of mild recessions has begun. Indeed, real GDP in October fell 0.3% m/m which does suggest that the economy may stagnate again in Q3. The weakness in October may partly be due to the unseasonably wet weather. That said, as the weakness was broad based it may also be the case that the ongoing drag from higher interest rates is more than offsetting any boost from the rise in real wages.

However, the rise in the flash composite activity Purchasing Managers Index, from 50.7 in November to 51.7 in December, did increase the chances of the economy avoiding a contraction in Q3. The improvement was entirely driven by the increase in the services activity balance from 50.9 to 52.7. (Scores above 50 point to expansion in the economy, although only tepid in this instance.) The press release noted that this was primarily driven by a revival in consumer demand in the technological and financial services sectors. This chimes with the further improvement in the GfK measure of consumer confidence in December, from -24 to -22. The services PMI is now consistent with non-retail services output growing by 0.5% q/q in Q3, but this is in stark contrast to the manufacturing sector where the output balance slumped from 49.2 to 45.9 and, at face value, the output balance is consistent with a 1.5% q/q fall in manufacturing output in Q3.

The 0.3% m/m fall in retail sales volumes in October means that after contracting by 1.0% q/q (which was downwardly revised from -0.8% q/q) in Q2, retail activity remained weak at the start of Q3. That suggests higher interest rates are taking a bigger toll on real consumer spending.

Higher interest rates have filtered through the financial channels and weakened the housing market but, overall, it remains surprisingly resilient with the Halifax house price

index recently pointing to a 1.7% year on year increase whilst Nationwide's December data pointed to a -1.8% year on year decrease. However, the full weakness in real consumer spending and real business investment has yet to come as currently it is estimated that around two thirds to a half of the impact of higher interest rates on household interest payments has yet to be felt.

Overall, we expect real GDP growth to remain subdued throughout 2024 as the drag from higher interest rates is protracted but a fading of the cost-of-living crisis and interest rate cuts in the second half of 2024 will support a recovery in GDP growth in 2025.

The labour market remains tight by historical standards, but the sharp fall in wage growth seen in October will reinforce the growing belief in markets that interest rates will be cut mid-2024. Wage growth eased in October much faster than the consensus expected. Total earnings fell by 1.6% m/m, which meant the headline 3myy rate eased from 8.0% in September to 7.2% in October. This news will be welcomed by the Bank of England. Indeed, the timelier three-month annualised rate of average earnings growth fell from +2.4% to -1.2%. Excluding bonuses, it fell from 5.3% to 2.0%. Furthermore, one of the Bank's key barometers of inflation persistence, regular private sector pay growth, dropped from 7.9% 3myy to 7.3%, which leaves it comfortably on track to fall to 7.2% by December, as predicted by the Bank in November.

The fall in wage growth occurred despite labour demand being stronger in October than expected. The three-month change in employment eased only a touch from +52,000 in September to +50,000 in October. But resilient labour demand was offset by a further 63,000 rise in the supply of workers in the three months to October. That meant labour supply exceeded its pre-pandemic level for the first time, and the unemployment rate remained at 4.2% in October. In the three months to November, the number of job vacancies fell for the 17th month in a row, from around 959,000 in October to around 949,000. That has reduced the vacancy to unemployment ratio as demand for labour eases relative to supply, which may support a further easing in wage growth in the coming months.

CPI inflation fell from 6.7% in September to 4.6% in October, and then again to 3.9% in November. Both these falls were bigger than expected and there are clear signs of easing in domestic inflationary pressures. The fall in core CPI inflation from 5.7% to 5.1% in November was bigger than expected (consensus forecast 5.6%). That's the lowest rate since January 2022. Some of the decline in core inflation was due to the global influence of core goods inflation, which slowed from 4.3% to 3.3%. But some of it was due to services inflation falling from 6.6% to 6.3%. The Bank views the latter as a key barometer of the persistence of inflation and it came in further below the Bank's forecast of 6.9% in its November Monetary Policy Report. This will give the Bank more confidence that services inflation is now on a firmly downward path.

The Bank of England sprung no surprises with its December monetary policy committee (MPC) meeting, leaving interest rates at 5.25% for the third time in a row and pushing back against the prospect of near-term interest rate cuts. The Bank continued to sound hawkish, with the MPC maintaining its tightening bias saying that "further tightening in monetary policy would be required if there were evidence of more persistent inflationary pressures". And it stuck to the familiar script, saying that policy will be "sufficiently

restrictive for sufficiently long" and that "monetary policy is likely to need to be restrictive for an extended period of time". In other words, the message is that the MPC is not yet willing to endorse investors' expectations that rates will be cut as soon as May 2024.

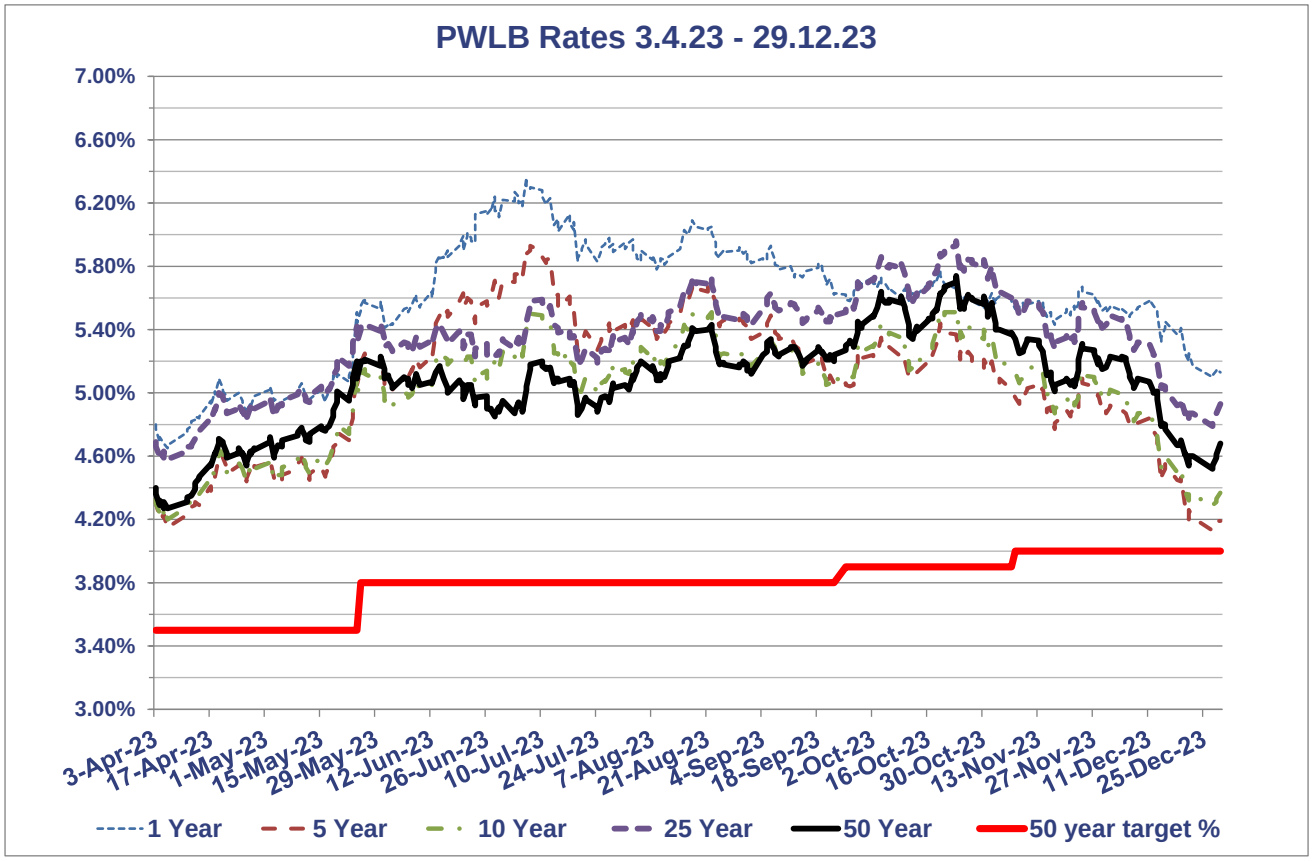
Looking ahead, our colleagues at Capital Economics forecast that the recent downward trends in CPI and core inflation will stall over the next few months before starting to decline more decisively again in February. That explains why we think the Bank of England won't feel comfortable cutting interest rates until H2 2024.
The fall in UK market interest rate expectations in December has driven most of the decline in 10-year gilt yields, which have fallen in line with 10-year US Treasury and euro-zone yields. 10-year gilt yields have fallen from 4.68% in October 2023 to around 3.70% in early January, with further declines likely if the falling inflation story is maintained.

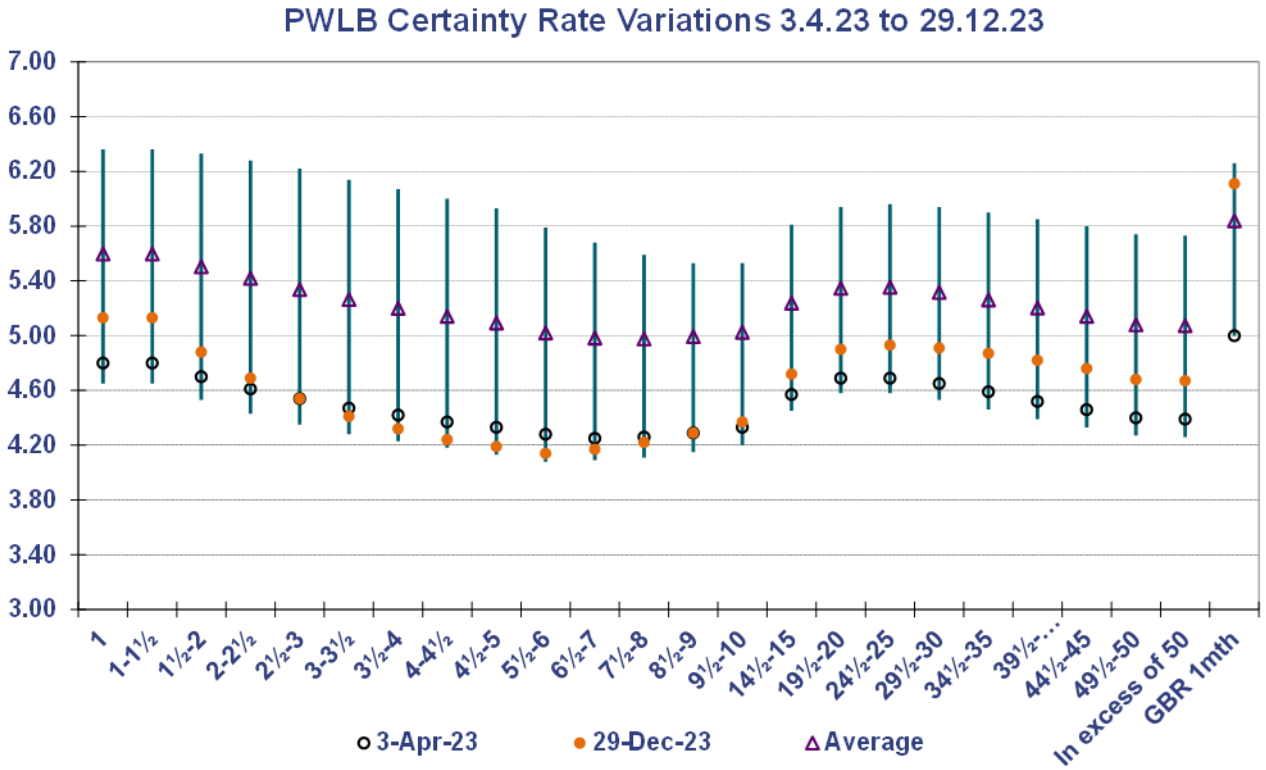
Investors' growing expectations that the Fed will cut interest rates soon has led to an improvement in risk sentiment, which has boosted the pound and other risky assets. In addition, the rise in the pound, from $1.21 in November to $1.27 now, has also been supported by the recent relative decline in UK wholesale gas prices.

The further fall in 10-year real gilt yields in December has supported the recent rise in the FTSE 100. That said, the index remains 5% below its record high in February 2023. This modest rise in equities appears to have been mostly driven by strong performances in the industrials and rate-sensitive technology sectors. But UK equities have continued to underperform US and euro-zone equities. The FTSE 100 has risen by 2.2% in December, while the S&P 500 has risen by 3.8%. This is partly due to lower energy prices, which have been a relatively bigger drag on the FTSE 100, due to the index's high concentration of energy companies.

In the chart below, the rise in gilt yields across the curve in the first half of 2023/24, and therein PWLB rates, is clear to see, prior to the end of year rally based on a mix of supportive domestic and international factors.

PWLB RATES 03/04/2023 – 29/12/2023


PWLB Rates 3.4.23 - 29.12.23
7.00%
6.60%
6.20%
5.80%
5.40%
5.00%
4.60%
4.20%
3.80%
3.40%
3.00%
3-Apr-23
17-Apr-23
1-May-23
15-May-23
29-May-23
12-Jun-23
26-Jun-23
10-Jul-23
24-Jul-23
7-Aug-23
21-Aug-23
4-Sep-23
18-Sep-23
2-Oct-23
16-Oct-23
30-Oct-23
13-Nov-23
27-Nov-23
11-Dec-23
25-Dec-23
1 Year
5 Year
10 Year
25 Year
50 Year
50 year target %


PWLB Certainty Rate Variations 3.4.23 to 29.12.23
7.00
6.60
6.20
5.80
5.40
5.00
4.60
4.20
3.80
3.40
3.00
1
1-1½
1½-2
2-2½
2½-3
3-3½
3½-4
4-4½
4½-5
5½-6
6½-7
7½-8
8½-9
9½-10
14½-15
19½-20
24½-25
29½-30
34½-35
39½-...
44½-45
49½-50
In excess of 50
GBR 1mth
3-Apr-23
29-Dec-23
Average

HIGH/LOW/AVERAGE PWLB RATES FOR 03/04/2023 – 29/12/2023

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.60%	5.09%	5.03%	5.35%	5.08%
Spread	1.71%	1.80%	1.33%	1.38%	1.47%

MPC meetings 2nd November and 14th December 2023

On 2nd November, the Bank of England's Monetary Policy Committee (MPC) voted to keep Bank Rate on hold at 5.25%, and on 14th December reiterated that view. Both increases reflected a split vote, the latter by 6 votes to 3, with the minority grouping voting for an increase of 0.25% as concerns about "sticky" inflation remained in place.

Nonetheless, with UK CPI inflation now at 3.9%, and core inflating beginning to moderate (5.1%), markets are voicing a view that rate cuts should begin in Q1 2024/25, some way ahead of the indications from MPC members. Of course, the data will be the ultimate determinant, so upcoming publications of employment, wages and inflation numbers will be of particular importance, and on-going volatility in Bank Rate expectations and the gilt yield curve can be expected.

In addition, what happens outside of the UK is also critical to movement in gilt yields. The US FOMC has kept short-term rates in the range of 5.25%-5.50%, whilst the ECB has moved its Deposit rate to a probable peak of 4%. Markets currently expect both central banks to start cutting rates in 2024.

APPENDIX 4

4.0 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

Specified Investments: All investments with a high level of credit quality subject to a maturity limit of one year.

Non-Specified Investments: Any investments that do not meet the specified investment criteria. These may be of a lower credit quality, for periods in excess of one year, or are more complex instruments which require a greater consideration by members and officers before being authorised for use. A maximum of £5m will be held in aggregate in non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria	Max % of total investments / £ limit per institution	Max. maturity period
DMADF – UK Government	N/A	100%	Any
UK Government gilts	UK sovereign rating	100%	Any
UK Government Treasury bills	UK sovereign rating	100%	Any
Money Market Funds CNAV	AAAmmf/AAA	£2m	Liquid
Money Market Funds LNVAV	AAAmmf/AAA	£2m	Liquid
Money Market Funds VNAV	AAAmmf/AAA	£2m	Liquid
Local authorities	N/A	100%	Any
Term deposits with banks and building societies	F1 (Fitch) / £1bn asset base for building societies	£5m	2 Years
Term deposits with Non-UK banks and building societies	Sovereign Fitch rating of AAA	£3m	1 Year
Gilt funds	UK sovereign rating	100%	Any
Property funds	LA Property Fund	£5m	Ongoing

In addition to the minimum credit criteria outlined in the above table, all term deposits with banks and building societies will be subject to the maximum recommended duration set out by Link Group.

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by the Council. To

ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

Environmental, Social and Governance (ESG) factors. Following changes to the CIPFA Treasury Management Code 2021, the Council is required to consider ESG factors as part of its investment policy. This is a new and evolving area within the short-term financial markets, so the impact on investment decisions will be limited for the coming year.

Governance is by far the most important part of ESG when considering treasury investments, as this is most likely to impact on the financial performance of an entity and its ability to repay deposits. Governance issues already play a role in the selection of acceptable investment counterparties, as any banks or building societies with significant governance concerns are unlikely to achieve the high credit ratings required for the Council to deposit funds.

Environmental and Social factors have less of an impact when considering short-term investments. This is because investments specifically for environmental or social gain are typically longer term and inherently more risky, which isn't aligned with the Security, Liquidity and Yield (SLY) principle the Council currently follows. Only the larger banks and building societies are able to achieve the credit ratings required by the Council, all of which are likely to have environmental and social aims broadly aligned with that of the Council, so further consideration of these factors are currently unlikely to influence the Council's investment decisions.

Further work on ESG is required by the financial markets before the Council can incorporate this into its investment policy. Trying to do this too early could result in artificially limiting potential counterparty options, thus decreasing diversification and increasing financial risk. This could then lead to the need to widen credit criteria to find more counterparties, again increasing financial risk beyond what is considered prudent and acceptable. Members will be updated on any significant advances by the financial markets that could allow the formulation of ESG criteria to include in the Council's investment policy.

APPENDIX 5

5.0 APPROVED COUNTRIES FOR INVESTMENTS

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

The sovereign ratings shown above are at 11 January 2024 from Link Group.

APPENDIX 6

6.0 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Cabinet

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Cabinet

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

(iv) Delegation from the S151 (Deputy Chief Executive) to the nominated post(s) for the taking of the investment decisions:

- Corporate Manager for Finance and Procurement (Deputy S151)

APPENDIX 7

7.0 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers;
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe for example 25+ years;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities;
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority;
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above;
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following
    - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
    - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*

- *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*

- *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*

- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

Report for:	**Cabinet**
Date of Meeting:	6 February 2024
Subject:	**2024/25 Budget**
Cabinet Member:	James Buczkowski – Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett – Deputy Chief Executive (S151)
Exempt:	N/a
Wards Affected:	All
Enclosures:	Appendix 1 – Budget Book

Section 1 – Summary and Recommendation(s)

This report proposes the budgets for the General Fund, Housing Revenue Account and Capital Programme and recommends the Band D Council Tax charge for 2024/25.

Recommendation(s):

Cabinet are asked to recommend that Council agree the following:

1. **A Council Tax Requirement of £7,016,360 calculated using a Council Tax of £232.16 for a Band D property, an increase of £6.76 or 2.99% from 2023/24 and a Tax Base of 30,222.10, in accordance with the Local Authorities (Calculation of Tax Base) Regulation 1992, as amended, after the relevant adjustments in respect of the Council tax support scheme approved by Cabinet on 14 November 2023;**
2. **The overall budgeted Net Cost of Services within the General Fund of £15,814,834 for 2024/25 is approved as detailed within Appendix 1 (p2 – 38) and inclusive of the proposed balancing adjustments included within Table 1 in paragraph 3.1;**
3. **All of the transfers to and from Earmarked Reserves as detailed in Appendix 1 (p39), including a transfer to Earmarked Reserves of £106,828 in order to begin to replenish the depleted reserves which has been used to meet the cost of closing 3 Rivers Developments Ltd;**
4. **The HRA budget for 2024/25 as detailed within Appendix 1 (p40 – 49), with total income of £16,000,360, less direct costs of £12,956,880 with internal**

charges £1,957,080 and capital financing of £1,086,400 balancing the budget;

5. **The overall Capital Programme for new projects commencing in 2024/25 of £18,967k (exclusive of forecast slippage from the existing Capital Programme) be approved – Appendix 1 (p50 – 55).**
6. **To approve the 2024/25 Deliverable Budget based on the forecast spend profile of £40,701k (inclusive of forecast slippage as at Quarter 3 from the existing Capital Programme), forming the budget to monitor against in 2024/25, subject to any changes to slippage at Outturn – Appendix 1 (p50 – 55).**
7. **Note the updated MTFP's for the General Fund, Housing Revenue Account and Capital Programme covering the years 2025/26 to 2028/29 and agree that work on strategic planning for delivering a balanced budget for 2025/26 and beyond is commenced immediately;**
8. **Agree the ring-fencing of additional income generated from the increase in the Second Homes premium from April 2025 to be used to address housing-related challenges through the acquisition of additional properties to provide suitable accommodation, supporting people with complex needs to access housing, and the provision of specialist accommodation including supported facilities for care leavers and youth homelessness.**

Section 2 – Report

1. Introduction

1.1. The balancing of the Council's budget continues to be a challenge year-on-year following the Government's austerity measures and the subsequent reduction in funding. To mitigate these austerity measures, the Council has already secured and delivered significant savings for over more than a decade in order to "balance the books" and maintain service delivery.

1.2. The Council has a legal requirement to set a balance budget and needs to ensure its overall costs are affordable i.e. they can be funded through income and planned short-term use of reserves. Members therefore need to take the necessary decisions and actions to manage net spending within affordable limits.

1.3. Throughout the budget process Scrutiny Committee and the PDGs have been kept informed and have considered various options during the drafting of the proposed 2024/25 Budget.

1.4. This report provides the proposed balanced budgets for the General Fund, Housing Revenue Account and Capital Programme and recommends the Band D Council Tax charge for 2024/25.

2. **2024/25 – 2028/29 Budget Process**

2.1. Leadership Team, Corporate Managers and the Finance Team have been involved in discussions to secure savings, without reducing service delivery as far as possible. However it is now a more difficult challenge year-on-year and therefore, looking to the future, a new more strategic process will be required to match service provision to available funding.

2.2. In September, the General Fund (GF) indicated a budget deficit of £2,103k in 2024/25 rising to £5,206k by the end of the 5-year timeframe, based upon a number of key assumptions (e.g. changes for Government funding mechanisms, inflation rates, pay award, Council Tax level, use of balances/reserves).

2.3. An initial round of savings options were identified totalling £1,337k and presented to the various Policy Development Groups on route to October Cabinet. Following approval the deficit reduced to £765k.

2.4. Following further review and refinement, these savings were increased by £307k. In addition, following further detailed challenge and review of each service area through a Star Chamber process lead by the Deputy Chief Exec (S151), Corporate Manager for Finance, Property and Climate Change, and the HR Operations Manager, a net £37k additional savings were presented to Cabinet in December 2023. This increased the value of the savings identified to £1,685k and reduced the outstanding deficit to £418k.

2.5. The January Cabinet report further reduced the shortfall to £150k through additional minor service savings, the impact of the draft Local Government Finance Settlement and finalisation of Council Tax calculations.

2.6. This report proposes a balanced General Fund budget for 2024/25 and shows the adjustments made in mitigating the final £150k.

2.7. Similarly, the report also proposes a balanced budget for the Housing Revenue Account. Initially, the HRA budget deficit reported to the Homes PDG forecast a shortfall of £205k for 2024/25, rising to £3,081k over the five-year timeframe. The January Cabinet report proposed a balanced budget following confirmation of the Social Housing Rent Cap by the Government. The budget enables increased investment in both the maintenance and further carbon reduction of our existing stock along with the investment in new stock through the housing development programme.

2.8. The proposed Deliverable Capital Programme has increased to £40,701k since the January Cabinet due to the inclusion of Finance leases in line with IFRS16 requirements. This is split £24,675k for the General Fund and £16,026k for the HRA.

3. 2024/25 General Fund Budget – Revised Position

3.1. The proposals contained in this report result in a balanced budget for the General Fund (see Appendix 1, p2 - 38). The forecast budget deficit last reported to Cabinet stood at £150k. The following table shows the recommended actions necessary to move towards a balanced position:

Table 1 – Reconciliation of proposed balancing adjustments

Movements	**Amount £k**
Budget Shortfall presented to December Cabinet	**150**
Additional Business Rates Growth – net of contributions to EMR	(89)
Additional Council Tax Yield following Q3 forecast	(40)
Further savings identified / refinement of Service Budgets	(18)
Indicative increase in the Local Government Funding Settlement	(110)
Increase in Decarbonisation Budget	107
Current Budget Surplus for 2024/25 (see 3.6)	**0**

3.2. As outlined within the January report, work to finalise the Business Rates forecast was underway. This has increased the forecast income by £89k due to growth in the underlying taxbase, the increase in the multiplier and reduction in transitional relief from the revaluation the year before.

3.3. The Q3 forecast for Council Tax indicates that the forecast deficit will be £40k less than previous calculated. The deficit is corrected in the following year, so this reduction has a positive impact on 2024/25.

3.4. Some minor adjustments have been made to service budgets including additional Homelessness Support Grant (£10k) and removal of the increase in Member's Allowance following rejection by Full Council (£9k).

3.5. On 24 January, the Rt Hon Michael Gove MP (Secretary of State for Levelling Up, Housing and Communities) announced an increase in Local Government Funding due within the Final Settlement for 2024/25. For Mid Devon District Council, there will be an increase in the Rural Services Delivery Grant following a £15m increase to the national grant allocation and an increase in the Funding Guarantee from 3% to 4%. Although the exact numbers will not be available until the Final Settlement is announced – after publication of this report – it is estimated that £110k of additional funding will be confirmed.

3.6. Finally a contribution has been made to the Decarbonisation Fund for General Fund Properties to accelerate the Councils aspirations on net zero.

4. Transfers To and (From) Earmarked Reserves

4.1. Regard has been made to our existing and future levels of reserves and balances which are required. We have a number of ongoing commitments already made against these reserves and balances (e.g. future capital contributions, economic development and building projects, “spend to save” projects, business transformation, town centre regeneration, future grant settlements).

4.2. Appendix 1 (p39) shows in detail which amounts are being contributed to, or drawn down from, various earmarked reserves in 2024/25. This totals a net reduction in Earmarked Reserves of £840k.

4.3. It is proposed to transfer £1,270k into earmarked reserves to help mitigate future pressures. This includes:

- £1,075k into various Sinking Funds relating to property, plant and equipment maintenance, and Vehicle replacement and repairs, including the earmarking of the small surplus generated by the late additional grant announcement;
- £120k into the Statutory Development Plan;
- £50k into a Business Systems Migration reserve; and
- £25k into District Elections.

4.4. It is also proposed to drawdown £2,110k to fund expenditure in 2024/25, this includes:

- £772k utilisation of Sinking Funds and Maintenance budgets supporting the investment in our assets;
- £774k utilisation of vehicle reserves supporting the investment in our vehicle fleet;
- £125k utilisation of New Homes Bonus (supporting Business Development and Strategic Grants)
- £180k supporting the Statutory Development Plan;
- £259k towards the one off costs forecast with services

4.5. In January 2019 Cabinet amended the minimum level of general reserves required to be maintained at £2m. Although this level continues to be prudent due to the resilience offered by the level of Earmarked Reserves which the Council holds for specific projects, the financial consequences of soft closing 3Rivers may require this level to be reviewed. Furthermore, Government are highlighting the level of local authority reserves and advising that they should be used to mitigate the impact of the Cost of Living Crisis.

4.6. If the 2023/24 Outturn position does continue as forecast, the General Fund Reserve balance will increase slightly above the current agreed minimum level

of £2,000k. The S151 will review this position at year end and may recommend an alteration to that minimum balance following the final implications of soft closing 3 Rivers Developments Ltd.

4.7. No draw on General Reserves is required to support the 2024/25 Budget.

5. Requirements for Council Tax Setting

5.1. In recent years the Government (via the DLUHC) has become far more prescriptive with regard to acceptable levels of Council Tax increases. The implementation of the Localism Act has effectively replaced Government set "capping limits" and replaced them with principles that allow the local electorate to call for a referendum if the Council is planning to increase its Council Tax above an acceptable level. The level for District Councils confirmed within the Settlement was set at a maximum of the greater of 3% or £5 for the 2024/25 budget year.

5.2. Although lobbying continues from the sector to increase this "cap" to £10, the 'acceptable level' is defined by the Chancellor as part of the national budget-setting process and all government calculations on 'spending power' of local authorities are on the basis that authorities increase Council Tax to the maximum amount permitted.

5.3. The Council Tax income included in the proposed budget includes a £6.76 (2.99%) increase. This equates to a Band D charge of £232.16 (a 1% variation to our Council Tax changes the income generated by approximately £70k).

5.4. The Levelling-Up and Regeneration Act 2023 also amends the Local Government Finance Act 1992 to give billing authorities the discretion to charge additional council tax of up to 100% on dwellings which are occupied periodically, substantially furnished and where no one is resident for council tax purposes, i.e. second homes.

5.5. Under Section 11C(3) of the 1992 Act, any decision to increase the council tax on second homes must be made at least one year prior to the beginning of the financial year to which it relates, hence it can only take effect from 1 April 2025 at the earliest. The decision was originally taken in February 2023, and was reaffirmed in December 2023 following the delay to the regulations.

5.6. There are currently 182 properties on our council tax records classified as a second home and would fall under Section 73 of the Act. From 1 April 2025, the estimated additional yield from council tax would be c£420k of which the Council's share would be approximately c£36k.

5.7. The key impact of second homes is to remove a significant number of homes from the local housing market, with properties that would otherwise be available to provide permanent homes for local people being used as holiday homes by people whose primary residency is outside the district/borough. For this reason, the Council believes that the additional money raised by the second homes premium should be invested back into housing related activity that addresses housing challenges. Mid Devon District Council is working with other councils across Devon to make the case that all the additional tax raised should be ring-fenced to address housing challenges, including to acquire additional properties to provide suitable short-term accommodation, to support people with complex needs access housing, and the provision of specialist accommodation with supported facilities for care leavers or youth homelessness more broadly.

6. Housing Revenue Account

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

6.2. The Council continues to undertake valuable benchmarking work in conjunction with Housemark. These findings are then used to inform the budget setting process. In doing so, MDDC are able to better identify their position in relation to other authorities in the sector and identify areas for improved efficiency.

6.3. The January Cabinet report proposed a balanced budget for the HRA (see Appendix 1, P40 - 49). The main proposals for the 2024/25 budget can be summarised as follows:

<u>Expenditure:</u>

- An update to the base budget to reflect the additional cost of the higher than expected pay award for 2023/24;
- An assumed pay award for 2024/25 equivalent to 4%;
- An Increase in staffing to support the Housing Development Programme;
- £400k Further investment in the Mould and Fire prevention, along with increased maintenance and further carbon reduction of our existing stock;
- The increased financing costs associated with the ambitious development programme.

<u>Income</u>

- An inflationary increase of 7.7% on existing rents and Garage rents and Garage plot ground rents in line with the Governments cap for 2024/25;
- £175k Increased interest yields on balances held;

- Maintained Bad Debt provision at Covid-19 levels.

6.4. Following clarification from Government of the cap of Rental Increases being tied to September CPI + 1%, the uplift enables further investment to that will improve maintenance and accelerate the decarbonisation of the existing housing stock.

6.5. The ambition to build a significant number of new properties continues across the 5-year Medium Term Financial Plan. The prospect of building new social housing raises the issue of significant future capital financing requirements. Budget at assumed interest rates of circa 5% is included within the future years of the MTFP to finance the build of a number of new highly efficient (zero carbon) modular buildings, subject to securing sufficient funding. Members are reminded that the constraint on increasing stock is still an issue of affordability, not the access to borrowing.

6.6. Current legislation on Right to Buy means that we're likely to sell several properties in future years. We estimate, based on historic data that c.16 will be sold next year.

6.7. Similarly, we forecast that we will have a number of void properties during the year. We have a prudent forecast of c.70 voids across the year in line with previous years to reflect the financial implications on tenants of the Cost of Living Crisis (this was previously increased to reflect the move to Universal Credit and Covid-19). This is broadly in line with the forecast Council Tax collection rate of c.97.5%.

6.8. The final budget summary for the 2024/25 HRA is shown in Appendix 1 (p40 – 49). It will continue to provide for an enhanced housing service which will allow for more capital investment and additions to our existing stock.

6.9. It has been deemed as prudent to maintain the HRA reserve balance at £2,000k and it is expected to remain so throughout 2024/25. At the start of 2023/24, other HRA reserves totalled £22,190k. This included £15,775k in the Housing Maintenance Fund (HMF); £653k in the Renewable Energy Fund (REF) and £419k in Major Repairs Reserve. It is intended that any expenditure funded from the REF monies be used on renewable energy schemes.

7. Capital Programme

7.1. The Capital Programme encompasses a broad range of expenditure including operational assets, which will be used for more than one year; assets owned by other bodies, or loans and grants to other bodies enabling them to buy/build assets. Full detail on this matter is included within a separate agenda item on this meeting.

7.2. The proposed 2024/25 programme includes new projects expected to start in 2024/25 totalling £18,697k. In addition, there is planned expenditure of £21,734k rolling forward to be spend in 2024/25 from the current programme as forecast at Quarter 3, but will be updated at outturn. Therefore, within this overall approval, £40,701k is expected as the Deliverable Budget for 2024/25.

7.3. The Deliverable Budget includes a significant investment in Housing through the HRA Housing delivery programme (£12,777k). A prudent assumption has been included for the utilisation of 1-4-1 receipts or for additional grant funding to be made available from Homes England; although a substantial element of the cost remains with the Council.

7.4. In addition, plans continue with the HIF projects in Cullompton at a cost of £13,139k. The latest Levelling-Up bid was again rejected, therefore the associated funding is yet to be identified but the Council is actively pursuing all avenues. As with all capital projects, these are all subject to a full appraisal.

7.5. A summary of the Capital Programme expenditure and funding is included in Appendix 1 (p50 – 55).

7.6. The majority of the funding required to support the 2024/25 programme is assumed to come from Capital Grant (£16,892k) or from assumed borrowing (£17,772k). The associated capital financing costs are included within the relevant GF or HRA budget. However, it should be recognised that wherever possible, the Council will continue to maximise its usage of internal borrowing to minimise the financing costs.

7.7. Any decision to increase the Capital Programme (subject to constraints within the financial rules) would require Full Council approval and be linked to the Corporate Plan priorities.

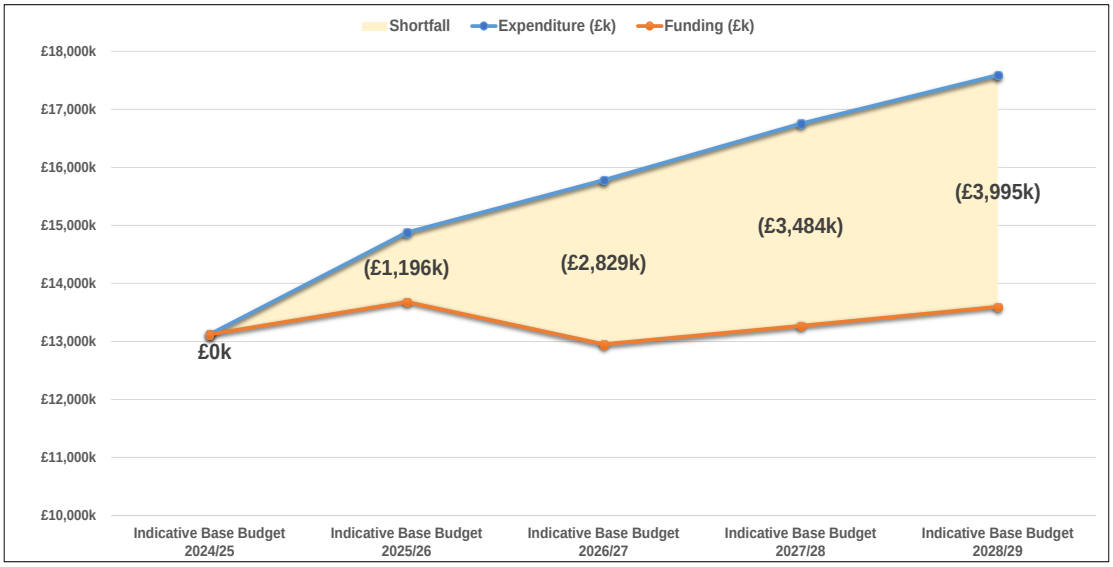
8. Updated MTFP position

8.1. General Fund

8.1.1. The new General Fund MTFP summary position is shown in the table below. It shows a cumulative shortfall of £3,995k over the remaining four-years of this MTFP which remains to be addressed.

Table 2 – Future Medium Term Financial Plan – General Fund

	2025/26 £k	2026/27 £k	2027/28 £k	2028/29 £k
Annual Surplus / Deficit	1,196	1,633	655	511
Cumulative Surplus/Deficit	1,196	2,829	3,484	3,995



8.1.2. The underlying budget shortfall falls largely in 2025/26 and 2026/27 due to a inflation and reduced grant funding assumptions linked to long outstanding and overdue reforms to Local Government Funding mechanisms. The latter years are forecast to be broadly more manageable.

8.1.3. This forecast position also makes a number of prudent assumptions, including:

- 2025/26 Grant allocations remain as per 2024/25. 2026/27 and beyond Grant Allocations assume a 50% reduction with the exception of Rural Services Delivery Grant which is frozen at the 2024/25 level;
- A partial loss of historic growth in business rates above the baseline, on reset of the business rates system in 2026/27;
- A small £100k collection fund surplus each year from both Council Tax or Business Rates until 2025/26;
- No Business Rates pooling income, which would probably not continue after a reset of the system;
- The reduction in Council Tax referendum principles back to previous levels (£5 or 2%) from 2025/26;
- Pay Award and general inflation in line with assumptions reverting back to “normal” levels from 2025/26 and across the remaining MTFP timeframe;
- Interest yields fall back from 2025/26 in line with inflation assumptions reverting back to “normal” levels across the MTFP timeframe;
- Capital Financing requirements increase as capacity for internal borrowing reduces over time.

8.1.4. The same level of uncertainty will be facing all local authorities across the country.

8.1.5. Due to the increasing pressures on our budgets and the continuing reduction in our Central Government funding, the Council will need to reassess its overall corporate priorities and therefore where it allocates future budgets, it will also need to consider:

- Statutory vs Discretionary service provision;
- Resident priorities – as per the recent consultation undertaken (budget related summary previously circulated);
- How it can work more closely with Towns/Parishes;
- Continue to consider any partnership possibilities;
- Review Treasury options;
- Maximise all income possibilities;
- Impact of funding changes: Fair Funding Review; NNDR baseline reset; changes to NHB;
- The need to create investable propositions for our carbon reduction ambitions.

8.1.6. The Council has stated its intent to try and achieve a net zero carbon operation by 2030. There remains a substantial challenge ahead if this target is to be achieved. From a carbon accounting perspective, the fact that we retain direct control (and ownership) over the majority of services means that while our influence is unfettered by long-term commissioning or contractual arrangements, we retain ownership of the significant challenges around decarbonisation. The future year's Capital Programme includes a range of investments in improving the energy efficiency of our property estate, subject to securing sufficient funding.

8.1.7. However, with limited funding available from Government, and any such funding subject to a bidding process, in the short term we will be trying to achieve the maximum possible locally, while taking every opportunity to bid into future funding pots as they arise.

8.1.8. It is clear that local authorities are in desperate need of a multi-year funding agreement rather than the current year-to-year arrangements which do not allow a considered medium term view of the resources that will be available, and, how these may be managed to optimise service provision within the scope of the Corporate Plan.

8.2. Housing Revenue Account

8.2.1. As reported to Cabinet in January, the HRA MTFP summary position is shown in the table below. It shows a cumulative shortfall of £2,762k over the remaining four-years of this MTFP which remains to be addressed.

Table 2 – Future Medium Term Financial Plan – Housing Revenue Account

	2025/26 £k	2026/27 £k	2027/28 £k	2028/29 £k
Annual Surplus / Deficit	298	587	829	1,047
Cumulative Surplus/Deficit	**298**	**885**	**1,714**	**2,762**

8.2.2. The underlying assumptions for Pay Awards and inflationary rises are consistent with the General Fund. The high inflation has put pressure on contractor costs and materials. However the main financial pressure for the HRA comes from the ambition to increase the housing stock. If interest rates fall, it is likely that the pressure will ease, but will still need to be carefully managed.

8.2.3. Overall income is mainly affected by movement in the housing stock through additions or losses through Right-to-Buy and voids. Once again, these will need to be managed carefully.

8.3. Capital Programme

8.4. There is £88,026k within the 2025/26 – 2028/29 Capital Programme with spend profiled over future years. These projections are likely to alter, as we get closer to those years as greater information becomes available. Therefore, only the Capital Programme for 2024/25 is proposed for approval; the indicative future years are only for information and noting.

8.5. The future year's Capital Programme shows increased investment in improving the energy efficiency of our property estate and the continuation of investment to increase the HRA Housing stock. The overall borrowing requirement rises accordingly and therefore so does the capital financing costs within the Revenue Budget. These projects will be further refined over time and will be subject to sufficient funding being available.

9. Conclusion

9.1. The General Fund budget has been set against a backdrop of over a decade of cuts to Public Sector funding, a global pandemic, a once in a generation Cost of Living Crisis, and the closure of the Council's subsidiary housing company. However, the proposed balanced budget protects service delivery at current levels. This has been achieved through savings that minimise any impact on service delivery as far as possible. However, further ongoing budget savings options will need to be identified to mitigate the underlying budget shortfall across the remainder of this MTFP.

9.2. Significant uncertainty remains for the future funding of Local Government. Further delays were announced to the outcomes of the Fair Funding Review and potential changes to both Business Rates and New Homes Bonus. These changes are now due in the next parliament.

9.3. Similarly to the General Fund, the longer term position for the HRA shows the funding shortfall although not to the same degree. Work continues to refine the position in order to balance the budget for the years ahead.

9.4. The capital MTFP is subject to the Council receiving sufficient grant funding and a robust business case. It is, therefore, imperative that capital funds are only spent on those projects that enable the Council to deliver its Corporate Plan objectives, reduce operational cost, or generate a financial return.

9.5. The Council will need to prepare for the future in a timely manner and this is why it will continue to discuss how it can provide a wide range of services in a much reduced funding envelope. The process will continue to involve all staff, Members and our local residents/businesses.

9.6. Cabinet are asked to agree the contents of this report and recommended its approval by Council in February 2024.

Financial Implications

This report proposes a balanced GF and HRA budget for 2024/25 in line with the Corporate Plan priorities within existing financial resources without materially reducing service delivery. The Local Government Finance Act requires a balanced budget to be set by Friday10 March 2023.

Legal Implications

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

Risk Assessment

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

Impact on Climate Change

The allocation of resources will impact upon the Council’s ability to implement/fund new activities linked to climate change, as the MTFP sets the broad budgetary framework for the Council over the coming years. However, some provision has already been included in the base budget and significant further investment is included within the Capital Programme, however this will be dependent upon full options appraisals and levels of Grant funding available.

Equalities Impact Assessment

There are no Equalities Impact implications relating to the content of this report. All Policy Development Group meetings have considered and made decisions based on summary feedback from the recently completed resident's survey.

Relationship to Corporate Plan

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

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 25/01/2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 25/01/2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 25/01/2024

Performance and risk: Steve Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 25/01/2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Andrew Jarrett – Deputy Chief Executive (S151)
Email: ajarrett@middevon.gov.uk
Telephone: 01884 234242

Contact: Paul Deal – Corporate Manager for Finance, Property and Climate Change
Email: pdeal@middevon.gov.uk
Telephone: 01884 234254

Background papers:

- 2024/25 – 2028/29 Medium Term Financial Plan update (September Cabinet)
- 2024/25 – 2028/29 Medium Term Financial Plan update (October Cabinet)
- 2024/25 – 2028/29 Medium Term Financial Plan update (December Cabinet)
- 2024/25 – 2028/29 Medium Term Financial Plan update (January Cabinet)

BUDGET BOOK 2024/25

Contents

Page	Description
1	Contents
2	General Fund Revenue Account Budget Summary
3	General Fund Revenue Account Budget Detail by Service Unit
5	Cabinet Service Unit Movement Explanation
19	Community Policy Development Group - Service Unit Movement Explanation
28	Economy Policy Development Group - Service Unit Movement Explanation
30	Environment Policy Development Group - Service Unit Movement Explanation
38	Homes Policy Development Group - Service Unit Movement Explanation
39	Movement in Earmarked Reserves
40	Housing Revenue Account Budget Summary
41	Housing Revenue Account Budget Detail by Service Unit
50	2024/25 - 2028/29 Capital Programme

2024/25 GENERAL FUND REVENUE ACCOUNT BUDGET SUMMARY

Direct Costs Detail	2023/24 Annual Budget £	Net MTFP Adjustment £	Net Pressures / (Savings) Identified £	Provisional 2024/25 Budget £	Increase / (Decrease) £	Increase / (Decrease) %
Cabinet	6,389,993	937,346	(969,099)	**6,358,240**	(31,753)	(0.5%)
Community	4,426,402	(210,642)	(468,626)	**3,747,134**	(679,268)	(15.3%)
Economy	193,438	(376,174)	(403,868)	**(586,604)**	(780,042)	(403.3%)
Environment	5,496,287	(80,610)	478,628	**5,894,305**	398,018	7.2%
Homes	339,245	(34,930)	97,445	**401,760**	62,515	18.4%
Net Direct Services Costs	**16,845,365**	**234,990**	**(1,265,520)**	**15,814,835**	**(1,030,530)**	**(6.1%)**
Net Recharge to HRA	(1,883,810)	(75,350)	2,080	**(1,957,080)**	(73,270)	-3.9%
Capital Financing	703,264	194,545	(85,109)	**812,700**	109,436	15.6%
Net Service Costs	**(1,180,546)**	**119,195**	**(83,029)**	**(1,144,380)**	**36,166**	**-3.1%**
Net Interest Cost / (Receiveable)	(851,487)	21,887	122,336	**(707,264)**	144,223	39.4%
Transfers To / (From) General Reserves	(625,000)	625,000	-	**-**	625,000	100.0%
Transfers To / (From) Earmarked Reserves	(1,725,097)	1,489,695	(605,217)	**(840,619)**	884,478	51.3%
Net Budget Requirement	**12,463,235**	**2,490,767**	**(1,831,430)**	**13,122,572**	**659,337**	**5.3%**
Business Rates	(4,175,875)	(129,600)	(116,260)	**(4,421,735)**	(245,860)	-5.9%
Council Tax	(6,749,030)	(258,310)	38,864	**(6,968,476)**	(219,446)	-3.3%
Un-Ringfenced Grant Funding	(1,538,330)	-	(194,031)	**(1,732,361)**	(194,031)	-12.6%
Total Funding	**(12,463,235)**	**(387,910)**	**(271,427)**	**(13,122,572)**	**(659,337)**	**5.3%**
	-	-	-	-	-	-
Annual Shortfall	**0**	**2,102,857**	**(2,102,857)**	**0**	**0**	**-**

Category	2023/24 Annual Budget £	Net MTFP Adjustment £	Net Pressures / (Savings) Identified £	Provisional 2024/25 Budget £	Increase / (Decrease) £	Increase / (Decrease) %
Employees	16,810,548	765,363	(129,503)	**17,446,408**	635,860	3.8%
Premises	4,241,574	356,350	(466,276)	**4,131,648**	(109,926)	(2.6%)
Transport	1,318,950	30,640	(53,899)	**1,295,691**	(23,259)	(1.8%)
Supplies & Services	20,725,124	(1,427,792)	195,095	**19,492,427**	(1,232,697)	(5.9%)
Recharges	(1,883,810)	(75,350)	2,080	**(1,957,080)**	(73,270)	(3.9%)
Capital	703,264	194,545	(85,109)	**812,700**	109,436	15.6%
Income	(39,565,553)	144,406	(960,028)	**(40,381,175)**	(815,622)	(2.1%)
Movement To / (From) Reserves	(2,350,097)	2,114,695	(605,217)	**(840,619)**	1,509,478	64.2%
	0	**2,102,857**	**(2,102,857)**	**0**	**0**	

2024/25 GENERAL FUND REVENUE ACCOUNT BUDGET DETAIL
POLICY DEVELOPMENT GROUP - MOVEMENT BY SERVICE UNIT

Service Unit	Direct Costs Detail	2023/24 Annual Budget £	Net MTFP Adjustment £	Net Pressures / (Savings) Identified £	Provisional 2024/25 Budget £	Increase / (Decrease) £	Increase / (Decrease) %
	Cabinet						
SCM01	Leadership Team	591,373	634,880	(742,993)	**483,260**	(108,113)	-18.3%
SCM02	Corporate Functions	96,659	10	(20,749)	**75,920**	(20,739)	-21.5%
SCM03	Corporate Fees	178,668	400,040	(320,768)	**257,940**	79,272	44.4%
SCM06	Pension Backfunding	646,574	23,126	(9,490)	**660,210**	13,636	2.1%
SES01	Emergency Planning	7,500	-	44,510	**52,010**	44,510	593.5%
SFP01	Accountancy Services	528,592	7,540	16,078	**552,210**	23,618	4.5%
SFP02	Internal Audit	94,760	-	3,790	**98,550**	3,790	4.0%
SFP03	Procurement	110,324	1,910	40,096	**152,330**	42,006	38.1%
SFP04	Purchase Ledger	55,444	440	3,781	**59,665**	4,221	7.6%
SFP05	Sales Ledger	54,369	10	4,631	**59,010**	4,641	8.5%
SHR01	Human Resources	456,594	6,260	70,806	**533,660**	77,066	16.9%
SHR02	MDDC Staff Training	20,000	(5,000)	-	**15,000**	(5,000)	-25.0%
SHR03	Payroll	44,133	-	18,577	**62,710**	18,577	42.1%
SHR04	Learning And Development	62,188	1,950	(64,138)	**-**	(62,188)	-100.0%
SIT01	IT Gazetteer Management	83,146	630	5,494	**89,270**	6,124	7.4%
SIT03	IT Information Technology	1,216,407	15,140	(55,667)	**1,175,880**	(40,527)	-3.3%
SLD01	Electoral Registration	352,932	(157,500)	5,018	**200,450**	(152,482)	-43.2%
SLD02	Democratic Rep And Management	555,911	5,290	1,274	**562,475**	6,564	1.2%
SLD04	Legal Services	418,847	1,210	20,183	**440,240**	21,393	5.1%
SPR01	Building Regulations	8,925	980	(16,025)	**(6,120)**	(15,045)	-168.6%
SPR04	Local Land Charges	(42,506)	240	3,386	**(38,880)**	3,626	8.5%
SRB01	Collection Of Council Tax	553,617	(12,980)	20,033	**560,670**	7,053	1.3%
SRB02	Collection Of Business Rates	(87,210)	4,090	120	**(83,000)**	4,210	4.8%
SRB03	Housing Benefit Admin & Fraud	221,029	9,060	(13,059)	**217,030**	(3,999)	-1.8%
SRB04	Housing Benefit Subsidy	65,000	-	(2,000)	**63,000**	(2,000)	-3.1%
SRB06	Debt Recovery	96,717	20	18,013	**114,750**	18,033	18.6%
TOTAL CABINET PDG		**6,389,993**	**937,346**	**(969,099)**	**6,358,240**	**(31,753)**	**-0.5%**
	Community PDG						
SCD01	Community Development	138,500	-	(18,275)	**120,225**	(18,275)	-13.2%
SCS20	Customer Services Admin	18,230	(10,000)	12,470	**20,700**	2,470	13.5%
SCS22	Customer First	771,413	2,160	20,847	**794,420**	23,007	3.0%
SES03	Community Safety - C.C.T.V.	57,785	-	(15,055)	**42,730**	(15,055)	-26.1%
SES04	Public Health	3,490	-	260	**3,750**	260	7.4%
SES11	Pool Cars	619	180	(799)	**-**	(619)	-100.0%
SES16	ES Staff Units/Recharges	831,874	(18,310)	64,455	**878,019**	46,145	5.5%
SES17	Community Safety	6,070	-	(3,570)	**2,500**	(3,570)	-58.8%
SES18	Food Safety	(17,034)	-	(1,000)	**(18,034)**	(1,000)	-5.9%
SES21	Licensing	27,142	2,950	18,668	**48,760**	21,618	79.6%
SES22	Pest Control	1,000	-	(1,000)	**-**	(1,000)	-100.0%
SES23	Pollution Reduction	13,270	-	(11,920)	**1,350**	(11,920)	-89.8%
SPR02	Enforcement	102,820	20	2,771	**105,611**	2,791	2.7%
SPR03	Development Control	479,545	(77,572)	(118,843)	**283,130**	(196,415)	-41.0%
SPR09	Forward Planning	320,462	290	(20,082)	**300,670**	(19,792)	-6.2%
SPR11	Regional Planning	269,500	(25,800)	(63,700)	**180,000**	(89,500)	-33.2%
SRS01	Recreation And Sport	1,401,716	(84,560)	(333,853)	**983,303**	(418,413)	-29.9%
TOTAL COMMUNITY PDG		**4,426,402**	**(210,642)**	**(468,626)**	**3,747,134**	**(679,268)**	**-15.3%**
	Economy PDG						
SCD02	Economic Development	79,261	11,630	(20,478)	**70,413**	(8,848)	-11.2%
SCP01	Parking Services	(545,510)	32,300	(219,217)	**(732,427)**	(186,917)	-34.3%
SPR06	Economic Development	851,637	(424,594)	(48,013)	**379,030**	(472,607)	-55.5%
SPS12	Gf Properties Shops/Flats	(191,950)	4,490	(116,160)	**(303,620)**	(111,670)	-58.2%
TOTAL ECONOMY PDG		**193,438**	**(376,174)**	**(403,868)**	**(586,604)**	**(780,042)**	**-403.3%**

2024/25 GENERAL FUND REVENUE ACCOUNT BUDGET DETAIL
POLICY DEVELOPMENT GROUP - MOVEMENT BY SERVICE UNIT

Service Unit	Direct Costs Detail	2023/24 Annual Budget £	Net MTFP Adjustment £	Net Pressures / (Savings) Identified £	Provisional 2024/25 Budget £	Increase / (Decrease) £	Increase / (Decrease) %
	Environment PDG						
SES02	Cemeteries	(32,239)	1,550	(95,859)	**(126,548)**	(94,309)	-292.5%
SES05	Open Spaces	340,379	2,430	(82,478)	**260,331**	(80,048)	-23.5%
SGM01	Grounds Maintenance	545,276	(77,580)	96,493	**564,189**	18,913	3.5%
SPS01	Asset Management	199,063	57,800	453,477	**710,340**	511,277	256.8%
SPS03	Flood Defence And Land Drain	26,032	-	-	**26,032**	0	0.0%
SPS04	Street Naming & Numbering	6,723	-	247	**6,970**	247	3.7%
SPS05	Administration Buildings	653,405	38,610	(378,185)	**313,830**	(339,575)	-52.0%
SPS06	MDDC Depots	491,102	34,620	(14,244)	**511,478**	20,376	4.1%
SPS07	Public Transport	(23,429)	-	(1,830)	**(25,259)**	(1,830)	-7.8%
SPS09	Property Services Staff Unit	781,313	880	50,307	**832,500**	51,187	6.6%
SPS11	Public Conveniences	33,950	5,820	(19,850)	**19,920**	(14,030)	-41.3%
SWS01	Street Cleansing	545,263	(47,230)	78,599	**576,632**	31,369	5.8%
SWS02	Waste Collection	684,044	(59,280)	(314,664)	**310,100**	(373,944)	-54.7%
SWS03	Recycling	855,169	(39,230)	719,841	**1,535,780**	680,611	79.6%
SWS04	Waste Management	390,236	1,000	(13,226)	**378,010**	(12,226)	-3.1%
TOTAL ENVIRONMENT PDG		**5,496,287**	**(80,610)**	**478,628**	**5,894,305**	**398,018**	**7.2%**
	Homes PDG						
SES15	Private Sector Housing Grants	(3,160)	110	12,275	**9,225**	12,385	391.9%
SHG03	Homelessness Accommodation	342,405	(35,040)	85,170	**392,535**	50,130	14.6%
TOTAL HOMES PDG		**339,245**	**(34,930)**	**97,445**	**401,760**	**62,515**	**18.4%**
	Net Direct Services Costs	**16,845,365**	**234,990**	**(1,265,520)**	**15,814,835**	**(1,030,530)**	**-6.1%**
	Net Recharge to HRA	(1,883,810)	(75,350)	2,080	**(1,957,080)**	(73,270)	-3.9%
	Capital Financing	703,264	194,545	(85,109)	**812,700**	109,436	15.6%
	Net Service Costs	**15,664,819**	**354,185**	**(1,348,549)**	**14,670,455**	**(994,364)**	**-6.3%**
SIE06	Interest Receiveable	(1,112,647)	1,847	52,026	**(1,058,774)**	53,873	4.8%
SIE03	Interest Costs	261,160	20,040	70,310	**351,510**	90,350	34.6%
IE995	Transfers To / (From) General Reserves	(625,000)	625,000	-	**-**	625,000	100.0%
SIE24	Transfers To / (From) Earmarked Reserves	(1,725,097)	1,489,695	(605,217)	**(840,619)**	884,478	51.3%
	Net Budget Requirement	**12,463,235**	**2,490,767**	**(1,831,430)**	**13,122,572**	**659,337**	**5.3%**
SIE11	Business Rates	(4,175,875)	(129,600)	(116,260)	**(4,421,735)**	(245,860)	-5.9%
SIE08	Council Tax	(6,749,030)	(258,310)	38,864	**(6,968,476)**	(219,446)	-3.3%
SIE10	Un-Ringfenced Grant Funding	(1,538,330)	-	(194,031)	**(1,732,361)**	(194,031)	-12.6%
	Total Funding	**(12,463,235)**	**(387,910)**	**(271,427)**	**(13,122,572)**	**(659,337)**	**-5.3%**
	Annual Shortfall	**0**	**2,102,857**	**(2,102,857)**	**0**	**0**	

CABINET 2024/25 Service Unit Budgets

SCM01 Leadership Team

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	534,741	590,673	482,560	(108,113)
3000	Transport	273	500	500	0
4000	Cost Of Goods And Services	10,646	200	200	0
7000	Income	(1,712)	0	0	0
	TOTAL	**543,948**	**591,373**	**483,260**	**(108,113)**

Cost Centre	Cost Centre Name	2024/25 Budget
CM100	Leadership Team	483,260
	TOTAL	**483,260**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
Removal of Director post

SCM02 Corporate Functions

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	104,657	172,035	156,750	(15,285)
3000	Transport	0	200	0	(200)
4000	Cost Of Goods And Services	12	3,500	100	(3,400)
7000	Income	(27,037)	0	0	0
	TOTAL	**77,632**	**175,735**	**156,850**	**(18,885)**

Cost Centre	Cost Centre Name	2024/25 Budget
CM205	Performance And Improvement	75,920
CM210	Data Protection	80,930
	TOTAL	**156,850**

Major cost increases
No major changes

Major cost decreases and changes in income
Removal of the apprentice post

SCM03 Corporate Fees

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	37,618	(244,708)	(166,390)	78,318
4000	Cost Of Goods And Services	238,011	344,300	343,400	(900)
7000	Income	(63,121)	0	0	0
	TOTAL	**212,507**	**99,592**	**177,010**	**77,418**

Cost Centre	Cost Centre Name	2024/25 Budget
CM300	Corporate Fees	177,000
CM340	Unison	10
	TOTAL	**177,010**

Major cost increases

Increase to bank & transactions fees and charges budget

Major cost decreases and changes in income

Decrease to budgeted vacancy factor

Reduction to general consultancy budget

SCM06 Pension Backfunding

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	772,503	645,174	660,210	15,036
4000	Cost Of Goods And Services	0	1,400	0	(1,400)
	TOTAL	**772,503**	**646,574**	**660,210**	**13,636**

Cost Centre	Cost Centre Name	2024/25 Budget
CM600	Pension Backfunding	660,210
	TOTAL	**660,210**

Major cost increases

No major changes

Major cost decreases and changes in income

No major changes

SES01 Emergency Planning

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	0	0	44,510	44,510
4000	Cost Of Goods And Services	7,438	7,500	7,500	0
7000	Income	(26,525)	0	0	0
	TOTAL	**(19,087)**	**7,500**	**52,010**	**44,510**

Cost Centre	Cost Centre Name	2024/25 Budget
PH500	Emergency Planning	52,010
	TOTAL	**52,010**

Major cost increases
Salary increase is due to the new post of Resilience Officer added to the establisment

Major cost decreases and changes in income
No major changes

SFP01 Accountancy Services

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	509,604	463,592	483,830	20,238
4000	Cost Of Goods And Services	103,837	65,500	68,380	2,880
7000	Income	(11,685)	(500)	0	500
	TOTAL	**601,756**	**528,592**	**552,210**	**23,618**

Cost Centre	Cost Centre Name	2024/25 Budget
FP100	Accountancy Services	552,210
	TOTAL	**552,210**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
No major changes

SFP02 Internal Audit

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	95,000	94,760	98,550	3,790
	TOTAL	**95,000**	**94,760**	**98,550**	**3,790**

Cost Centre	Cost Centre Name	2024/25 Budget
FP200	Internal Audit	98,550
	TOTAL	**98,550**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SFP03 Procurement

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	71,950	65,294	105,230	39,936
4000	Cost Of Goods And Services	25,881	45,030	47,100	2,070
7000	Income	(2,880)	0	0	0
	TOTAL	**94,951**	**110,324**	**152,330**	**42,006**

Cost Centre	Cost Centre Name	2024/25 Budget
FP300	Procurement	152,330
	TOTAL	**152,330**

Major cost increases
Addition of Procurement and Contracts Officer to the budget

Major cost decreases and changes in income
No major changes

SFP04 Purchase Ledger

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	53,432	52,569	56,360	3,791
4000	Cost Of Goods And Services	2,403	2,875	3,305	430
	TOTAL	**55,835**	**55,444**	**59,665**	**4,221**

Cost Centre	Cost Centre Name	2024/25 Budget
FP400	Purchase Ledger	59,665
	TOTAL	**59,665**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SFP05 Sales Ledger

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	49,994	52,569	56,360	3,791
4000	Cost Of Goods And Services	2,459	1,800	2,650	850
	TOTAL	**52,453**	**54,369**	**59,010**	**4,641**

Cost Centre	Cost Centre Name	2024/25 Budget
FP500	Sales Ledger	59,010
	TOTAL	**59,010**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHR01 Human Resources

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	427,894	396,774	474,990	78,216
3000	Transport	1,275	3,000	1,900	(1,100)
4000	Cost Of Goods And Services	45,499	56,820	66,770	9,950
7000	Income	0	0	(10,000)	(10,000)
	TOTAL	**474,668**	**456,594**	**533,660**	**77,066**

Cost Centre	Cost Centre Name	2024/25 Budget
HR100	Human Resources	480,980
HR600	Health & Safety Officer	52,680
	TOTAL	**533,660**

Major cost increases

Inflationary increase on salaries and the costs of the Learning & Development post

Major cost decreases and changes in income

Restructure to generate income 10k first year

SHR02 MDDC Staff Training

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	27,056	20,000	15,000	(5,000)
7000	Income	(5,500)	0	0	0
	TOTAL	**21,556**	**20,000**	**15,000**	**(5,000)**

Cost Centre	Cost Centre Name	2024/25 Budget
HR200	Staff Development Training	15,000
	TOTAL	**15,000**

Major cost increases

None

Major cost decreases and changes in income

None

SHR03 Payroll

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	41,755	44,133	62,710	18,577
4000	Cost Of Goods And Services	16	0	0	0
	TOTAL	**41,771**	**44,133**	**62,710**	**18,577**

Cost Centre	Cost Centre Name	2024/25 Budget
HR300	Payroll	62,710
	TOTAL	**62,710**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
None

SHR04 Learning And Development

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	47,075	49,188	0	(49,188)
4000	Cost Of Goods And Services	10,840	13000	0	-13000
7000	Income	(884)	0	0	0
	TOTAL	**57,030**	**62,188**	**0**	**(62,188)**

Cost Centre	Cost Centre Name	2024/25 Budget
HR400	Learning & Development	0
	TOTAL	**0**

Major cost increases
None

Major cost decreases and changes in income
Post is now integrated in into HR100

SIT01 IT Gazetteer Management

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	81,742	77,586	83,090	5,504
4000	Cost Of Goods And Services	7,134	5560	6180	620
	TOTAL	**88,876**	**83,146**	**89,270**	**6,124**

Cost Centre	Cost Centre Name	2024/25 Budget
IT100	Gazetteer Management	89,270
	TOTAL	**89,270**

Major cost increases
None

Major cost decreases and changes in income
None

SIT03 IT Information Technology

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	575,647	619,702	522,440	(97,262)
3000	Transport	692	850	500	(350)
4000	Cost Of Goods And Services	491,334	596,455	652,940	56,485
7000	Income	(79,426)	(600)	0	600
	TOTAL	**988,247**	**1,216,407**	**1,175,880**	**(40,527)**

Cost Centre	Cost Centre Name	2024/25 Budget
IT300	Central Telephones	36,000
IT400	I.T. Network & Hardware	133,000
IT500	I.T. Software Support & Maint.	357,260
IT600	I.T. Staff Unit	373,670
IT700	Cyber Security	103,900
IT800	Mddc Printing	10,000
IT900	Digital Services	162,050
	TOTAL	**1,175,880**

Major cost increases
Inflationary increases on all software
Microsoft licence increase £30k
Maintenance costs for firewall, switches and WiFi

Major cost decreases and changes in income
EMR funded posts now removed
1 x post relinquished as part of budget savings

SLD01A Election Costs

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	165,269	115,000	0	(115,000)
2000	Premises	16,540	12,000	0	(12,000)
3000	Transport	1,494	0	0	0
4000	Cost Of Goods And Services	86,872	53,000	0	(53,000)
7000	Income	(224,040)	(20,000)	0	20,000
	TOTAL	**46,134**	**160,000**	**0**	**(160,000)**

Cost Centre	Cost Centre Name	2024/25 Budget
LD200	Election Costs - Parishes	0
LD201	Election Costs - District	0
LD202	Election Costs - General	0
LD204	Election Costs - County	0
LD206	Police Com Election	0
LD208	Neighbourhood Planning Referen	0
	TOTAL	**0**

Major cost increases
None

Major cost decreases and changes in income
Removal of budget for 2023 district election

SLD01 Electoral Registration

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	130,007	126,732	129,270	2,538
3000	Transport	132	300	300	0
4000	Cost Of Goods And Services	76,625	86,220	73,380	(12,840)
7000	Income	(2,737)	(20,320)	(2,500)	17,820
	TOTAL	**204,028**	**192,932**	**200,450**	**7,518**

Cost Centre	Cost Centre Name	2024/25 Budget
LD100	Electoral Registration	200,450
	TOTAL	**200,450**

Major cost increases
None

Major cost decreases and changes in income
None

SLD02 Democratic Rep And Management

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	166,223	175,186	176,480	1,294
3000	Transport	3,613	10,000	10,000	0
4000	Cost Of Goods And Services	348,482	370,725	375,995	5,270
7000	Income	(1,487)	0	0	0
	TOTAL	**516,832**	**555,911**	**562,475**	**6,564**

Cost Centre	Cost Centre Name	2024/25 Budget
LD300	Democratic Rep & Management	385,255
LD400	Committee Services	177,220
	TOTAL	**562,475**

Major cost increases
None

Major cost decreases and changes in income
None

SLD04 Legal Services

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	411,611	400,397	431,490	31,093
3000	Transport	26	200	100	(100)
4000	Cost Of Goods And Services	28,455	39,450	42,650	3,200
7000	Income	(40,171)	(21,200)	(34,000)	(12,800)
	TOTAL	**399,920**	**418,847**	**440,240**	**21,393**

Cost Centre	Cost Centre Name	2024/25 Budget
LD600	Legal Services	440,240
	TOTAL	**440,240**

Major cost increases
Inflationary increases on salaries

Major cost decreases and changes in income
None

SPR01 Building Regulations

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	242,527	249,837	195,000	(54,837)
3000	Transport	10,621	11,500	11,500	0
4000	Cost Of Goods And Services	25,352	13,916	8,250	(5,666)
7000	Income	(266,227)	(266,328)	(220,870)	45,458
	TOTAL	**12,273**	**8,925**	**(6,120)**	**(15,045)**

Cost Centre	Cost Centre Name	2024/25 Budget
PR100	Building Regulations	(7,020)
PR900	Dangerous Buildings And Trees	900
	TOTAL	**(6,120)**

Major cost increases
None

Major cost decreases and changes in income
Salaries include an increase for inflation and SCP but have been offset by a reduced share of salary partnership costs due to the MDDC share of income reducing.
Income, fees have been increased by CPI but due to the economic climate, the income budget has reduced by £45k.

SPR04 Local Land Charges

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	69,667	52,994	56,620	3,626
4000	Cost Of Goods And Services	29,597	24,500	24,500	0
7000	Income	(126,204)	(120,000)	(120,000)	0
	TOTAL	**(26,940)**	**(42,506)**	**(38,880)**	**3,626**

Cost Centre	Cost Centre Name	2024/25 Budget
PR210	Local Land Charges	(38,880)
PR820	Assets Of Community Value	0
	TOTAL	**(38,880)**

Major cost increases
None

Major cost decreases and changes in income
None

SRB01 Collection Of Council Tax

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	473,010	526,194	542,080	15,886
3000	Transport	3,686	3,633	3,460	(173)
4000	Cost Of Goods And Services	131,704	126,790	138,130	11,340
7000	Income	(122,771)	(103,000)	(123,000)	(20,000)
	TOTAL	**485,629**	**553,617**	**560,670**	**7,053**

Cost Centre	Cost Centre Name	2024/25 Budget
RB100	Collection Of Council Tax	560,670
	TOTAL	**560,670**

Major cost increases
None

Major cost decreases and changes in income
Increase income of £20k from penalties and court fees.

SRB02 Collection Of Business Rates

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	13,021	0	0	0
4000	Cost Of Goods And Services	21,551	29,690	40,500	10,810
7000	Income	(276,147)	(116,900)	(123,500)	(6,600)
	TOTAL	**(241,575)**	**(87,210)**	**(83,000)**	**4,210**

Cost Centre	Cost Centre Name	2024/25 Budget
RB200	Collection Of Business Rates	(83,000)
	TOTAL	**(83,000)**

Major cost increases
None

Major cost decreases and changes in income
None

SRB03 Housing Benefit Admin & Fraud

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	309,707	296,769	314,230	17,461
4000	Cost Of Goods And Services	67,125	82,350	84,890	2,540
7000	Income	(420,201)	(158,090)	(182,090)	(24,000)
	TOTAL	**(43,370)**	**221,029**	**217,030**	**(3,999)**

Cost Centre	Cost Centre Name	2024/25 Budget
RB300	Housing Benefit Admin	209,530
RB340	Local Welfare Assist Scheme	7,500
	TOTAL	**217,030**

Major cost increases
None

Major cost decreases and changes in income
Income increase of £24k relates to grant income from DWP and DCC.

SRB04 Housing Benefit Subsidy

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	11,340,547	11,576,000	11,640,000	64,000
7000	Income	(11,300,849)	(11,511,000)	(11,577,000)	(66,000)
	TOTAL	**39,697**	**65,000**	**63,000**	**(2,000)**

Cost Centre	Cost Centre Name	2024/25 Budget
RB400	Housing Rent Allowances	63,000
	TOTAL	**63,000**

Major cost increases
Increased costs of subsidy of £64k

Major cost decreases and changes in income
Increased income from subsidy and Discretionary Housing Payments of £66k

SRB06 Debt Recovery

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	79,017	145,247	111,680	(33,567)
3000	Transport	30	0	0	0
4000	Cost Of Goods And Services	2,629	2,970	3,070	100
7000	Income	0	(51,500)	0	51,500
	TOTAL	**81,676**	**96,717**	**114,750**	**18,033**

Cost Centre	Cost Centre Name	2024/25 Budget
RB600	Corporate Debt Team	114,750
	TOTAL	**114,750**

Major cost increases

None

Major cost decreases and changes in income

Salary costs relating to the Planning Obligations Monitoring Officer moved to Development Control along with associated income receipts.

COMMUNITY PDG 2024/25 Service Unit Budgets

SCD01 Community Development

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	140,724	138,500	120,225	(18,275)
	TOTAL	**140,724**	**138,500**	**120,225**	**(18,275)**

Cost Centre	Cost Centre Name	2024/25 Budget
CD200	Community Development	120,225
	TOTAL	**120,225**

Major cost increases
None

Major cost decreases and changes in income
Stategic Grant budget reduced to £120,225 at Cabinet on 09 January 2024.

SCS20 Customer Services Admin

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	20,187	18,230	20,700	2,470
7000	Income	(40)	0	0	0
	TOTAL	**20,147**	**18,230**	**20,700**	**2,470**

Cost Centre	Cost Centre Name	2024/25 Budget
CS900	Central Photocopying	3,100
CS902	Central Postage	17,600
	TOTAL	**20,700**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SCS22 Customer First

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	800,630	747,793	773,930	26,137
3000	Transport	0	400	0	(400)
4000	Cost Of Goods And Services	24,020	23,220	20,490	(2,730)
7000	Income	(228)	0	0	0
	TOTAL	**824,422**	**771,413**	**794,420**	**23,007**

Cost Centre	Cost Centre Name	2024/25 Budget
CS200	Communications	117,520
CS930	Customer First Management	198,470
CS932	Customer First	478,430
	TOTAL	**794,420**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
No major changes

SES03 Community Safety - C.C.T.V.

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	31,217	55	0	(55)
2000	Premises	16,019	35,000	20,000	(15,000)
4000	Cost Of Goods And Services	285	35,830	35,830	0
7000	Income	(79,831)	(13,100)	(13,100)	0
	TOTAL	**(32,311)**	**57,785**	**42,730**	**(15,055)**

Cost Centre	Cost Centre Name	2024/25 Budget
ES200	Cctv Initiatives	0
PS200	Cctv Initiatives	42,730
	TOTAL	**42,730**

Major cost increases
No major changes

Major cost decreases and changes in income
No major change

SES04 Public Health

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	4,839	4,740	5,000	260
7000	Income	(330)	(1,250)	(1,250)	0
	TOTAL	**4,509**	**3,490**	**3,750**	**260**

Cost Centre	Cost Centre Name	2024/25 Budget
EE360	Dog Warden	3,750
	TOTAL	**3,750**

Major cost increases
No major change

Major cost decreases and changes in income
No major change

SES11 Pool Cars

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
3000	Transport	7,823	10,019	0	(10,019)
7000	Income	0	(9,400)	0	9,400
	TOTAL	**7,823**	**619**	**0**	**(619)**

Cost Centre	Cost Centre Name	2024/25 Budget
FM580	Pool Car Running Costs	0
	TOTAL	**0**

Major cost increases
All pool cars sold

Major cost decreases and changes in income
All pool cars sold

SES16 PH Staff Units/Recharges

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	880,148	794,426	853,530	59,104
3000	Transport	17,348	19,469	15,070	(4,399)
4000	Cost Of Goods And Services	45,745	23,479	17,919	(5,560)
7000	Income	(154,475)	(5,500)	(8,500)	(3,000)
	TOTAL	**788,765**	**831,874**	**878,019**	**46,145**

Cost Centre	Cost Centre Name	2024/25 Budget
EE730	Environmental Enforcement	149,739
PH733	Public Health Staff Unit	728,280
	TOTAL	**878,019**

Major cost increases

Inflationary increase on salaries & post included within Public Health that is funded via an EMR

Major cost decreases and changes in income

No major changes

SES17 Community Safety

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	11,160	6,070	2,500	(3,570)
7000	Income	(12,500)	0	0	0
	TOTAL	**(1,340)**	**6,070**	**2,500**	**(3,570)**

Cost Centre	Cost Centre Name	2024/25 Budget
PH250	Community Safety Partnership	2,500
	TOTAL	**2,500**

Major cost increases

No major changes

Major cost decreases and changes in income

No major changes

SES18 Food Safety

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	7,340	0	0	0
4000	Cost Of Goods And Services	4,917	13466	13466	0
7000	Income	(36,456)	(30,500)	(31,500)	(1,000)
	TOTAL	**(24,200)**	**(17,034)**	**(18,034)**	**(1,000)**

Cost Centre	Cost Centre Name	2024/25 Budget
PH260	Food Protection	(1,300)
PH270	Asbestos/Water Quality	(16,734)
	TOTAL	**(18,034)**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SES21 Licensing

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	154,079	164,242	175,640	11,398
3000	Transport	340	500	500	0
4000	Cost Of Goods And Services	31,604	28,275	38,495	10,220
7000	Income	(137,507)	(165,875)	(165,875)	0
	TOTAL	**48,516**	**27,142**	**48,760**	**21,618**

Cost Centre	Cost Centre Name	2024/25 Budget
PH550	Licensing	(131,630)
PH740	Licensing Unit	180,390
	TOTAL	**48,760**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SES22 Pest Control

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	512	1,000	0	(1,000)
	TOTAL	**512**	**1,000**	**0**	**(1,000)**

Cost Centre	Cost Centre Name	2024/25 Budget
PH600	Pest Control	0
	TOTAL	**0**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SES23 Pollution Reduction

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	(328)	0	0	0
4000	Cost Of Goods And Services	36,604	23,300	11,380	(11,920)
7000	Income	(521,580)	(10,030)	(10,030)	0
	TOTAL	**(485,305)**	**13,270**	**1,350**	**(11,920)**

Cost Centre	Cost Centre Name	2024/25 Budget
PH660	Control Of Pollution	11,380
PH670	Local Air Pollution	(10,030)
	TOTAL	**1,350**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SPR02 Enforcement

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	125,135	92,829	95,730	2,901
3000	Transport	408	1,000	1,000	0
4000	Cost Of Goods And Services	438	8,991	8,881	(110)
	TOTAL	**125,982**	**102,820**	**105,611**	**2,791**

Cost Centre	Cost Centre Name	2024/25 Budget
PR110	Enforcement	105,611
	TOTAL	**105,611**

Major cost increases
None

Major cost decreases and changes in income
None

SPR03 Development Control

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	1,259,697	1,203,343	1,237,300	33,957
3000	Transport	5,623	6,000	6,900	900
4000	Cost Of Goods And Services	745,440	166,202	121,930	(44,272)
7000	Income	(2,684,924)	(896,000)	(1,083,000)	(187,000)
	TOTAL	**(674,163)**	**479,545**	**283,130**	**(196,415)**

Cost Centre	Cost Centre Name	2024/25 Budget
PR200	Development Management	217,790
PR225	Garden Village Project	65,340
	TOTAL	**283,130**

Major cost increases
Salary movements of £34k include, inflation and SCP uplifts on salaries, removal of Apprentice and Planning Assistant posts, transfer of the Planning Obligations Monitoring Officer from Corporate Recovery and a reduced share of the Corporate Manager post.

Major cost decreases and changes in income
Uplift to fees and charges by £187k, statutory fees increased and CPI increase on non-statutory fees.
Garden Village consultancy costs reduced by £58k.

SPR09 Forward Planning

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	256,608	274,332	256,270	(18,062)
3000	Transport	16	500	300	(200)
4000	Cost Of Goods And Services	47,583	45,630	44,100	(1,530)
7000	Income	(29,873)	0	0	0
	TOTAL	**274,334**	**320,462**	**300,670**	**(19,792)**

Cost Centre	Cost Centre Name	2024/25 Budget
PR600	Forward Planning Unit	300,670
	TOTAL	**300,670**

Major cost increases
None

Major cost decreases and changes in income
None

SPR11 Regional Planning

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	16,849	269,500	180,000	(89,500)
7000	Income	(20)	0	0	0
	TOTAL	**16,829**	**269,500**	**180,000**	**(89,500)**

Cost Centre	Cost Centre Name	2024/25 Budget
PR810	Statutory Development Plan	180,000
	TOTAL	**180,000**

Major cost increases
None

Major cost decreases and changes in income
Budget reduced to be in line with reprofiling of Local Plan work planned for 2024-25.

SRS01 Recreation And Sport

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	2,406,837	2,493,822	2,491,983	(1,839)
2000	Premises	844,835	1,562,550	1,612,550	50,000
3000	Transport	4,040	6,400	6,400	0
4000	Cost Of Goods And Services	231,701	270,210	291,950	21,740
7000	Income	(1,961,620)	(2,931,266)	(3,419,580)	(488,314)
	TOTAL	**1,525,794**	**1,401,716**	**983,303**	**(418,413)**

Cost Centre	Cost Centre Name	2024/25 Budget
RS100	Leis Facilities Maint & Equip	468,920
RS110	Leisure Management & Admin	84,120
RS140	Exe Valley Leisure Centre	226,700
RS150	Lords Meadow Leisure Centre	174,773
RS155	Leisure Land Rents	(13,820)
RS160	Culm Valley Sports Centre	42,610
	TOTAL	**983,303**

Major cost increases

Increase in LMLC water budget and inflationary increases across the utility budgets for Leisure

Increase in budget for course running costs to reflect additional expenditure being incurred due to running more courses, generating additional income.

Major cost decreases and changes in income

Income budgets increased in line with change in VAT treatment for leisure.

Membership numbers higher leading to additional membership income.

Increased income from swimming lesson programme and casual swimming

ECONOMY PDG 2024/25 Service Unit Budgets

SCD02 Tiverton Pannier Market

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	95,541	97,258	102,730	5,472
2000	Premises	45,778	64,743	60,403	(4,340)
4000	Cost Of Goods And Services	14,145	20,440	20,460	20
7000	Income	(79,554)	(103,180)	(113,180)	(10,000)
	TOTAL	**75,911**	**79,261**	**70,413**	**(8,848)**

Cost Centre	Cost Centre Name	2024/25 Budget
CD300	Tiverton Pannier Market	70,413
	TOTAL	**70,413**

Major cost increases
None

Major cost decreases and changes in income
None

SCP01 Parking Services

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	208,654	381,650	261,253	(120,397)
4000	Cost Of Goods And Services	72,629	89,710	108,780	19,070
7000	Income	(737,622)	(1,016,870)	(1,102,460)	(85,590)
	TOTAL	**(456,339)**	**(545,510)**	**(732,427)**	**(186,917)**

Cost Centre	Cost Centre Name	2024/25 Budget
CP520	Multi-Storey Car Park	(134,941)
CP530	Amenity Car Parks	24,881
CP540	Paying Car Parks	(622,367)
	TOTAL	**(732,427)**

Major cost increases
Cost of Goods & Services budget increase is a result cash/card and pay by phone income collections from our P&D car parks

Major cost decreases and changes in income
Reduction in Premises budget due to the reduced maintenance programme for 2024/25
P&D increase in income is due to inflation added to all P&D tariff's

SPR06 Economic Development

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	356,984	376,896	296,230	(80,666)
2000	Premises	787	0	0	0
3000	Transport	0	500	500	0
4000	Cost Of Goods And Services	233,090	1,084,120	82,300	(1,001,820)
7000	Income	(187,742)	(609,879)	0	609,879
	TOTAL	**403,119**	**851,637**	**379,030**	**(472,607)**

Cost Centre	Cost Centre Name	2024/25 Budget
PR400	Business Development	379,030
PR402	Cullompton Haz	0
	TOTAL	**379,030**

Major cost increases
No major changes

Major cost decreases and changes in income
Salaries include the removal of £32k from the Cullompton HAZ budget, as the project has come to an end, inflation and SCP increases and a vacancy factor of £38k on Business Development.
Goods and Services, £1,011k removed from the Cullompton HAZ budget, as the project has come to an end.
Income, £610k removed from the Cullompton HAZ budget, as the project has come to an end.

SPS12 GF Properties Shops/Flats

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	44	0	0	0
2000	Premises	182,101	323,341	206,950	(116,391)
4000	Cost Of Goods And Services	48,868	3,430	5,665	2,235
7000	Income	(480,795)	(518,721)	(516,235)	2,486
	TOTAL	**(249,783)**	**(191,950)**	**(303,620)**	**(111,670)**

Cost Centre	Cost Centre Name	2024/25 Budget
PS890	10 Phoenix Lane	(11,989)
PS990	30-38 Fore Street	(97,700)
PS991	Industrial Units	(128,140)
PS992	Market Walk	(35,528)
PS993	Lowman Green Unit	(9,803)
PS995	Coggans Well	(20,460)
	TOTAL	**(303,620)**

Major cost increases
No major changes

Major cost decreases and changes in income
Reduction in Premises budget due to the reduced maintenance programme for 2024/25

ENVIRONMENT PDG 2024/25 Service Unit Budgets

SES02 Cemeteries

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	29,898	29,351	26,810	(2,541)
2000	Premises	18,199	104,206	23,552	(80,654)
4000	Cost Of Goods And Services	8,282	8,734	8,940	206
7000	Income	(130,748)	(174,530)	(185,850)	(11,320)
	TOTAL	**(74,369)**	**(32,239)**	**(126,548)**	**(94,309)**

Cost Centre	Cost Centre Name	2024/25 Budget
CB100	Cemeteries	(145,898)
CB101	Cemetery Lodge	(7,560)
CB110	Bereavement Services	26,910
	TOTAL	**(126,548)**

Major cost increases
Reduction in Premises budget due to the reduced maintenance programme for 2024/25

Major cost decreases and changes in income
Inflationary increase on Cemetery fees & charges

SES05 Open Spaces

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	9,824	15,924	16,910	986
2000	Premises	150,474	354,828	277,421	(77,407)
3000	Transport	297	0	3,140	3,140
4000	Cost Of Goods And Services	57,077	6,487	4,210	(2,277)
7000	Income	(38,703)	(36,860)	(41,350)	(4,490)
	TOTAL	**178,969**	**340,379**	**260,331**	**(80,048)**

Cost Centre	Cost Centre Name	2024/25 Budget
OS450	Parks & Open Spaces	112,200
OS455	Amory Park Recreation	65,301
OS460	Play Areas	82,830
	TOTAL	**260,331**

Major cost increases
Reduction in Premises budget due to the reduced maintenance programme for 2024/25

Major cost decreases and changes in income
No major changes

SGM01 Grounds Maintenance

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	522,799	495,783	526,800	31,017
3000	Transport	113,799	82,863	93,509	10,646
4000	Cost Of Goods And Services	22,546	28,720	19,680	(9,040)
7000	Income	(73,974)	(62,090)	(75,800)	(13,710)
	TOTAL	**585,169**	**545,276**	**564,189**	**18,913**

Cost Centre	Cost Centre Name	2024/25 Budget
GM960	Grounds Maintenance	564,189
	TOTAL	**564,189**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
No major changes

SPS01 Asset Management

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	68,072	57,633	59,500	1,867
2000	Premises	2,691	3,730	505,620	501,890
4000	Cost Of Goods And Services	32,514	137,700	145,220	7,520
7000	Income	(32,056)	0	0	0
	TOTAL	**71,221**	**199,063**	**710,340**	**511,277**

Cost Centre	Cost Centre Name	2024/25 Budget
PS160	Asset Management	539,720
PS950	Climate Change	170,620
	TOTAL	**710,340**

Major cost increases
Premises budget increase due to Fire risk assessment works following changes in legislation

Major cost decreases and changes in income
No major changes

SPS03 Flood Defence And Land Drain

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	24,500	25,900	25,900	0
4000	Cost Of Goods And Services	0	132	132	0
	TOTAL	**24,500**	**26,032**	**26,032**	**0**

Cost Centre	Cost Centre Name	2024/25 Budget
PS400	Flood Defence And Land Drain	26,032
	TOTAL	**26,032**

Major cost increases
None

Major cost decreases and changes in income
None

SPS04 Street Naming & Numbering

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	7,899	5,253	5,600	347
2000	Premises	2,877	1,840	1,840	0
4000	Cost Of Goods And Services	20	1,130	1,130	0
7000	Income	(1,876)	(1,500)	(1,600)	(100)
	TOTAL	**8,919**	**6,723**	**6,970**	**247**

Cost Centre	Cost Centre Name	2024/25 Budget
PS600	Street Naming & Numbering	6,970
	TOTAL	**6,970**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SPS05 Administration Buildings

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	261,316	721,525	426,840	(294,685)
4000	Cost Of Goods And Services	36,555	29,300	29,110	(190)
7000	Income	(74,997)	(97,420)	(142,120)	(44,700)
	TOTAL	**222,873**	**653,405**	**313,830**	**(339,575)**

Cost Centre	Cost Centre Name	2024/25 Budget
PS810	Phoenix House	313,830
	TOTAL	**313,830**

Major cost increases
Reduction in Premises budget due to the reduced maintenance programme for 2024/25

Major cost decreases and changes in income
Additional income from the sub-let of Phoenix House to Devon County Council

SPS06 MDDC Depots

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	391,676	513,312	537,258	23,946
4000	Cost Of Goods And Services	26,841	28,790	29,220	430
7000	Income	(44,499)	(51,000)	(55,000)	(4,000)
	TOTAL	**374,017**	**491,102**	**511,478**	**20,376**

Cost Centre	Cost Centre Name	2024/25 Budget
PS850	Old Road Depot	138,690
WS770	Unit 3 Carlu Close	372,788
	TOTAL	**511,478**

Major cost increases
Increase in Premises budget for works to be carried out under the maintenance programme for 2024/25

Major cost decreases and changes in income
No major changes

SPS07 Public Transport

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	3,046	3,891	3,891	0
4000	Cost Of Goods And Services	1,021	0	0	0
7000	Income	(18,212)	(27,320)	(29,150)	(1,830)
	TOTAL	**(14,145)**	**(23,429)**	**(25,259)**	**(1,830)**

Cost Centre	Cost Centre Name	2024/25 Budget
PS880	Bus Station Maintenance	(25,259)
	TOTAL	**(25,259)**

Major cost increases
None

Major cost decreases and changes in income
No major changes

SPS09 Property Services Staff Unit

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	604,559	728,099	794,830	66,731
3000	Transport	25,048	33,184	27,760	(5,424)
4000	Cost Of Goods And Services	8,806	20,030	9,910	(10,120)
7000	Income	292	0	0	0
	TOTAL	**638,705**	**781,313**	**832,500**	**51,187**

Cost Centre	Cost Centre Name	2024/25 Budget
PS960	Caretaking Services	150,660
PS980	Property Services Staff Unit	681,840
	TOTAL	**832,500**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
No major changes

SPS11 Public Conveniences

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
2000	Premises	37,640	61,650	33,220	(28,430)
4000	Cost Of Goods And Services	1,678	2,500	1,730	(770)
7000	Income	(13,067)	(30,200)	(15,030)	15,170
	TOTAL	**26,251**	**33,950**	**19,920**	**(14,030)**

Cost Centre	Cost Centre Name	2024/25 Budget
PS350	Public Conveniences	19,920
	TOTAL	**19,920**

Major cost increases
Reduction in running costs for Public Conveniences

Major cost decreases and changes in income
Reduction in income as a result of the reduced running costs

SWS01 Street Cleansing

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	403,835	456,401	485,230	28,829
3000	Transport	84,765	104,782	112,872	8,090
4000	Cost Of Goods And Services	40,104	19,510	19,530	20
7000	Income	(52,771)	(35,430)	(41,000)	(5,570)
	TOTAL	**475,934**	**545,263**	**576,632**	**31,369**

Cost Centre	Cost Centre Name	2024/25 Budget
WS650	Street Cleansing	576,632
	TOTAL	**576,632**

Major cost increases
Inflationary increase on salaries

Major cost decreases and changes in income
No major changes

SWS02 Waste Collection

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	1,260,387	1,275,216	1,491,600	216,384
3000	Transport	487,687	565,978	518,580	(47,398)
4000	Cost Of Goods And Services	476,870	624,490	656,120	31,630
7000	Income	(1,676,209)	(1,781,640)	(2,356,200)	(574,560)
	TOTAL	**548,735**	**684,044**	**310,100**	**(373,944)**

Cost Centre	Cost Centre Name	2024/25 Budget
WS700	Refuse Collection	493,220
WS710	Trade Waste Collection	(183,120)
	TOTAL	**310,100**

Major cost increases

Inflationary increase on salaries and restructure to reduce agency reliance
Increased Trade Waste disposal charges

Major cost decreases and changes in income

Increase in garden waste permit charge and customers generating additional £175k
Increase in Shared Savings Scheme income £250k
Increase in bulky waste income £20k
Reduced maintenance costs on vehicles due to old vehicles being replaced
Reduced fuel requirement for waste vehicles due to 3 weekly collections
£123k increase in trade waste income

SWS03 Recycling

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	1,453,765	1,493,997	1,829,720	335,723
3000	Transport	343,768	448,872	472,200	23,328
4000	Cost Of Goods And Services	114,641	70,510	156,360	85,850
7000	Income	(1,051,973)	(1,158,210)	(922,500)	235,710
	TOTAL	**860,202**	**855,169**	**1,535,780**	**680,611**

Cost Centre	Cost Centre Name	2024/25 Budget
WS725	Kerbside Recycling	1,535,780
	TOTAL	**1,535,780**

Major cost increases

Inflationary increase on salaries
Restructure to reduce agency reliance and increased collections
Additional vehicle required due to increase in properties
Increase in kerbside collection box demand due to volume and property numbers

Major cost decreases and changes in income

£235k reduction in recycling income due to market pressures

SWS04 Waste Management

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	331,547	375,706	363,110	(12,596)
3000	Transport	68,074	1,300	1,000	(300)
4000	Cost Of Goods And Services	13,596	13,230	13,900	670
	TOTAL	**413,217**	**390,236**	**378,010**	**(12,226)**

Cost Centre	Cost Centre Name	2024/25 Budget
FM100	Fleet Management	58,250
WS750	Waste Management Staff Unit	319,760
	TOTAL	**378,010**

Major cost increases

No major changes

Major cost decreases and changes in income

Removal of apprenticeship posts from Aug 2024

HOMES PDG 2024/25 Service Unit Budgets

SES15 Private Sector Housing Grants

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	17,161	1,810	11,825	10,015
7000	Income	(583,036)	(4,970)	(2,600)	2,370
	TOTAL	**(565,875)**	**(3,160)**	**9,225**	**12,385**

Cost Centre	Cost Centre Name	2024/25 Budget
PH354	Private Sector Housing Team	9,225
	TOTAL	**9,225**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHG03 Homelessness Accommodation

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	392,553	539,252	568,455	29,203
2000	Premises	20,312	71,408	134,950	63,542
3000	Transport	3,156	7,000	7,700	700
4000	Cost Of Goods And Services	519,649	616,915	672,310	55,395
7000	Income	(912,840)	(892,170)	(990,880)	(98,710)
	TOTAL	**22,831**	**342,405**	**392,535**	**50,130**

Cost Centre	Cost Centre Name	2024/25 Budget
HG350	Community Alarms	(99,335)
PH320	Housing & Homelessness Advice	12,450
PH345	Rough Sleeping Initiative	31,330
PH373	Housing Options Staff	391,350
PH376	Ivor Macey House	15,820
PH377	1 Belmont Road	2,140
PH378	5 St Pauls Street	58,500
PH379	5 Marshall Close Tiverton	(3,460)
PH380	Flat 16 High Street Silverton	(3,460)
PH381	15 Temple Crescent	(2,780)
PH382	19a Westexe South Tiverton	(3,460)
PH383	4 Coldridge Rd	(3,280)
PH384	30 Temple Crescent	(3,280)
	TOTAL	**392,535**

Major cost increases
Salary increases are due to inflationary rise
Increase premises costs due to the newly purchases homelessness properties
Increase in supplies & services budget for temporary accommodation costs

Major cost decreases and changes in income
Increase in homelessness income as a result of newly purchases properties

2024/25 Transfers To / (From) Earmarked Reserves

Transfers To Earmarked Reserves

SERVICE	EMR		Total
PS990	EQ685	FORE STREET MAINT S.FUND	5,000
PS992	EQ685	MARKET WALK MAINT S.FUND	20,000
CP540	EQ686	PAYING CAR PARKS (MACHINE REPLACEMENT SINKING FUND)	3,000
LD201	EQ720	ELECTION COSTS - DISTRICT	25,000
PR810	EQ728	STATUTORY DEVELOPMENT PLAN	120,000
EQ756	EQ756	FLEET CONTRACT FUND	654,600
GM/WS	EQ760	STREET SCENE SMALL PLANT	22,420
EQ761	EQ761	RECYCLING PLANT SFUND	30,000
EQ763	EQ763	RECYCLING MAINT SINKING FUND	2,700
PS880	EQ765	BUS STATION	5,000
ES100	EQ766	CEMETERIES	25,000
ES450	EQ767	PARKS & OPEN SPACES	25,000
RS140	EQ837	LEISURE SINKING FUND	75,000
PS980	EQ837	PROPERTY MAINTENANCE	100,000
IT200	EQ749	BUSINESS SYSTEMS MIGRATION	50,000
New		CREATION OF DECARBONISATION FUND	106,828
TOTAL			**1,269,548**

Transfers (From) Earmarked Reserves

SERVICE	EMR	Description	TOTAL
CD200	EQ653	COMMUNITY DEVELOPMENT	(45,000)
EQ638	EQ638	DEV CONT LINEAR PARK	(4,170)
EQ640	EQ640	W52 POPHAM CLOSE COMM FUND	(1,950)
EQ641	EQ641	W67 MOORHAYES COM DEV FUND	(1,630)
EQ642	EQ642	W69 FAYRECROFT WILLAND EX WEST	(4,620)
EQ643	EQ643	W70 DEVELOPERS CONTRIBUTION	(6,650)
EQ644	EQ644	DEV CONT WINSWOOD CREDITION	(3,080)
EQ756	EQ756	FLEET CONTRACT FUND	(773,920)
PH733	EQ712	PUBLIC SECTOR HOUSING	(43,027)
PH733	EQ711	PUBLIC SECTOR HOUSING	(3,830)
PR600	EQ821	NEIGHBOURHOOD PLANNING	(10,000)
PH378	EQ742	HOMELESSNESS PREVENTION	(50,000)
Various	EQ837	2121 SPECIFIC MAINTENANCE PROJECTS	(772,000)
PR810	EQ728	STATUTORY DEVELOPMENT PLAN	(180,000)
PR400	EQ722	BUSINESS DEVELOPMENT	(135,750)
RB100/RB600	EQ787	NNDR NEW BURDENS	(74,540)
TOTAL			**(2,110,167)**

Net Transfer To / (From) Earmarked Reserves **(840,619)**

Housing Revenue Account - by service

Code	Service Unit	Base Budget 2023/2024	Movement	Proposed Budget 2024/2025
		£	£	£
	Income			
SHO01	Dwelling Rents Income	(13,556,440)	(1,084,240)	(14,640,680)
SHO04	Non Dwelling Rents Income	(487,570)	(46,780)	(534,350)
SHO07	Leaseholders' Charges For Services	(29,000)	0	(29,000)
SHO08	Contributions Towards Expenditure	(190,500)	(26,000)	(216,500)
SHO10	H.R.A. Investment Income	(400,000)	(173,830)	(573,830)
SHO11	Miscellaneous Income	(6,000)	0	(6,000)
		(14,669,510)	**(1,330,850)**	**(16,000,360)**
	Services			
SHO13A	Repairs & Maintenance	4,190,330	1,168,470	5,358,800
SHO17A	Housing & Tenancy Services	2,089,960	62,290	2,152,250
	Accounting entries 'below the line'			
SHO29	Bad Debt Provision	300,000	0	300,000
SHO30	Share Of Corp And Dem	161,170	5,700	166,870
SHO32	H.R.A. Interest Payable	1,232,280	(9,970)	1,222,310
SHO34	H.R.A. Trf To/From Emr	1,447,630	(152,680)	1,294,950
SHO37	Capital Receipts Reserve Adjustment	(20,800)	0	(20,800)
SHO38	Major Repairs Allowance	2,535,000	100,000	2,635,000
SHO45	Renewable Energy Transactions	(160,000)	7,500	(152,500)
	Total	**11,775,570**	**1,181,310**	**12,956,880**

Subjective analysis

Code	Best Value Unit	Base Budget 2023/2024	Movement	Draft Budget 2024/2025
1000	Employees	3,706,370	511,280	4,217,650
2000	Premises	447,340	35,760	483,100
3000	Transport	263,770	28,160	291,930
4000	Cost Of Goods And Services	7,559,490	580,610	8,140,100
7000	Income	(14,870,910)	(1,305,350)	(16,176,260)
	TOTAL	**(2,893,940)**	**(149,540)**	**(3,043,480)**

Code	Best Value Unit	Base Budget 2023/2024	Movement	Draft Budget 2024/2025
5000	Internal Recharges	1,883,810	73,270	1,957,080
6000	Capital Charges	1,010,130	76,270	1,086,400
	TOTAL	**2,893,940**	**149,540**	**3,043,480**

	GRAND TOTAL	**0**	**0**	**0**

HOUSING REVENUE ACCOUNT 2024/25 Service Unit Budgets

SHO01 Dwelling Rents Inc

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	30,121	70,000	70,000	0
7000	Income	(12,320,622)	(13,626,440)	(14,710,680)	(1,084,240)
	TOTAL	**(12,290,502)**	**(13,556,440)**	**(14,640,680)**	**(1,084,240)**

Cost Centre	Cost Centre Name	2024/25 Budget
HO700	Genl Needs Housing Rents	(14,640,680)
	TOTAL	**(14,640,680)**

Major cost increases
No major changes

Major cost decreases and changes in income
Annual inflationary uplift applied to housing rents in line with the Social Rent Cap (7.7%)

SHO04 Non Dwelling Rents Inc

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	0	1,600	1,600	0
7000	Income	(515,272)	(489,170)	(535,950)	(46,780)
	TOTAL	**(515,272)**	**(487,570)**	**(534,350)**	**(46,780)**

Cost Centre	Cost Centre Name	2024/25 Budget
HO760	Car Parking Income	(4,250)
HO770	Garage Income	(391,140)
HO780	Ground Rent Income	(15,220)
HO790	Shop Income	(109,000)
HO795	Leased Accommodation	(10,990)
HO800	Land Licence	(3,750)
	TOTAL	**(534,350)**

Major cost increases
No major changes

Major cost decreases and changes in income
Annual inflationary uplift applied to garage rents in line with the Social Rent Cap (7.7%)

SHO07 Leaseholders' Ch For Serv

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
7000	Income	(30,365)	(29,000)	(29,000)	0
	TOTAL	**(30,365)**	**(29,000)**	**(29,000)**	**0**

Cost Centre	Cost Centre Name	2024/25 Budget
HO870	Leaseholders' Service Charges	(29,000)
	TOTAL	**(29,000)**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHO08 Contributions Towards Exp

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	6,379	38,000	15,000	(23,000)
7000	Income	(79,329)	(228,500)	(231,500)	(3,000)
	TOTAL	**(72,950)**	**(190,500)**	**(216,500)**	**(26,000)**

Cost Centre	Cost Centre Name	2024/25 Budget
HO885	Contributions Towards Exp	(14,500)
HO890	Rechargeable Repairs Income	(202,000)
	TOTAL	**(216,500)**

Major cost increases
No major changes

Major cost decreases and changes in income
Reduction in Bad Debts written off budget

SHO10 H.R.A. Investment Income

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
7000	Income	(29,684)	(400,000)	(573,830)	(173,830)
	TOTAL	**(29,684)**	**(400,000)**	**(573,830)**	**(173,830)**

Cost Centre	Cost Centre Name	2024/25 Budget
HO930	Investm'T Income - Capital Bal	(573,830)
	TOTAL	**(573,830)**

Major cost increases
No major changes

Major cost decreases and changes in income
Increase in expected return on invested cash balances due to increased interest rate

SHO11 Misc. Income

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
7000	Income	(10,154)	(6,000)	(6,000)	0
	TOTAL	**(10,154)**	**(6,000)**	**(6,000)**	**0**

Cost Centre	Cost Centre Name	2024/25 Budget
HO960	Sundry Income Incl. Wayleaves	(6,000)
	TOTAL	**(6,000)**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHO13A Repairs & Maintenance

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	2,036,686	2,277,980	2,754,780	476,800
2000	Premises	35,493	64,360	88,390	24,030
3000	Transport	210,701	255,120	283,880	28,760
4000	Cost Of Goods And Services	1,669,432	1,766,870	2,390,250	623,380
7000	Income	(25,351)	(174,000)	(158,500)	15,500
	TOTAL	**3,926,963**	**4,190,330**	**5,358,800**	**1,168,470**

Cost Centre	Cost Centre Name	2024/25 Budget
HO120	Disabled Adaptations	920,010
HO130	Planned & Cyclical Maintenance	1,304,080
HO132	Standby	1,200
HO140	Voids Maintenance	1,260,380
HO145	Housing Vehicles	238,380
HO150	Responsive Repairs	1,854,330
HO155	Repairs - Transfers Of Costs	(2,048,500)
HO160	Stores	57,460
HO310	Repairs Management	1,438,190
HO312	Planned Maintenance Team	333,270
	TOTAL	**5,358,800**

Major cost increases

Employee costs - increased principally due to forecast pay award
Property costs - increase in contract cleaning costs
Transport costs - increase in vehicle repairs and maintenance costs
Cost of Goods & Services - increase in External Contractor spend and Materials cost due to the cost of living crisis.

Major cost decreases and changes in income

No major changes

SHO17A Housing & Tenancy Services

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	1,010,784	1,267,220	1,296,000	28,780
2000	Premises	182,056	382,980	394,710	11,730
3000	Transport	6,622	8,650	8,050	(600)
4000	Cost Of Goods And Services	238,935	458,110	483,490	25,380
7000	Income	(60,740)	(27,000)	(30,000)	(3,000)
	TOTAL	**1,377,656**	**2,089,960**	**2,152,250**	**62,290**

Cost Centre	Cost Centre Name	2024/25 Budget
HO200	A.S.B.	7,500
HO210	Estate Management	338,160
HO215	Utility Costs Void Properties	73,560
HO220	General Tenancy	660,510
HO250	H.R.A. Shops	38,710
HO270	Lettings & Waiting Lists	5,500
HO280	Tenant Involvement	119,710
HO300	Other Admin Costs	46,900
HO320	Housing Services Management	342,320
HO330	H.R.A. Strategy	120,000
HO332	Development Training	12,000
HO350	Finance And Performance	330,640
HO370	Rent Collection & Accounting	34,400
HO380	Income Collection	14,300
HO390	Sale Of Council Houses	3,000
HO400	Warden Service Expenditure	5,040
	TOTAL	**2,152,250**

Major cost increases

Employee costs - increased principally due to forecast pay award

Cost of Goods & Services - various minor adjustment to budgets

Major cost decreases and changes in income

No major changes

SHO29 Bad Debt Provision

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
7000	Income	98,828	300,000	300,000	0
	TOTAL	**98,828**	**300,000**	**300,000**	**0**

Cost Centre	Cost Centre Name	2024/25 Budget
HO610	Bad Debt Provision Movement	300,000
	TOTAL	**300,000**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHO30 Share Of Corp And Dem

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
1000	Employees	168,503	161,170	166,870	5,700
	TOTAL	**168,503**	**161,170**	**166,870**	**5,700**

Cost Centre	Cost Centre Name	2024/25 Budget
HO620	Share Of Corp And Dem	166,870
	TOTAL	**166,870**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHO32 H.R.A. Interest Payable

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	1,022,784	1,232,280	1,222,310	(9,970)
	TOTAL	**1,022,784**	**1,232,280**	**1,222,310**	**(9,970)**

Cost Centre	Cost Centre Name	2024/25 Budget
HO640	H.R.A. Interest Payable	1,222,310
	TOTAL	**1,222,310**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHO34 H.R.A. Trf To/From EMR

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	1,965,650	1,447,630	1,294,950	(152,680)
7000	Income	(300,256)	0	0	0
	TOTAL	**1,665,394**	**1,447,630**	**1,294,950**	**(152,680)**

Cost Centre	Cost Centre Name	2024/25 Budget
HO698	Hra Trf To/From Emr	1,294,950
	TOTAL	**1,294,950**

Major cost increases
No major changes

Major cost decreases and changes in income
Reduction in Revenue contribution to Capital

SHO37 Capital Receipts Res Adj

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
7000	Income	(37,700)	(20,800)	(20,800)	0
	TOTAL	**(37,700)**	**(20,800)**	**(20,800)**	**0**

Cost Centre	Cost Centre Name	2024/25 Budget
HO688	Admin Costs On Disposal Of Nca	(20,800)
	TOTAL	**(20,800)**

Major cost increases
No major changes

Major cost decreases and changes in income
No major changes

SHO38 Major Repairs Allowance

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	2,621,465	2,535,000	2,635,000	100,000
	TOTAL	**2,621,465**	**2,535,000**	**2,635,000**	**100,000**

Cost Centre	Cost Centre Name	2024/25 Budget
HO690	Trf To/From Major Repairs Res	2,635,000
	TOTAL	**2,635,000**

Major cost increases
The Major Repairs Workplan incorporates an increase in expenditure for 2024/25

Major cost decreases and changes in income
No major changes

SHO45 Renewable Energy Transactions

Group	Description	2022/23 Actuals	2023/24 Budget	2024/25 Budget	Movement
4000	Cost Of Goods And Services	110,079	10,000	27,500	17,500
7000	Income	(218,970)	(170,000)	(180,000)	(10,000)
	TOTAL	**(108,891)**	**(160,000)**	**(152,500)**	**7,500**

Cost Centre	Cost Centre Name	2024/25 Budget
HO295	Solar Panel Scheme Expenditure	27,500
HO962	Solar Panel Scheme Income	(180,000)
	TOTAL	**(152,500)**

Major cost increases

No major changes

Major cost decreases and changes in income

No major changes

2024/25 - 2028/29 Capital Programme - SUMMARY

Capital Expenditure Summary		To be rolled f/wd from 2023/24		Total Project Costs for Approval							Spend Profile					
Area	Sub Area	Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
Leisure	Exe Valley Leisure Centre	-	-	650	-	-	100	100	**850**	**850**	650	-	-	100	100	**850**
Leisure	Lords Meadow Leisure Centre	197	-	150	-	200	100	100	**550**	**747**	347	-	200	100	100	**747**
Leisure	Culm Valley Sports Centre	44	174	710	-	-	100	100	**910**	**1,128**	604	324	-	100	100	**1,128**
Leisure	Leisure - Other	200	-	-	-	-	-	-	**-**	**200**	200	-	-	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	-	-	-	260	400	-	-	**660**	**660**	-	260	400	-	-	**660**
Other MDDC Buildings	Other - Climate Change/Net Zero	-	-	995	-	240	-	-	**1,235**	**1,235**	995	-	240	-	-	**1,235**
Other MDDC Buildings	Phoenix House	103	-	150	-	-	-	-	**150**	**253**	253	-	-	-	-	**253**
Other MDDC Buildings	MDDC Depots	1,000	250	2,395	3,500	-	-	-	**5,895**	**7,145**	3,645	3,500	-	-	-	**7,145**
Other MDDC Buildings	MDDC Shops/Industrial Units	197	-	-	-	-	-	-	**-**	**197**	197	-	-	-	-	**197**
Other MDDC Buildings	Public Conveniences	-	-	160	-	-	-	-	**160**	**160**	50	110	-	-	-	**160**
HIF	HIF Schemes	13,139	16,541	-	-	-	-	-	**-**	**29,680**	13,139	16,541	-	-	-	**29,680**
Private Sector Housing	Private Sector Housing	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	**3,000**
Other	General Car Parks	90	-	115	-	-	-	-	**115**	**205**	205	-	-	-	-	**205**
Other	Parks & Play Areas	32	-	245	-	-	-	-	**245**	**277**	277	-	-	-	-	**277**
Other	ICT Projects	257	-	80	130	120	565	240	**1,135**	**1,392**	337	130	120	565	240	**1,392**
Other	Other Projects	87	112	1,687	200	-	-	-	**1,887**	**2,086**	1,886	200	-	-	-	**2,086**
Other	GF Vehicles	-	-	1,340	140	1,020	145	270	**2,915**	**2,915**	1,340	140	1,020	145	270	**2,915**
General Fund Subtotals		**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**52,130**
HRA Projects	Existing Housing Stock	34	-	3,060	2,885	2,910	2,800	2,835	**14,490**	**14,524**	3,094	2,885	2,910	2,800	2,835	**14,524**
HRA Projects	Housing Schemes (1:4:1 Projects)	464	963	-	400	400	-	-	**800**	**2,227**	464	1,003	400	360	-	**2,227**
HRA Projects	Housing Development Schemes (HE)	12,914	26,907	6,600	7,800	5,000	-	-	**19,400**	**59,221**	12,313	12,402	21,926	12,580	-	**59,221**
HRA Projects	Other HRA Projects	75	-	-	-	-	-	-	**-**	**75**	75	-	-	-	-	**75**
Other	HRA Vehicles	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	**550**
HRA Subtotals		**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**76,597**
Grand Totals		**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**128,727**

Capital Funding Summary		To be rolled f/wd from 2023/24														
Funding Type	Funding Description	Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
Revenue	S106 (Revenue) Contributions	-	-	50	-	-	-	-	**50**	**50**	50	-	-	-	-	**50**
Revenue	RCCO - From Revenue EMR's - Other	119	9	315	-	-	-	-	**315**	**443**	443	-	-	-	-	**443**
Revenue	RCCO - From Revenue EMR's - Leisure	-	-	600	-	-	300	300	**1,200**	**1,200**	600	-	-	300	300	**1,200**
Revenue	RCCO - From Revenue EMR's - ICT	190	-	-	30	-	465	-	**495**	**685**	190	30	-	465	-	**685**
Revenue	RCCO - From Revenue EMR's - Capital	42	48	180	-	-	-	-	**180**	**270**	270	-	-	-	-	**270**
Revenue	RCCO - From Revenue EMR's - Waste Infrastructure EMR	-	250	65	-	-	-	-	**65**	**315**	315	-	-	-	-	**315**
Capital Grants	Capital Grants Unapplied - DCC	-	-	215	-	-	-	-	**215**	**215**	215	-	-	-	-	**215**
Capital Grants	Govt Grant (DCLG passported from DCC)	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	**3,000**
Capital Grants	DCC Funding - HIF Project	153	1,347	-	-	-	-	-	**-**	**1,500**	153	1,347	-	-	-	**1,500**
Capital Grants	HIF Funding	3,234	3,655	-	-	-	-	-	**-**	**6,889**	3,234	3,655	-	-	-	**6,889**
Capital Grants	Govt Grants - Levelling - up Funding	6,437	11,539	-	-	-	-	-	**-**	**17,976**	6,437	11,539	-	-	-	**17,976**
Capital Grants	Salix Funding or Equivalent - to be identified	-	-	995	260	640	-	-	**1,895**	**1,895**	995	260	640	-	-	**1,895**
Capital Grants	DLUHC - Changing Places Fund bid	66	-	-	-	-	-	-	**-**	**66**	66	-	-	-	-	**66**
Capital Receipts	Usable Capital Receipts	137	55	150	-	72	-	-	**222**	**414**	342	-	72	-	-	**414**
Borrowing	Borrowing 3 Yrs	-	-	230	100	120	100	240	**790**	**790**	230	100	120	100	240	**790**
Borrowing	Borrowing 5 Yrs	103	-	150	-	-	-	-	**150**	**253**	253	-	-	-	-	**253**
Borrowing	Borrowing 10 Yrs	3,668	174	940	200	128	-	-	**1,268**	**5,110**	4,458	524	128	-	-	**5,110**
Borrowing	Borrowing 25 Yrs	197	-	100	-	-	-	-	**100**	**297**	297	-	-	-	-	**297**
Borrowing	Borrowing 50 Yrs	1,000	-	1,180	3,500	-	-	-	**4,680**	**5,680**	2,070	3,610	-	-	-	**5,680**
Borrowing	GF - Lease Finance	-	-	2,670	140	1,020	145	270	**4,245**	**4,245**	2,670	140	1,020	145	270	**4,245**
Capital Grants	SPF Funding (DLUHC)	-	-	224	-	-	-	-	**224**	**224**	224	-	-	-	-	**224**
Capital Grants	REPF Funding (DLUHC)	-	-	613	-	-	-	-	**613**	**613**	613	-	-	-	-	**613**
General Fund Subtotals		**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**52,130**
Revenue	S106 (Revenue) Contributions	150	800	-	-	-	-	-	**-**	**950**	150	800	-	-	-	**950**
Revenue	MRA Reserve	34	-	2,500	2,320	2,340	2,225	2,255	**11,640**	**11,674**	2,534	2,320	2,340	2,225	2,255	**11,674**
Revenue	RCCO - From HRA Revenue EMR's - Other	25	-	-	-	-	-	-	**-**	**25**	25	-	-	-	-	**25**
Revenue	RCCO - From HRA Revenue EMR's - Renewable Energy	-	-	250	250	250	250	250	**1,250**	**1,250**	250	250	250	250	250	**1,250**
Revenue	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	225	-	225	225	224	-	-	**674**	**899**	144	399	156	200	-	**899**
Capital Grants	Government Grants - Homes England Funding	3,974	11,113	2,002	3,015	2,250	-	-	**7,267**	**22,354**	4,062	3,438	9,194	5,660	-	**22,354**
Capital Grants	One Public Estate Funding	284	2,211	180	660	480	-	-	**1,320**	**3,815**	343	426	1,861	1,185	-	**3,815**
Capital Receipts	Usable Capital Receipts	13	629	1,009	315	1,020	325	330	**2,999**	**3,641**	540	1,426	414	931	330	**3,641**
Capital Receipts	UCR 1:4:1 Replacement Homes	185	385	-	655	160	-	-	**815**	**1,385**	185	429	611	160	-	**1,385**
Borrowing	Borrowing 25 Yrs	50	-	-	-	-	-	-	**-**	**50**	50	-	-	-	-	**50**
Borrowing	Borrowing 50 Yrs	8,547	12,732	3,494	3,645	1,586	-	-	**8,725**	**30,004**	7,664	6,801	10,410	5,129	-	**30,004**
Borrowing	HRA - Lease Finance	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	**550**
HRA Subtotals		**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**76,597**
Grand Totals		**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**128,727**

2024/25 - 2028/29 Capital Programme - EXPENDITURE

Area	Sub Area	Project Title	To be rolled f/wd from 2023/24 Capital Programme		Total Project Costs for Approval							Spend Profile					
			Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
General Fund																	
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	160	-	-	-	-	-	-	-	**160**	160	-	-	-	-	**160**
Leisure	Lords Meadow Leisure Centre	Leisure - Improved Disabled Toilet facilities - CPT	37	-	-	-	-	-	-	-	**37**	37	-	-	-	-	**37**
Leisure	Culm Valley Sports Centre	CVSC - Remodelling of Ground Floor	15	174	-	-	-	-	-	-	**189**	15	174	-	-	-	**189**
Leisure	Culm Valley Sports Centre	Leisure - Improved Disabled Toilet facilities - CPT	29	-	-	-	-	-	-	-	**29**	29	-	-	-	-	**29**
Leisure	Leisure - Other	All leisure sites replacement management/site access system (Hardware Element)	200	-	-	-	-	-	-	-	**200**	200	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Building Mgmt System for Heating Control	103	-	-	-	-	-	-	-	**103**	103	-	-	-	-	**103**
Other MDDC Buildings	MDDC Depots	Land acquisition for operational needs	1,000	-	1,000	-	-	-	-	**1,000**	**2,000**	2,000	-	-	-	-	**2,000**
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	-	250	-	3,500	-	-	-	**3,500**	**3,750**	250	3,500	-	-	-	**3,750**
Other MDDC Buildings	MDDC Shops/Industrial Units	36 & 38 Fore Street including Flat above structure & cosmetic works	197	-	-	-	-	-	-	-	**197**	197	-	-	-	-	**197**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	13,139	16,541	-	-	-	-	-	-	**29,680**	13,139	16,541	-	-	-	**29,680**
Other	General Car Parks	West Exe South - Remodelling - additional parking	90	-	-	-	-	-	-	-	**90**	90	-	-	-	-	**90**
Other	Parks & Play Areas	Open Space Infrastructure (incl Play Areas)	32	-	-	-	-	-	-	-	**32**	32	-	-	-	-	**32**
Other	ICT Projects	Server hardware/software Citrix Replacement	50	-	-	-	-	220	-	**220**	**270**	50	-	-	220	-	**270**
Other	ICT Projects	VM/Storage Area Network	120	-	-	-	-	140	-	**140**	**260**	120	-	-	140	-	**260**
Other	ICT Projects	UPS Replacements	20	-	-	30	-	35	-	**65**	**85**	20	30	-	35	-	**85**
Other	ICT Projects	Server farm expansion/upgrades	67	-	-	-	-	-	-	-	**67**	67	-	-	-	-	**67**
Other	Other Projects	Land drainage flood defence schemes - St Marys Hemyock	-	50	-	-	-	-	-	-	**50**	50	-	-	-	-	**50**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	-	62	-	-	-	-	-	-	**62**	62	-	-	-	-	**62**
Other	Other Projects	Land drainage flood defence schemes - Ashleigh Park Bampton	87	-	-	-	-	-	-	-	**87**	87	-	-	-	-	**87**
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	-	-	220	-	-	-	-	**220**	**220**	220	-	-	-	-	**220**
Leisure	Exe Valley Leisure Centre	CHP -Replacement future energy saving project	-	-	180	-	-	-	-	**180**	**180**	180	-	-	-	-	**180**
Leisure	Exe Valley Leisure Centre	Wetside resin floor replacement	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	**90**
Leisure	Exe Valley Leisure Centre	Learner pool floor replacement	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	**100**
Leisure	Exe Valley Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	**60**
Leisure	Lords Meadow Leisure Centre	Wetside resin floor replacement	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	**90**
Leisure	Lords Meadow Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	**60**
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	-	-	210	-	-	-	-	**210**	**210**	210	-	-	-	-	**210**
Leisure	Culm Valley Sports Centre	Fitness Studio renewal of equipment	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	**150**
Leisure	Culm Valley Sports Centre	Replacement skate park (poss relocation)	-	-	350	-	-	-	-	**350**	**350**	200	150	-	-	-	**350**
Other MDDC Buildings	Other - Climate Change/Net Zero	All Fleet - Vehicle live monitoring for CO2 emissions	-	-	115	-	-	-	-	**115**	**115**	115	-	-	-	-	**115**
Other MDDC Buildings	Other - Climate Change/Net Zero	MSCP -Solar carport and additional security	-	-	600	-	-	-	-	**600**	**600**	600	-	-	-	-	**600**
Other MDDC Buildings	Other - Climate Change/Net Zero	Additional electric car charging points	-	-	80	-	-	-	-	**80**	**80**	80	-	-	-	-	**80**
Other MDDC Buildings	Other - Climate Change/Net Zero	Market Walk - Solar Panels	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Cooling options Air Handing Unit	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	**150**
Other MDDC Buildings	MDDC Depots	Diesel Tank	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	**65**
Other MDDC Buildings	MDDC Depots	Property Leasing - Carlu Close	-	-	1,330	-	-	-	-	**1,330**	**1,330**	1,330	-	-	-	-	**1,330**
Other MDDC Buildings	Public Conveniences	Westexe Rec Toilets - Replacement	-	-	160	-	-	-	-	**160**	**160**	50	110	-	-	-	**160**
Private Sector Housing	Private Sector Housing	DFG and other private sector grants	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	**3,000**
Other	General Car Parks	LED updgrade	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	**65**
Other	General Car Parks	LED lighting replacement	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	**20**
Other	General Car Parks	Becks Square resurfacing & lining	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	**30**
Other	Parks & Play Areas	Widen Riverside Path	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	**20**
Other	Parks & Play Areas	Fencing end of life	-	-	125	-	-	-	-	**125**	**125**	125	-	-	-	-	**125**
Other	Parks & Play Areas	Rubber floor tile replacements	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	**100**
Other	ICT Projects	Laptop/Desktop Refresh	-	-	80	100	120	100	100	**500**	**500**	80	100	120	100	100	**500**
Other	Other Projects	Baler	-	-	500	-	-	-	-	**500**	**500**	500	-	-	-	-	**500**
Other	Other Projects	PDA's for cabs	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	**150**
Other	Other Projects	Fire Safety Measures	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	**200**
Other	Other Projects	Shared Prosperity Fund - Year 3	-	-	224	-	-	-	-	**224**	**224**	224	-	-	-	-	**224**
Other	Other Projects	Rural England Prosperity Fund - Year 2	-	-	613	-	-	-	-	**613**	**613**	613	-	-	-	-	**613**
Other	GF Vehicles	Vehicle leasing - Caretaking Services	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	**30**
Other	GF Vehicles	Vehicle leasing - Street Cleansing	-	-	100	60	150	-	100	**410**	**410**	100	60	150	-	100	**410**
Other	GF Vehicles	Vehicle leasing - Refuse	-	-	900	-	600	120	35	**1,655**	**1,655**	900	-	600	120	35	**1,655**
Other	GF Vehicles	Vehicle leasing - Trade Waste	-	-	160	-	170	-	-	**330**	**330**	160	-	170	-	-	**330**
Other	GF Vehicles	Vehicle leasing - Recycling	-	-	150	80	100	25	35	**390**	**390**	150	80	100	25	35	**390**
Leisure	Leisure - Climate Change/Net Zero	EVLC - Building Fabric - Insulation improvements	-	-	-	260	-	-	-	**260**	**260**	-	260	-	-	-	**260**
Other	Other Projects	Tiverton Market Paving - Permanent Solution	-	-	-	200	-	-	-	**200**	**200**	-	200	-	-	-	**200**
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	LMLC -Building Fabric -Insulation improvements	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	CVSC-Building Fabric -Insulation improvements	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	**200**
Other MDDC Buildings	Other - Climate Change/Net Zero	MDDC commercial property building fabric	-	-	-	-	240	-	-	**240**	**240**	-	-	240	-	-	**240**
Leisure	Exe Valley Leisure Centre	Exe Valley Capital Works	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	**200**
Leisure	Lords Meadow Leisure Centre	Lords Meadow Capital Works	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	**200**
Leisure	Culm Valley Sports Centre	Culm Valley Capital Works	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	**200**
Other	ICT Projects	Audio/Video replacement for Phoenix House	-	-	-	-	-	-	140	**140**	**140**	-	-	-	-	140	**140**
Other	ICT Projects	Hybrid Screen replacements	-	-	-	-	-	70	-	**70**	**70**	-	-	-	70	-	**70**
Other	GF Vehicles	Vehicle leasing - Grounds Maintenance	-	-	-	-	-	-	100	**100**	**100**	-	-	-	-	100	**100**
General Fund Subtotals			**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**52,130**

2024/25 - 2028/29 Capital Programme - EXPENDITURE

Area	Sub Area	Project Title	To be rolled f/wd from 2023/24 Capital Programme		Total Project Costs for Approval							Spend Profile					
			Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	Forecast Budget from 2023/24 to be spent over life of MTFP £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's
HRA																	
HRA Projects	Existing Housing Stock	Roofing	15	-	600	600	600	600	600	**3,000**	**3,015**	615	600	600	600	600	**3,015**
HRA Projects	Existing Housing Stock	Structural	19	-	250	260	270	280	290	**1,350**	**1,369**	269	260	270	280	290	**1,369**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	210	-	-	-	-	-	-	**-**	**210**	210	-	-	-	-	**210**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	38	-	-	-	-	-	-	**-**	**38**	38	-	-	-	-	**38**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	21	360	-	-	-	-	-	**-**	**381**	21	360	-	-	-	**381**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	10	198	-	-	-	-	-	**-**	**208**	10	198	-	-	-	**208**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	23	207	-	-	-	-	-	**-**	**230**	23	207	-	-	-	**230**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	22	198	-	-	-	-	-	**-**	**220**	22	198	-	-	-	**220**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	140	-	-	-	-	-	-	**-**	**140**	140	-	-	-	-	**140**
HRA Projects	Housing Development Schemes (HE)	Project 15	4,685	-	-	-	-	-	-	**-**	**4,685**	3,000	1,685	-	-	-	**4,685**
HRA Projects	Housing Development Schemes (HE)	Project 18	1,022	-	-	-	-	-	-	**-**	**1,022**	1,022	-	-	-	-	**1,022**
HRA Projects	Housing Development Schemes (HE)	Project 10	1,474	-	500	-	-	-	-	**500**	**1,974**	1,474	500	-	-	-	**1,974**
HRA Projects	Housing Development Schemes (HE)	Project 14	883	-	-	-	-	-	-	**-**	**883**	883	-	-	-	-	**883**
HRA Projects	Housing Development Schemes (HE)	Project 9	1,128	-	-	-	-	-	-	**-**	**1,128**	1,128	-	-	-	-	**1,128**
HRA Projects	Housing Development Schemes (HE)	Project 11	1,522	-	-	-	-	-	-	**-**	**1,522**	1,522	-	-	-	-	**1,522**
HRA Projects	Housing Development Schemes (HE)	Project 3	1,485	-	-	-	-	-	-	**-**	**1,485**	1,485	-	-	-	-	**1,485**
HRA Projects	Housing Development Schemes (HE)	Project 25	50	2,340	-	-	-	-	-	**-**	**2,390**	50	2,340	-	-	-	**2,390**
HRA Projects	Housing Development Schemes (HE)	Project 8	-	2,229	-	-	-	-	-	**-**	**2,229**	-	223	2,006	-	-	**2,229**
HRA Projects	Housing Development Schemes (HE)	Project 29	48	990	-	-	-	-	-	**-**	**1,038**	48	990	-	-	-	**1,038**
HRA Projects	Housing Development Schemes (HE)	Project 28	110	990	-	-	-	-	-	**-**	**1,100**	110	990	-	-	-	**1,100**
HRA Projects	Housing Development Schemes (HE)	Project 37	-	1,530	-	-	-	-	-	**-**	**1,530**	153	1,377	-	-	-	**1,530**
HRA Projects	Housing Development Schemes (HE)	Project 33	-	1,138	-	-	-	-	-	**-**	**1,138**	1,138	-	-	-	-	**1,138**
HRA Projects	Housing Development Schemes (HE)	Project 36	170	1,530	-	-	-	-	-	**-**	**1,700**	-	170	1,530	-	-	**1,700**
HRA Projects	Housing Development Schemes (HE)	Project 20	337	16,160	-	-	-	-	-	**-**	**16,497**	-	337	8,080	8,080	-	**16,497**
HRA Projects	Other HRA Projects	Old Road Depot remodelling options - forecast expenditure to maintain operations	50	-	-	-	-	-	-	**-**	**50**	50	-	-	-	-	**50**
HRA Projects	Other HRA Projects	Sewerage Treatment Works - Washfield	25	-	-	-	-	-	-	**-**	**25**	25	-	-	-	-	**25**
HRA Projects	Existing Housing Stock	Garage Mods	-	-	150	150	150	-	-	**450**	**450**	150	150	150	-	-	**450**
HRA Projects	Existing Housing Stock	Decent Homes	-	-	395	195	195	200	200	**1,185**	**1,185**	395	195	195	200	200	**1,185**
HRA Projects	Existing Housing Stock	Fire Safety	-	-	40	30	20	20	20	**130**	**130**	40	30	20	20	20	**130**
HRA Projects	Existing Housing Stock	Window/Doors	-	-	400	400	400	400	400	**2,000**	**2,000**	400	400	400	400	400	**2,000**
HRA Projects	Existing Housing Stock	Heating	-	-	405	410	415	420	425	**2,075**	**2,075**	405	410	415	420	425	**2,075**
HRA Projects	Existing Housing Stock	Renewables	-	-	250	250	250	250	250	**1,250**	**1,250**	250	250	250	250	250	**1,250**
HRA Projects	Existing Housing Stock	Adaptations	-	-	310	315	320	325	330	**1,600**	**1,600**	310	315	320	325	330	**1,600**
HRA Projects	Existing Housing Stock	Void Capital Works	-	-	140	145	150	155	160	**750**	**750**	140	145	150	155	160	**750**
HRA Projects	Existing Housing Stock	Double Glazed Unit Replacement	-	-	20	20	20	20	20	**100**	**100**	20	20	20	20	20	**100**
HRA Projects	Existing Housing Stock	Responsive capital works	-	-	100	110	120	130	140	**600**	**600**	100	110	120	130	140	**600**
HRA Projects	Housing Development Schemes (HE)	Project 26	-	-	1,200	-	-	-	-	**1,200**	**1,200**	-	120	1,080	-	-	**1,200**
HRA Projects	Housing Development Schemes (HE)	Project 22	-	-	2,800	-	-	-	-	**2,800**	**2,800**	280	2,520	-	-	-	**2,800**
HRA Projects	Housing Development Schemes (HE)	Project 27	-	-	1,700	-	-	-	-	**1,700**	**1,700**	-	170	1,530	-	-	**1,700**
HRA Projects	Housing Development Schemes (HE)	Project 54	-	-	200	-	-	-	-	**200**	**200**	20	180	-	-	-	**200**
HRA Projects	Housing Development Schemes (HE)	Project 55	-	-	200	-	-	-	-	**200**	**200**	-	20	180	-	-	**200**
Other	HRA Vehicles	Vehicle leasing - Housing	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	**550**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	-	-	-	200	-	-	-	**200**	**200**	-	20	180	-	-	**200**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	-	-	-	200	-	-	-	**200**	**200**	-	20	180	-	-	**200**
HRA Projects	Housing Development Schemes (HE)	Project 16	-	-	-	1,000	-	-	-	**1,000**	**1,000**	-	100	900	-	-	**1,000**
HRA Projects	Housing Development Schemes (HE)	Project 23	-	-	-	4,100	-	-	-	**4,100**	**4,100**	-	410	3,690	-	-	**4,100**
HRA Projects	Housing Development Schemes (HE)	Project 12	-	-	-	1,600	-	-	-	**1,600**	**1,600**	-	160	1,440	-	-	**1,600**
HRA Projects	Housing Development Schemes (HE)	Project 30	-	-	-	1,100	-	-	-	**1,100**	**1,100**	-	110	990	-	-	**1,100**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	-	-	-	-	200	-	-	**200**	**200**	-	-	20	180	-	**200**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	-	-	-	-	200	-	-	**200**	**200**	-	-	20	180	-	**200**
HRA Projects	Housing Development Schemes (HE)	Project 24	-	-	-	-	1,100	-	-	**1,100**	**1,100**	-	-	110	990	-	**1,100**
HRA Projects	Housing Development Schemes (HE)	Project 35	-	-	-	-	1,700	-	-	**1,700**	**1,700**	-	-	170	1,530	-	**1,700**
HRA Projects	Housing Development Schemes (HE)	Project 31	-	-	-	-	1,100	-	-	**1,100**	**1,100**	-	-	110	990	-	**1,100**
HRA Projects	Housing Development Schemes (HE)	Project 13	-	-	-	-	1,100	-	-	**1,100**	**1,100**	-	-	110	990	-	**1,100**
HRA Subtotals			**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**76,597**
Grand Totals			**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**128,727**

2024/25 - 2028/29 Capital Programme - FUNDING

Area	Sub Area	Project Title	Funding Description	To be rolled f/wd from 2023/24 Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	To be rolled f/wd from 2023/24 Forecast Budget from 2023/24 to be spent over life of MTFP £000's	Total Project Costs for Approval 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	Spend Profile 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Beyond 2028/29 £000's	Total £000's
General Fund																			
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	Borrowing 10 Yrs	48	-	-	-	-	-	-	-	**48**	48	-	-	-	-	-	**48**
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	Usable Capital Receipts	70	-	-	-	-	-	-	-	**70**	70	-	-	-	-	-	**70**
Leisure	Lords Meadow Leisure Centre	Reception infrastructure	RCCO - From Revenue EMR's - Capital	42	-	-	-	-	-	-	-	**42**	42	-	-	-	-	-	**42**
Leisure	Lords Meadow Leisure Centre	Leisure - Improved Disabled Toilet facilities - CPT	DLUHC - Changing Places Fund bid	37	-	-	-	-	-	-	-	**37**	37	-	-	-	-	-	**37**
Leisure	Culm Valley Sports Centre	CVSC - Remodelling of Ground Floor	Borrowing 10 Yrs	15	174	-	-	-	-	-	-	**189**	15	174	-	-	-	-	**189**
Leisure	Culm Valley Sports Centre	Leisure - Improved Disabled Toilet facilities - CPT	DLUHC - Changing Places Fund bid	29	-	-	-	-	-	-	-	**29**	29	-	-	-	-	-	**29**
Leisure	Leisure - Other	All leisure sites replacement management/site access system (Hardware Element)	Borrowing 10 Yrs	200	-	-	-	-	-	-	-	**200**	200	-	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Building Mgmt System for Heating Control	Borrowing 5 Yrs	103	-	-	-	-	-	-	-	**103**	103	-	-	-	-	-	**103**
Other MDDC Buildings	MDDC Depots	Land acquisition for operational needs	Borrowing 50 Yrs	1,000	-	1,000	-	-	-	-	**1,000**	**2,000**	2,000	-	-	-	-	-	**2,000**
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	RCCO - From Revenue EMR's - Waste Infrastructure EMR	-	250	-	-	-	-	-	-	**250**	250	-	-	-	-	-	**250**
Other MDDC Buildings	MDDC Depots	Depot Design & Build - Waste & Recycling	Borrowing 50 Yrs	-	-	-	3,500	-	-	-	**3,500**	**3,500**	-	3,500	-	-	-	-	**3,500**
Other MDDC Buildings	MDDC Shops/Industrial Units	36 & 38 Fore Street including Flat above structure & cosmetic works	Borrowing 25 Yrs	197	-	-	-	-	-	-	-	**197**	197	-	-	-	-	-	**197**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	Govt Grants - Levelling - up Funding	6,437	11,539	-	-	-	-	-	-	**17,976**	6,437	11,539	-	-	-	-	**17,976**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	DCC Funding - HIF Project	153	1,347	-	-	-	-	-	-	**1,500**	153	1,347	-	-	-	-	**1,500**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	HIF Funding	3,234	3,655	-	-	-	-	-	-	**6,889**	3,234	3,655	-	-	-	-	**6,889**
HIF	HIF Schemes	CA719 Cullompton Town Centre Relief Road (HIF)	Borrowing 10 Yrs	3,315	-	-	-	-	-	-	-	**3,315**	3,315	-	-	-	-	-	**3,315**
Other	General Car Parks	West Exe South - Remodelling - additional parking spaces	Borrowing 10 Yrs	90	-	-	-	-	-	-	-	**90**	90	-	-	-	-	-	**90**
Other	Parks & Play Areas	Open Space Infrastructure (incl Play Areas)	RCCO - From Revenue EMR's - Other	32	-	-	-	-	-	-	-	**32**	32	-	-	-	-	-	**32**
Other	ICT Projects	Server hardware/software Citrix Replacement	RCCO - From Revenue EMR's - ICT	50	-	-	-	-	220	-	**220**	**270**	50	-	-	220	-	-	**270**
Other	ICT Projects	VM/Storage Area Network	RCCO - From Revenue EMR's - ICT	120	-	-	-	-	140	-	**140**	**260**	120	-	-	140	-	-	**260**
Other	ICT Projects	UPS Replacements	RCCO - From Revenue EMR's - ICT	20	-	-	30	-	35	-	**65**	**85**	20	30	-	35	-	-	**85**
Other	ICT Projects	Server farm expansion/upgrades	Usable Capital Receipts	67	-	-	-	-	-	-	-	**67**	67	-	-	-	-	-	**67**
Other	Other Projects	Land drainage flood defence schemes - St Marys	Usable Capital Receipts	-	50	-	-	-	-	-	-	**50**	50	-	-	-	-	-	**50**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	RCCO - From Revenue EMR's - Other	-	9	-	-	-	-	-	-	**9**	9	-	-	-	-	-	**9**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	Usable Capital Receipts	-	5	-	-	-	-	-	-	**5**	5	-	-	-	-	-	**5**
Other	Other Projects	Cemetery Lodge - Structural solution for damp	RCCO - From Revenue EMR's - Capital	-	48	-	-	-	-	-	-	**48**	48	-	-	-	-	-	**48**
Other	Other Projects	Land drainage flood defence schemes - Ashleigh Park Bampton	RCCO - From Revenue EMR's - Other	87	-	-	-	-	-	-	-	**87**	87	-	-	-	-	-	**87**
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	Capital Grants Unapplied - DCC	-	-	110	-	-	-	-	**110**	**110**	110	-	-	-	-	-	**110**
Leisure	Exe Valley Leisure Centre	ATP replacement (50% share with DCC)	Borrowing 10 Yrs	-	-	110	-	-	-	-	**110**	**110**	110	-	-	-	-	-	**110**
Leisure	Exe Valley Leisure Centre	CHP -Replacement future energy saving project	RCCO - From Revenue EMR's - Capital	-	-	180	-	-	-	-	**180**	**180**	180	-	-	-	-	-	**180**
Leisure	Exe Valley Leisure Centre	Wetside resin floor replacement	RCCO - From Revenue EMR's - Leisure	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	-	**90**
Leisure	Exe Valley Leisure Centre	Learner pool floor replacement	RCCO - From Revenue EMR's - Leisure	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	-	**100**
Leisure	Exe Valley Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	RCCO - From Revenue EMR's - Leisure	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	-	**60**
Leisure	Lords Meadow Leisure Centre	Wetside resin floor replacement	RCCO - From Revenue EMR's - Leisure	-	-	90	-	-	-	-	**90**	**90**	90	-	-	-	-	-	**90**
Leisure	Lords Meadow Leisure Centre	Chemical/Salt Storage at back of building - Associated plant to go with this	RCCO - From Revenue EMR's - Leisure	-	-	60	-	-	-	-	**60**	**60**	60	-	-	-	-	-	**60**
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	Capital Grants Unapplied - DCC	-	-	105	-	-	-	-	**105**	**105**	105	-	-	-	-	-	**105**
Leisure	Culm Valley Sports Centre	ATP replacement (50% share with DCC)	Borrowing 10 Yrs	-	-	105	-	-	-	-	**105**	**105**	105	-	-	-	-	-	**105**
Leisure	Culm Valley Sports Centre	Fitness Studio renewal of equipment	Usable Capital Receipts	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	-	**150**
Leisure	Culm Valley Sports Centre	Replacement skate park (poss relocation)	RCCO - From Revenue EMR's - Leisure	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	-	**200**
Leisure	Culm Valley Sports Centre	Replacement skate park (poss relocation)	Borrowing 10 Yrs	-	-	150	-	-	-	-	**150**	**150**	-	150	-	-	-	-	**150**
Other MDDC Buildings	Other - Climate Change/Net Zero	All Fleet - Vehicle live monitoring for CO2 emissions	Salix Funding or Equivalent - to be identified	-	-	115	-	-	-	-	**115**	**115**	115	-	-	-	-	-	**115**
Other MDDC Buildings	Other - Climate Change/Net Zero	MSCP -Solar carport and additional security	Salix Funding or Equivalent - to be identified	-	-	600	-	-	-	-	**600**	**600**	600	-	-	-	-	-	**600**
Other MDDC Buildings	Other - Climate Change/Net Zero	Additional electric car charging points	Salix Funding or Equivalent - to be identified	-	-	80	-	-	-	-	**80**	**80**	80	-	-	-	-	-	**80**
Other MDDC Buildings	Other - Climate Change/Net Zero	Market Walk - Solar Panels	Salix Funding or Equivalent - to be identified	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	-	**200**
Other MDDC Buildings	Phoenix House	Cooling options Air Handing Unit	Borrowing 5 Yrs	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	-	**150**
Other MDDC Buildings	MDDC Depots	Diesel Tank	RCCO - From Revenue EMR's - Waste Infrastructure EMR	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	-	**65**
Other MDDC Buildings	MDDC Depots	Property Leasing - Carlu Close	GF - Lease Finance	-	-	1,330	-	-	-	-	**1,330**	**1,330**	1,330	-	-	-	-	-	**1,330**
Other MDDC Buildings	Public Conveniences	Westexe Rec Toilets - Replacement	Borrowing 50 Yrs	-	-	160	-	-	-	-	**160**	**160**	50	110	-	-	-	-	**160**
Private Sector Housing	Private Sector Housing	DFG and other private sector grants	Govt Grant (DCLG passported from DCC)	-	-	550	575	600	625	650	**3,000**	**3,000**	550	575	600	625	650	-	**3,000**
Other	General Car Parks	LED updgrade	RCCO - From Revenue EMR's - Other	-	-	65	-	-	-	-	**65**	**65**	65	-	-	-	-	-	**65**
Other	General Car Parks	LED lighting replacement	RCCO - From Revenue EMR's - Other	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	-	**20**
Other	General Car Parks	Becks Square resurfacing & lining	RCCO - From Revenue EMR's - Other	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	-	**30**
Other	Parks & Play Areas	Widen Riverside Path	Borrowing 50 Yrs	-	-	20	-	-	-	-	**20**	**20**	20	-	-	-	-	-	**20**
Other	Parks & Play Areas	Fencing end of life	Borrowing 25 Yrs	-	-	100	-	-	-	-	**100**	**100**	100	-	-	-	-	-	**100**
Other	Parks & Play Areas	Fencing end of life	S106 (Revenue) Contributions	-	-	25	-	-	-	-	**25**	**25**	25	-	-	-	-	-	**25**
Other	Parks & Play Areas	Rubber floor tile replacements	Borrowing 10 Yrs	-	-	75	-	-	-	-	**75**	**75**	75	-	-	-	-	-	**75**
Other	Parks & Play Areas	Rubber floor tile replacements	S106 (Revenue) Contributions	-	-	25	-	-	-	-	**25**	**25**	25	-	-	-	-	-	**25**
Other	ICT Projects	Laptop/Desktop Refresh	Borrowing 3 Yrs	-	-	80	100	120	100	100	**500**	**500**	80	100	120	100	100	-	**500**
Other	Other Projects	Baler	Borrowing 10 Yrs	-	-	500	-	-	-	-	**500**	**500**	500	-	-	-	-	-	**500**
Other	Other Projects	PDA's for cabs	Borrowing 3 Yrs	-	-	150	-	-	-	-	**150**	**150**	150	-	-	-	-	-	**150**
Other	Other Projects	Fire Safety Measures	RCCO - From Revenue EMR's - Other	-	-	200	-	-	-	-	**200**	**200**	200	-	-	-	-	-	**200**
Other	Other Projects	Shared Prosperity Fund - Year 3	SPF Funding (DLUHC)	-	-	224	-	-	-	-	**224**	**224**	224	-	-	-	-	-	**224**
Other	Other Projects	Rural England Prosperity Fund - Year 2	REPF Funding (DLUHC)	-	-	613	-	-	-	-	**613**	**613**	613	-	-	-	-	-	**613**
Other	GF Vehicles	Vehicle leasing - Caretaking Services	GF - Lease Finance	-	-	30	-	-	-	-	**30**	**30**	30	-	-	-	-	-	**30**
Other	GF Vehicles	Vehicle leasing - Street Cleansing	GF - Lease Finance	-	-	100	60	150	-	100	**410**	**410**	100	60	150	-	100	-	**410**
Other	GF Vehicles	Vehicle leasing - Refuse	GF - Lease Finance	-	-	900	-	600	120	35	**1,655**	**1,655**	900	-	600	120	35	-	**1,655**
Other	GF Vehicles	Vehicle leasing - Trade Waste	GF - Lease Finance	-	-	160	-	170	-	-	**330**	**330**	160	-	170	-	-	-	**330**
Other	GF Vehicles	Vehicle leasing - Recycling	GF - Lease Finance	-	-	150	80	100	25	35	**390**	**390**	150	80	100	25	35	-	**390**
Leisure	Leisure - Climate Change/Net Zero	EVLC - Building Fabric - Insulation improvements	Salix Funding or Equivalent - to be identified	-	-	-	260	-	-	-	**260**	**260**	-	260	-	-	-	-	**260**
Other	Other Projects	Tiverton Market Paving - Permanent Solution	Borrowing 10 Yrs	-	-	-	200	-	-	-	**200**	**200**	-	200	-	-	-	-	**200**
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	Usable Capital Receipts	-	-	-	-	72	-	-	**72**	**72**	-	-	72	-	-	-	**72**
Leisure	Lords Meadow Leisure Centre	ATP replacement (no dual use)	Borrowing 10 Yrs	-	-	-	-	128	-	-	**128**	**128**	-	-	128	-	-	-	**128**
Leisure	Leisure - Climate Change/Net Zero	LMLC -Building Fabric -Insulation improvements	Salix Funding or Equivalent - to be identified	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	-	**200**
Leisure	Leisure - Climate Change/Net Zero	CVSC-Building Fabric -Insulation improvements	Salix Funding or Equivalent - to be identified	-	-	-	-	200	-	-	**200**	**200**	-	-	200	-	-	-	**200**
Other MDDC Buildings	Other - Climate Change/Net Zero	MDDC commercial property building fabric improvements	Salix Funding or Equivalent - to be identified	-	-	-	-	240	-	-	**240**	**240**	-	-	240	-	-	-	**240**
Leisure	Exe Valley Leisure Centre	Exe Valley Capital Works	RCCO - From Revenue EMR's - Leisure	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	-	**200**
Leisure	Lords Meadow Leisure Centre	Lords Meadow Capital Works	RCCO - From Revenue EMR's - Leisure	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	-	**200**
Leisure	Culm Valley Sports Centre	Culm Valley Capital Works	RCCO - From Revenue EMR's - Leisure	-	-	-	-	-	100	100	**200**	**200**	-	-	-	100	100	-	**200**
Other	ICT Projects	Audio/Video replacement for Phoenix House	Borrowing 3 Yrs	-	-	-	-	-	-	140	**140**	**140**	-	-	-	-	140	-	**140**
Other	ICT Projects	Hybrid Screen replacements	RCCO - From Revenue EMR's - ICT	-	-	-	-	-	70	-	**70**	**70**	-	-	-	70	-	-	**70**
Other	GF Vehicles	Vehicle leasing - Grounds Maintenance	GF - Lease Finance	-	-	-	-	-	-	100	**100**	**100**	-	-	-	-	100	-	**100**
General Fund Subtotals				**15,346**	**17,077**	**9,227**	**4,805**	**2,580**	**1,635**	**1,460**	**19,707**	**52,130**	**24,675**	**21,780**	**2,580**	**1,635**	**1,460**	**-**	**52,130**

2024/25 - 2028/29 Capital Programme - FUNDING

Area	Sub Area	Project Title	Funding Description	To be rolled f/wd from 2023/24 Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	To be rolled f/wd from 2023/24 Forecast Budget from 2023/24 to be spent over life of MTFP £000's	Total Project Costs for Approval 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	Spend Profile 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Beyond 2028/29 £000's	Total £000's
HRA																			
HRA Projects	Existing Housing Stock	Roofing	MRA Reserve	15	-	600	600	600	600	600	**3,000**	**3,015**	615	600	600	600	600	-	**3,015**
HRA Projects	Existing Housing Stock	Structural	MRA Reserve	19	-	250	260	270	280	290	**1,350**	**1,369**	269	260	270	280	290	-	**1,369**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	UCR 1:4:1 Replacement Homes	84	-	-	-	-	-	-	-	**84**	84	-	-	-	-	-	**84**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 4	Borrowing 50 Yrs	126	-	-	-	-	-	-	-	**126**	126	-	-	-	-	-	**126**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	UCR 1:4:1 Replacement Homes	15	-	-	-	-	-	-	-	**15**	15	-	-	-	-	-	**15**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 1	Borrowing 50 Yrs	23	-	-	-	-	-	-	-	**23**	23	-	-	-	-	-	**23**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	UCR 1:4:1 Replacement Homes	8	144	-	-	-	-	-	-	**152**	8	144	-	-	-	-	**152**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	Borrowing 50 Yrs	13	116	-	-	-	-	-	-	**129**	13	116	-	-	-	-	**129**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 51	S106 (Revenue) Contributions	-	100	-	-	-	-	-	-	**100**	-	100	-	-	-	-	**100**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	UCR 1:4:1 Replacement Homes	4	79	-	-	-	-	-	-	**83**	4	79	-	-	-	-	**83**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	Borrowing 50 Yrs	6	69	-	-	-	-	-	-	**75**	6	69	-	-	-	-	**75**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 52	S106 (Revenue) Contributions	-	50	-	-	-	-	-	-	**50**	-	50	-	-	-	-	**50**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	UCR 1:4:1 Replacement Homes	9	83	-	-	-	-	-	-	**92**	9	83	-	-	-	-	**92**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	Borrowing 50 Yrs	14	74	-	-	-	-	-	-	**88**	14	74	-	-	-	-	**88**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 53	S106 (Revenue) Contributions	-	50	-	-	-	-	-	-	**50**	-	50	-	-	-	-	**50**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	UCR 1:4:1 Replacement Homes	9	79	-	-	-	-	-	-	**88**	9	79	-	-	-	-	**88**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	Borrowing 50 Yrs	13	69	-	-	-	-	-	-	**82**	13	69	-	-	-	-	**82**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 5	S106 (Revenue) Contributions	-	50	-	-	-	-	-	-	**50**	-	50	-	-	-	-	**50**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	UCR 1:4:1 Replacement Homes	56	-	-	-	-	-	-	-	**56**	56	-	-	-	-	-	**56**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	Borrowing 50 Yrs	34	-	-	-	-	-	-	-	**34**	34	-	-	-	-	-	**34**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 41	S106 (Revenue) Contributions	50	-	-	-	-	-	-	-	**50**	50	-	-	-	-	-	**50**
HRA Projects	Housing Development Schemes (HE)	Project 15	Government Grants - Homes England Funding	937	-	-	-	-	-	-	-	**937**	600	337	-	-	-	-	**937**
HRA Projects	Housing Development Schemes (HE)	Project 15	Borrowing 50 Yrs	3,523	-	-	-	-	-	-	-	**3,523**	2,257	1,266	-	-	-	-	**3,523**
HRA Projects	Housing Development Schemes (HE)	Project 15	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	225	-	-	-	-	-	-	-	**225**	144	81	-	-	-	-	**225**
HRA Projects	Housing Development Schemes (HE)	Project 18	Government Grants - Homes England Funding	459	-	-	-	-	-	-	-	**459**	459	-	-	-	-	-	**459**
HRA Projects	Housing Development Schemes (HE)	Project 18	Borrowing 50 Yrs	488	-	-	-	-	-	-	-	**488**	488	-	-	-	-	-	**488**
HRA Projects	Housing Development Schemes (HE)	Project 18	One Public Estate Funding	75	-	-	-	-	-	-	-	**75**	75	-	-	-	-	-	**75**
HRA Projects	Housing Development Schemes (HE)	Project 10	Government Grants - Homes England Funding	465	-	157	-	-	-	-	**157**	**622**	465	157	-	-	-	-	**622**
HRA Projects	Housing Development Schemes (HE)	Project 10	Borrowing 50 Yrs	1,009	-	343	-	-	-	-	**343**	**1,352**	1,009	343	-	-	-	-	**1,352**
HRA Projects	Housing Development Schemes (HE)	Project 14	Government Grants - Homes England Funding	395	-	-	-	-	-	-	-	**395**	395	-	-	-	-	-	**395**
HRA Projects	Housing Development Schemes (HE)	Project 14	Borrowing 50 Yrs	413	-	-	-	-	-	-	-	**413**	413	-	-	-	-	-	**413**
HRA Projects	Housing Development Schemes (HE)	Project 14	One Public Estate Funding	75	-	-	-	-	-	-	-	**75**	75	-	-	-	-	-	**75**
HRA Projects	Housing Development Schemes (HE)	Project 9	Government Grants - Homes England Funding	240	-	-	-	-	-	-	-	**240**	240	-	-	-	-	-	**240**
HRA Projects	Housing Development Schemes (HE)	Project 9	Borrowing 50 Yrs	888	-	-	-	-	-	-	-	**888**	888	-	-	-	-	-	**888**
HRA Projects	Housing Development Schemes (HE)	Project 11	Government Grants - Homes England Funding	507	-	-	-	-	-	-	-	**507**	507	-	-	-	-	-	**507**
HRA Projects	Housing Development Schemes (HE)	Project 11	Borrowing 50 Yrs	915	-	-	-	-	-	-	-	**915**	915	-	-	-	-	-	**915**
HRA Projects	Housing Development Schemes (HE)	Project 11	One Public Estate Funding	100	-	-	-	-	-	-	-	**100**	100	-	-	-	-	-	**100**
HRA Projects	Housing Development Schemes (HE)	Project 3	Borrowing 50 Yrs	717	-	-	-	-	-	-	-	**717**	717	-	-	-	-	-	**717**
HRA Projects	Housing Development Schemes (HE)	Project 3	S106 (Revenue) Contributions	100	-	-	-	-	-	-	-	**100**	100	-	-	-	-	-	**100**
HRA Projects	Housing Development Schemes (HE)	Project 3	Government Grants - Homes England Funding	668	-	-	-	-	-	-	-	**668**	668	-	-	-	-	-	**668**
HRA Projects	Housing Development Schemes (HE)	Project 25	Government Grants - Homes England Funding	10	557	-	-	-	-	-	-	**567**	10	557	-	-	-	-	**567**
HRA Projects	Housing Development Schemes (HE)	Project 25	Borrowing 50 Yrs	22	1,033	-	-	-	-	-	-	**1,055**	22	1,033	-	-	-	-	**1,055**
HRA Projects	Housing Development Schemes (HE)	Project 25	Usable Capital Receipts	13	629	-	-	-	-	-	-	**642**	13	629	-	-	-	-	**642**
HRA Projects	Housing Development Schemes (HE)	Project 25	One Public Estate Funding	5	121	-	-	-	-	-	-	**126**	5	121	-	-	-	-	**126**
HRA Projects	Housing Development Schemes (HE)	Project 8	Government Grants - Homes England Funding	-	1,005	-	-	-	-	-	-	**1,005**	-	101	904	-	-	-	**1,005**
HRA Projects	Housing Development Schemes (HE)	Project 8	Borrowing 50 Yrs	-	1,039	-	-	-	-	-	-	**1,039**	-	103	936	-	-	-	**1,039**
HRA Projects	Housing Development Schemes (HE)	Project 8	One Public Estate Funding	-	185	-	-	-	-	-	-	**185**	-	19	166	-	-	-	**185**
HRA Projects	Housing Development Schemes (HE)	Project 29	Borrowing 50 Yrs	27	210	-	-	-	-	-	-	**237**	27	210	-	-	-	-	**237**
HRA Projects	Housing Development Schemes (HE)	Project 29	S106 (Revenue) Contributions	-	300	-	-	-	-	-	-	**300**	-	300	-	-	-	-	**300**
HRA Projects	Housing Development Schemes (HE)	Project 29	One Public Estate Funding	-	90	-	-	-	-	-	-	**90**	-	90	-	-	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 29	Government Grants - Homes England Funding	21	390	-	-	-	-	-	-	**411**	21	390	-	-	-	-	**411**
HRA Projects	Housing Development Schemes (HE)	Project 28	Borrowing 50 Yrs	66	665	-	-	-	-	-	-	**731**	66	665	-	-	-	-	**731**
HRA Projects	Housing Development Schemes (HE)	Project 28	S106 (Revenue) Contributions	-	250	-	-	-	-	-	-	**250**	-	250	-	-	-	-	**250**
HRA Projects	Housing Development Schemes (HE)	Project 28	One Public Estate Funding	-	75	-	-	-	-	-	-	**75**	-	75	-	-	-	-	**75**
HRA Projects	Housing Development Schemes (HE)	Project 28	Government Grants - Homes England Funding	44	-	-	-	-	-	-	-	**44**	44	-	-	-	-	-	**44**
HRA Projects	Housing Development Schemes (HE)	Project 37	Government Grants - Homes England Funding	-	688	-	-	-	-	-	-	**688**	69	619	-	-	-	-	**688**
HRA Projects	Housing Development Schemes (HE)	Project 37	Borrowing 50 Yrs	-	740	-	-	-	-	-	-	**740**	74	666	-	-	-	-	**740**
HRA Projects	Housing Development Schemes (HE)	Project 37	One Public Estate Funding	-	102	-	-	-	-	-	-	**102**	10	92	-	-	-	-	**102**
HRA Projects	Housing Development Schemes (HE)	Project 33	Government Grants - Homes England Funding	-	512	-	-	-	-	-	-	**512**	512	-	-	-	-	-	**512**
HRA Projects	Housing Development Schemes (HE)	Project 33	Borrowing 50 Yrs	-	548	-	-	-	-	-	-	**548**	548	-	-	-	-	-	**548**
HRA Projects	Housing Development Schemes (HE)	Project 33	One Public Estate Funding	-	78	-	-	-	-	-	-	**78**	78	-	-	-	-	-	**78**
HRA Projects	Housing Development Schemes (HE)	Project 36	Government Grants - Homes England Funding	76	689	-	-	-	-	-	-	**765**	-	76	689	-	-	-	**765**
HRA Projects	Housing Development Schemes (HE)	Project 36	Borrowing 50 Yrs	94	691	-	-	-	-	-	-	**785**	-	94	691	-	-	-	**785**
HRA Projects	Housing Development Schemes (HE)	Project 36	One Public Estate Funding	-	150	-	-	-	-	-	-	**150**	-	-	150	-	-	-	**150**
HRA Projects	Housing Development Schemes (HE)	Project 20	Government Grants - Homes England Funding	152	7,272	-	-	-	-	-	-	**7,424**	-	152	3,636	3,636	-	-	**7,424**
HRA Projects	Housing Development Schemes (HE)	Project 20	Borrowing 50 Yrs	156	7,478	-	-	-	-	-	-	**7,634**	-	156	3,739	3,739	-	-	**7,634**
HRA Projects	Housing Development Schemes (HE)	Project 20	One Public Estate Funding	29	1,410	-	-	-	-	-	-	**1,439**	-	29	705	705	-	-	**1,439**
HRA Projects	Other HRA Projects	Old Road Depot remodelling options - forecast expenditure to maintain operations	Borrowing 25 Yrs	50	-	-	-	-	-	-	-	**50**	50	-	-	-	-	-	**50**
HRA Projects	Other HRA Projects	Sewerage Treatment Works - Washfield	RCCO - From HRA Revenue EMR's - Other	25	-	-	-	-	-	-	-	**25**	25	-	-	-	-	-	**25**
HRA Projects	Existing Housing Stock	Garage Mods	MRA Reserve	-	-	150	150	150	-	-	**450**	**450**	150	150	150	-	-	-	**450**
HRA Projects	Existing Housing Stock	Decent Homes	MRA Reserve	-	-	395	195	195	200	200	**1,185**	**1,185**	395	195	195	200	200	-	**1,185**
HRA Projects	Existing Housing Stock	Fire Safety	MRA Reserve	-	-	40	30	20	20	20	**130**	**130**	40	30	20	20	20	-	**130**
HRA Projects	Existing Housing Stock	Window/Doors	MRA Reserve	-	-	400	400	400	400	400	**2,000**	**2,000**	400	400	400	400	400	-	**2,000**
HRA Projects	Existing Housing Stock	Heating	MRA Reserve	-	-	405	410	415	420	425	**2,075**	**2,075**	405	410	415	420	425	-	**2,075**
HRA Projects	Existing Housing Stock	Renewables	RCCO - From HRA Revenue EMR's - Renewable Energy	-	-	250	250	250	250	250	**1,250**	**1,250**	250	250	250	250	250	-	**1,250**
HRA Projects	Existing Housing Stock	Adaptations	Usable Capital Receipts	-	-	310	315	320	325	330	**1,600**	**1,600**	310	315	320	325	330	-	**1,600**
HRA Projects	Existing Housing Stock	Void Capital Works	MRA Reserve	-	-	140	145	150	155	160	**750**	**750**	140	145	150	155	160	-	**750**
HRA Projects	Existing Housing Stock	Double Glazed Unit Replacement	MRA Reserve	-	-	20	20	20	20	20	**100**	**100**	20	20	20	20	20	-	**100**
HRA Projects	Existing Housing Stock	Responsive capital works	MRA Reserve	-	-	100	110	120	130	140	**600**	**600**	100	110	120	130	140	-	**600**
HRA Projects	Housing Development Schemes (HE)	Project 26	Government Grants - Homes England Funding	-	-	270	-	-	-	-	**270**	**270**	-	27	243	-	-	-	**270**
HRA Projects	Housing Development Schemes (HE)	Project 26	Borrowing 50 Yrs	-	-	705	-	-	-	-	**705**	**705**	-	-	705	-	-	-	**705**
HRA Projects	Housing Development Schemes (HE)	Project 26	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	225	-	-	-	-	**225**	**225**	-	93	132	-	-	-	**225**
HRA Projects	Housing Development Schemes (HE)	Project 22	Government Grants - Homes England Funding	-	-	630	-	-	-	-	**630**	**630**	63	567	-	-	-	-	**630**
HRA Projects	Housing Development Schemes (HE)	Project 22	Borrowing 50 Yrs	-	-	1,471	-	-	-	-	**1,471**	**1,471**	-	1,471	-	-	-	-	**1,471**
HRA Projects	Housing Development Schemes (HE)	Project 22	Usable Capital Receipts	-	-	699	-	-	-	-	**699**	**699**	217	482	-	-	-	-	**699**
HRA Projects	Housing Development Schemes (HE)	Project 27	Government Grants - Homes England Funding	-	-	765	-	-	-	-	**765**	**765**	-	68	697	-	-	-	**765**
HRA Projects	Housing Development Schemes (HE)	Project 27	Borrowing 50 Yrs	-	-	755	-	-	-	-	**755**	**755**	-	102	653	-	-	-	**755**
HRA Projects	Housing Development Schemes (HE)	Project 27	One Public Estate Funding	-	-	180	-	-	-	-	**180**	**180**	-	-	180	-	-	-	**180**
HRA Projects	Housing Development Schemes (HE)	Project 54	Government Grants - Homes England Funding	-	-	90	-	-	-	-	**90**	**90**	9	81	-	-	-	-	**90**

2024/25 - 2028/29 Capital Programme - FUNDING

Area	Sub Area	Project Title	Funding Description	To be rolled f/wd from 2023/24 Forecast Slippage from 2023/24 to be C/fwd to 2024/25 £000's	To be rolled f/wd from 2023/24 Forecast Budget from 2023/24 to be spent over life of MTFP £000's	Total Project Costs for Approval 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Total £000's	Grand Total £000's	Spend Profile 2024/25 £000's	2025/26 £000's	2026/27 £000's	2027/28 £000's	2028/29 £000's	Beyond 2028/29 £000's	Total £000's
HRA Projects	Housing Development Schemes (HE)	Project 54	Borrowing 50 Yrs	-	-	110	-	-	-	-	**110**	**110**	11	99	-	-	-	-	**110**
HRA Projects	Housing Development Schemes (HE)	Project 55	Government Grants - Homes England Funding	-	-	90	-	-	-	-	**90**	**90**	-	9	81	-	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 55	Borrowing 50 Yrs	-	-	110	-	-	-	-	**110**	**110**	-	11	99	-	-	-	**110**
Other	HRA Vehicles	Vehicle leasing - Housing	HRA - Lease Finance	-	-	80	-	-	420	50	**550**	**550**	80	-	-	420	50	-	**550**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	UCR 1:4:1 Replacement Homes	-	-	-	80	-	-	-	**80**	**80**	-	-	80	-	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 56	Borrowing 50 Yrs	-	-	-	120	-	-	-	**120**	**120**	-	20	100	-	-	-	**120**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	UCR 1:4:1 Replacement Homes	-	-	-	80	-	-	-	**80**	**80**	-	-	80	-	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 57	Borrowing 50 Yrs	-	-	-	120	-	-	-	**120**	**120**	-	20	100	-	-	-	**120**
HRA Projects	Housing Development Schemes (HE)	Project 16	Government Grants - Homes England Funding	-	-	-	450	-	-	-	**450**	**450**	-	40	410	-	-	-	**450**
HRA Projects	Housing Development Schemes (HE)	Project 16	Borrowing 50 Yrs	-	-	-	460	-	-	-	**460**	**460**	-	60	400	-	-	-	**460**
HRA Projects	Housing Development Schemes (HE)	Project 16	One Public Estate Funding	-	-	-	90	-	-	-	**90**	**90**	-	-	90	-	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 23	Government Grants - Homes England Funding	-	-	-	1,845	-	-	-	**1,845**	**1,845**	-	185	1,660	-	-	-	**1,845**
HRA Projects	Housing Development Schemes (HE)	Project 23	Borrowing 50 Yrs	-	-	-	1,670	-	-	-	**1,670**	**1,670**	-	-	1,670	-	-	-	**1,670**
HRA Projects	Housing Development Schemes (HE)	Project 23	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	-	225	-	-	-	**225**	**225**	-	225	-	-	-	-	**225**
HRA Projects	Housing Development Schemes (HE)	Project 23	One Public Estate Funding	-	-	-	360	-	-	-	**360**	**360**	-	-	360	-	-	-	**360**
HRA Projects	Housing Development Schemes (HE)	Project 12	Government Grants - Homes England Funding	-	-	-	720	-	-	-	**720**	**720**	-	72	648	-	-	-	**720**
HRA Projects	Housing Development Schemes (HE)	Project 12	Borrowing 50 Yrs	-	-	-	760	-	-	-	**760**	**760**	-	88	672	-	-	-	**760**
HRA Projects	Housing Development Schemes (HE)	Project 12	One Public Estate Funding	-	-	-	120	-	-	-	**120**	**120**	-	-	120	-	-	-	**120**
HRA Projects	Housing Development Schemes (HE)	Project 30	UCR 1:4:1 Replacement Homes	-	-	-	495	-	-	-	**495**	**495**	-	44	451	-	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 30	Borrowing 50 Yrs	-	-	-	515	-	-	-	**515**	**515**	-	66	449	-	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 30	One Public Estate Funding	-	-	-	90	-	-	-	**90**	**90**	-	-	90	-	-	-	**90**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	UCR 1:4:1 Replacement Homes	-	-	-	-	80	-	-	**80**	**80**	-	-	-	80	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	Borrowing 50 Yrs	-	-	-	-	8	-	-	**8**	**8**	-	-	8	-	-	-	**8**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 58	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	-	-	112	-	-	**112**	**112**	-	-	12	100	-	-	**112**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	UCR 1:4:1 Replacement Homes	-	-	-	-	80	-	-	**80**	**80**	-	-	-	80	-	-	**80**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	Borrowing 50 Yrs	-	-	-	-	8	-	-	**8**	**8**	-	-	8	-	-	-	**8**
HRA Projects	Housing Schemes (1:4:1 Projects)	Project 59	RCCO - From HRA Revenue EMR's - Afford Rents Surplus	-	-	-	-	112	-	-	**112**	**112**	-	-	12	100	-	-	**112**
HRA Projects	Housing Development Schemes (HE)	Project 24	Government Grants - Homes England Funding	-	-	-	-	495	-	-	**495**	**495**	-	-	50	445	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 24	Borrowing 50 Yrs	-	-	-	-	515	-	-	**515**	**515**	-	-	60	455	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 24	One Public Estate Funding	-	-	-	-	90	-	-	**90**	**90**	-	-	-	90	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 35	Government Grants - Homes England Funding	-	-	-	-	765	-	-	**765**	**765**	-	-	76	689	-	-	**765**
HRA Projects	Housing Development Schemes (HE)	Project 35	Borrowing 50 Yrs	-	-	-	-	25	-	-	**25**	**25**	-	-	-	25	-	-	**25**
HRA Projects	Housing Development Schemes (HE)	Project 35	Usable Capital Receipts	-	-	-	-	700	-	-	**700**	**700**	-	-	94	606	-	-	**700**
HRA Projects	Housing Development Schemes (HE)	Project 35	One Public Estate Funding	-	-	-	-	210	-	-	**210**	**210**	-	-	-	210	-	-	**210**
HRA Projects	Housing Development Schemes (HE)	Project 31	Government Grants - Homes England Funding	-	-	-	-	495	-	-	**495**	**495**	-	-	50	445	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 31	Borrowing 50 Yrs	-	-	-	-	515	-	-	**515**	**515**	-	-	60	455	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 31	One Public Estate Funding	-	-	-	-	90	-	-	**90**	**90**	-	-	-	90	-	-	**90**
HRA Projects	Housing Development Schemes (HE)	Project 13	Government Grants - Homes England Funding	-	-	-	-	495	-	-	**495**	**495**	-	-	50	445	-	-	**495**
HRA Projects	Housing Development Schemes (HE)	Project 13	Borrowing 50 Yrs	-	-	-	-	515	-	-	**515**	**515**	-	-	60	455	-	-	**515**
HRA Projects	Housing Development Schemes (HE)	Project 13	One Public Estate Funding	-	-	-	-	90	-	-	**90**	**90**	-	-	-	90	-	-	**90**
HRA Subtotals				**13,487**	**27,870**	**9,740**	**11,085**	**8,310**	**3,220**	**2,885**	**35,240**	**76,597**	**16,026**	**16,290**	**25,236**	**16,160**	**2,885**	**-**	**76,597**
Grand Totals				**28,833**	**44,947**	**18,967**	**15,890**	**10,890**	**4,855**	**4,345**	**54,947**	**128,727**	**40,701**	**38,070**	**27,816**	**17,795**	**4,345**	**-**	**128,727**

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Report for:	Cabinet
Date of Meeting:	6 February 2024
Subject:	**Pay Policy**
Cabinet Member:	Cllr Luke Taylor, Leader of the Council
Responsible Officer(s):	Matthew Page, Corporate Manager for People, Governance and Waste and James Hamblin, Operations Manager - Human Resources
Exempt:	N/A
Wards Affected:	All
Enclosures:	Appendix 1 – Pay Policy 2023

Section 1 – Summary and Recommendation(s)

To comply with the legislative requirements of the Localism Act 2011 relating to senior pay in particular the role of the Chief Executive, Directors and other senior officers. The Localism Act 2011 requires an annually published Pay Policy which has been adopted by the Full Council.

Recommendation(s):

1. The Cabinet is asked to recommend to Council the Pay Policy 2023.

Section 2 – Report

1.0 Introduction/Background

1.1 The Localism Act required that all local authorities publish a Pay Policy on an annual basis. The Policy should be agreed by a meeting of the Council and be published on the Council's website.

1.2 The purpose of having a Pay Policy is so that the pay and related awards structure of the Council are transparent. The Pay Policy is detailed in Appendix 1.

1.3 At the present time, the Chief Executive is appraised on an annual basis by a group of Members as set out in the Constitution. The Leader consults a review panel which includes the Deputy Leader, the Chairman and Chair of

Scrutiny on the objectives to be set and these are agreed with the Chief Executive.

1.4 Cabinet and Leadership Team meet on a monthly basis to monitor progress within each service area. Cabinet Members can raise issues with the Chief Executive and Directors on performance in any area of the Council.

1.5 A commitment was given two years ago to regularly review the content of the Pay Supplement Policy. It is attached in Appendix 2 for information. We also have a scheme of delegation as required by law to agree potential settlement agreements should a situation arise where they be seen as necessary. This is attached in Appendix 3.

1.6 There has recently been a reset of the structure of Leadership team, following the decision to delete one post from the team, which is reflected in the new data detailed in the Pay Policy. This has resulted in existing directors taking on additional responsibilities and delivers savings in the cost of the council's most senior officers. A reset of the Corporate Management team is currently underway at the time of publishing this paper with affected staff being consulted on proposed changes.

1.7 The Cost of Living rise agreed between the LGA and the Unions gave each employee a rise of £1,925 regardless of their role or grade. This was awarded at the start of November and was paid on the 22 November 2023.

1.8 This increase has resulted in the annual mean pay of all employees increasing from £27,724 in 22/23 to £31,713 in 23/24. It has also resulted in the pay multiple of the Chief Executive to both the mean salary and the lowest paid FTE employee in the Council decreasing from 22/23.

1.9 The gender mean pay gap is 0.97% for the Council compared to 7.7% nationally. We are therefore in a considerably stronger position than many other organisations.

Financial Implications

None arising from this report which aims to ensure that the Council pays enough to recruit and retain important staff but avoids excessive pay levels.

Legal Implications

In accordance with Article 14 of the Constitution. The Head of Paid Service (Chief Executive) is required to keep under review the number, grade and organisation of officers, as well as the manner in which the Council's functions are co-ordinated and discharged.

Risk Assessment

The risk to the Council of not complying with its legislative requirements are mitigated by this report and having robust performance management systems in place.

Impact on Climate Change

No climate change issues are highlighted in this report.

Equalities Impact Assessment

Equality of pay is a legal requirement and while no specific issues arise from this report, it should be noted that the pay policy contains the annual gender pay reporting (as required by law).

Relationship to Corporate Plan

To have a robust Pay Policy which ensures good use of public money in respect of the salaries of the most senior employees of the Council that is both transparent and visible. To ensure the Council is able to recruit and retain staff of a sufficiently high calibre who are able to deliver the objectives of the Corporate Plan.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: **Andrew Jarrett**
Agreed by or on behalf of the Section 151
Date: 23 January 2024

Statutory Officer: **Maria De Leiburne**
Agreed on behalf of the Monitoring Officer
Date: 23 January 2024

Chief Officer: **Stephen Walford**
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 23 January 2024

Performance and risk: **Steve Carr**
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 22/01/2024

Cabinet member notified: Yes

Report: Exclusion of the press and public from this item of business on the published agenda on the grounds that it involves the likely disclosure of exempt information.

Appendix: Exclusion of the press and public from this item of business on the published agenda on the grounds that it involves the likely disclosure of exempt information.

Section 4 - Contact Details and Background Papers

Contact: Matthew Page, Corporate Manager for People, Governance and Waste (MPage@middevon.gov.uk), James Hamblin, Operations Manager Human Resources (JHamblin@middevon.gov.uk)

Background papers: None.

Human Resources Policy

Version Control Sheet

Title: Pay Policy 2023

Reference No: **HR/**

Purpose: The Localism Bill requires that all local authorities publish a Pay Policy on an annual basis. The Policy should be agreed by a meeting of Council and be published on the Council's website.

The purpose of having a Pay Policy is so that the pay and related rewards structure of the Council is transparent.

Owner: **Corporate Manager for People, Governance and Waste**
mpage@middevon.gov.uk

Date: Feb 24
Version Number: 8

Status: **Draft**

Review Frequency: **Every year**

Next review date: **February 2025 to be published by March 2025**

Pay Policy

1. INTRODUCTION

Local authorities must publish a pay policy statement for each financial year. This must be approved by a Council resolution before 31 March each year. The Act specifies a number of elements that must be covered by the statement including: the level and elements of remuneration for each chief officer, remuneration of chief officers on recruitment, increases and additions to remuneration for each chief officer, the use of performance-related pay for chief officers, the use of bonuses for chief officers, the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and the publication of and access to information relating to remuneration of chief officers.

The specific part of the Localism Act 2011 relating to a pay policy is Section 38 (1). Pay is an emotive issue for staff, Councillors and also for the public at large. Transparency in what and how we pay our senior staff particularly, but also all council employees is of paramount importance.

A pay policy statement will be updated and taken to full Council each year in February, in this way a clear view of the salaries and benefits paid to the most senior staff at the Council can be tracked.

2. REFERENCES

Equal Pay Act 1970
Equality Act 2010
Localism Act 2011

3. SCOPE

This policy applies to:-

- Chief Executive Officer including Head of Paid Service responsibilities
- Directors, Heads of Service and certain Corporate Managers including Monitoring Officer responsibilities and Section 151 Officer responsibilities

4. POLICY

Clarity in the provision of pay and other benefits is essential to ensure that the Council can attract and retain good calibre employees at all levels but particularly at the most senior level.

In the context of managing scarce public resources, remuneration at all levels within the Council needs to be adequate to secure and retain high-quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

This pay policy statement applies specifically to chief officers (a term which includes both statutory and non-statutory chief officers which for the purposes of this policy are the Directors, Corporate Management Team, Monitoring Officer) and addresses the legal requirement to set out how the policy for agreement of chief officer remuneration differs to that of other Council employees. For the purposes of this statement this includes:

- **Chief Executive Officer (Head of Paid Service)**
- **Deputy Chief Executive (151)**
- **Director of Corporate Affairs & Business Transformation**
- **Director Of Place**
- **District Solicitor & Monitoring Officer**
- **Corporate Management Team**

The definition of chief officers (as set out in section 43(2) of the Localism Act 2011) is not limited to Directors, Heads of Paid Service or statutory chief officers. It also includes those who are their direct reports (who may or might not be statutory chief officers and those who report directly to non-statutory chief officers (deputy chief officers).

The metric used for pay dispersion is the multiple of chief executive to mean earnings. Tracking this multiple will ensure public service organisations are accountable for the relationship between the pay of their executives and the wider workforce. Through this pay policy statement Mid Devon will track this multiple annually. **(This is shown as Officer Remuneration in the accounts)**

- the level and elements of remuneration for each chief officer
- the remuneration of the lowest paid employees
- the relationship between the remuneration of its chief officers and other officers
- other specific aspects of chief officer remuneration.

In respect of Officer Remuneration Note in the accounts: It should be noted that this information will relate to the previous year as shown in the annual accounts.

- Salary, fees and allowances
- Bonuses
- Expenses allowance
- Compensation for loss of employment
- Employers pension contribution
- Any other emoluments

Pay multiple
This is calculated by comparing all taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of benefits in kind) for the Chief Executive compared to mean earnings and the lowest paid in the organisation.

Specific Policy Areas
The National Joint Negotiating Committee has previously emphasised that 'it is good governance that local authorities can demonstrate that decisions on pay and reward packages for chief executives and chief officers have been made in an open and accountable way.'

The Leader of the Council may recommend to Full Council changes to the remuneration package following an annual review. Any structural changes to the remuneration packages of the Chief Executive or Directors will be subject to Full Council approval.

Salary increases in relation to cost of living will be made in line with National Joint Council recommendations.

The use of market supplements may be applied in certain circumstances but at present are not considered necessary for any senior role.

At present, there are no additional payments made to senior officers which specifically relate to performance such as performance bonuses; neither is there an element of pay which can be enhanced for performance. Performance issues will be dealt with through the achievement of agreed objectives and appraisal review process.

Any termination payments to chief officers on ceasing office will comply with Mid Devon District Council's Redundancy Policy and no additional payments will be made without the express approval of Full Council.

Through this policy the pay multiple of the Chief Executive will be monitored annually. Should the multiplier between the annual salary paid to a full time employee on the lowest spinal column point and the annual salary paid to the Chief Executive be greater than 10, this will be reported by the Leader of the Council to Full Council for consideration.

Our support for apprenticeships, which may be considered a temporary employment, will not be used to skew the pay multiple metric and will therefore be excluded from the calculation. In order to ensure complete transparency however we have also included the salary of apprentices.

There are no arrangements currently in place for tax and national insurance payments to be paid other than through the normal channels, i.e. through the normal PAYE route for all officers of the Council.

5. PAYMENT OF RETURNING OFFICER

Additional payments are set and made by Central Government to officers carrying out additional duties at elections. These payments will only be received when elections take place and although fixed, do vary according to the type of election for which the payment is made. These payments are not within the scope of this policy.

6. OUTCOMES

In having this policy Mid Devon District Council will ensure that the process for setting pay at a senior level is transparent. This policy will be reviewed annually to track the relationship of chief officer pay with the rest of the workforce.

7. PERFORMANCE MONITORING

Annual monitoring of this policy will take place in February. Monitoring of the Chief Executive's performance takes place through an annual appraisal process.

8. POLICY/STRATEGY CONSULTATION

This policy will be agreed with the Council's Leadership Team, Cabinet and Full Council.

9. EQUALITY IMPACT CONSIDERATIONS

The principles of equal pay are integral to this policy. 'Equal work' is defined as:

- Like work where the woman and the man are doing the same job or
- Work rated as equivalent where the 2 jobs are different but have been evaluated by the employer's job evaluation scheme (JES) at the same level/grade or
- Work of equal value where the jobs are again different but an argument is made that both jobs should be regarded as being of equal value or worth.

10. RESPONSIBILITIES

The Corporate Manager for People, Governance and Waste will be responsible for this policy and for updating information on an annual basis.

11. RECORDS

Documents and records generated as a result of the application of this policy will be held electronically and retained as legally required.

All records will be maintained and processed in compliance with the Data Protection Act.

12. DOCUMENT HISTORY

Date	Version	Update
10/02/2017	1	Pay Policy
05/04/2018	2	Pay Policy
07/02/2019	3	Pay Policy
13/02/2020	4	Pay Policy
Feb 2021	5	Pay Policy
Feb 2022	6	Pay Policy
Feb 2023	7	Pay Policy

1. The level of remuneration for all Senior Officers earning over £50,000 is shown below:

Post Title	Remuneration	
	2022/23	2023/24
Chief Executive	£118,549	£122,698
Deputy Chief Executive (S151)	£87,027	£105,000
Director of Corporate Affairs and Business Transformation (Post holder left 05/06/2023) (Post removed 31/12/2023)	£85,358	Post removed from structure as per cabinet decision during 2023.
Director of Place and Economy (Formally Director of Place)	£85,358	£97,000
Director of Legal, HR & Governance (Monitoring Officer) (New Post 01/01/2024)	-	£97,000
District Solicitor and Monitoring Officer (New post from 25/09/2021) Spot salary from 01/07/2023 Post removed 31/12/2023	Grade P £68,687 to £72,773	£75,320
Corporate Manager Public Health, Regulation & Housing Acting up from 01/06/23 (per annum)	Grade N £58,904 to £62,392	Grade N £61,189 to £64,813 £8694
Corporate Manager People, Governance & Waste Acting up from 01/06/2023 (per annum)	Grade N £58,904 to £62,392	Grade N £61,189 to £64,813 £8694
Corporate Manager Digital Transformation & Customer Engagement	Grade N £58,904 to £62,392	Grade N £61,189 to £64,813
Corporate Manager Property, Leisure & Climate Change (Post holder left 17/05/2023)	Grade N £58,904 to £62,392	Grade N £61,189 to £64,813
Corporate Manager Income, Benefits & Recovery Acting up from 18/05/2023 (per annum)	Grade N £58,904 to £62,392	Grade N £61,189 to £64,813 £6481.32
Corporate Manager	Grade N	Grade N

Financial Services Acting up from 18/05/2023 (per annum)	£58,904 to £62,392	£61,189 to £64,813 £6481.32

2. The full time remuneration of the lowest paid employee.

Post Title	Remuneration		Other Allowances	
	2022/23	2023/24	2022/23	2023/24
Recreation Assistant (FOH) or Refuse Loader	£21,575	£23,500	None	None
Apprentice	£16,206	£18,135	None	None

The lowest paid employees in the 23/24 tax year were the Recreation assistants (FOH) in the Leisure Service and the Refuse Loaders in StreetScene.
The apprentice rate has been uplifted to £9.40 per hour for the 2023/24 tax year.

3. The multiplier of the remuneration of the Chief Executive based upon taxable earnings.

Category	Total Remuneration	
	2022/23	2023/24
Pay multiple of Chief Executive to Mean	4.28	3.87
Pay multiple of Chief executive to lowest paid FT employee	5.49 (based on Recreation Assistant) 7.32 (based on apprentice rate)	5.22 (based on Recreation Assistant) 6.77 (based on apprentice rate)

Category	Total Remuneration	
	2022/23	2023/24
Annual Mean Pay of all employees (Total Salaries/Total FTE)	£27,724	£31,713

Officer Remuneration Note in Accounts

Publication of Officers Remuneration
We are required to publish the following information in respect of officer remunerations:

a) The number of employees whose remuneration in the year was greater or equal to £50,000, grouped in rising bands of £5,000.

b) An analysis by job title of the remuneration and employer's pension contributions in respect of senior employees whose salary is £50,000 or more per year (or by name and job title where the salary is £150,000 per year)

4. Officers' Emoluments

This table includes all statutory and non-statutory posts whose overall remuneration exceeds £50k excluding pension contributions and non-taxable allowances as published in MDDC Statement of Accounts 2022-23 (middevon.gov.uk)

Remuneration Band	2021/22		2022/23	
	Number of Employees	Left During Year	Number of Employees	Left During Year
£50,000 - £54,999	5	-	9	-
£55,000 - £59,999	2	-	1	-
£60,000 - £64,999	4	-	6	-
£65,000 - £69,999	-	-	2	1
£70,000 - £74,999	-	-	-	-
£75,000 - £79,999	-	-	-	-
£80,000 - £84,999	2	-	2	-
£85,000 - £89,999	-	-	1	-
£90,000 - £94,999	-	-	-	-
£95,000 - £99,999	-	-	-	-
£100,000 - £104,999	-	-	-	-
£105,000 - £109,999	-	-	-	-
£110,000 - £114,999	-	-	-	-
£115,000 - £119,999	1	-	1	-

Eleven employees in the above table are not Senior Officers so have not been included in the Senior Officers table, all other employees are included.
In completing the 2022/23 Accounts we have complied with the statutory instrument regarding officer emoluments. The statutory instrument requires the individual naming of any Officers with an annual salary of £150,000 or more and the post title of any officers earning £50,000 or more who occupy statutory roles or are responsible for managing the strategic direction of services.
The Council had no officers earning at or in excess of £150,000 in 2023/24.

5 Termination Benefits

2022/23 Exit Package Cost Band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total cost of exit packages in each band £'000
£0 - £19,999	-	5	5	41
£20,000 - £39,999	-	-	-	-
£40,000 - £59,999	-	-	-	-
£60,000 - £79,999	-	-	-	-
Total	-	5	5	41

During 2022/23 a couple of settlement agreements were made. These were associated with service restructures and changes in order to reduce future employee costs. This helps match ongoing expenditure against the well documented cuts in Central Government funding.

6 Gender Pay Gap

6.1 Pay quartiles by gender

The Mid Devon District Council figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Under the law, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

Quartile	Males	Females	Description
1	60.76%	39.23%	Includes all employees whose standard hourly rate places them at or below the lower quartile
2	48.84%	51.16%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
3	32.56%	67.44%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
4	53.49%	46.51%	Includes all employees whose standard hourly rate places them above the upper quartile

6.2 Mid Devon District Council's Gender Pay Gap

	Mean Average Hourly Rate	Median Average Hourly Rate
Male	£15.52	£13.91
Female	£15.37	£14.17
HMRC % gap	**0.97%**	**-1.87%**

The mean gender pay gap for the whole economy (according to the ONS Annual Survey of Hours and Earnings (ASHE) figures) is **7.7%**; at Mid Devon District Council's mean gender pay gap is **0.97%,** therefore, significantly lower than that for the whole economy.

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PAY SUPPLEMENT POLICY

Purpose & Scope:

This Policy applies to all Mid Devon District Council employees. Supplements are only considered where all reasonable methods to improve recruitment or retention have been exhausted, and / or there is considerable risk to service delivery. Pay supplements will always be considered against the needs of the specific role as opposed to the post holder.

Table of Contents:

Page 1 – INTRODUCTION
Page 2 – MARKET SUPPLEMENTS
Page 3 – RETENTION PAYMENTS
Page 4 – INCREMENTAL PROGRESSION
Page 5 – HONORARIUM PAYMENTS
Page 6 – PROCESS FOR APPROVAL
Page 7 – RESPONSIBILITIES
Page 8 – RECORDS

Related Documents & Further Reading (including but not limited to):

A set of links redirecting managers to different information available on the SharePoint.

- Staff Charter
- Nolan Principles
- Line Manager Toolkit

1. Introduction

This Policy contains the agreed approach to be taken in the application, monitoring and review of pay supplements within Mid Devon District Council.

Pay supplements incorporate mechanisms for managing recruitment, retention and market related issues by temporarily increasing the total pay awarded to a post (without altering the job evaluation determined grade for that post) when it can be shown that the salary range attached to the grade is significantly lower than those offered by a competitor and therefore it impacts adversely on the ability to recruit or retain staff. They also cover methods of recognition and reward.

During times of specific upheaval and change, it may be necessary to secure the delivery of key services and moreover, to retain a particular skill set within the authority using retention payments, market supplements, acting up payments and honorarium.

The objectives of this Policy are:-

- To recruit the best possible staff for each post and enable the Council to mitigate against any adverse impact on its ability to compete in the local labour market by looking at pay supplement payments

- To facilitate flexibility to resource the Council whilst ensuring compliance with equal pay legislation, achieving transparency and adopting best practice.

- To secure the consistent delivery of key services to the public that may be at risk by giving the ability to retain key post holders.

- To manage the usage of pay supplements responsibly with an aim to ensure that it does not create excessive or unnecessary pay disharmony.

This policy will be attached to the annual Pay Policy which is a statutory submission each year to be approved by both the Cabinet and Full Council.

2. Market Supplements

A market supplement payment is paid in addition to basic salary for a specific individual post or cluster of identical posts. It may be paid where a post has been identified as 'hard to fill' and the Council is prevented from being able to recruit and/or retain existing staff on the salary determined by the Council's job evaluation scheme.

Payment will be:

- used in exceptional circumstances only
- mindful of any equal pay/value considerations, in order to avoid/minimise the potential for challenge on this point
- made as a clearly identified supplement with properly documented supporting reasons, for the amount of payment
- time limited in its application ie the guaranteed period will be up to a maximum of 12 months
- subject to regular monitoring and review
- pensionable
- applicable to all individuals appointed to the post

Any case for the payment of a market supplement must be properly justified, with supporting evidence from the following range of criteria:

- Evidence of a difficulty to recruit or pay related retention difficulties, together with market pay data
- Turnover rates
- Market based salary comparisons with competing local/regional/national employers (both public and private sector)

- Evidence that other retention initiatives have been explored/exhausted (e.g. learning and development opportunities, promoting non-pay benefits)
- Assessment of the impact of a failure to maintain adequate staffing levels in order to ensure service delivery requirements are met
- Consideration of the impact on other existing staff within the defined job group
- Robust budget impact assessment

In addition to the criteria above, account should be taken of the wider employment context applicable to the occupational group and whether the payment of the market supplement will address the particular issues underlying the retention difficulties, or whether alternative/additional actions are required.

For example:

- Are the difficulties an indicator of other issues of concern within the service/occupational group, which can be more appropriately resolved by other management action and/or non-pay measures?
- Is there a regional/national shortage for which new/alternative training schemes would be a more appropriate solution?
- Are there more appropriate ways of resourcing/delivering the service rather than through an in house workforce?

The amount of the market supplement will not be greater than 15% of the top of the salary range for the post.

Market supplements, and the conditions applicable to them, shall be clearly set out and separately identified in any job advertisement and offer/appointment letter.

Market supplement reviews will be undertaken in the following circumstances:

- At least three months prior to the end of the guaranteed period, Human Resources will instruct the Line Manager to commence the review of the market place related to that post and present the findings to the Pay and Grading Group no later than six weeks prior to the end of the guaranteed period.
- If a review indicates that the market supplement is no longer justified, it will be withdrawn. Employees will receive a minimum of one months' notice if the market supplement is being withdrawn and the reasons for this decision.

Failure to present the findings of the review to the pay and grading group within six weeks of the end of the Guarantee Period will result in the withdrawal of the pay supplement with 1 months' notice.

3. Retention Payments

Deferred retention payments are paid after an agreed period of employment has been completed, and will only be authorised on the basis of the provision of robust evidence amounting to a material factor (suitable for defending any potential equal pay claims).

The following evidence will be required as a minimum:

- defined skills or knowledge of an individual not available elsewhere within the authority which are deemed essential to service delivery, or other equitable material differential
- a written offer of employment with another employer, including details of the terms and conditions being offered
- reasons for leaving are clearly related to remuneration / job security, and not other factors such as dissatisfaction with role, manager, team or organisation
- evidence that other measures have been explored, together with the impact on the team.

Payments may be made at the end of a given period, or staggered throughout the specified period of retention.

Requests can only be brought by management, and will have to satisfy the Pay and Grading Group that there is not an Equal Pay issue. A clear business case detailing the significant impact on service delivery will be required for submission to the Pay and Grading Group following authorisation by Director or the Chief Executive.

Managers will also need to include information in their business case as to why a retention payment is more applicable than a market supplement before any payment can be approved.

Retention payments will be subject to the appropriate contractual conditions being met, e.g. remaining within the Council's employment for a specified period and/or the completion of specific tasks. Individuals will be required to sign an agreement to this effect.

The amount of a deferred retention payment will not be greater than 10% of substantive salary.

These payments will made in addition to the individual's normal salary but will be subject to the normal income deductions in respect of tax and National Insurance. They are not pensionable.

If a deferred payment is made in stages and not at the end of the period and an individual leaves the Council within the agreed period of operation of the payment, the individual will be required to pay back all monies received under the scheme, except in the circumstances set out in below.

If an individual leaves the Council because of illness, injury, disability or redundancy, the member of staff will not be required to refund payment

During the specified period when a retention payment is being made a Manager will be required to manage the risk of the employee leaving by undertaking the necessary measures such as ensuring the employee shares their knowledge with other colleagues and/or undertaking recruitment to the role.

If a retention payment is being proposed that relates to a Director then the CEO, the Leader of the Council, the relevant Cabinet Member and the Corporate Manager with responsibility for People will need to agree and sign off any proposal. This will then be sent to SW Councils for independent evaluation and ratification.

If a retention payment is being proposed that relates to the CEO, then the Leader of the Council, the relevant Cabinet Member, Chairman and the Corporate Manager with responsibility for People will need to agree and sign off any proposal. This will then be sent to SW Councils for independent evaluation and ratification.

4. Incremental Progression

The Council's financial rules provide Operational Managers and above with delegated powers to place an individual on the spinal column point of their choosing, provided it is within the evaluated grade for the post, and follows satisfactory performance.

In support of this delegated authority, and in order to ensure that equal pay is maintained the determination of an individual spinal column point either at the commencement of employment in the job role or at any other time will be based on objective material factor criteria as follows:-

- Possession of skills, knowledge, experience or qualifications beyond those which are essential to the job which will enhance performance in the role
- Demonstrable accelerated growth in the role beyond that expected (attainment of skills/knowledge/experience).
- An alternative to a retention payment or market supplement where the criteria for such payments is met.

In the event that an employee has not met their performance targets in line with their annual appraisal or has not been working to the required standard of work they will not be awarded a pay increase, and this will be reviewed again in the following year.

For appointments effective between 1 October and 31 March inclusive, the next increment will be six months after the effective date and then 1 April thereafter.

Subsequent increments are achieved when there has been a demonstration of high performance against the expectations of the role. Any incremental pay progression will be awarded to employees once this has been evidenced through the annual pay review.

The annual performance review is an opportunity for managers and their staff to review performance throughout the year and make a judgement as to whether a pay increase will be awarded. If a pay increase is not awarded then the manager will be required to give specific details about any performance shortfalls, and provide the employee with specific targets and support. In certain circumstances where an informal process has not reached a solution this may proceed to a capability process.

Any incremental pay increases will be payable on 1 April. Pay increases will no longer be awarded once the employee has reached the top of the pay scale for their role.

5. Honorarium Payments

An honorarium payment may be made to an employee who is undertaking duties of a higher level than those for which they are graded. This can be related to:

- covering a vacancy
- covering an ongoing absence within the department (such as long term sickness, but not annual leave)
- undertaking work on an ongoing basis which is over and above that expected for the grade of the post
- *a special project/activity – work outside normal scope of duties*

Any honorarium paid should not only be for a justifiable reason, but also clearly calculated. The payment, which is pensionable, should be calculated as follows:-

Extra responsibilities for between 6-8 weeks

For the first 6-8 weeks this is considered as a development opportunity offered without payment. As with any request for a staff member to take on extra responsibilities the extent of the duties will need to be clearly confirmed, and the member of the staff has the right to decline the opportunity. It is crucial that this aspect is confirmed in advance of any extra responsibilities being proposed.

Extra responsibilities for over 8 weeks

Any staff who have responsibilities longer than 8 weeks should receive an acting up allowance to the equivalent of 10% of their current salary if it is work at their grade. If duties are belonging to a role of a higher grade the staff member will receive 10% of the salary of the role being covered.

*Payments being awarded in respect to the above should be for no longer than 12 months as per the CMT principle adopted in 2020.

Extra responsibilities for a period longer than 12 months

If there is a requirement for additional duties to be taken for a period longer than 12 months then a formal evaluation of the staff members role will need to be considered which may lead to a formal restructure within the department.

In accordance with the Council's financial rules, the Line Manager must obtain approval prior to the confirmation of any honorarium by making a request using the Honorarium Payment Approval Form, which must be completed and signed off by themselves and the Operational Manager/Director. This should then be forwarded to Human Resources. Staff are not able to put themselves forward for an honorarium.

6. Process for Approval

In order to maintain the integrity of our Job Evaluation scheme, requests for market supplements, retention payments, and honoraria are all subject to additional approval by the Pay and Grading Group. Any such requests will be submitted for consideration at the next available meeting of the Pay and Grading Group following receipt of the authorised request.

All requests must be made on the appropriate application form and all supporting documentation must be attached. Business cases which propose market supplements, retention payments and honorariums must be robust in order to provide a defence against an equal pay claim.

7. Responsibilities

Managers are responsible for making the business case, including carrying out any research, completing the necessary application form and obtaining the necessary level of authorisation prior to submitting the request to Human Resources.

Managers are responsible for ensuring that any proposals in respect of incremental progression and honoraria can be met from their own budget. There will be a central budget for market supplement/retention payments, which will be controlled by Human Resources.

The Pay and Grading Group are responsible for approving market supplements, retention payments and honoraria.

Human Resources will ensure that all the necessary paperwork and information has been submitted, provide the check and balance arrangements in respect of that supporting evidence, ensure that any payments are supported with an objective justification, and will specifically be responsible for identifying reasons for leaving upon receipt of requests for retention payments. Human Resources will review this policy annually to ensure continued relevance.

Human Resources will be responsible for providing an annual summary of:

- the number of applications under each strand of this Policy
- the number of applications approved under this Policy
- the breakdown of applications approved by gender

to the Pay and Grading Group. Data monitoring the application of incremental progression will be reported to each Pay and Grading Group meeting, and annually to the Corporate Negotiation and Joint Consultative Committee.

8. Records

Documents and records generated as a result of the application of this policy will be retained permanently on the individuals personnel file. Records of will be held

permanently on the Council's HR and Payroll information systems. All records will be maintained and processed in compliance with the Data Protection Act.

Appendix 3 – Scheme of Delegation

Special Severance Payments

In line with guidance published by the Department for Levelling Up, Housing & Communities, Mid Devon District Council has the following approval process for payments deemed 'Special Severance Payments'.

Monetary Amount	**Approval By**
> £100,000	Approved by a vote of full council, as set out in the Localism Act 2011
> £20,000 but < £100,000	Must be personally approved and signed off by the Head of Paid Service, with a clear record of the Leader's approval and that of any others who have signed off the payment
< £20,000	Must be approved according to the local authority's scheme of delegation. It is expected that local authorities should publish their policy and process for approving these payments

At MDDC our local scheme of delegation for Special Severance Payments requires approval and sign off by our Head of Paid Service and S151 Officer, with advice sought from the Monitoring Officer where appropriate.

Where the proposed payment is to the Head of Paid Service (Chief Executive), to avoid a conflict of interest it is expected that the payment should be approved by a panel including at least two independent persons.

As part of their duties, an authority's s151 Officer, and where appropriate, the Monitoring Officer, should take a close interest in and be able to justify any special severance payments that are made by that authority and in particular any payments made that are not consistent with the content of this guidance.

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Report for:	**CABINET**
Date of Meeting:	6th February 2024
Subject:	**POLICY FRAMEWORK**
Cabinet Member:	Cllr Luke Taylor, Leader
Responsible Officer:	Stephen Walford, Chief Executive
Exempt:	None
Wards Affected:	All
Enclosures:	Annexe 1

Section 1 - Summary and Recommendation(s)

Summary:

Endorsement of the Policy Framework is required so that the Council is able to align its policies to corporate objectives and make efficient use of its resources. It is also required by the Constitution.

Recommendation:

Cabinet to recommend to Council that the Policy Framework be adopted.

Section 2 – Report

1.0 **Introduction/Background**

1.1 The Policy Framework consists of both statutory documents that have to be adopted or approved by the Council as well as locally determined policies and strategies that form an integral part of the decision making process and their subsequent implementation.

1.2 A list of Strategies and Policies covered by the Framework is attached at Annexe 1.

1.3 It is recommended that these Strategies and Policies be formally approved as the Council's Policy Framework in accordance with the Constitution so far as they still apply and are relevant.

1.4 As new policies are approved by Council they will automatically be added to the Policy Framework.

2.0 **Way Forward**

2.1 Under the Budget and Policy Framework Procedure Rules, the Cabinet will be responsible for the implementation of the Budget and Policy Framework.

2.2 The purpose of this report therefore is to inform the Cabinet of their role in the implementation of the budget and policy framework, and highlighting to the Audit Committee, Policy Development Groups, Licensing and Regulatory Committees their work for the coming and future years.

2.3 The Policy Framework covers all strategic rather than operational policies and highlights those which are for Cabinet only approval and those which require full Council approval.

Financial Implications: None arising from this report.

Legal Implications: The report is required by the Constitution.

Risk Assessment: Not updating the strategic policies of the Council would result in policies not being aligned to corporate objectives and an inefficient use of resources.

Impact on Climate Change: Several policies within the Policy Framework have a direct link to climate change.

Equalities Impact Assessment: There are no concerns with regard to equalities impact relating to the content of this report.

Relationship to Corporate Plan: An efficient and effective policy framework helps provide the infrastructure to deliver the corporate plan

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 23/1/2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 23/1/2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 26/1/2024

Performance and risk: Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 26/01/2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Stephen Walford, Chief Executive or Laura Woon, Democratic Services Manager (Email: lwoon@middevon.gov.uk)

Background papers: None

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Community Policy Development Group						
Policy	**Director**	**Last Approved**	**Group/Committee to review/develop**	**Expected date for next approval**	**Approval required from**	**Frequency to be reviewed**
Air Quality Action Plan	Director of Place & Economy	Nov-21	Community PDG	Nov-24	Cabinet	4 yearly
CCTV Policy	Deputy Chief Executive (S151)	Jan-21	Community PDG	Jan-24	Cabinet	3 yearly
Community Engagement Strategy (including Action Plan)	Deputy Chief Executive (S151)	Jun-23	Community PDG	Jun-25	Cabinet	2 yearly
Corporate Anti Social Behaviour Policy	Director of Place & Economy	Mar-21	Community PDG	Mar-24	Cabinet	3 yearly
Corporate Health & Safety Policy	Chief Executive	Jan-21	Community PDG	Jan-24	Cabinet	3 Yearly
Customer Care Policy	Deputy Chief Executive (S151)	Jan-22	Community PDG	Jan-24	Cabinet	3 yearly
Grant payments to external organisations (the strategic grants review process)	Director of Place and Economy	Nov-23	Community PDG	Nov-25	Cabinet	when appropaire
Enforcement Policy	Director of Place & Economy	Oct-20	Community PDG	May-24	Cabinet	When required
Safeguarding Children & Adults at Risk Policy and Procedures	Corporate Manager for Housing, Public Health and Regulation	Mar-22	Community PDG	Mar-25	Cabinet	3 yearly
Single Equalities Policy and Equality Objective	Director of Legal, HR and Governance	Mar-23	Community PDG	Mar-24	Cabinet	Annually
Town and Parish Charter	Director of Place and Economy	Nov-17	Community PDG	Mar-24	Cabinet	3 yearly
Unauthorised Encampment Policy	Deputy Chief Executive (S151)	Jun-22	Community PDG	Jun-25	Cabinet	3 yearly
Contaminated Land Cost Recovery Policy	Director of Place & Economy	Sep-20	Community PDG	Sep-25	Cabinet	5 yearly
The Council Tax Reduction Scheme & Exceptional Hardship Policy	Deputy Chief Executive (S151)	Jan-23	Community PDG	Jan-24	Cabinet	When required
Regulation of Investigatory Powers	Director of Legal, HR and Governance	Jan-22	Community PDG	Jan-24	Cabinet	Now Annually

Economy Policy Development Group

Policy	Director of Place	Last Approved	Group/Committee to review/develop	Expected date for next approval	Approval required from	Frequency to be reviewed
Destination Management Plan for Mid Devon	Director of Place & Economy	Mar-18	Economy PDG	Nov-24	Economy PDG - Cabinet	Every 5 years
Economic Strategy 2019-2024 (formerly known as the Mid Devon Economic Development Strategy 2012 - 2015)	Director of Place & Economy	Feb-19	Economy PDG	Nov-24	Economy PDG - Cabinet	5 yearly
Shopfront Enhancement Schemes (£15k non-key)	Director of Place & Economy	Nov-22	Economy PDG	Nov-25	Economy PDG - Cabinet	3 yearly
Strategy for Tiverton 2017/27	Director of Place & Economy	Feb-17	Economy PDG	Feb-27	Economy PDG - Cabinet	Every 10 years

Environment Policy Development Group						
Policy	**Director**	**Last Approved**	**Group/Committee to review/develop**	**Expected date for next approval**	**Approval required from**	**Frequency to be reviewed**
Bereavement Services Fees and Charges	Deputy Chief Executive (S151)	Nov-23	Environment PDG	Nov-24	Cabinet	Annually
Climate Strategy and Action Plan	Deputy Chief Executive (S151)	Oct-20	Environment PDG	Oct-24	Cabinet	4 yearly
High Hedges Policy	Director of Place & Economy	Aug-16	Environment PDG	Aug-23	Cabinet	7 yearly
National Assistance Burial Procedure	Deputy Chief Executive (S151)	Jun-19	Environment PDG	Jun-24	Cabinet	5 yearly
Open Space and Play Area Strategy (2013 - 2033)	Deputy Chief Executive (S151)	Jan-15	Environment PDG	Jan-33	Cabinet	18 yearly
Parks and Open Spaces 10 Year Management Plan and Design Principles	Deputy Chief Executive (S151)	Nov-17	Environemnt PDG	Nov-27	Cabinet	10 yearly
Play Area Safety Inspection Policy	Deputy Chief Executive (S151)	Jul-22	Environment PDG	Jul-25	Cabinet	3 yearly
Environment Educational Enforcement Policy	Director of Place & Economy	Mar-20	Environment PDG	Jan-24	Cabinet	3 yearly
Tree Policy	Deputy Chief Executive (S151)	May-21	Environment PDG	May-26	Cabinet	5 yearly

Homes Policy Development Group

Policy	Director	Last Approved	Group/Committee to review/develop	Expected date for next approval	Approval required from	Frequency to be reviewed
The Neighbourhood and Community Standard						
ASB Policy	Director of Place & Economy	2023	Homes PDG	2028	Cabinet	5 yearly
Car Park Management	Director of Place & Economy	2020	Homes PDG	Jan-30	Cabinet	10 yearly
Garage, GGRP & Parking Spaces Policy	Director of Place & Economy	2024	Homes PDG	Jan-34	Cabinet	10 yearly
Pets & Animals Policy	Director of Place & Economy	2024	Homes PDG	Jan-34	Cabinet	10 yearly
Hoarding Policy	Director of Place & Economy	2019	Homes PDG	Oct-29	Cabinet	10 yearly
Neighbourhood Management Policy	Director of Place & Economy	2023	Homes PDG	Aug-27	Cabinet	4 yearly
CCTV Policy	Director of Place & Economy	2022	Homes PDG	Sep-27	Cabinet	5 yearly
The Transparency, Influence and Accountability Standard						
Tenant Compensation Policy	Director of Place & Economy	2021	Homes PDG	Dec-24	Cabinet	3 yearly
Tenant Involvement Strategy	Director of Place & Economy	2021	Homes PDG	2025	Cabinet	4 yearly
Service Standards	Director of Place & Economy	2016	Homes PDG	2024	Cabinet	5 yearly
Income Management Policy	Director of Place & Economy	2015	Homes PDG	Jun-24	Cabinet	5 yearly
Vulnerability Policy	Director of Place & Economy	2022	Homes PDG	2026	Cabinet	4 yearly
The Quality and Safety Standard						
Aids and Adaptations	Director of Place & Economy	2021	Homes PDG	Apr-26	Cabinet	5 yearly
Void Management Policy	Director of Place & Economy	2023	Homes PDG	Jan-28	Cabinet	5 yearly
Improvements to Council Properties	Director of Place & Economy	2020	Homes PDG	Nov-29	Cabinet	10 yearly
Damp & Mould Policy	Director of Place & Economy	2023	Homes PDG	Sep-33	Cabinet	10 yearly
Recharges Policy	Director of Place & Economy	2023	Homes PDG	Sep-33	Cabinet	10 yearly
Homes Safety Policy (NEW)	Director of Place & Economy	NEW	Homes PDG	Jan-24	Cabinet / Council	10 yearly
The Tenancy Standard						
Allocations Policy	Director of Place & Economy	2022	Homes PDG	2026	Cabinet	4 yearly
Tenancy Management Policy	Director of Place & Economy	2022	Homes PDG	2026	Cabinet	4 yearly
Leseholder Management Policy	Director of Place & Economy	2022	Homes PDG	2026	Cabinet	4 yearly
Decant Policy	Director of Place & Economy	2022	Homes PDG	2026	Cabinet	4 yearly
Tenancy Inspection Policy	Director of Place & Economy	2023	Homes PDG	Dec-28	Cabinet	5 yearly
Right to Buy Policy (NEW)	Director of Place & Economy	NEW	Homes PDG	Mar-24	Cabinet / Council	10 yearly
Tenancy Strategy	Director of Place & Economy	2012	Homes PDG	2024	Cabinet	5 yearly
Housing Strategy 2021 - 2025	Director of Place & Economy	2021	Homes PDG	Jan-25	Cabinet	4 yearly

Licensing & Regulatory Committees						
Policy	**Responsible Officer**	**Last Approved**	**Group/Committee to review/develop**	**Expected date for next approval**	**Approval required from**	**Frequency to be reviewed**
Hackney Carriage and Private Hire Policy and Conditions	Corporate Manager for Public Health, Regulation and Housing	Mar-23	Regulatory Committee	Mar-26	Council	3 Yearly
Licensing Policy	Corporate Manager for Public Health, Regulation and Housing	Nov-18	Licensing Committee	Jun-24	Council	5 yearly
Statement of Principles for Gambling Act 2005	Corporate Manager for Public Health, Regulation and Housing	Dec-21	Licensing Committee	Oct-24	Council	3 Yearly
Mobile Homes FIT AND PROPER PERSON FEE POLICY	Corporate Manager for Public Health, Regulation and Housing	Sep-23	Regulatory Committee	Sep-24	Delegated to Officers	Annual

Audit Committee						
Policy	**Director**	**Last Approved**	**Group/Committee to review/develop**	**Expected date for next approval**	**Approval required from**	**Frequency to be reviewed**
Annual Governance Statement and Governance Framework	Deputy Chief Executive (S151)	Oct-23	Audit Committee	Sep-24	Audit Committee	Annually
Anti-fraud and Corruption and Anti-Money Laundering Policies	Deputy Chief Executive (S151)	Feb-23	Audit Committee	Mar-25	Audit Committee	2 yearly
Corporate Recovery Policy	Deputy Chief Executive (S151)	Mar-21	Audit Committee	Mar-25	Cabinet	4 yearly
Data Quality Policy	Deputy Chief Executive (S151)	Nov-22	Audit Committee	Nov-26	Audit Committee	4 yearly
Financial and Contract Procedure Rules	Deputy Chief Executive (S151)	Jan-22	Audit Committee	Feb-24	Audit Committee - Full Council	3 yearly
Four year Strategic Audit Plan and Work Programme	DAP	Mar-23	Audit Committee	Mar-24	Audit Committee	Annually
Internal Audit Charter and Strategy	DAP	Mar-23	Audit Committee	Mar-24	Audit Committee	Annually
Risk Management Strategy	Director of Legal, HR & Governance	Mar-23	Audit Committee	Mar-24	Audit Committee	Annually
Whistleblowing Policy	Director of Legal, HR & Governance	Mar-21	Audit Committee	Mar-25	Audit Committee	4 yearly

Cabinet

Policy	Director	Last Approved	Group/Committee to review/develop	Expected date for next approval	Approval required from	Frequency to be reviewed
Statement of Community Involvement	Director of Place & Economy	Aug-20	PPAG	when required	Council	As and when required
Area of Special Control for advertisements	Director of Place & Economy	Dec-11	PPAG	Linked to the Local Plan	Council	When required
Asset Management and Capital Strategy Plan 2016-2020	Deputy Chief Executive (S151)	Mar-21	Cabinet	Mar-25	Cabinet	4 years
Channel Access Strategy	Deputy Chief Executive (S151)	Sep-18	Cabinet	May-24	Cabinet	When required
Community Infrastrure Levy	Director of Place & Economy	Jan-21	PPAG	As and when required as part of the Local Plan	Council	As and when required as part of the Local Plan
Complaints and Feedback policy	Deputy Chief Executive (S151)	Nov-21	Cabinet	May-24	Cabinet	3 years
Corporate Debt Recovery Policy	Deputy Chief Executive (S151)	Mar-21	Audit Committee - Cabinet	Mar-24	Cabinet	3 years
Corporate Plan	Chief Executive	Feb-20	Cabinet	Apr-24	Council	4 yearly
Council Tax Reduction Scheme	Deputy Chief Executive (S151)	Dec-16	Cabinet	When Required	Cabinet	When required
Data Protection Policy	Deputy Chief Executive (S151)	Oct-22	Cabinet	Oct-25	Cabinet	3 yearly
Discretionary Rate Relief Scheme	Deputy Chief Executive (S151)	Feb-19	Cabinet	awaited	Cabinet	Annually
The Establishment	Director of Legal, HR and Governance	Mar-23	Cabinet	Feb-24	Council	Annually
Freedom of Information Policy & EIR Policy	Deputy Chief Executive (S151)	Oct-22	Cabinet or Cabinet Member	Oct-26	Cabinet	4 yearly
ICT Strategy	Deputy Chief Executive (S151)	Feb-19	Cabinet	TBC	Cabinet	5 yearly

Cabinet

Policy	Director	Last Approved	Group/Committee to review/develop	Expected date for next approval	Approval required from	Frequency to be reviewed
Information Security and Information Security Incident Policies	Deputy Chief Executive (S151)	Oct-21	Cabinet	Oct-24	Cabinet	3 yearly
Internet Policy	Deputy Chief Executive (S151)	Jan-21	Cabinet Member for Community Well-Being/and Corporate Manager	Jan-24	Cabinet Member for Community Well-Being	5 Yearly
Leisure Pricing Policy	Deputy Chief Executive (S151)	Nov-23	Cabinet	Nov-24	Cabinet Member for Community Well-Being	Annually
Local Development Scheme	Director of Place & Economy	Jan-22	PPAG	As and when required as part of the Local Plan	Cabinet	As and when required as part of the Local Plan
Local Enforcement Plan (replaces Development Control Enforcement Policy)	Director of Place & Economy	Jan-18	PPAG	awaited	Council	3 yearly
Local Plan	Director of Place & Economy	Jul-20	Cabinet	Jul-25	Council	5 Yearly
Medium Term Financial Strategy	Deputy Chief Executive (S151)	Nov-23	Cabinet	Nov-24	Cabinet	Annually
Pay Policy	Chief Executive	Feb-23	Cabinet	Feb-24	Council	Annually
Records Management Policy	Deputy Chief Executive (S151)	Oct-22	Cabinet	Oct-26	Cabinet	4 yearly
Treasury Management Strategy and Annual Investment Strategy	Deputy Chief Executive (S151)	Mar-23	Cabinet	Feb-24	Council	Annually

Report for:	**Cabinet**
Date of Meeting:	6 February 2024
Subject:	**NEW MID DEVON HOUSING HOMES SAFETY POLICY**
Cabinet Member:	Cllr Simon Clist Cabinet Member for Housing and Property
Responsible Officer:	Simon Newcombe - Corporate Manager for Public Health, Regulation and Housing
Exempt:	None
Wards Affected:	All Wards
Enclosures:	Annex A – Homes Safety Policy Annex B – Homes Safety Policy Equality Impact Assessment (EIA)

Section 1 – Summary and Recommendation(s)

The Regulator of Social Housing is due to introduce a revised set of consumer standards as part of the new consumer regulatory framework by April 2024. The Safety and Quality Standard will replace the Home Standard and requires landlords to provide safe and good quality homes and landlord services to tenants.

The draft consumer standards code of practice states that registered providers must ensure they understand and comply with all applicable health and safety legal requirements, including secondary legislation (in relation to, for example, gas safety, fire safety, electrical safety, water safety, lift safety, asbestos safety, smoke alarms and carbon monoxide). In ensuring compliance, registered providers are expected to have regard to appropriate statutory guidance and to meet the legal requirements relating to the role of the health and safety lead. Mid Devon Housing (MDH) have drafted a new overarching Homes Safety Policy to reflect these new requirements in preparation for the new legal framework.

Recommendation:

That the PDG recommends that Cabinet recommends to Council that the MDH Homes Safety Policy and Equality Impact Assessment contained in Annexes A and B respectively be adopted.

Section 2 – Report

1 Introduction

1.1 Under the proposed Safety and Quality Standard, The Regulator of Social Housing (RSH) requires all registered providers (RPs) to provide safe and good quality homes and landlord services to tenants.

1.2 The Regulator of Social Housing regard councillors as responsible for ensuring that providers' businesses are managed effectively and that providers comply with all regulatory requirements. Consequently, it is important that councillors approve the relevant policy approaches adopted by MDH.

1.3 Social Housing (Regulation) Act 2023 (the 'Act') has received Royal Assent, meaning the bill has now been enacted into law. This will impact the regulatory framework for social housing and introduces a new proactive, consumer regulation regime focussed on meeting the needs of tenants. One aim of the legislation and regime is to ensure that providers of social housing, such as the Council, keep its properties and estates safe and clean.

1.4 The Act details the requirement for registered providers to appoint a health and safety lead and registered providers are expected to have regard to appropriate statutory guidance and to meet the legal requirements relating to the role of the health and safety lead.

1.5 These new standards are there to ensure people feel safe and secure in their homes, can get problems fixed before they spiral out of control, and see exactly how well their landlord is performing giving tenants a stronger voice. The Regulations take account of the aims and ambitions of the White Paper and several are particularly relevant to the aims of this policy:

- To be safe in your home (Chapter 1)
- To know how your landlord is performing (Chapter 2)
- To have your complaints deal with promptly and fairly (Chapter 3)
- To have a good quality home and neighbourhood to live in (Chapter 6)

1.6 As part of the new consumer regulation regime, from April 2023, the RSH introduced a series of 22 mandatory Tenant Satisfaction Measures (TSMs) creating a new system for assessing how well social housing landlords in England are doing at providing good quality homes and services. These measure include those applicable directly to building safety as well as those based on tenant perception surveys setting out tenants views on our performance.

1.7 The TSMs associated with this Policy are:

- BS01 – Gas Safety Checks - This measure is based on the percentage of homes that have had all the necessary gas safety checks
- BS02 – Fire Safety Checks - This measure is based on the percentage of homes in buildings that have had all the necessary fire risk assessments
- BS03 – Asbestos Safety Checks - This measure is based on the percentage of homes in buildings that have had all the necessary asbestos management surveys or re-inspections
- BS04 - Water Safety Checks - This measure is based on the percentage of homes that have had all the necessary legionella risk assessments (legionella is a bacteria that can make people ill if it enters water supplies)
- BS05 - Lift Safety Checks - This measure is based on the percentage of homes in buildings where the communal passenger lifts have had all the necessary safety checks

1.8 The annual reporting of performance against the above TSMs is therefore due from April 2024 for 2023/24.

2 Home Safety Policy

2.1 In order to comply with the Safety and Quality Standard MDH are required to comply with all health and safety legal requirements including secondary legislation.

2.2 The main aim of the Policy is to set out how MDH will manage the safety of our homes and fulfil all the statutory duties associated with safety that are required of us.

2.2 Existing MDH Safety Policies consisted of a Gas Safety Checks Policy and a Fire Safety in Communal Areas Policy. There were no specific policies relating to Electrical Safety Checks, Asbestos Safety Checks, Water Safety Checks or Lift Safety Checks as required by the Safety and Quality Standard going forward.

2.3 A full review of the existing policies was undertaken and officers felt it sensible to produce an overall Homes Safety Policy which included all the RSH requirements. Also included, although not specified by the RSH, is a solid fuel safety policy as MDH do have a small number of properties which contain solid fuel heating with relevant secondary safety legislation. This provides an enhanced level of clarity and ease of access to information relating to the overarching safety of our housing stock.

2.4 The new policy also includes details of the role of the Health and Safety Lead which is a requirement of the Social Housing (Regulation) Act 2023. More information on this is provided under Legal Implications below.

2.5 In addition to the overall policy, safety management plans have been constructed for the most complex and high risk compliance areas; Gas, Electrical, Asbestos and Fire Safety. These are comprehensive internal guidance documents for staff to enable them to comply with the overall policy. The requirement for such plans will be kept under rolling review through an internal performance management process – more information in Risk Assessment below.

3 Responsibilities

3.1 MDH as a social housing provider has a responsibility to ensure that it complies with appropriate statutory guidance and to meet the legal requirements relating to the role of the health and safety lead.

3.2 The policy provides tenants with clarity on their responsibilities in allowing access to their properties to allow safety checks to be undertaken.

4 Consultation

4.1 Tenants were invited to comment on the draft policy between 17th November and 17th December 2023.

4.2 Members of the Homes PDG were invited to comment on the draft policy between 17th November and 17th December 2023.

4.3 No comments or concerns were received from tenants but Members raised a query about allowing tenants to store bicycles in communal areas. It was explained that this could not be permitted because it was a fire risk to tenants.

4.4 Despite a lack of response to consultation, it is important that tenants are fully aware of the updated policy. To this end, should the policy be adopted, MDH will proactively signpost the policy on our webpages/Facebook pages and in the next tenant newsletter. Where relevant, particularly in relation to queries, service requests or complaints we will also ensure specific tenants or other stakeholders are also aware of the updated policy as required.

5 Current performance

5.1 The following table provides the performance data from April – October 2023.

Performance Measure	Target	Apr	May	Jun	Jul	Aug	Sep	Oct
BS01 - % of Gas Safety Checks Completed	100%	99.91%	99.87%	99.87%	99.91%	99.87%	99.91%	99.51%
BS02 - % of Fire Safety Checks	100%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
BS03 - % of Asbestos Safety Checks	100%	77.67%	77.66%	77.68%	77.67%	63.94%	63.94%	77.42%
BS04 - % of Water Safety Checks	100%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

BS05 - % of Lift Safety Checks	100%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
% of Electrical Checks		43%	43%	43%	42%	42%	42%	42%

Commentary on the results:

5.2 Asbestos Safety Checks

A management survey can, but does not always require a sample of a suspected asbestos containing material (ACM) to be taken; however the only way to 100% determine if a material contains asbestos is to take a sample and have this analysed. MDH want to be able to provide more accurate information so are only reporting on the number of properties where we have a management survey that has included samples.

Overall, we still hold a current asbestos register for all properties in our stock which adopts a no-risk approach and makes conservative assumptions on the presence of ACM based on property design and age in specific areas of each building which may subsequently be confirmed or otherwise through sampling where the register will then be updated. This enables our tenants, staff and contractors to stay safe at all times and approach any works with the appropriate level of caution and risk management.

Where MDH do not have samples of an ACM that we want to work on then the suspected material is sampled and analysed. To avoid any doubling up on surveys, for a number of years we have been asking for management surveys with samples or sampling where required due to a more detailed refurbishment and demolition survey, which is only used for intrusive works, such as new kitchens and bathrooms.

As we modernise properties and/or undertake works during property void periods this will therefore result in ACM being removed from properties even where there is no specific safety reason for doing so (i.e. the ACM is safe and in good condition) and the register is updated accordingly.

Overall, this is a proactive risk-reduction approach where we can remove some properties completely from the register or reduce the scope of the register entry where some material is removed or it is confirmed as not being ACM.

The reason for the drop in the number of surveys for August and September relates to some cross checking of information relating to the refurbishment and demolition surveys.

5.3 Electrical Safety Checks

Historically MDH carried out a Visual Inspection Report (VIR) every 5 years and an Electrical Installation Condition Report (EICR) every 10 years which is in line with current regulations as Social Housing is currently exempt from The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020, and we reported compliance on these figures.

But we are expecting that Social Rent properties will be brought in line with these regulations soon with a minimum five-year transition period. 'Housemark' nationally have changed the way we report with them already and are only recording EICRs.

As an EICR needs to be carried out every 5 years it would not be sensible to do lots at once we need to spread them out over a 5 year period which will equate to around 600 a year going forward, so in reality at the end of this year we will need to be around 50 % and then 60% next year and so on. This will ensure we are fully compliant at the end of the transition period.

6 Safeguarding and vulnerable tenants

6.1 MDH records details of all vulnerable tenants in able to support their needs. This includes making reasonable adjustments when we interact with vulnerable tenants to ensure that they are comfortable.

6.2 When a safety check is required MDH ensures that the tenant is communicated with by their preferred channel and that they understand the importance of allowing access to their home to complete the check.

6.3 Whilst repairs officers and contractors attend homes to specifically carry out a safety check any tenants observed who appear vulnerable or if there are safeguarding concerns will be reported to the Neighbourhood Officer. The Neighbourhood Officer will then contact the tenant to establish if they need additional support to be able to sustain their tenancies.

6.4 Further information on the equality impacts arising from this policy are set out under Equalities Impact Assessment below and in the full EIA attached in Annex B.

7 Recommendation

7.1 In accordance with the above, the following recommendation is made:

1. That the PDG recommends that Cabinet recommends to Council that the MDH Homes Safety Policy and Equality Impact Assessment contained in Annexes A and B respectively be adopted.

Financial Implications

This report on its own does not give rise to any direct financial implication but implementation of the activities set out in the policy and overall compliance with safety legislation must be budgeted for.

This will either be met from existing resources and funding or require separate business cases and appropriate approval to progress.

The Council's HRA revenue and capital budget/MTFP 2023-28 supports the activities required to maintain the Council's housing stock safely.

More information on financial implications is provided as part of the overall risk assessment below.

Legal Implications

The Council is an RP and therefore is required to comply with the regulatory framework operated by the RSH.

The policy ensures that MDH fully complies with its statutory obligations and that the safety of its residents is safeguarded including provisions set out in the draft new Safety and Quality Standard.

The policies, management plans and procedures form a key part of an overall assurance framework for MDH in discharging its statutory duties associated with landlord compliance. Failure to comply with these duties could result in formal prosecution being brought against MDH as a landlord e.g. potential of a corporate manslaughter case for the most serious of breaches.

Under section 126A and 126B of the Social Housing (Regulation) Act 2023, as an RP, MDH must designate a senior leadership individual with specific accountability for the health and safety of its tenants in our homes. The person holding this statutory role must be notified to the RSH and be visible to our tenants. They must be of sufficient authority to put in place mechanisms to have oversight of the housing service overall and monitor and assess health and safety risks then allocate resources to ensure compliance at all times. This policy and its delivery provides a key part of this assurance and implementation regulations for this part of the Act are expected shortly.

Risk Assessment

The Council has approximately 3,000 homes in management and the performance of MDH impacts upon the lives of many thousands of tenants and their families. This represents a huge responsibility and investment, consequently a major area of risk. Not providing an effective housing management service has the potential to result in failure to meet legal and statutory obligations including those relating to health and safety issues.

There are several main risks associated with this policy specifically:

Firstly, that staff are not adequately trained and/or effective working practices are not sufficient in scope or implementation to ensure compliance. This is mitigated through the provision of post by post specific competency requirements matched to legal compliance alongside internal management plans which provide staff and contractors with clear instructions on how to comply with the policy.

Secondly, that information on policy implementation and core compliance is not available. This has been addressed through the implementation of the new MDH performance hub which has updated KPIs specific to all aspects of health and safety compliance. These KPIs are reviewed internally through monthly performance meetings with service Operational and Team leads where any actions required are identified, allocated and reviewed for completion. Actions may include; provision of additional resourcing, further staff training, contract performance reviews or procedural updates. There is wider public reporting on compliance through our website and the quarterly service delivery reports provided to the PDG. Several of the new,

mandated Tenant Satisfaction Measures (TSMs) also require health and safety performance to be reported to both RSH and tenants (more information is provided in Section 1.6 and 1.7 of this report).

Thirdly, that key health and safety activity is not adequately resourced by the HRA to ensure rolling compliance and to address any potential gaps or risks. This is addressed through the MTFP which has been reviewed going forward to ensure adequate budget is in place with additional provision to meet known current and future requirements. As the performance information is reviewed and as requirements are updated then the MTFP will be updated through the annual budget cycle. Furthermore, there are adequate HRA reserves to deal with an unplanned, urgent works as may be required.

Finally, that that tenants and leaseholders are not aware of the risks. These risks are mitigated by tracking our performance against targets which are published for tenants including the new TSMs from April 2024 and by regular campaigns on health and safety. In addition, our frontline teams in all areas are trained to be aware of relevant risks and how to log and report these internally as they be directly or indirectly captured as part of their wider duties.

Impact on Climate Change

The correct functioning of gas and electrical systems reduce the impact of the systems on the environment through efficient operation. Having good knowledge of the condition of our systems allows planning for their replacement when appropriate times with more efficient upgrades that benefit the environment and our tenants.

Equalities Impact Assessment

MDH has a collection of housing related policies. These help to ensure that service delivery is consistent and fair. These are currently being reviewed with the aim of aligning them more closely with the Regulatory Standards.

Furthermore, there is a regulatory requirement for registered providers of social housing to tailor their services to meet the needs of tenants. MDH collects data on the diversity of tenants and endeavours to tailor services to meet the needs of all tenants and to enable compliance to be monitored.

Our housing estates must be accessible to those with disabilities and we have in place a regular schedule of inspections to ensure that all safety issues are identified and rectified as soon as possible and we have specific policy, procedures and budget to provide tenant-specific aids and adaptions where required.

Information provided by MDH is available in alternative formats, upon request, in order to ensure that all those living on our estates understand the rights and responsibilities of the Council as a landlord, and tenants and other residents, individually.

The Housing Ombudsman Service Complaints Handling Code which MDH adhere to also requires landlords to have an awareness of accessibility so residents are easily be able to access the complaints procedure via several routes.

The Equalities Impact Assessment for this policy attached to this report in Annex B.

Relationship to Corporate Plan

This policy relates to statutory requirements on MDH and does not directly align with any of the specific current Corporate Plan targets. However, it is consistent with one of the overarching aims of the Plan which is to have sustainable and prosperous communities.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 05 January 2024

Statutory Officer: Maria de Leiburne
Agreed on behalf of the Monitoring Officer
Date: 03 January 2024

Chief Officer: Simon Newcombe
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 14 December 2023

Performance and risk: Steve Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 03 January 2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Simon Newcombe, Corporate Manager for Public Health, Regulation and Housing or Mike Lowman, Operations Manager for Building Services
Email: snewcombe@middevon.gov.uk / mlowman@middevon.gov.uk
Telephone: 01884 255255

Background papers and further information:

Current MDH Gas Safety and Fire Risk in Communal Area's Policies
https://www.middevon.gov.uk/media/348656/gas-safety-policy-2018.pdf
https://www.middevon.gov.uk/media/344294/mddc-fire-risk-in-communal-areas-policy.pdf

Proposed Safety and Quality Standard
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1173042/20230721_Annex_1_Proposed_Consumer_standards.pdf

Social Housing (Regulation) Act 2023
https://www.legislation.gov.uk/ukpga/2023/36/contents

Homes Safety Policy 2023

1 Introduction 3
2 Aims and Objectives 3
3 Legal Framework and Context 3
4 Related Legislation and Regulatory Instruments 4
5 Health and Safety Lead 5
6 Tenant Responsibilities 5
7 Gas Safety Checks 6
8 Electrical Safety Checks 7
9 Fire Risks in Communal Areas and Flats 8
10 Asbestos Management 10
11 Water Safety Checks 12
12 Lift Safety Checks 16
13 Solid Fuel Appliances 16
14 No Access 17
15 Complaints 17
16 Equality Impact Assessment 18
17 Review and version control 18

1 Introduction

1.1 Mid Devon Housing (MDH) is part of Mid Devon District Council (the Council). It is responsible for the Council's housing stock including the maintenance, management and letting of its properties and estates.

1.2 This Policy sets out how MDH will manage safety in its homes and now incorporates the following Policies and Management Plans:

- Gas Safety Policy
- Fire Risk in Communal Properties Policy
- Asbestos Management

2 Aims and Objectives

2.1 This Policy aims to set out how MDH will manage the safety of their homes and fulfil all the statutory duties associated with safety that are required of them.

2.2 The objective is to define what MDH and tenants have a responsibility for and how this will be managed

3 Legal Framework and Context

3.1 Under the proposed Safety and Quality Standard, The Regulator of Social Housing (RSH) requires all registered providers to provide safe and good quality homes and landlord services to tenants.

3.2 The Regulator of Social Housing regard councillors as responsible for ensuring that providers' businesses are managed effectively and that providers comply with all regulatory requirements.

3.3 Social Housing (Regulation) Act has received Royal Assent, meaning the bill has now been enacted into law. This will impact the regulatory framework for social housing and introduces a new proactive, consumer regulation regime focussed on meeting the needs of tenants. One aim of the legislation and regime is to ensure that providers of social housing, such as the Council, keep its properties and estates safe and clean.

3.4 The Social Housing (Regulation) Act details the requirement for registered providers to appoint a health and safety lead and registered providers are expected to have regard to appropriate statutory guidance and to meet the legal requirements relating to the role of the health and safety lead.

3.5 These new standards are there to ensure people feel safe and secure in their homes, can get problems fixed before they spiral out of control, and see exactly how well their landlord is performing giving tenants a stronger voice. The Regulations take account of the aims and ambitions of the Safety and Quality Standard and several are particularly relevant to the aims of this policy:

- To be safe in your home (Chapter 1)
- To know how your landlord is performing (Chapter 2)
- To have your complaints deal with promptly and fairly (Chapter 3)
- To have a good quality home and neighbourhood to live in (Chapter 6)

3.6 As part of the new consumer regulation regime, from April 2023, the RSH introduced a series of 22 mandatory Tenant Satisfaction Measures (TSMs) creating a new system for assessing how well social housing landlords in England are doing at providing good quality homes and services. These measure include those applicable directly to building safety as well as those based on tenant perception surveys setting out tenants views on our performance.

3.7 The TSM's associated with this Policy are:

- BS01 – Gas Safety Checks - This measure is based on the percentage of homes that have had all the necessary gas safety checks
- BS02 – Fire Safety Checks - This measure is based on the percentage of homes in buildings that have had all the necessary fire risk assessments
- BS03 – Asbestos Safety Checks - This measure is based on the percentage of homes in buildings that have had all the necessary asbestos management surveys or re-inspections
- BS04 - Water Safety Checks - This measure is based on the percentage of homes that have had all the necessary legionella risk assessments (legionella is a bacteria that can make people ill if it enters water supplies)
- BS05 - Lift Safety Checks - This measure is based on the percentage of homes in buildings where the communal passenger lifts have had all the necessary safety checks

4 Related Legislation and Regulatory Instruments

- The Housing Act 2004
- The Landlord & Tenant Act 1985
- Health and Safety at Work Act 1974
- The Gas Safety (Installation and Use) (Amendment) Regulations 2018
- Construction Design & Management Regulations 2015
- Reporting of Injuries, Diseases & Dangerous Occurrences Regulations 2013
- ACOP L8 – Legionnaires disease: The control of legionella bacteria in water systems (HSE)
- ACOP L143 – Managing and Working with Asbestos (HSE)

- The Control of Asbestos Regulations 2012
- The Control of Substances Hazardous to Health Regulations 2002
- The Electricity at Work Regulations 1989
- The Social Housing (Regulations) Act 2023
- The Smoke and Carbon Monoxide Alarm (England) Regulations 2015
- HETAS (Heating Equipment Testing & Approval Services Guidance)
- Building Safety Act 2023

5 Health and Safety Lead

5.1 The Social Housing (Regulation) Act requires MDH to have a Health and Safety Lead at Executive level and will be introduced by subsequent regulation.

5.2 The Health and Safety Lead will identify and ensure that MDH meets all legal requirements that relate to the health and safety of tenants in their homes and communal areas.

5.3 The Health and Safety Lead will notify the Cabinet of:

- Any risks assessed of material failures by MDH to comply with health and safety requirements
- Any material failures by MDH to comply with health and safety requirements
- Advice as to how MDH should address risks and failures notified for the purpose of ensuring that MDH complies with health and safety requirements.

6 Tenant Responsibilities

6.1 The MDH Tenancy Agreement states the responsibility of the tenant in allowing access to their property to allow safety checks to be undertaken. Specifically the agreement states:

'You must allow us or our employees access to the property at all reasonable hours to carry out repairs, Improvements, planned programmes, gas servicing and any safety checks, to inspect its condition and to complete new tenancy visits and tenancy home checks'.

With regard to Gas Safety Checks the tenancy agreement states:

'As your Landlord we are under a duty to check any gas fitting and the flues serving it in the Property at least once a year in order to minimise the risk of explosion or carbon monoxide poisoning. We will always give you reasonable notice in writing of any inspection. You must provide access for the inspections and to pay for any reasonable expenditure we incur as a result of any failure by you to provide access.

You must ensure that you have sufficient credit on gas and electric meters to enable the engineer to carry out your annual service.'

7 Gas Safety Checks

7.1 MDH is legally responsible for the safety of its tenants in relation to gas safety. By law MDH must:

- repair and maintain gas pipework, flues and appliances in safe condition so as to prevent risk of injury to any person
- ensure an annual gas safety check on each appliance and flue
- keep a record of each safety check which must be retained for two years

7.2 The duty extends to appliances and pipework which serve the property even if they are not let to the tenant e.g. communal boilers.

7.3 MDH will inspect and issue the record in accordance Part F, Regulation 36A of the Gas Regulations as amended (April 2018) in order to ensure delivery of our requirements as a landlord.

7.4 MDH has entered into a contract with a Gas Servicing Contractor, who is a Gas Safe registered company, to help meet these obligations using an agreed appointment procedure.

7.5 A copy of the CP12 certificate (Landlords Gas Safety Record) will be provided to the tenant in lawful occupation of the property within 28 days of the annual safety check.

7.6 A further gas safety check will be carried out on all MDH properties with a gas meter involved in a mutual exchange. The check will be carried out on the day the tenants' move.

7.7 Where there is not an immediate transfer between households the supply outlet of the meter will also be capped. Engineers will return to uncap, test and issue the GSR once the new householder is present.

7.8 MDH annual safety checks and servicing will include the inspection and testing of tenants' own fixed gas appliance, we are obligated to carry out a visual inspection of the appliance and assess its operation. It will not include the servicing or repair of any tenant owned appliance, which is the tenants' responsibility.

7.9 MDH will install hard-wired carbon monoxide detector(s) to all rooms that contain a MDH gas appliance and any room where a flue passes through in compliance to the Smoke and Carbon Monoxide Alarm (England) Regulations 2015.

7.10 Where there is a tenant own fixed gas appliance in the property (regardless of ownership), the connection to the appliance up to the gas controls is included in the Gas Safety Check. The engineer will also inspect the overall condition and ensure all safety features operate effectively.

7.11 Where an “At Risk” notice has been issued for an unsafe situation involving a tenant owned appliance but the tenant has refused to have the appliance switched off, MDH will write to the tenant explaining the need for them to carry out repairs within 5 working days. If the tenant fails to carry out these works MDH will take action, either to complete the works and recharge the tenant or to insist that the appliance is isolated.

7.12 Where the appliance is “Immediately Dangerous” is it isolated; if a tenant refuses to allow the engineer to isolate the appliance it is treated as a Gas Emergency and Wales & West Utilities (WWU) are contacted. If the tenant still refuses the appliance to be isolated WWU may choose to isolate the gas supply to the property. This may include excavations in the street, for which the tenant will be recharged

7.13 MDH will not grant consent for tenants to install new gas fires or to replace/upgrade existing ones.

7.14 MDH has a Gas Safety Management Plan providing more detailed guidance and procedures for staff and contractors

8 Electrical Safety Checks

8.1 MDH will ensure that all domestic properties owned or managed have a valid Electrical Installation Condition Report (EICR) that is no older than 5 years from the date of the previous EICR.

8.2 MDH will deliver a comprehensive programme of testing and inspection of all domestic properties on a rolling 5-year cycle.

8.3 MDH will ensure that all electrical installations shall be in a satisfactory condition following completion of an electrical installation inspection and test.

8.4 MDH will ensure that electrical installation inspection and tests are carried out prior to the commencement of any new tenancies (void properties), mutual exchanges and transfers and that a satisfactory EICR is issued to the tenant prior to them moving in.

8.5 MDH will ensure that only suitably competent NICEIC electrical contractors and engineers undertake electrical works.

8.6 MDH will test and replace as necessary smoke alarms, heat detectors and carbon monoxide detectors which are not covered as part of the annual gas safety check visit (i.e. the property does not have gas), as part of the 5-yearly electrical inspection and testing visit.

8.7 MDH will ensure there is a robust process in place for the management of any follow-up works required following the completion of a periodic inspection and test of an electrical installation or electrical portable appliance.

8.8 MDH will as a minimum make safe and/or where possible endeavour to repair all code 1 and code 2 defects identified by a periodic electrical installation inspection and test before leaving site after completing the inspection and testing works. Any further remedial works to code 1 and 2 defects will be completed within 10 working days (except where a rewire is required) and an EICR will be issued stating that the installation is in a satisfactory condition.

8.9 MDH will establish and implement programmes of electrical installation upgrading works to improve electrical installations, that have been identified as not meeting current standards but are in a satisfactory condition for the purposes of an EICR, up to a standard that meets all current requirements of BS7671.

8.10 Safety checks of electrical vehicle charge points installed by MDH will be included in the electrical safety check. Charge points installed by the tenant will be checked at an additional cost.

9 Fire Risks in Communal Areas and Flats

9.1 The Regulatory Reform (Fire Safety) Order 2005 (RRO 2005) applies to all common parts of buildings that have 2 or more dwellings and places a legal duty on MDH to undertake and record a Fire Risk Assessment (FRA).

9.2 An FRA is an assessment of the risks to relevant persons from fire to identify what general fire precautions are required for those particular premises.

9.3 A communal area is any area that is not within the confines of the tenant's property. This will include stairs, stairwells, hallways, landings, common rooms, laundry rooms, boiler rooms, open areas, flat entrance doors and the entrance to the building as well as the building's structure and external walls.

9.4 Under the fire legislation, Regulatory Reform (Fire Safety) Order 2005, MDH, as the responsible person, being the landlord, will comply with the legislation and will carry out a FRA and take reasonable steps to remove or reduce any risks that have been identified.

9.5 MDH will ensure that all residential communal blocks with shared communal areas and all individual flats owned by the Council will have a FRA.

9.6 Where practical, copies of FRAs will be located within the premises. On some sites, this may not be practical and, therefore, the FRA will be stored online MDH electronic document management system with read only access to all Officers in MDH. Copies will also be available for inspection in the landlord's office (based either at Phoenix House or at the Old Road Depot).

9.7 The FRAs will be reviewed annually, or following a significant change and will include:

- Checks and maintenance of fire door closers
- Fire alarm testing
- Maintenance of clear safety signage in our blocks

9.8 Situations which might prompt a review less than a year after the initial assessment was made include:

- A change in the number of people present or the characteristics of the occupants; including the presence of people with some form of disability
- Introduction of new equipment, structural alterations to the building; including the internal layout or significant changes.
- Awareness of shortcomings in fire safety measures or potential improvements
- Changes in security requirements, arson or the wedging open of doors
- If a fire occurs
- Updates in legislation
- Alterations to the building; such as replacement entrance doors or internal decoration to communal areas
- The storage of hazardous substances by a tenant

9.9 Wherever possible, MDH will aim to prevent fire safety issues by educating tenants from the beginning of their tenancies and ensuring that support, advice and assistance is readily available. This includes a fire safety leaflet, repairs handbook and tenant handbook.

9.10 MDH has a duty to ensure that the means of escape from a building or communal area is not obstructed, to ensure that tenants and visitors can exit safely in the event of a fire.

9.11 MDH will operate a zero tolerance policy in respect of storage of belongings in communal areas. Any items left in communal areas will be removed and this policy will be widely publicised by writing to all those tenants living in flats, and leaseholders. In addition, it will be publicised in our tenant newsletter and via social media.

9.12 Where communal areas provide emergency lighting, carbon monoxide detectors and electrical items, servicing of these items will take place in accordance with the Council's cyclical programme, following legislative guidance and manufacturers' recommendations. Servicing of the communal smoke alarms will take place every six months in accordance with the appropriate regulations.

9.13 We will remove any flammable items left in communal areas as a matter of urgency to reduce risk.

9.14 We will place fire log cabinets in communal areas of blocks of flats. These will be secure and will contain Information on the type of alarms and emergency lighting as well as the servicing and inspection/test dates and copies of FRA's.

9.15 We will write to residents of all of our blocks of flats on an annual basis in order to inform a review of the information held in order to ensure that the records are kept updated.

9.16 We will provide fire-proof letter boxes if there is a risk of arson, in order to provide reassurance to tenants and other residents, as appropriate.

9.17 Bonfires and/ or mini fires on communal land, owned and managed by MDH will not be permitted. Disposable BBQ's are not permitted to be used in communal areas.

9.18 MDH have a Fire Risk in Community Areas Management Plan providing more detailed guidance and procedures for staff and contractors

10 Asbestos Management

10.1 MDH housing stock is of various ages this section describes the management of Asbestos Containing Materials (ACM).

10.2 MDH will remove all asbestos products from the inside of empty (void) properties whilst they are being brought up to the Decent Homes requirement or during major works to improve homes.

10.3 MDH long-term aim is to remove all asbestos from the property portfolio, as far as is reasonably practicable.

10.4 If tenants suspect they have found asbestos within the home they must not remove or disturb the ACM and inform MDH immediately so that mitigating actions can be put in place to remove the ACM.

10.5 MDH comply with the Control of Asbestos Regulations 2012 (CAR 2012) and to enable compliance to this policy all MDH operatives have received training and awareness of asbestos, its likely effects and the likely locations within housing stock.

10.6 No new or recycled ACM will be used in any of our properties.

10.7 Where existing installations include ACM which is sound, in good condition, not releasing dust, and not subject to abrasion or damage, the material will be left undisturbed, until such time that its safe removal is planned.

10.8 Details are to be noted in the Asbestos Register and the installation will be re-inspected at regular intervals (not more than one year, except in domestic properties, where 20% will be re-inspected annually) to ensure that the condition of the material has not changed.

10.9 In domestic premises 20% will be re-inspected annually. More regular inspection may be required if the material is liable to mechanical damage or where the risk warrants it. Where deterioration of the material is observed a further risk assessment must be carried out and recorded.

10.10 The following inspection regime shall apply:

- Up to Low Risk, Material Assessment 1 – 6 20% Periodic inspection
- Up to High Risk, Material Assessment 7 + Annual inspection

10.11 Where existing installations include ACM which is damaged, deteriorating or inadequately sealed, it will either be removed and replaced by suitable material, resealed or encapsulated.

10.12 When considering removal, where the ACM is coated, covered or contained within another material, such as cement, paint or plastic are considered to be firmly bonded in a matrix, ACMs of this type in good condition can usually be treated as non-licensed work but where they are significantly damaged, and so more likely to release fibres, they will need to be treated as Notifiable Non-Licenced Work (NNLW).

10.13 It is the responsibility of the person in charge of the job to assess the ACM to be worked on and decide if the work is NNLW or non-licensed work. This will be a matter of judgement in each case, dependent on consideration of several factors.

10.14 Asbestos insulation, Asbestos coatings and Asbestos insulating board must be removed by a Licensed Asbestos Removal Company in accordance with the HSE's Approved Code of Practice (ACOP) and guidance L143, 'Work with Materials Containing Asbestos.' and then be taken to an approved, licensed site for disposal. Asbestos cement, gaskets, ropes and other bonded materials can be removed in accordance with the ACOP L143, providing that the persons carrying out the work have had appropriate training and have sufficient insurance cover. The ACOP L143 replaces ACOP L27 and ACOP L28.

10.15 An Asbestos Register will be compiled by MDH into which ACM installations and locations will be entered.

10.16 The Asbestos Register will be continually updated as and when surveys are carried out and asbestos materials are discovered and will be reviewed annually by MDH.

10.17 Information contained in the Asbestos Register will be made available to any employee, contractor, tenant or leaseholder.

10.18 If suspected ACMs are discovered during works on the property they should not be disturbed, but the incident reported to MDH who will arrange for an asbestos inspection and priority assessment.

10.19 MDH has an Asbestos Safety Management Plan providing more detailed guidance and procedures for staff and contractors.

11 Water Safety Checks

11.1 The Council as a landlord also has legal responsibilities to ensure the health and safety of tenants (including housing stock tenants) by keeping the properties let safe and free from health hazards including Legionnaires disease. Section 3(2) of the Health and Safety at Work Act 1974 (HSWA) makes provision for relevant health and safety legislation to apply to landlords to ensure a duty of care is shown to their tenants' with regard to their health and safety including managing Legionnaires disease.

11.2 The Council will (as an employer and as a landlord), as far as is reasonably practicable, take appropriate precautions to reduce the risk of ill health caused by exposure to Legionella. This will be achieved through providing a framework of actions designed to assess, prevent or control the risk from the Legionella bacteria. To achieve this it will use the practical guidance contained in the Approved Code of Practice and guidance documents outlined under 3 below aimed at identifying and assessing sources of risk, preparing a scheme to prevent or control risk, implementing, managing and monitoring precautions, keeping records of precautions and appointing a manager to be responsible for others.

11.3 Legislation

- Health and Safety at Work etc. Act 1974 (HASWA)
- Management of Health and Safety at Work Regulations 1999 (MHSWR)
- Control of Substances Hazardous to Health 2002 (COSHH**)**

11.4 Guidance

- Approved Code of Practise "Legionnaires' disease: The control of Legionella bacteria in water systems" L8
- HSG274 Part 1: The control of legionella bacteria in evaporative cooling systems
- HSG274 Part2: The control of legionella bacteria in hot and cold water systems
- HSG274 Part 3: The control of legionella bacteria in other risk systems
- Audit checklists: Control of legionella bacteria in water systems

11.5 Definition

Legionella bacteria are widespread in natural water systems, e.g. rivers and ponds. However, the conditions are rarely right for people to catch the disease from these sources. Outbreaks of the illness occur from exposure to legionella growing in purpose-built systems where water is maintained at a temperature high enough to encourage growth, e.g. cooling towers, evaporative condensers, hot and cold water systems and spa pools used in all sorts of premises (work and domestic). People contract Legionnaires' disease by inhaling small droplets of water (aerosols), suspended in the air, containing the bacteria. However, some people are at higher risk, including:

- people over 45 years of age;
- smokers and heavy drinkers;
- people suffering from chronic respiratory or kidney disease;
- anyone with an impaired immune system;

11.6 Responsibilities

Mid Devon District Council's (MDDC) policy on Legionnaires Disease must ensure the duty of care under the HASWA is met in respect of assessing and controlling the risk from exposure to legionella bacteria from work activities in relation to its Corporate and Commercial properties. MDDC achieves this through the following management structure;

Chief Executive – Duty Holder

The Council is the employer with legal responsibility for health and safety and is the duty holder. Through delegation the Chief Executive has overall responsibility for health and safety including the duty to manage Legionella. Both must support this policy to manage Legionella

by ensuring the allocation of resources including an adequate budget, suitable and sufficient equipment, personnel, time and training. Ultimately it is the Council fixed with legal responsibility.

Director of Finances, Assets and Resources – Strategic Lead

The Strategic Lead has a responsibility to support this policy by ensuring the allocation of resources including an adequate budget, suitable and sufficient equipment, personnel, time and training.

The safe management and operation of Sites and Properties activities, including consideration of Legionnaires Disease issues and compliance with the Legionella Management Plan within the operational and investment estate

Devolving the principal functions of Legionella management to the Responsible Person for maintenance, projects and estates management

Corporate Manager for Public Health, Regulation and Housing – Responsible Person

The Responsible Person ensures:

1. risks assessment are carried out for all MDDC properties by a competent person
2. to record the significant findings of the risk assessment
3. a written scheme for controlling the risk from exposure to the legionella bacteria is implemented and monitored
4. there is a "responsible competent person" to implement and monitor the control scheme
5. that where appropriate general microbiological sampling procedures are implemented
6. ensure a cleaning and disinfection process is implemented where required
7. a record of all inspections, tests and sampling is maintained
8. that the control measures are regularly reviewed and updated

11.7 Hierarchy of Control

The Legionnaires' disease Approved Code of Practise L8 states that;

a) Where the assessment shows that there is a reasonably foreseeable risk of exposure to legionella bacteria, the use of water systems, parts of water systems or systems of work that lead to exposure must be avoided so far as is reasonably practicable. Where this is not reasonably practicable, there should be a written scheme for controlling the risk from exposure that should be properly implemented and managed. The written scheme should specify measures to take to ensure that it remains effective.

b) The risk from exposure will be controlled by measures which do not allow the growth of legionella bacteria in the system and which reduce exposure to water droplets and aerosols. Precautions, where appropriate, include the following:

- avoiding water temperatures between 20 °C and 45 °C and conditions that favour the growth of legionella bacteria and other microorganisms;
- avoiding water stagnation which may encourage the growth of biofilm;
- avoiding the use of materials that harbour bacteria and other microorganisms, or provide nutrients for microbial growth. The *Water Fittings and Materials Directory* 10 references fittings, materials, and appliances approved for their compliance with the UK legal requirements for plumbing fittings and water using appliances;
- controlling the release of water spray;
- maintaining the cleanliness of the system and water in it;
- using water treatment techniques;
- taking action to ensure the correct, safe operation, maintenance of the water system and monitoring of any control measures applied

c) The written scheme includes, where appropriate, and with reference to the risk assessment:

- an up-to-date plan showing the layout of the plant or water system, including parts temporarily out of use (a schematic diagram is sufficient);
- a description of the correct and safe operation of the system;
- the precautions to take;
- checks to carry out to ensure the written scheme is effective and the frequency of such checks;
- the remedial action to take if the written scheme is shown to be not effective
- action to be taken in response to microbiological results greater than 100 colony forming units per litre

d) Records will be maintained that include details about:

- the appointed responsible person(s) for conducting the risk assessment, managing, and implementing the written scheme;
- any significant findings of the risk assessment;
- the written scheme and its implementation;
- details about the state of operation of the water system, i.e. in use/not in use;
- the results of any monitoring inspection, test or audit carried out, and the dates.

e) These records will be retained throughout the period they are current and for at least two years afterwards. Records of any monitoring inspection, test or check carried out, and the dates, will be retained for at least five years.

12 Lift Safety Checks

12.1 MDH has obligation duties to ensure that all powered lifts and equipment installed for which it has responsibility are installed, services and used comply PUWER (Provision and Use of Work Equipment Regulations 1998 and LOLER (Lift Operation Lift equipment Regulations) 1998: Regulation 9.

12.2 MDH will hold accurate records against each property it owns, or manages, identifying when the lifting equipment was last inspected.

12.3 MDH will ensure that lift safety inspections, servicing, installation and upgrade programmes will be undertaken by competent contractors.

12.4 MDH will ensure all lift installations undergo inspection and servicing four times a year in accordance with LOLER and that any deterioration is detected, defects reported and remedied in good time.

12.5 MDH will maintain accurate records of all completed inspections and services. Certificates associated with those visits will be held in an electronic document and shall be made available to view to the customers of the premises.

13 Solid Fuel Appliances

13.1 MDH will keep a record of all properties that contain a solid fuel appliance.

13.2 To ensure solid fuel appliances are safely managed and maintained MDH require annual confirmation of:

- Annual chimney sweep (where applicable); and
- Annual service according to manufacturer's instructions.

13.3 If MDH owns the solid fuel appliance then we will undertake these checks. If the appliance is the tenant's responsibility then they must provide this documentation.

13.4 Tenants who installed existing solid fuel appliances, should have obtained permission from MDH and satisfied building control requirements at the time. In addition to this, the appliance should have the following:

- HETAS certification;
- Lined chimney/flue;
- Adequate ventilation; and
- CO detector installed adjacent to the appliance.

13.5 The tenant is liable for ensuring all of these measures are in place. If there are any unauthorised appliances installed, we will request their removal.

13.6 Tenants will not be given permission to install new wood burning stoves or open up chimneys in any way. Burning waste in a solid fuel appliance can produce very high emissions of pollutants, potentially affecting the health of the household and its neighbour's. There is also a risk in terms of chimney fires and carbon monoxide poisoning.

14 No Access

14.1 MDH has a No Access Procedure for when tenants do not allow access to their properties to enable safety checks to be carried out.

14.2 Enforcement action could include:

- Applying for injunctions from the courts to enforce the landlords 'right of access'
- Serving 'Notices Seeking Possession' for breach of tenancy and applying to the courts to bring the tenancy to an end

14.3 For tenants with Introductory or Flexible Tenancy's, MDH will review the status of tenants who continually / year on year refuse access for the purposes of carrying out the annual service. Where appropriate MDH will take action to gain possession of the dwelling, or downgrade the tenancy status.

15 Complaints

15.1 We try to get things right the first time and when we do, we would love people to let us know. It's great for us to receive positive comments or feedback, so if people wish to complement our staff for doing a great job, we would love to hear from them.

15.2 If things do go wrong the council is committed to:

- Dealing with complaints and comments quickly and effectively; and
- Using complaints, comments and compliments to review and improve our services

15.3 When tenants contact us to tell us they are dissatisfied with the service we have provided, we will offer them the choice to have an informal conversation to see if we can put things right quickly, without the need for a formal investigation.

15.4 The Housing Ombudsman Service advise that a complaint must be defined as:

- *'an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the organisation, its own staff, or those acting on its behalf, affecting an individual resident or group of residents'.*

15.5 Where a tenant considers that the council has given a poor service or has got something wrong, they may tell a member of staff in the first instance. This does not need to be treated as a formal complaint (unless the complainant asks us to do so) and may be resolved 'there and then' by way of an apology or plan of action. Any comments provided will be used to take appropriate action, or give information.

15.6 If a tenant does not want to do this or is unhappy with the response, they may make a formal complaint, which can escalate from stage 1 or stage 2 if they are still not satisfied with the response. Having been through stages 1 and 2 and they are still not satisfied, the tenant may contact the Housing Ombudsman Service.

15.7 MDH's complaints procedure is detailed on Mid Devon District Council website: Feedback and Complaints

16 Equality Impact Assessment

16.1 MDH complete an equality impact assessment each time we develop or review a policy, procedure or service. The assessment is to help us ensure our decision making is fair and does not present any barriers or disadvantage to customers from any protected group (including disability) under the Equality Act 2010.

17 Review and version control

17.1 MDH will review this Policy every 10 years and as required to address legislative, regulatory, best practice or operational issues.

17.2 This policy was produced in 2023 and is version 1.00

17.3 This policy was adopted by Cabinet on xxxx

Homes Safety Policy - Equality Impact Assessment (EIA)

The Equality Act 2010 replaces the previous anti-discrimination laws with a single Act. It simplifies the law, removing inconsistencies and making it easier for people to understand and comply with it. It also strengthens the law in important ways, to help tackle discrimination and equality. The majority of the Act came into force on 1 October 2010.

The public sector Equality Duty came into force on 5 April 2011. The duty ensures that all public bodies play their part in making society fairer by tackling discrimination and providing equality of opportunity for all. It ensures that public bodies consider the needs of all individuals in their day to day work – in shaping policy, delivering services and in relation to their own employees.

The Equality Duty encourages public bodies to understand how different people will be affected by their activities so that policies and services are appropriate and accessible to all and meet different people's needs. By understanding the effect of their activities on different people, and how inclusive public services can support and open up people's opportunities, public bodies are better placed to deliver policies and services that are efficient and effective.

MDH is required by law to have due regard to the need to:

- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it, and
- Foster good relations between people who share a protected characteristic and people who do not share it.

EIA will be carried out by MDH in respect of new or revised policies and a copy of the assessment will be made available. Where it is clear from initial consideration that a policy will not have any effect on equality for any of the protected characteristics, no further analysis or action will be necessary.

Service:	Mid Devon Housing
Name of policy being assessed:	Homes Safety Policy
Lead officer responsible for EIA:	Operations Manager Building Services
Is this a new or existing policy:	New combined policy

1. What are the aims and objectives of the policy?

This Policy aims to set out how MDH will manage the safety of their homes and fulfil all the statutory duties associated with safety that are required of them.

The objective is to define what MDH and tenants have a responsibility for and how this will be managed.

2. What outcome do MDH want to achieve from this policy?

The Homes Safety Policy will combine the previous Gas Safety Check Policy and the Fire Safety in Communal Area Policy. It also introduces clauses for Electrical Safety Checks, Asbestos Management, Water Safety Checks, Solid Fuel Appliance Safety Checks and Lift Safety Checks. This will provide all the relevant information into one document, providing greater clarity for Officers and tenants as to how MDH will administer certain rights and responsibilities that tenants have.

It will ensure that MDH is compliant with its responsibilities under relevant legislation.

The Homes Safety Policy will ensure that all tenants receive a consistent response to issues that may arise in respect the safety of their homes and will inform tenants about how MDH will deal with safety in the home.

3. Who is intended to benefit from the policy?

The Homes Safety Policy will apply to all tenants.

4. Who are the main stakeholders in relation to the policy?

- All tenants
- Household members
- Family members of tenants

5. Do you have baseline quantitative data for this policy?

MDH has around 3000 tenants who all have a tenancy agreement and will be covered by the Homes Safety Policy.

6. Do you have baseline qualitative data for this policy relating to different equality strands?

All tenants of MDH will be covered by the Homes Safety Policy. This policy will ensure that a consistent, fair approach is taken when administering tenants' rights.

7. What has stakeholder consultation, if carried out, revealed about the nature of the impact?

The contents of the Homes Safety Policy provides guidance as to how MDH will administer the safety checks required under legislation. This policy does not change any tenancy rights, but sets out MDH's statutory responsibilities to its tenants.

Consultation with the relevant officers, members and tenants has taken place to ensure the document covers all aspects required of us and meets the needs of MDH and our tenants.

8. From the evidence you have, does the policy affect or have the potential to affect different equality groups in different ways?

All MDH tenants have a tenancy agreement that provides them with the rights outlined in legislation. The policy sets out how MDH will administer its statutory duties in respect of safety in its properties. No communities or groups are affected in an adverse way.

9. Is this policy likely to be equally accessed by all equality groups or communities?

The policy applies to all MDH tenants as all tenants have rights. Some tenancy rights will only be triggered where the tenant's circumstances dictate.

10. Are there barriers that might make access to the policy difficult for equality groups or communities?

MDH will maximise access for all groups. Where requested, MDH will have the tenancy agreement and policy translated if English is not the tenant's first language.

Support services are able to attend sign-up to ensure that the tenant understands their rights and responsibilities before signing the tenancy agreement.

11. Could the policy promote or contribute to equality and good relations between different groups?

The policy will ensure a consistent approach is taken when exercising our duties within the current legal and policy framework.

12. What further evidence is needed to understand the impact on equality?

MDH will use existing performance monitoring date to establish whether there has been any negative or positive impact on tenants and their ability to access services.

13. On the basis of the analysis above, what actions, if any, will MDH need to take in respect of each of the equality strands?

Characteristic:	Impact: Please ✓ the relevant box		Comments/Action:
Age:	Positive		No action needed. The rights of existing tenants remain unaffected.
	Neutral	✓	
	Negative		

Disability: You're disabled under the Equality Act 2010 if you have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on your ability to do normal daily activities.	Positive	✓	Pre-sign up, prospective tenants that would be classed as vulnerable will be identified and additional support services will be accessed. The Neighbourhood Officers will provide additional support by means of extra calls or visits to any tenants that are identified as vulnerable. Alerts are placed on the Housing system and a service adjustment can be offered if required, for example, large print letters, document translation.
	Neutral		
	Negative		
Gender:	Positive		No further action needed
	Neutral	✓	
	Negative		
Gender reassignment:	Positive		No further action needed
	Neutral	✓	
	Negative		
Marriage and civil partnership:	Positive		No further action required
	Neutral	✓	
	Negative		
Pregnancy and Maternity:	Positive		No further action needed
	Neutral	✓	
	Negative		
Race:	Positive		No further action needed. Regular monitoring may identify reasons not identified. Action will be taken to mitigate any barriers identified.
	Neutral	✓	
	Negative		
Religion and Belief:	Positive		No further action needed. Regular monitoring may identify reasons not identified. Action will be taken to mitigate any barriers identified.
	Neutral	✓	
	Negative		
Sexual Orientation:	Positive		No further action needed. Regular monitoring may identify reasons not identified. Action will be taken to mitigate any barriers identified
	Neutral	✓	
	Negative		

Monitoring and Review:
MDH will regularly review the EIA, in line with legislative changes or good practice, or if the policy impacts any group directly.

Operations Manager Building Services

Signed:

MINUTES of a **MEETING** of the **SCRUTINY COMMITTEE** held on 18 December 2023 at 5.30 pm

Present Councillors	R Gilmour (Chairman) G Westcott (Vice Chairman), D Broom, E Buczkowski, G Czapiewski, G Duchesne, A Glover, B Holdman, R Roberts and S Robinson
Apologies Councillor(s)	L Knight
Also Present Councillor(s)	J Buczkowski, S Keable, J Lock, L Taylor, J Wright and D Wulff
Also Present Officer(s):	Andrew Jarrett (Deputy Chief Executive (S151)), Maria De Leiburne (Director of Legal, HR & Governance (Monitoring Officer)), Matthew Page (Corporate Manager for People, Governance and Waste), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Angie Howell (Democratic Services Officer) and David Parker (Democratic Services & Policy Research Officer)
Councillors Online	A Cuddy, M Farrell, C Adcock, F W Letch and J Poynton
Officers Online	Lisa Lewis (Corporate Manager for Digital Transformation and Customer Engagement, Dr Stephen Carr (Corporate Manager Performance and Improvement Manager).

47 APOLOGIES AND SUBSTITUTE MEMBERS (00:04:40)

Apologies were received from Cllr L Knight who offered Cllr A Glover as a substitute.

48 DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00:05:05)

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

No interests were declared under this item

49 **PUBLIC QUESTION TIME (00:05:28)**

Sarah Coffin (The Chairman read out on Sarah Coffin's behalf)

Ref: Scrutiny Meeting 08/11/2021 (Agenda Item No. 11)

I am writing with reference to the above proposal submitted to Scrutiny by Councillor Barnell and accepted by Committee members; calling for a cross-agency investigation into the various nuisance and planning breaches, arising from the unfettered expansion of farm-fed anaerobic digester (AD) plants and servicing farm operations.

In view of the sheer volume of expert evidence submitted and the ongoing related issues, can the Committee please confirm:

Question 1: Whether a detailed investigation took place, as requested by the proposal?

Answer: Further to the November 2021 Scrutiny meeting, the then Chairman of the Scrutiny Committee wrote to neighbouring authorities in order to consider whether a joint investigation in to AD plants could be progressed with the input of those authorities – this being considered necessary in order to inform any investigation. Ultimately, the investigation did not progress beyond this stage but further work did progress within Mid Devon – including a visit to an AD plant in a neighbouring authority and further and ongoing work relating to AD plants within Mid Devon, led by officers.

Question 2: Whether there was a record of those invited who attended, as well as those who did not?

Answer: This was not relevant as the investigation did not progress.

Question 3: Were any conclusive findings and recommendations published in a closing report and made available to both elected Councillors and the public?

Answer: This was not relevant as the investigation did not progress.

In relation to the following Nuisance/ Enforcement related issues:

Question 4: What 'risk assessment' process was used by Council officers prior to advising elected Members on potential 'legal costs' implications, related to contentious Planning/Enforcement Appeals; who has sight and final decision over interpretation of any 'legal opinion/advice' if obtained?

Answer: Any 'Risk assessment' would vary between applications and will be dependent upon the unique characteristics of any application – as does who, for example, (an officer, members or both) makes final decisions.

Question 5: Does such process include counter consideration of potential lost revenue via 'withheld rates' (escrow account) or 'reduced rates' (Rates Tribunal) awarded to proven 'Nuisance/blight impacted' properties?

Answer: Planning enforcement matters were considered in light of relevant planning legislation and best practice.

Question 6: If Councillors agree 'Planning integrity' requires 'effective Enforcement' and without both, there can be no credible 'Net Zero/Climate' pledge/policy, please grant this review urgently?

Answer: This question relates to both a specific case and policy. Planning enforcement is discretionary and has to be managed from within the Council's limited resources. Nonetheless, Mid Devon District Council is committed to effective and proportionate enforcement and is accordingly focused on addressing the most severe planning breaches. Mid Devon is equally committed to ensuring that net-zero and climate policies are achieved.

Barry Warren

Questions in relation to item 11 on the agenda:

In Section 1, page 82, it states: "It should be noted that within the time constraints the working group has not been able to interview every stakeholder of potential interest nor examine every single document from the previous 7 years related to this topic."

Question 1: Who by, and how were the time constraints decided and set?

Answer: The Leader of the Council in concert with the Chairman of the Scrutiny Committee set the time constraints.

Question 2: Who advised and then decided who should be interviewed?

Answer: The Working Group decided for themselves who should be interviewed, the Working Group had the support of the Policy Research Officer to the Scrutiny Committee but they were not "advised" as you suggest, the Working Group took their decisions on the basis of the process they were going through.

It further states: "However, all the relevant material was made available, etc.

Question 3: Who decided what material was to be made available?

Answer: The Working Group decided, they had access to all material that they requested.

Question 4: As none of the Working Group were members of the last administration or the previous one when 3 Rivers was set up, who decided what material was relevant?

Answer: The Working Group had access to all material and decided for themselves which areas to concentrate on so as not to go over ground previously covered by outside auditors.

Question 5: Did the Working Group listen to any of the audio recordings of 'relevant' meetings as they contained all the discussions and, not just the brief summaries contained in the minutes, some of which have been challenged at times?

Answer: The Working Group did not listen to any audio recordings, although they were well aware that they were available and they could have listened to them but

they did not feel the need to do so, much of the debate happened in Part II for which there would not be audio recordings.

The 10 recommendations are 'For Noting only'.

Question 6: Does not the potential loss of many millions of pounds of public money by MDDC warrant more action or comment than this?

Answer: The Working Party were asked to carry out a "Lessons to be Learned" exercise – it was appropriate that the recommendations were to be noted.

Question 7: Recommendation 8 talks of Trust. Previously, any questioning of the advice being offered by Officers was invariably deemed as 'Criticism' and Members have been intimidated into not questioning officer advice at all. Look where that has got us. Trust can only be achieved if elected Members are able to thoroughly examine, and question, the advice being given by officers in order to gain a fuller understanding of it. Will the Working Group make a further recommendation regarding this?

Answer: The Working Group felt able and confident to thoroughly examine and question the advice given by officers and the resulting recommendation that trust between all stakeholders is a precondition of successful delivery of future development projects satisfies the objective.

Nick Quinn (The Chairman read out on Nick Quinn's behalf)

In relation to Agenda item 11- Working Group Lessons Report on 3 Rivers

There are some factual errors in the wording of the report (not the recommendations).
In the summary section on the first page of the report, the Working Group state that time constraints meant they were not able to see all persons and documents. If more time had been allowed, additional information could have been obtained and used for the double- checking and validation of all points, prior to the publication of this report.

Question 1: Why was the Working Group not given all the time they felt necessary,to complete this task?

Answer: The Working Group do not accept that there are any factual errors on the report and have not been shown any evidence to the contrary. The Working Group had to adhere to a timetable set by the Leader of the Council.

There are statements in the report which are incorrect, and other statements which appear to be incorrect.

Question 2: If evidence is provided to them, will the Working Group correct specific statements in the report?

Answer: As mentioned before, the Working Group do not accept that any of the statements they made are incorrect and are satisfied with the report. The report is

complete and it is too late to submit further evidence.

Question 3: If asked directly to do so, will the Working Group provide the evidence they used as the basis for some of the specific statements?

Answer: No

Lastly: This report is being presented to Scrutiny Committee and is “For noting only”. For the final report to have real value, and to prevent any possibility of a re-occurrence of what had happened, the recommendations would need to be considered and adopted by Full Council.

Question 4: Will the final report be put before Audit Committee, Cabinet and Full Council for acceptance?

Answer: No

Paul Elstone

Questions in relation to Agenda Item 11, The 3 Rivers Lessons Learned Report:

Question 1: Section 1 Summary and Recommendations states
Quote “All relevant material was made available”.
How can this be stated and when the Working Group had been told that Council Officers were threatening Members of the General Public with criminal action, if they provided certain documents?
It seems that former Council Leaders also received veiled threats if they made documents they may have held available.
That despite being fully aware, the current Council Leader failed to intervene to ensure key documents were released.

Question 2: Why were the former Council Leaders not interviewed in person, especially when the Working Group were made fully aware of the threats against them?

Question 3: Evidence is available which conflicts with several statements in the report. Did the Working Group have time to fully fact check the information they were provided with?

Question 4: The Working Group Report identified many and serious governance failings. What the Working Group have failed to do, is to reference who should have prevented these serious failings and how. It should be clear to any anyone with an understanding of the responsibilities of Local Government Statutory Officers, what the full root cause is. It has nothing to do with the various excuses the Public have previously been given including Government policy.
Why was the root cause not directly addressed in the report and something that is a serious omission?

Question 5: There is one email that fully identifies the root cause.
An email written to an MDDC Senior Officer in February 2020 and signed by all the Cabinet Members then, including the current Council Leader and a Deputy Leader.

Yet in the report there is no reference to some very serious concerns even allegations including concerns that there could have been a prima facia case to involve the police. An email that can only be described as explosive.
Was this relevant material given to the Working Group?
If so, and given its importance, how many of the signatories were interviewed and who? It is an email given the full content that warrants being in the public domain.

The Chairman explained that as the questions had not been provided in writing in advance of the meeting and that written responses would be provided to him in the fullness of time.

Kate Clayton-White

Having attended the scrutiny meeting in October I have concerns about the process of establishing 'lessons learnt' from 3 Rivers Developments.
The public want accountability. The fact that you agreed that 5 ex-councillors who made the decisions that led to this mess are allowed to give statements to this committee behind the protection of agreed anonymity is extraordinary. Those Councillors must be accountable to yourselves and the public they were elected to serve. Otherwise, how are you providing the openness and transparency you promised as a new administration?
I have not heard anyone on the streets of Tiverton praise the way this council is handling this matter. Unless you want to continue to be tainted by the actions of previous councillors then you need to be above board and honest with public and demonstrate your new culture of mutual respect. This committee needs to do its job properly – thoroughly scrutinise the actions and decisions of the previous incumbents, make all your findings available to and communicated to the public with absolutely nothing hidden behind part 2 proceedings. Taxpayers deserve to know how and why MDDC got into this mess and who was responsible. Otherwise, any lessons learned report, however well intentioned, will not be worth the paper it is written on.
My questions are

Question 1: Why were the previous councillors, successfully allowed to request that their statements remain in part 2?

Answer: In order to get some of the Councillors to provide meaningful statements and in order to provide anonymity to all, it was agreed by Officers and the Scrutiny Committee that all statements to the meeting of the Scrutiny Committee would remain anonymous. Had we not done so, then it was likely that the statements would be superficial and not helpful to the Working Group.

Question 2: Which of the internal and external reports mentioned in the working party report are available to the public?

Answer: There have been numerous internal and external reports received during the lifetime of the company. The majority of those reports have been in part 1. Clearly there have been a number of commercially sensitive reports which went into part 2.
All the part 1 reports are available on the Mid Devon Website.

Mr Goff Welchman

Questions in relation to Agenda Item 11 – the Working Groups' report into Lessons to be Learned from the 3 Rivers Developments Special Purpose Vehicle (SPV):

Question 1: In the Working Party's report, you list the lessons learned from it, most of these lessons are actually fundamental to the setting up of any business and requisite for any loans from a credible financial institution. The implication is therefore that these steps were not taken at the outset of 3 Rivers otherwise you wouldn't be needing to learn lessons from them. There are just four reasons why these steps were not taken: either ignorance, incompetence, negligence or deliberate avoidance, which of these reasons applies to 3 Rivers and its setting up?

Question 2: If the answer to question 1 is 'none of those' what reason can you give that you can disclose for such vital lessons in setting up a vast financial enterprise being ignored?

The Chairman explained that as the questions had not been provided in writing in advance of the meeting and that written responses would be provided to him in the fullness of time.

50 **MINUTES OF THE PREVIOUS MEETING (00:30:26)**

The minutes of the last meeting held on 30 October 2023 were approved as a correct record and **SIGNED** by the Chairman.

51 **DECISIONS OF THE CABINET (00:30:58)**

The Committee **NOTED** that none of the decisions made by the Cabinet on 12 December 2023 had been called in.

52 **CHAIRMAN'S ANNOUCEMENTS (00:31:04)**

The Chairman wished everybody a Happy Christmas and asked that everyone be mindful that Christmas is not always a happy time for everybody perhaps due to poverty or the reason that they had suffered bereavement around Christmas, it could be a distressing time so the Chairman asked everyone to look out for their colleagues, neighbours and local residents.

53 **CORPORATE PERFORMANCE REPORT (00:31:36)**

The Committee had before it, and **NOTED**, a report* from Dr Stephen Carr which outlined the Corporate Performance Report for Quarter 2 – July to September 2023. The Performance and Risk reports have been separated out and following a recommendation from an internal audit report, the Performance report would be reviewed by the Scrutiny Committee and then by Cabinet. It will come to Scrutiny Committee every 6 months.

Consideration was given to:

- The increase in the number of Homelessness presentations – due to; supply, cost of living pressures, mortgage failures, income levels and a myriad of other reasons. Best captured in overarching Corporate Risk. The tables showed the sharp end of the current nationwide housing crisis. The Council's broad Housing Strategy, the Housing Development Programme and the efforts to get in front of the pressure.
- The drop in housing complaints responded to on time – this was due to the comparatively low number and a slight variation affecting overall performance. Performance is affected by a number of factors including staff absence, complexity of the complaint, and reaching an agreement with the complainant to close the case. Sometimes it was better to give a good quality response than a timely one.
- Tree Planting – how many of those trees survived?
- Panier Market – what were the Council doing to support occupancy rates?
- Community Climate and Biodiversity Grants – what was the rough amount per project? What did the numbers mean in the Community Schemes Environmental Graph?
- Fixed Penalty Notices – in comparison against other periods enforcement was up.
- Further detailed responses to the questions raised will be circulated to Members via email.

Note: * report previously circulated

54 **WORK PROGRAMME INCLUDING FORWARD PLAN (00:45:08)**

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

The following was discussed:

The report into Key Performance Indicators in relation to Planning Enforcement was to be brought forward from March to the January 2024 meeting.

Corporate Parenting was discussed, Cllr J Lock and the Corporate Manager for Public Health, Regulation and Housing would produce an Overview of Corporate Parenting in a timely manner once the Corporate Parenting Board for Devon had been able to organise themselves and could give some input.

The Scrutiny Committee reviewed the two proposed Scrutiny Work Forms. It was **RESOLVED** that the original work proposal form continue to be used.

At the meeting in January members of the Scrutiny Committee would be deciding upon which order they would wish to scrutinise Cabinet Members about their portfolios.

Note: * Forward Plan and Work Programme previously circulated

55 **ANNUAL REPORT OF COMPLAINTS AND COMPLIMENTS (00:57:48)**

The Committee had before it, and NOTED a *report from the Corporate Manager for Digital Transformation and Customer Engagement which provided the annual report on Compliments, Comments and Complaints.

The following was discussed:

The report covered two distinct periods. The Local Government Ombudsman annual report which covered the period 22/23 and the last twelve calendar months of monitoring for compliments, comments and complaints.

There had been a significant rise of complaints in a couple of areas; first, housing – as reported to the Homes PDG – the significant rise was due to the housing ombudsman changing the guidelines in which Housing monitor and manage their complaints. There was a focus on listening to Council tenants and therefore a change to the way that the Council were recording, monitoring and responding to tenants and actively encouraging feedback.

The other area where there had been a significant rise in complaints was over refuse and recycling. The monitoring period covered, the new Bin It 123 scheme which was launched in November 2022 and the Council would expect to see an increase in reports for the first six months of the scheme. Those numbers had now gone back down to similar levels before the roll-out of the project. The increase in complaints was comparatively small, approximately 65 complaints in 12 months out of 3½ million collections every year.

Recently the Housing Ombudsman and the Local Government Ombudsman had held a consultation exercise asking for Council feedback on whether the guidelines regarding complaints should be brought closer together. The consultation closed in November 2023 and the Council awaited the outcome which may mean that later in 2024 the Council in other services would need to match what Housing have been doing. The Corporate Manager encouraged all Councillors to look at the Housing Report for the direction of travel.

With regard to referrals to the Ombudsman, a very low percentage of complaints were referred to the Ombudsman and out of the 12 complaints the Ombudsman considered, only 1 was upheld.

Consideration was given to:

- The number of visits to the Council offices, the district coming out of covid lockdown may well have impacted on the increase in numbers from the previous year. However, homelessness, cost of living and consequential requests for hardship payments may have meant that more people were visiting the Council Offices.
- The new Customer Relationship Manager system would accurately record the numbers visiting the office and the reasons for their visit.

Note: * report previously circulated

56 **COMMUNITY SAFETY PARTNERSHIP (01:09:30)**

The Committee had before it, and **NOTED**, a *report from the Corporate Manager for Public Health, Regulation and Housing.

The Corporate Manager particularly mentioned the Serious Violence Duty, a new duty imposed on Community Safety Partnerships. The activity was relatively limited in 2022-2023. The Community Safety Partnership (CSP) had agreed on their priorities for the year going forward. There was a report going to Cabinet about the strategy around the Serious Violence Duty and the Corporate Manager encouraged all Councillors to look at the report.

The Community Safety Partnership (CSP) was no longer funded in that the Council did not receive any money from the Police and Crime Commissioner (PCC) and so the CSP was now a facilitating and enabling partnership which directed other organisations to the funding which the PCC held rather than having that funding direct, this had reduced the activity that the CSP could introduce themselves. The Government had indicated that they would make some funds available to Devon to deal with the Serious Violence Duty but at present the level of funding was not known.

Note: * report previously circulated

57 **REPORT OF WORKING GROUP INTO THE LESSONS LEARNED FROM 3 RIVERS DEVELOPMENT LTD (01:14:18)**

The Committee had before it, and **NOTED,** a report from the Chairman of the Working Group looking into the Lessons to be Learned from the 3 Rivers Development Ltd Special Purpose Vehicle (SPV). The Chairman of the Working party introduced the report and gave thanks to all members of the Working Group.

Consideration was given to;

- Timescale for the report
- Confidentiality led to more information being given to the Working Group
- The report was on the back of various previous reports into 3 Rivers Development Ltd.
- The Commerciality of any new company being able to go to the market for a loan and the ability of the Council to be able to make commercial loans
- Political consideration in taking on the St George's Court site – the working party had considered this at length and their deliberation had resulted in Recommendation 5 – Public interest regeneration objectives for particular sites should be separately funded from non-commercial sources, for example by the offer of a grant to attract developers. – The development was a social statement as much as a political statement but it was driven by politics.
- A Holding Company containing two subsidiaries one being Teckel and one Non-Teckel.
- The amount of Scrutiny and Investigation the Company had been subject to.
- The costs of the various external reports were already in the public domain and the costs had been included in publicly available accounts.

Note: * report previously circulated

(The meeting ended at 7.03 pm) **CHAIRMAN**

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Scrutiny Committee Meeting – Monday 18 December 2023

Responses to Public Questions not submitted in advance of the meeting.

QUESTIONS: Paul Elstone - A Local Resident and Council Taxpayer .

My Questions relate to Agenda Item 11 The 3 Rivers Lessons Learned Report.

Question 1 - Section 1 Summary and Recommendations states

Quote *"All relevant material was made available".*

How can this be stated and when the Working Group had been told that Council Officers were threatening Members of the General Public with criminal action, if they provided certain documents ?

It seems that former Council Leaders also received veiled threats if they made documents they may have held available.

That despite being fully aware, the currentCouncil Leader failed to intervene to ensure key documents were released.

Response: As far as the Working Group were concerned they were content with all the information that was made available to them from both officers and members of the public (who supplied some of this information directly to members of this group and the Chair of the Committee).

The Council would like to make it explicitly clear that there have been no officer threats. The Council have simply written to 3 members of the public with regard to data protection breaches as advised by the Data Protection Officer and the Information Commissioner Officer

Question 2

Why were the former Council Leaders not interviewed in person, especially when the Working Group were made fully aware of the threats against them ?

Response: It was the Working Group's prerogative to carry out their investigation however they deemed appropriate. There were no threats contained within the request, it simply stated that any information supplied would be verified by the Council's District Solicitor.

Question 3

Evidence is available which conflicts with several statements in the report. Did the Working Group have time to fully fact check the information they were provided with?

Response: The Working Group were content with all of their investigations carried out.

Question 4

The Working Group Report identified many and serious governance failings.

What the Working Group have failed to do, is to reference who should have prevented these serious failings and how.

It should be clear to any anyone with an understanding of the responsibilities of Local Government Statutory Officers, what the full root cause is.

It has nothing to do with the various excuses the Public have previously been given including Government policy.

Why was the root cause not directly addressed in the report and something that is a serious omission ?

Response: The working group didn't highlight one specific root cause within their report and made the recommendations they felt were appropriate.

Question 5

There is one email that fully identifies the root cause.

An email written to an MDDC Senior Officer in February 2020 and signed by ALL the Cabinet Members then, including the current Council Leader and a Deputy Leader.

Yet in the report there is no reference to some very serious concerns even allegations including concerns that there could be a prima facia case to involve the police.

An email that can only be described as explosive. Was this relevant material given to the Working Group ?

If so, and given its importance, how many of the signatories were interviewed and who?

It is an email given the full content that warrants being in the public domain.

Response: Council officers are not aware of the email being referred to, but would be happy for you to forward it on to them so we can verify your allegations. We would also be interested to know how you have obtained an internal officer/member email.

Responses from Deputy Chief Executive (S151) Officer

QUESTIONS: Goff Welchman - A Local Resident and Council Taxpayer .

My Questions relate to Agenda Item 11 The 3 Rivers Lessons Learned Report.

Question 1: In the Working Party's report, you list the lessons learned from it, most of these lessons are actually fundamental to the setting up of any business and requisite for any loans from a credible financial institution. The implication is therefore that these steps were not taken at the outset of 3 Rivers otherwise you wouldn't be needing to learn lessons from them. There are just four reasons why these steps were not taken: either ignorance, incompetence, negligence or deliberate avoidance, which of these reasons applies to 3 Rivers and its setting up?

Question 2: If the answer to question 1 is 'none of those' what reason can you give that you can disclose for such vital lessons in setting up a vast financial enterprise being ignored?

Response to questions1 & 2

Although the working group's (WG) recommendations focused on a number of lessons learned, many/most of these items were in place from the outset of the company. But the WG felt that these points should be reiterated if the Council was ever intending to consider another commercial venture in the future.

For information purposes, the Council undertook a significant amount of internal due diligence and secured external professional advice from a number of parties before setting up the company. It also procured additional expertise during the life of the company, at a number of junctures. This advice encompassed corporate governance, financial performance, risk control measures and business appraisals. Businesses can always learn from past decisions and clearly there will often be a myriad of internal and external events that will have impacted company performance. At this point it is probably worth reflecting that many public and private sector development companies have been adversely affected by the multi-faceted impacts of; Covid19, the issues in Ukraine and the current cost of living crisis (impacting both material prices and supply), none of which appear in your question as potential challenges that may have impacted on business performance.

Your question also appears to place no context on the significant austerity programme that has seen the Council's core Government grant funding decrease by circa £4m per annum over the past 10 years. Which has led many Councils, such as ours, in to exploring other commercial revenue generating opportunities to mitigate some of these funding cuts, which by their very nature will have an inherent level of commercial risk and potential reward.

Response from Deputy Chief Executive (S151) Officer

MINUTES of a **MEETING** of the **SCRUTINY COMMITTEE** held on 15 January 2024 at 5.30 pm

Present Councillors	R Gilmour (Chairman) G Westcott (Vice Chairman), D Broom, E Buczkowski, A Cuddy, G Czapiewski, G Duchesne, M Farrell, B Holdman, L Knight, R Roberts and S Robinson
Apologies Councillor(s)	
Also Present Councillor(s)	J Buczkowski, S J Clist and D Wulff
Also Present Officer(s):	Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Maria De Leiburne (Director of Legal, HR & Governance (Monitoring Officer)), Richard Marsh (Director of Place & Economy), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Laura Woon (Democratic Services Manager) and David Parker (Democratic Services & Policy Research Officer)
Councillors Online	A Glover, S Keable, J Lock and L Taylor
Officers Online	

58 **APOLOGIES AND SUBSTITUTE MEMBERS (0:03:50)**

There were no apologies for absence.

59 **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0:04:01)**

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

60 **PUBLIC QUESTION TIME (0:04:09)**

The following members of the public asked questions:

Goff Welchman

In the written response to my questions at the previous Scrutiny meeting (which are being reported to you at this meeting) the S151 Officer, Mr Jarrett, stated that many/most of the Working Group's "lessons learned" were in place from the outset of the 3RDL company - but he was not specific. Would the Committee Chair, please ask the S151 Officer, Mr Jarrett, to inform me exactly which of the "lessons learned" were already in place from the outset of the company?

Response:
As has been confirmed on numerous occasions, prior to setting up the company, the Council has:
Secured legal, financial and banking advice.
Visited a number of Councils that had already set up similar entities.
Appointed 3 directors who had a cross section of construction (both residential and commercial) and financial experience.
Received briefings and reports to ensure clarity of understanding and decision making.
The company's accounts have been audited by external auditors.
In 2019/20, further financial and governance advice was secured from external parties – all recommendations made by these bodies and other Council meetings were implemented.
Regular performance/risk reports were provided to the relevant Council meetings.
Prior to the soft close decision further independent financial advice was obtained regarding the ongoing viability of the company.
I believe this shows that the Council undertook sufficient due diligence prior to setting up and during the commercial life of its wholly owned development company.

Response from Deputy Chief Executive (S151) Officer

Louise Doyle

QUESTION 1 – KPIs
The Enforcement service is not meeting the needs of residents, or creating public confidence, or acting as a deterrent, I believe that needs to change. The Local Planning Authority's (LPA) approach appears to be enforcement averse, going beyond expediency or discretion or regularisation first.

Reporting new or closed or total case numbers is not a KPI
Will the LPA be creating measurable objectives, targets, timelines it can be measured against?

QUESTION 2 – TRANSPARENCY OF CASE MANAGEMENT

Can a spreadsheet/breakdown of cases for the last two years be provided to Scrutiny or Planning so that elected members can have an insight into how cases are being categorised, investigated and closed?

QUESTION 3 – ENFORCEMENT NOTICES ISSUED

The LPA advised Scrutiny in July that 25 Notices had been recently been served. The DLU figures for the year to September showed 15. Which data is correct please? How many Notices have been issued since and the total case numbers being quoted, are they opening numbers at the start of the quarter or closing numbers?

QUESTION 4 – ENF POLICIES 1-6

Does the LPA consider that it is working and planning to work in the future based upon what it is proposing today in alignment to Mid Devon's Enforcement Policies ENF 1 to ENF 6? I believe there is a disconnect and can anybody tell me what happens to the revised enforcement plans that was handed to the DM at the end of 2022.

QUESTION 5 - 95% LOW PRIORITY CASES

The Enforcement Plan categorises Low Priority Cases as very minor breaches. 95% of cases are being categorised as low. That, to me, is surprising. Can the LPA confirm that all 260 low cases sit squarely within the description given to "low priority" in the Enforcement Plan? How is "limited harm" being defined?

QUESTION 6 – WHAT HAPPENS TO 95% LOW PRIORITY CASES?

The LPA states it must prioritise high-risk/impact breaches because it is not equipped financially or in terms of staff to address every breach. What exactly does this mean in real terms in respect of the investigation and resolution of low or medium priority cases, which represent 98% of cases?

QUESTION 7 – BREACHES OF CONDITIONS

Planning Conditions are to mitigate or control some aspect of a development. Each is required to meet the 6 Tests including being necessary. When Conditions are then promptly breached or not discharged - impacting on amenity - why is the LPA not enforcing what the LPA considered to be necessary at the grant of consent?

QUESTION 8 – FROM BAD TO WORSE

Who made the decision in the autumn to run enforcement service and 300 cases with one officer and now with a temp and template letters?
Upon what rationale will that provide an effective service?
How many hours per week of planning officer time will be made available to deal with enforcement matters?

QUESTION 9 – ATTRACTING & RETAINING TALENT

The enforcement salary on offer is £16 to £17.50 an hour. This is not going to attract or retain talent in Mid Devon. The temp enforcement officer job is being offered at £40 - £50 an hour. Wouldn't it be better to invest in full time staff at a far more generous salary?

The Chairman pointed out that as an LPA, Mid Devon District Council does not have a statutory duty to enforce but does it as it believes that it has a duty of care to it's residents. The Chairman further, indicated that as these questions had not been

received two clear days in advance of the meeting that a written response would be provided.

Barry Warren

My questions are prompted by the content of Item 10 on your agenda – Planning Enforcement.

In paragraph 1.2 of the report it states that 'planning enforcement is an important part of planning activity'. It also states that it 'is discretionary and must be proportionate'.
Question 1 - Who decides what is proportionate and who uses the discretion – that is the officer name and/or position?

Response:
Matters relating to planning enforcement are guided by relevant legislation, policy and case law. Enforcement officers will typically consider cases in order to understand pertinent facts and establish a position in terms of the path that the LPA will pursue in seeking to redress any alleged breach and the proportionality of any enforcement actions. Ordinarily, this would then be discussed with the line manager with further input from more senior officers, as required.
Obviously, given the legalistic nature of enforcement work, legal input may also be secured in supporting the LPA to reach a view on alleged breaches. This can include the commissioning of external legal opinion, if deemed appropriate or necessary.

Question 2 - Is there any elected member input to these decisions?

Response:
Where possible, officers seek to keep Members informed in terms of progress in relation to alleged breaches.
Input or involvement from elected Members is not sought in relation to planning enforcement given the sensitive legal nature of the work. Obviously, Member involvement can sometimes be secured where an application for regularisation comes forwards and is determined via the planning committee.

Question 3 - What guidelines and/or policies are used that are set out for the public of Mid Devon to see and understand?

Response:
The Council's planning enforcement policies are set out on the Council's website. The enforcement policy is due for review, which is in progress.

In paragraph 1.3 it advises that in the majority of cases landowners/developers comply with regulations and restrictions. To enable that statement to be put into perspective:
Question 4 - In the first two quarters of 2023 how many planning applications were received and how many <u>separate</u> reports of planning breaches were made to MDDC?

Response:
In the first two quarters of 2023, MDDC received 567 planning applications (of various types) and, as per the report, received 165 reports of planning breaches.

In paragraph 2.3 is a table giving the number of cases which are classified as 'Low', 'Medium' and 'High'.
Question 5 - Who makes these classifications – that is the officer name and/or position?

Response:
In the first instance, Enforcement Officers will determine how a case is classified. This will be based on a view as to the specific details relating to the case, informed or supported by site visits or requests for additional information, as required. Cases are regularly reviewed with line managers and it could be possible for the classifications to be adjusted following conversation with managers or where the situation materially changes.

Question 6 - Is there any elected member input to these decisions?

Response:
As before; there is not direct elected Member input in to the classification of cases owing to the legally sensitive nature of planning enforcement.

Question 7 - What guidelines and/or policies are used in making these decisions that are set out for the public of Mid Devon to see and understand?

Response:
This is set out within the Council's enforcement policy which is on line.

Question 8 - Are the 'informants', elected members or members of the public, advised as to the classification and action or non-action taken?

Response:
Complainants are not automatically notified of the classification level of the case. Members can be updated on progress on specific cases, should they wish to be.

In the report to Scrutiny Committee of the 17th July 2023 at Paragraph 2.4 a table sets out the recommendations of the Working Group. Recommendation 1 has failed as there are now no Planning Enforcement Officers.
Question 9 - What is the current position with regard to recommendation 2 – have we a planning solicitor?

Response:
Yes; the Council has an interim Planning Solicitor. Ref: recommendation 1 – the recommendation did not fail, as the Council did recruit officers – the situation has simply now changed in that the recruited officer has resigned. Nonetheless, the Authority does have interim resource in the form of agency cover with an interim officer due to join the authority imminently.

Recommendation 6 was not implemented as the Director of Place advised that this was not necessary as it could be carried out by the portfolio holder for Planning and Economic Regeneration.

Question 10 - How many planning enforcement cases since July 2023 have been referred to this member and how many cases has he enquired or intervened in?

Response:
The response in July 2023 advised that the recommendation had been discharged through the continuous improvement cabinet portfolio which existed under a previous Council administration. Enforcement activity is now overseen by the Cabinet Member for Planning and Economic Regeneration. Enforcement cases are not referred to the Member as standard; but the Member is kept informed on high profile or high risk cases and is obviously able to enquire after any other enforcement cases, as they see fit.

Recommendation 8 in relation to the Local Enforcement Plan was not actioned and in the July report it was stated that it would be presented for approval in the autumn of 2023.
Question 11 - Where is this document please?

Response:
The document is in draft form but its progression was delayed owing to both work pressures and changes in resources. Work has been continuing and the updated policy is expected to come forwards for review and approval soon, but the item does not currently appear to be on the current Forward Plan. Officers will ensure that this is re-entered on to the plan.

Question 12 - Finally. Is it the case that 'financial considerations' are driving planning enforcement decisions in MDDC rather than proactive enforcement as needed?

Response:
It is the case that the Authority is reasonably seeking to balance the competing pressures of managing within its budgets and continuing to provide a robust enforcement service. It is not the case that the Authority is solely considering planning enforcement from a financial perspective as, if this were the case, the Authority could possibly determine to seek to manage without any dedicated enforcement officers.

Responses from the Director of Place and Economy

Paul Elstone

My questions relate to Agenda Item 10 Planning Enforcement.

Question 1.
When deciding on if a planning breach is to be placed into the high priority category, is any consideration given to the number of complaints received and particularly if the complaints are raised by affected Town and Parish Councils plus the Grand Western Canal Joint Advisory Committee etc?

Response: The severity of a planning breach is determined by the nature of the alleged breach, rather than the number of complaints received or who the complaint/report is received from.

Question 2.
Is any consideration given when determining the high priority category to the numbers of MDDC residents impacted by the planning breach and which can be many hundreds even thousands?

Response: Although the priority of a planning breach is determined by its severity, as set out before, each case will be judged on its own facts and officers will be mindful as to the extent of the impact of a breach. It could therefore be the case that a matter was determined to be of a higher severity where impact or harm accrued to more residents.

Question 3
It is known to many including Members this Scrutiny Committee that there is at least one applicant's planning condition breach or should I say breaches that has been ongoing since 2018 and to which my questions 1 and 2 fully relate.
Yet no visible enforcement action has been implemented. Even recently I was advised in an email from an MDDC Officer that there is no current intention to do so.
I feel confident it is known by the Director of Place, the planning breaches to which I refer.
Will the Director of Place please fully investigate this position and report back as to why no enforcement action has been taken despite these planning breaches having major, far reaching and increasing impacts on a wide section of the Mid Devon Community?

Response: I believe I know of the case to which Mr Elstone is referring and I would simply say that this case is in hand and being dealt with by the LPA.

Responses from the Director of Place and Economy

The next two questions relate to answers received to my question of the Scrutiny Meeting of the 18th December 2023

Question 4
Answer to Question 1 states.
Quote:
"The Council would like to make it explicitly clear that there has been no officer threats"
The MDDC Officer letter I refer to in my question, the last sentence says the following.
I ask that any further disclosures cease with immediate effect. If this does not occur then we will have no alternative but to take further action which may include a court application for an injunction//reporting for a criminal offence under S170 Data Protection Act 2018.
Will the Committee Chairman agree that the answer to my Question 1 be struck out as it is not fact and can be considered defamatory.

Question 5
The answer to question 5 says:
"Council officers are not aware of the email being referred to".
Are the current Council Leader and Deputy Leader also saying they are not aware of the document in which they are both named. A document dated the 17th February 2020 and directed to this Council's CEO ?

The Chairman indicated that as these last two questions had not been received two clear days in advance of the meeting that a written response would be provided.

Kate Clayton-White

I attended the Scrutiny Committee Meeting held on Monday 18th December during which I asked 2 questions relating to 3 Rivers Developments Ltd during my 3 minute's worth of thoughts and comments about the Council's and the Scrutiny committee's handling of the matter.

However while my questions and subsequent answers are included in the minutes, my comments are not.

On 22nd Feb2023 (Full Council Meeting), 16th March 2023 (Economy PDG) and 4th April 2023 (Cabinet Meeting) I made comments and asked questions about the Council's proposed increase in car parking charges. In each case, my comments and questions were both published in the minutes.

My question is as follows:

Why were my comments missed out of the minutes of Monday 18th December? I emailed them to you on 18th December along with the questions.
(Or does the Scrutiny Committee operate a different minutes recording system to other committees?)
I would like my full comments to be included in the minutes.

Response: The Constitution of Mid Devon District Council states that "the minutes shall contain a condensed written record of questions and statements and they are not supposed to be particularly complex so they are not necessarily a verbatim record of what goes on at every meeting. The Chairman did, however, agree to look at the minutes again to see whether some of Ms Clayton-White's comments should be included.

Response from the Chairman

Nick Quinn

A Statement by N Quinn - Local Resident

I wish to express my disgust at the way this Administration is behaving and the lack of proper oversight by this Scrutiny Committee.

When the Leader and the Chair of Scrutiny Committee were elected, both spoke about the Openness and Transparency that they were going to champion.

Your Chair of Scrutiny said: "*I can tell you right now, there is no accountability without transparency and I will not tolerate lack of transparency or lack of accountability*"
Since then there was the review into 3 Rivers, which was hamstrung by the terms of reference written by Officers and a timescale set by the Leader - both of which were agreed by Chair of Scrutiny.

Although the report was published, the review was lacking in both transparency and accountability.

Last July, Council passed Motion 593 requiring "*an open and transparent review of leisure pricing*".
These new leisure prices are already being charged – but they are based on a secret external report; that was put into a secret Officer report; which was discussed, in secret, by Community PDG before being approved, in secret, by Cabinet.

I asked Cabinet why this had not been done Openly and Transparently, as required by Motion 593. The Leader told me "*It was 'Open and Transparent' because all 42 Members had the opportunity to see all the secret papers*".

It is in your remit to "s*crutinise decisions made, or actions taken, ... whether by the Cabinet or another part of the Council or any of its Committees*".

It seems to me that the promises of transparency and accountability are just hollow words and that this Scrutiny Committee, which is supposed to be a public guardian, is failing to do a proper job.

Thank you

The Chairman responded that after the 3 Rivers Developments – Lessons Learned report (which had all been in part 1), had been delivered she deliberately went around the committee and asked each member if they had any questions, bearing in mind that this was a cross party committee, she had given all Members the chance to raise questions publicly and therefore she had shown the openness and transparency that had been promised. With regard to the Community PDG some of the leisure pricing had to be dealt with in part II due to the commercial sensitivity.

61 MINUTES OF THE PREVIOUS MEETING (0:38:54)

It was AGREED that the minutes of meeting held on 18th December 2024 would be approved at the next meeting of the Scrutiny Committee on 19 February 2024.

62 DECISIONS OF THE CABINET (0:43:33)

The Committee **NOTED** that none of the decisions made by the Cabinet on 9th January 2024 had been called in.

63 CHAIRMAN'S ANNOUNCEMENTS (0:43:40)

The Chairman wished everyone a Happy New Year.

64 **WORK PROGRAMME (0:43:45)**

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

The following was discussed:

- Staffing levels and staff morale – this would fall within the Establishment report coming to the Scrutiny Committee on 19.02.24
- Motion 564 – Inclusivity and Community Engagement – Does Local Government work for women? – reporting back on 19.02.24
- Protecting Rivers and Seas (Motion 583) coming back to Scrutiny Committee on 18 March 24. The Director of Place and Economy was asked to invite representatives from South West Water and the Environment Agency.
- The order in which Cabinet Members would be asked to present their portfolios was agreed as follows:
  - Cabinet Member for the Working Environment – 19.02.24
  - Cabinet Member for Planning and Economic Regeneration – 18.03.24
  - Cabinet Member for Community and Leisure – 15.04.24
  - Cabinet Member for Finance – 17.06.24
  - Whenever St George's Court was transferred to the Housing Revenue Account (HRA) the Cabinet Member for Housing and Property Services should be invited to present his portfolio and other Cabinet Members moved back appropriately.

Note: *report previously circulated

65 **REGULATION OF INVESTIGATORY POWERS ACT (RIPA) REPORT (0:54:55)**

The Director of Legal, HR & Governance and Monitoring Officer gave a verbal report to confirm that Mid Devon District Council had received no requests under the RIPA regulations.

RIPA reports referred to covert surveillance in anything where an offence would attract a sentence, if convicted, of over 6 months imprisonment. Fly Tipping might be such an offence where covert surveillance might be used. Any application would be dealt with by the Director of Legal, HR & Governance and Monitoring Officer.

RIPA reports were audited by the Investigatory Powers Commissioners Office.

66 **MDDC BUDGET 2024-25 - REVIEW (0:58:04)**

The Committee had before it and **NOTED** the *Medium Term Financial Plan update for 2024/25 – 2028/29.

The Cabinet Member for Finance introduced the report mentioning that it was a report that covered five years across all funds and examined how the Council would strategically manage its finances to support the delivery of the priorities listed in the Council's Corporate Plan 2020-2024 and in future years beyond that which will be covered by the future emerging Corporate Plan. The budget had to be affordable and

be able to manage net spending within affordable limits. The Cabinet and Policy Development Groups had been kept updated and there had been dedicated engagements with business and public consultation within the budget element through the resident's survey.

Consideration was given to:

- The £90,000 shortfall would be taken from earmarked reserves.
- Business Rates still had to be finalised but it was hoped that this would impact positively on the accounts and so the shortfall may be less than £90,000.
- Community and Environment PDG's still had to consider whether any further savings could be made.
- The unfair terminology used by Central Government relating to "Core Spending Power" and the "Funding Guarantee".

Note: (i) *report previously circulated.

(ii)Councillor David Broom arrived at 18.38hrs.

67 **KPI'S ON PLANNING ENFORCEMENT (1:10:46)**

The Committee had before it and **NOTED** a *report on Planning Enforcement within Mid Devon.

Consideration was given to:

- A Review of KPI's.
- Officer Resource.
- The permanent Planning Enforcement Officer had recently resigned, the Development Management department were now trying to recruit a permanent replacement but such professionals were hard to recruit across the nation. There was a limited pool of candidates across the country due to this being a subset of Planning Officials. An agency Planning Enforcement Officer had been recruited to join the Council on a temporary basis.
- The implementation of the new Planning Enforcement Policy, as requested by a working group of the Scrutiny Committee. The draft policy could go through the Planning Policy Advisory Group (PPAG) or straight to Cabinet for approval depending upon the situation. The Chairman asked that it should be reviewed by the Scrutiny Committee.
- The East Devon District Council Planning Enforcement model was being used as the base for the new enforcement policy.
- Rates of pay and provision of professional development opportunities to attract staff.
- The existing High Level cases would be picked up by the new Planning Enforcement Officer, but as they were more complicated matters, they took longer to deal with and so it was impossible to put a time scale on how quickly the backlog could be cleared.
- The current predicament had not had any bearing on response times for the various classifications. The number of cases overall was creeping up.
- Publicising those cases that had been prosecuted to send a message to others that Mid Devon District Council was not a soft touch – the recent success requiring the offender to demolish a building had been publicised but publishing regular case studies could be challenging.

- Planning Breaches did not bring in any income, the Council had some power over fee setting of retrospective planning applications but it could never raise enough revenue to cover its costs.
- Mid Devon DC was now the top performing authority in the South West for processing planning applications within eight weeks.
- During the last Council 50% of Planning Committee decisions that were taken against the advice of officers were overturned at appeal. Planning Appeals took a lot of officer time and resources and took officers away from front line tasks. Enforcement performance did have scope for improvement but it was now in a much better position to be managed.
- Within classifications, there are four classifications but only three are shown on the schedule, because the Highest category was included within the Higher Category

Note: *report previously circulated

(The meeting ended at 7.02 pm) **CHAIRMAN**

MINUTES of a **MEETING** of the **AUDIT COMMITTEE** held on 16 January 2024 at 5.00 pm

Present Councillors	E Buczkowski, C Connor, J M Downes, G Duchesne, L Knight (Vice Chairman), R Roberts and S Robinson
Apologies Councillor(s)	L G J Kennedy
Also Present Councillor(s)	D Broom, J Buczkowski, S J Clist, J Wright and D Wulff
Also Present Officer(s):	Andrew Jarrett (Deputy Chief Executive (S151)), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Tanya Wenham (Operations Manager for Public Health and Housing Options), Suzanne Kingdom (Auditor), David Parker (Democratic Services & Policy Research Officer) and Sarah Lees (Democratic Services Officer)
Councillors Online	A Glover, S Keable and J Lock
Also in Attendance	J Masci (Grant Thornton, online)

52. **APOLOGIES**

Apologies were received from Cllr L Kennedy.

The Vice Chairman, Cllr L Knight, chaired the meeting in the Chairman's absence.

53. **PUBLIC QUESTION TIME**

The following questions were asked by members of the public:

Paul Elstone

Question 1
Construction activities on St Georges Court started in August 2018. The public were told that due to additional groundwork requirements the build time would be 2 years. That was five and a half years ago.
The project is still not fully complete and with no visible sign of any of the 39 properties being occupied in the short term.
Can a date be provided as to when it is expected that the first residents will move in and the tax payers of MDDC will start to see any benefit from this disastrous development?

Response:
It is currently envisaged that the first housing tenants will be occupying St George's Court by the end of March 2024.

Question 2
It is noted that currently two (2) of the properties at Haddon Heights Bampton have been sold that two (2) are currently shown as Sold Subject to Contract and five (5) remain available for sale.
These five (5) properties are shown with a market value of over £3 million.
When is it planned for this Council to take full ownership of any unsold properties, will this be before the 31st March 2024?

Response:
We are currently working to get the remaining units transferred by the 31/3/24

Question 3
How will this purchase be funded, will it be from reserves or loans?

Response:
Previous reports have indicated that this transfer will be funded from reserves.

Question 4
At the last Cabinet Meeting a request was made and supported, that information should be provided in advance of the meeting and in written form. This opposed to a verbal report being given referencing power point slides etc.
The reason for this request being it gave Cabinet Members more time to absorb what was being presented and then ask appropriate and meaningful questions.

The same also applies of course to members of the public and which would be fully in support of this new administrations stated intent of greater public engagement.

Of this Committees Agenda only one of the items has advanced information provided. This importantly not being the 3 Rivers Soft Closure key actions and dates etc.

Will the Audit Committee Chair take a similar position to Cabinet this by requesting written information including data in advance even at short notice if absolutely required.

Response:
It was felt that a verbal update would suffice as regular updates on the soft closure progress is being made to the Cabinet. Many of the tasks, contained in the closure programme, are by their very nature commercially confidential, so could only be included in a part 2 report. The Committee is assured by officers that sufficient progress is being made against a well-considered closure programme. This ensures both cost and risk exposure is minimised – a key part of the role of this Committee.

Barry Warren

My questions are prompted by item 7 on the agenda **3 Rivers soft closure timetable – verbal update.**

The MDDC Constitution Article 2, paragraph 2.3 (b) advises on the role and function of all Councillors and includes these words 'actively encourage community participation and citizen involvement in decision making.'

The Leader advised recently, in respect of restricted documents, that elected members represent the public and therefore the public do not need to see the documents.

Item 7 is to be a verbal update from an officer and so neither elected members nor members of the public will know what is to be reported. This prevents elected Members having the opportunity to consider the information which will be provided or have time to consider formulating relevant questions.

As the time scale for the major portion of the closure of 3 Rivers is now being driven by the need to get the accounts audited, which is a far quicker timeline than the original period of perhaps two years suggested by the S151 Officer.
This subject of 3 Rivers involves the potential loss of several millions of pounds of public money.

Do the Audit Committee consider a verbal report is going to allow proper consideration of the unknown information to be given?

How can the actions of Audit Committee accepting a verbal report be considered as actively encouraging community participation and citizen involvement in decision making.'?

Response
The decision to soft close 3 Rivers has already been made in a public forum. This is a verbal update that has been requested by the Committee to ensure that key steps/tasks are being planned and delivered in a timely fashion in order to minimise both financial and risk exposure to the Council. Which is clearly the role of this Committee.

The key rationale behind making this a verbal update is due to the currency of actions/decisions in order to give the Committee the most up to date information. Again, as I am sure many can understand there is a conflict between the Council's intention to keep as much of this information in the public domain whilst also ensuring any commercially sensitive details are kept in part 2.

I can also confirm that the Cabinet will be formally updated on the company's soft closure progress in their next financial monitoring report.

Responses provided to the two members of the public were provided by the Deputy Chief Executive (S151 Officer).

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

No interests were declared under this item.

55. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 5 December 2023 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

56. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had no announcements to make.

57. **HOUSING OPTIONS INTERNAL AUDIT DAP REPORT - RISKS IN RELATION TO HOMELESSNESS (00:13:00)**

The Operations Manager for Public Health and Housing Options had been invited to the meeting to assist the Committee with their understanding of the risks to the Council in relation to Homelessness. This had been requested as a result of the Committee having received the Internal Audit of the Housing Options Internal Audit at the last meeting.

The following information was brought to the Committee's attention:

Risks

- CR12 on the risk register covered the general housing crisis relating to housing supply, affordability and the knock on effect this had on homelessness approaches.
- Particular risks relating to Housing Options
    - Increase in homelessness approaches to the housing options team and insufficient staff resources to deal with these within statutory requirements
    - Increased numbers of households entering temporary accommodation and having to stay longer due to lack of affordable accommodation to move on to
    - Increased cost to the Council for temporary accommodation due to longer stays and greater demand
    - Lack of available accommodation that was affordable and suitable for the household type (such as families with children and care leavers) resulting in use of inappropriate placements

Mitigations/Actions currently in place

- Proposed re-structure had been put forward to ensure sufficient resources were in place to deal with homelessness demand, provided prevention measures, supported households out of temporary accommodation and to sustain tenancies in the private sector, managed the use of own stock

temporary accommodation and assisted non-UK nationals under the various refugee schemes.

- Review of homelessness policy over the course of 24/25 to take account current demand and prevention measures
- Greater focus on prevention opportunities through the introduction of a housing initiatives plan
- Housing initiatives plan to be presented to Homes PDG early 24/25 for agreement. The plan aimed to increase access to private rented accommodation, incentivise landlords to work with the Council and encourage the use of empty homes as affordable accommodation.
- Engagement with landlords continued to ensure the quality of accommodation available and to prevent tenants being evicted. Landlords were encouraged to work with the Council before eviction became necessary to resolve any issues.
- Purchase of properties to be used as temporary accommodation instead of using hotel rooms. One existing house in multiple occupation (HMO) had been running successfully for three years providing 6 en-suite rooms. Purchased two additional HMOs in 2022/23 which were being renovated to provide further accommodation. One was in partial use and once complete would provide 8 rooms, the other was almost fully complete and would provide 6 en-suite rooms.
- Under the local Authority Housing Fund further single household properties had been purchased and by 31st March 2024 there would be 10 additional properties available. This included one four-bed property for use by Afghan refugees and 9 two/three bed homes for use to help support the homes for Ukraine scheme. Longer term these homes would be available for general temporary accommodation. These properties helped to reduce the impact of refugees on the general homelessness approaches and spend on hotel accommodation.
- Drafting of a service level agreement between Mid Devon Housing and Housing Options had started to formalise the arrangements for use of council owned homes as temporary accommodation.
- The Homes for Ukraine scheme (HfU) had been extended which meant guests would be able to remain with their hosts longer reducing the burden on homelessness and the private rented sector.
- Under the HfU scheme grants were provided to assist Ukrainian households to settle into the private rented sector, again this was aimed at reducing the need for temporary accommodation where a hosting relationship has ended.
- A further round of Local Authority Housing fund was expected for 2024/25 which could be used to provide more temporary accommodation for general use.

Discussion took place with regard to:

- The extent of kitchen facilities in Houses of Multiple Occupation (HMO's).
- Each room, which was usually quite large in size, had its own cupboard and fridge freezer.
- Whether providing 'lodging' facilities was an option for Council tenants who could then 'keep' the rent?
- Leasing schemes were being investigated with the Legal team.

- The Housing Assistance Policy provided financial incentives to people who met certain criteria.
- The value of trauma based education as a way of keeping people in their homes.
- The Housing Options Team were always keen to work with charities to help and inform tenants, for example, with budgeting advice.
- The Government would continue to provide funding for the Homes for Ukraine Scheme for a further year at least although the amount of money available had reduced.
- A recent Devon County Council newsletter had mentioned care leavers running training programmes called 'Total Respect'. It was hoped Mid Devon could link into that.

The Committee thanked the Operations Manager for Public Health and Housing Options for her informative presentation.

58. **3RIVERS SOFT CLOSURE TIMETABLE - VERBAL UPDATE (00:39:00)**

The Committee had requested at the last meeting that it receive information regarding the timetable in relation to the soft closure of 3Rivers.

The Deputy Chief Executive (S151) provided the Committee with a verbal update which included the following information:

After the decision taken to soft close 3Rivers, officers and the company's board immediately agreed a structured close down programme. This programme was used at a weekly officer progress meeting which assigned tasks and tracked actions points.

The summary headings could be relayed in open discussion, however, many of the sub headings were commercially sensitive and would need to be discussed in Part II if that was the Committee's wish.

The key generic actions being undertaken were:

- St Georges Court
- Haddon Heights, Bampton
- Knowle Lane in Cullompton
- Park Road in Tiverton
- Banksia House in Tiverton
- The managed properties that 3Rivers look after on behalf of MDDC
- The remaining 5 car parking spaces in Halberton
- The working capital loan
- The position on company overheads
- Insolvency advice
- Associated redundancies
- Interest charges
- Completion of statutory accounts
- Company closure

These were the 14 key headings which had numerous bullet points and action points that sat beneath them but they were all commercially sensitive and they had people information in them as well. So that was what the officer working group was currently working to at each weekly meeting.

In addition officers were also providing progress updates on sales, transfers, write offs and other key issues regularly to Cabinet. The next update would be in the February Cabinet Monitoring Report. All actions included within that programme were currently on schedule with a plan and financial estimates previously provided were still materially accurate.

As far as an over view of material actions, the purchase of St Georges Court by the Housing Revenue Account was progressing well and was likely to exchange in the coming few weeks. There were two sales at the Haddon Heights development site and two properties had firm offers on them and legal work was progressing well to transfer all of the other company assets and liabilities.

A brief discussion followed with regard to the Committee's wish to have a Part II discussion at the next meeting to better understand the detail regarding the 3Rivers soft closure plan. This was **AGREED** on the understanding that Members treated all information received during that discussion as confidential.

59. **REVISION OF THE FINANCIAL REGULATIONS(00:45:00)**

The Committee had before it a report * from the Deputy Chief Executive making recommendations for amendments to the Financial Regulations of the Authority, reflecting the forthcoming introduction of International Accounting Reporting Standard 16 (IFRS16) and updating the Authority's approval limits.

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

- There had been a need to make some minor amendments to reflecting the forthcoming introduction of International Accounting Reporting Standard 16 (IFRS) and update the Authority's approval limits.
- A review would be needed of all contracts and payments.
- The new process would need to be embedded and accounting actions undertaken correctly and in accordance with these new international regulations.

Tracked changes were highlighted at the following sections:

- 3.3
- 5.1.13
- 5.1.17
- 5.1.23
- 6.6
- 13.0
- Some tweaks to the glossary
- Extra column in Appendix A

- Wording which was no longer relevant was proposed to be removed.

Consideration was given to the following:

- New arrangements regarding contracts which although unavoidable, the Committee was felt was unnecessarily over burdensome.
- Old process still being referred to in the Financial Regulations because post Brexit guidance had still not been received.
- Changes to the Financial Regulations would seem more meaningful when the draft accounts were received by the Committee in May.

RECOMMENDED to Council that the revisions to the Regulations are approved.

(Proposed by Cllr S Robinson and seconded by Cllr R Roberts)

Reason for the decision

Failure to comply with legislation could lead to non-compliance and potentially prosecution and claims for damages. Failing to review thresholds and procedures could lead to inefficient practices damaging value for money assessments.

Note: * Report previously circulated.

60. **EXTERNAL AUDIT UPDATE REPORT (01:07:00)**

The following verbal update was provided by Grant Thornton regarding their responsibilities as the Council's external auditors:

- The previously advised position regarding the audit had not changed since the last meeting. However, all the work had been completed, there had just not been enough time to pull together a report for this meeting due to a very tight timescale.
- Their audit would now go through a 'moderation' exercise to ensure it was not unduly harsh or over generous.
- The Value For Money report would come to the next meeting of the Committee

61. **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:10:00)**

The Committee had before it, and **NOTED**, the items identified in the work programme for the next meeting. It was also requested that the following come to the next meeting of the Committee:

- Part II item on 3Rivers soft closure timetable
- Grant Thornton's report on Value For Money
- Statement of Accounts for 2022/2023
- Annual Governance Statement for 2022/2023

(The meeting ended at 6.13 pm) **CHAIRMAN**

Report for:	**Audit Committee**
Date of Meeting:	16 January 2024
Subject:	REVISION OF THE FINANCIAL REGULATIONS
Cabinet Member:	Cllr James Buczkowski – Finance
Responsible Officer:	Andrew Jarrett – Deputy Chief Executive (S151)
Exempt:	N/A
Wards Affected:	All
Enclosures:	Appendix 1 – Financial Regulations

Section 1 – Summary and Recommendation(s)

To make recommendations for amendments to the Financial Regulations of the Authority, reflecting the forthcoming introduction of International Accounting Reporting Standard 16 (IFRS16) and update the Authority's approval limits

Recommendation(s):

That the revisions to the Regulations are recommended by this Committee for approval by Full Council.

Section 2 – Report

1.0 Introduction

1.1 The Financial Regulations provide the framework rules for the management of the Council's finances. The Council has a responsibility in law for 'making arrangements for the proper administration of its financial affairs'.

1.2 This responsibility includes ensuring that the Council complies with the law, implementing an effective system of governance, financial management and internal control, making proper arrangements for the management of risk,

preparing accounts and budgets, undertaking effective internal audit, preventing and detecting fraud, and putting in place arrangements for securing economy, efficiency, and effectiveness in its use of resources, and achieving value for money.

1.3 The Financial Regulations are designed to demonstrate how the Council will meet these financial responsibilities and they apply to every Member and Officer of the Council.

1.4 The Financial Regulations must be regularly reviewed and updated and to ensure that they comply with current statutory requirements, internal and external audit expectations, and current 'proper practices' with regard to financial management issued by professional bodies such as the Chartered Institute of Public Finance and Accountancy (CIPFA).

1.5 It is two years since the last review of Financial Regulations and during that time a number of changes have occurred. This report highlights the pertinent changes using "tracked changes" for easy of review by Members. In summary, amendments have been made to

- Include the implications of IFRS16 Leases – which is due to be implemented within local government from April 2024.
- Amendments to Financial Thresholds within Appendix A

2.0 IFRS 16 Leases

2.1 For the financial year 2024/25 International Financial Reporting Standard (IFRS) 16 Leases will replace the current International Accounting Standard (IAS) 17 as the method to account for leases in the Council's annual accounts.

2.2 Under IFRS 16 a lease is defined as a contract (or part of a contract) that conveys the right to use an underlying asset for a period of time. (This is where the Authority is acting as Lessee i.e. leasing goods/services in, there is no change to the treatment where the Authority is the lessor (where we lease out various assets)).

2.3 IFRS 16 will lead to a substantial change in accounting practice for the Council, where the current distinction between operating leases and finance leases will be removed. IFRS 16 requires the Council to recognise assets and liabilities for all leases with a term in excess of twelve months. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for the Council as a lessee (Leasing assets from a third party).

2.4 One of the major challenges in relation to IFRS16 is the identification of any embedded leases in service contracts which do not explicitly state they are a

lease, but which in substance have the characteristics of a lease, or where it is not necessarily clear if there is a lease component to the contract. Common terminology for such arrangements are:

- Lease agreement
- Hire agreement
- Rental agreement
- Contract hire agreement

Failure to identify such leases has potential to lead to non-compliance with IFRS 16.

2.5 To ensure all leases are captured, the following work is being undertaken by the finance team:

- Stage 1 – Review all contracts and regular payments to identify potential arrangements that will need to be accounted for under the new requirement of IFRS16;
- Stage 2 – Ensure an organisation wide process is put into place to ensure any subsequent arrangements are identified on an ongoing basis – covered by these amendments to the financial regulations;
- Stage 3 – Finance to monitor and consider this data to ensure identification and accounting is embedded as part of our annual cycle – aim is to capture the data at the point of procurement (beginning) hence the inclusion of Appendix B and the amendments to the Procurement Notification Form (PNF).

2.6 Lease's lower than £5k in value and those less than 365 days will not be subject to full accounting but will however be subject to disclosure requirements within our Statement of Accounts, therefore there are no short cuts and all data will need to be collated, reviewed and maintained in order to achieve this.

3.0 Delegated Authority Thresholds (Appendix A)

3.1 The authorisation to order goods and to pay invoices is an important safeguard to protect the public purse. The existing limits need to be revised to reflect operational demands. Appendix A of the Financial Regulations shows the updated position.

3.2 It is proposed to increase the lowest general authorisation limit from £10k to £20k to reflect the increase in costs over the last 2 years. It is also proposed to include a new level of approval to differentiate between a Service Manager (£20k) and an Operational Manager £50k). These changes will help improve efficiency within the process and will be kept under review to ensure there is the correct mix of efficiency and safeguarding.

3.3 There will be occasions where these limits are not sufficient. In such cases approval can be sought from the S151 or Deputy S151 to temporarily increase the authorisation limit to allow an order to be approved. The limit will subsequently revert back to the original level.

4.0 Conclusion

4.1 The various recommendations above are proposed to ensure compliance with current legislation and maintain best practice. Improving the efficiency of our operations, whilst safeguarding the Council's assets remains an ongoing commitment. Going forward therefore, further revisions will need to be made from time to time to ensure these goals continue to be met.

Financial Implications

There are no direct financial implications arising from this report, however the Financial Regulations set the boundaries in which the Council operates.

Legal Implications

Failure to comply with legislation could lead to non-compliance and potentially prosecution and claims for damages.

Risk Assessment

Failure to comply with legislation could lead to non-compliance and potentially prosecution and claims for damages. Failing to review thresholds and procedures could lead to inefficient practices damaging value for money assessments.

Impact on Climate Change

There are no direct Climate implications arising from this report

Equalities Impact Assessment

There are no direct Equality implications arising from this report

Relationship to Corporate Plan

The safeguarding of assets and the provision of practical efficient processes to provide value for money are intrinsic to the Corporate Plan.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 8 January 2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 8 January 2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 8 January 2024

Performance and risk: Dr Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 8 January 2024

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Paul Deal – Corporate Manager for Finance, Property & Climate Change
Email: Pdeal@middevon.gov.uk
Telephone: 01884 234254

Background papers:

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MID DEVON DISTRICT COUNCIL

FINANCIAL REGULATIONS

Chief Officer: s151 Officer

Revision History

Version	Date	Main Amendment
1.0	Apr 2013	First Release
1.1	Oct 2016	Chapter 5 Procurement/App A Financial Limits
1.2	Jan 2019	Full update incl. amended App A
1.3	Dec 2021	Full review and update job titles and thresholds
1.4	Jan 2024	Update for IFRS16 implications and amend financial thresholds

MDDC Financial Regulations

Contents

1.0 Introduction and overview

1.1 Status of Financial Regulations
1.2 Financial roles and responsibilities
1.3 Awareness of existence and content of Financial Regulations
1.4 Reviewing and changing Financial Regulations
1.5 Compliance

2.0 Systems and Internal Control

2.1 Accounting records
2.2 Controlled stationery
2.3 Officer authorisation procedures
2.4 Security of cash, tills, safes and keys
2.5 Document retention
2.6 Segregation of duties
2.7 Business continuity
2.8 New electronic systems

3.0 Financial Planning

3.1 Overall strategic policy framework
3.2 Service performance plans for financial years
3.3 Asset and vehicle management
3.4 Year end balances and earmarked reserves
3.5 Maintenance of reserves
3.6 Ring fencing of reserves
3.7 Medium terms financial planning
3.8 Reports and financial implications

4.0 Budgetary Control

4.1 Resource allocation
4.2 Budget preparation
4.3 Budget approval
4.4 Responsibility for budgets

4.5 Budgetary control and monitoring
4.6 Budget changes (virements)

5.0 Procurement and Contracts

5.1 Procurement contract procedure regulations
5.2 Employment status / use of consultants and others
5.3 Construction industry scheme
5.4 Receipt of goods and services
5.5 Authorisation for payment
5.6 Payments
5.7 Contracts register

6.0 Expenditure

6.1 Housing and council tax benefit payment
6.2 Housing renovation and associated grants
6.3 Purchase cards
6.4 Credit cards
6.5 Petty cash
6.6 Asset leasing arrangements
6.7 Urgent payments
6.8 Emergency action

7.0 External Expenditure Arrangements

7.1 Work by third parties
7.2 Partnerships with external entities
7.3 Projects

8.0 Staff and Member Related Expenditure

8.1 Payroll
8.2 Travel and subsistence
8.3 Personal telephone calls
8.4 ICT auctions

9.0 Income

9.1 Setting fees and charges
9.2 Rent reviews and annual increases
9.3 Invoicing

9.4 Income collection
9.5 Postal remittances
9.6 Debt collection procedures and the write-off of bad debts
9.7 Refunds
9.8 Government subsidies, grants and claims
9.9 External funding
9.10 Housing advances and council house sales
9.11 Asset sales

10.0 Stocks (Inventory)

10.1 Inventory
10.2 Stocktake
10.3 Write-off of damaged/obsolete stock

11.0 Taxation

11.1 Value added tax (VAT) basic guidance
11.2 Tax points / VAT returns
11.3 Construction industry scheme
11.4 Responsibility

12.0 Asset Management

12.1 Land and buildings property register
12.2 Fixed asset register
12.3 Equipment register
12.4 Additions of assets
12.5 Disposals of assets

13.0 Capital Programme

13.1 Selection and compilation of the capital programme
13.2 Capital strategy asset group
13.3 Budgetary control of the capital programme
13.4 The Prudential Code – impact of financing capital projects
13.5 Utilisation of capital receipts

14.0 Banking and Treasury Management

14.1 Banking arrangements
14.2 Treasury management policy
14.3 Investments

14.4 Loans
14.5 Loans to external bodies (including soft loans)

15.0 Insurance

15.1 Insurance
15.2 Notification of new risks
15.3 Incident reporting and claims handling

16.0 Postage

16.1 Postage

17.0 Financial Statements and External Reports

17.1 The annual statement of accounts
17.2 Accounting policies
17.3 Reports containing financial information

18.0 Risk Management and Governance

18.1 Prevention of fraud and corruption
18.2 Risk management, internal control and corporate governance
18.3 Internal audit
18.4 External audit
18.5 Financial irregularities
18.6 Money laundering

Definitions / Glossary of Terms

Appendix A - Financial Limits

Appendix B – IFRS 16 Lease Assessment Flowchart

1.0 General Introduction

1.0 Introduction and overview

1.1 Status of Financial Regulations

1.2 Financial roles and responsibilities

1.3 Awareness of existence and content of Financial Regulations

1.4 Reviewing and changing Financial Regulations

1.5 Compliance

1.0 Introduction and Overview

1.1 Status of Financial Regulations

The Financial Regulations provide the framework for managing the Council's financial affairs and contribute to good corporate governance, internal control and the management of risks. In addition they assist sound administration, reduce the risk of irregularities and support delivery of effective, efficient and economical services. Article 16 of The Constitution provides for their authority.

The Financial Regulations, which include Contract Procedure Rules and financial aspects of the Constitution, are formally adopted by the Council and provide the framework for the financial administration of the Council. The framework is designed to promote sound and proper financial management of the Council's financial affairs, meet Best Value principles and to safeguard the interests of the Council, its employees, or any person acting on behalf of the Council.

The Financial Regulations apply to all officers and Members of the Council and anyone acting on behalf of the Council. They also apply to any partnerships that the Council is a member of and for which the Council is the accountable body. Where the Council is not the accountable body then the lead Council officer is responsible for ensuring propriety and proper processes are followed so that the Council's reputation is not at risk.

All elected Members, employees of the Council and persons acting on behalf of the Council are responsible for ensuring that they use the Council's resources and assets in a responsible and lawful manner. The Council is under a statutory obligation to secure Best Value and everyone should strive to achieve the principles of Best Value and avoid any legal challenge to the Council.

These Financial Regulations cover all areas of Council activity and to assist Members and officers, the Financial Regulations are set out in self-contained sections. Any financial values are summarised in **Appendix A** to allow ease of update.

All decisions with financial implications must have regard to proper financial propriety. Where there is any doubt as to the appropriateness of a financial proposal or correctness of a financial action, clarification must be sought from the Deputy Chief Executive (S151) in **advance** of any decision or action.

To help you understand the terminology used in the Financial Regulations, a Glossary of Terms is located after Section 18.

1.2 Financial Roles and Responsibilities

1.2.1 Chief Executive

The Chief Executive, as the Head of Paid Service, is responsible for the corporate and overall strategic management of the Council as a whole. He/she must report to, and provide information for, the Cabinet, the Full Council, the Scrutiny Committee and other committees. He/she is responsible for establishing a framework for management direction, style and standards, and for monitoring the performance of the organisation.

1.2.2 Deputy Chief Executive (S151)

These Regulations (in conjunction with the remainder of the Council's Constitution) identify the financial responsibilities of Council, Cabinet, Scrutiny and Audit Committee Members, the Head of Paid Service, the Monitoring Officer, the Deputy Chief Executive (S151) and other Service managers. The functions of the Deputy Chief Executive (S151) are detailed in the Constitution at section 12.04.

Section 151 of the 1972 Local Government Act requires that every local authority shall make arrangements for the proper administration of its financial affairs. Every authority shall make one officer responsible for the administration of those affairs. Within Mid Devon District Council (MDDC) this role has been assigned to the Deputy Chief Executive (S151). The Financial Regulations assist the Deputy Chief Executive (S151) in discharging his/her duties under the 1972 Act and the Accounts and Audit Regulations 2015.

The Deputy Chief Executive (S151) is responsible for issuing advice and guidance to underpin the Regulations that Members, Officers and others acting on behalf of the authority are required to follow.

His/her responsibilities include:

- Reporting to Council Members or the Cabinet, in consultation with the Monitoring Officer and Chief Executive, if there is likely to be unlawful expenditure or an unbalanced budget (Section 114, Local Government Finance Act 1988, as amended).

- Advising Members or relevant Officers, in consultation with the Monitoring Officer, about particular decisions where those decisions are likely to be contrary to the agreed policy framework or budget (Local Government Act 2000).

- Ensuring the adequacies of accounting records and supporting information, control systems and the statement of accounts (Accounts and Audit Regulations 2015).

- Undertaking an effective system of internal audit (Accounts and Audit Regulations 2015).

- Reporting to the Council, at the time the budget is considered and the Council Tax set, on the robustness of the budget estimates and the adequacy of financial reserves (Section 25, Local Government Act 2003).

- Reporting to the Council where, in relation to the previous financial year, it appears that a controlled reserve is or is likely to be inadequate (Section 27, Local Government Act 2015).

- Setting affordable borrowing limits and to arrange the Council's affairs to remain within those limits (Section 3, Local Government Act 2003).

- Preparing five year capital and revenue forecast plans with their consequential impact on Council Tax, taking account of affordability in both the short and long term (The medium term financial plan).

- Keeping the Council's finances under review during the year and to take action if there is evidence that financial pressures will result in budget overspend or if there is a shortfall in income (Section 28(3) Local Government Act 2003).

- Maintaining strong financial management underpinned by effective financial controls.

- Contributing to corporate management and leadership by the provision of financial advice for service delivery, strategic planning and policy making across the authority.

- Supporting and advising Members on financial matters and decisions.

- Supporting and advising Officers in their operational role on financial matters and decisions.

- Producing Financial Regulations for adoption by the Council.

- Advising Corporate Managers and Directors of any amendments to Financial Regulations.

- Acting as or appointing a Money Laundering Officer in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.

- Producing a robust Financial Plan, in consultation with all Corporate Managers and Directors, to achieve efficiency targets set by the Council and facilitate their delivery.

- Providing advice on the optimum use of available resources in the management of capital and revenue budgets.

- Providing financial management information in a timely manner.
- Preparation of statutory and other accounts, associated grant claims and supporting records.
- Provision of effective financial management systems and procedures.
- Provision of effective income collection and payments systems.
- Advising on treasury, investment and cash-flow management.

To ensure that the Deputy Chief Executive (S151) is able to fulfil the responsibilities identified, the post holder shall:

- Be able to contribute to papers for corporate management meetings in advance and have access to decisions made.
- Have the right to attend meetings of corporate management where financial issues are being considered.
- Have unrestricted access to the Chief Executive, the Monitoring Officer, Corporate Managers and Directors and to Members whenever they consider it appropriate to do so.
- Have unrestricted access to external organisations where the Council acts either as Accountable Body or enjoys an external relationship with a Specific Entity.
- Have the right to report to Full Council, the Cabinet and the Scrutiny Committee whenever they consider it appropriate to do so.
- Have unrestricted access to the Council's Internal Audit team, to external auditors and to other inspectorates.

1.2.3 Corporate Managers and Directors

Corporate Managers and Directors duties include**:**

- Consulting with the Deputy Chief Executive (S151), or his/her Departmental Representative, on any matter, including submission of plans and/or bids for external funding or potential costs identified through external financial relationships, that is likely to have a financial impact on the capital programme or revenue budget, prior to committing the Council to that impact.
- Managing the financial activities of their services, within the agreed budgets and procedures determined by the Deputy Chief Executive (S151).

Corporate Managers and Directors must therefore ensure that:

- Departmental financial arrangements are adequate and effective in order to comply with these Financial Regulations.
- Departmental measures are taken to confirm the legality of all financial activities.

- Implementing financial administration and accounting procedures determined by the Deputy Chief Executive (S151) and adopting detailed financial records as agreed with the Deputy Chief Executive (S151).

- Ensuring the operational use of the Council's main financial systems, except in exceptional circumstances, are agreed with the Deputy Chief Executive (S151) prior to use.

- Providing departmental support in the keeping and closing of the Council's accounts, in particular that background documentation is available, which meets the standards set by the Deputy Chief Executive (S151) in liaison with the Council's external auditors.

- Obtaining the approval of the Deputy Chief Executive (S151), or his/her Departmental Representative, prior to introducing or significantly changing financial administration/accounting procedures or associated financial records.

- Ensuring that the Deputy Chief Executive (S151) and/or his/her Departmental Representative are provided with all necessary data to allow the timely submission of grant claims, financial returns or publication of financial information.

- Ensuring the security and confidentiality of financial information within their Department, including adherence to guidance issued relating to data protection legislation.

- Where staff have financial responsibilities, ensuring wherever possible that separation of duties exist.

- Acting to implement the recommendations of reports issued by the external and internal auditors in consultation with the Deputy Chief Executive (S151) and their Departmental Representative and the appropriate Service Cabinet Member where relevant.

Corporate Managers and Directors may vest their responsibilities to other Officers provided that such authorisation is given in writing. Corporate Managers and Directors must ensure that they always retain accountability for their responsibilities.

1.2.4 Service Managers/Budget holders

Service Managers/Budget holder's duties include**:**

- Planning and agreeing budget and corresponding service provision with Corporate Managers and Directors on an annual basis.

- Ensuring that financial objectives within their area of responsibility are achieved and Best Value secured.

- Reporting adverse variances to budget and to agree remedial actions with Corporate Managers and Directors.

- Vireing between cost centres/budgets in their areas of responsibility, subject to Financial Regulations (See Section 4).

Managers are responsible for ensuring adequate records, financial and otherwise, have been maintained for all externally funded schemes subject to audit by the European Commission or grant awarding bodies.

1.2.5 Personal Responsibility

All Members and Officers have a general responsibility for taking reasonable action to provide for the security of the Council's assets under their control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves Best Value.

All employees shall inform their line manager immediately about any matter that involves or is thought to involve irregularities concerning cash, stores, income, expenditure, assets (including data held by the Council) or any suspected irregularity concerning the exercise of the functions of the Council. Line managers should consult with their Corporate Managers and/or Directors without delay.

As an alternative to the Financial Regulation above, employees may raise concerns under the Whistle-Blowing Procedures confidentially.

1.2.6 Emergency Action

In the event of an emergency, the Chief Executive, Corporate Managers or Directors are empowered to authorise all necessary actions. The Chief Executive, Corporate Managers or Directors shall notify the Deputy Chief Executive (S151), in writing, of the circumstances and estimated financial impact and report formally to Cabinet subsequently.

1.2.7 Powers of Delegation

The powers of delegation in respect of the Deputy Chief Executive (S151) are detailed in the Constitution at Section 5, page 65. Corporate Managers are required to maintain a written record where decision making has been delegated to members of their staff, including seconded staff. Where decisions have been delegated or devolved to responsible budget holders/service managers or other designated officers, references to the Service Manager in the Regulations should be read as referring to them.

1.2.8 Money Laundering Reporting Officer

The Operations Manager for Performance, Governance and Health and Safety is appointed as the Money Laundering Reporting Officer. He/ she is responsible for notifying the National Crime Agency of any suspected cases of money laundering committed within the Council as soon as possible and fulfilling other duties as defined by legislation or regulations.

1.3 Awareness of Existence and Content of Financial Regulations

Service managers are responsible for ensuring that all of their staff are fully aware of the existence and content of the Regulations and other internal regulatory documents (such as Human Resource and ICT policies and procedures) and that they comply with them.

Any non-compliance with the Regulations must be reported to the Deputy Chief Executive (S151) and the Operations Manager for Performance, Governance and Health and Safety immediately.

1.4 Reviewing and Changing Financial Regulations

The Deputy Chief Executive (S151) is responsible for maintaining a continuous review of these Regulations and submitting any additions or changes necessary to the Council for approval. The Deputy Chief Executive (S151) is also responsible for reporting, where appropriate, breaches of the Financial Regulations to the Council via the
Audit Committee.

1.5 Compliance

A failure to comply with these Financial Regulations, or procedures issued under them may constitute misconduct in the case of Officers, or a breach of the Members Code for Members. Reported breaches will be investigated by Internal Audit in the first instance and could lead to disciplinary action. The Deputy Chief Executive (S151) is to be advised immediately.

If you have any queries, comments or concerns on the content of the Regulations, please contact either the Deputy Chief Executive (S151) or the Operations Manager for Performance, Governance and Health and Safety.

2.0 Systems and Internal Control

2.1 Accounting records

2.2 Controlled stationery

2.3 Officer authorisation procedures

2.4 Security of cash, tills, safes and keys

2.5 Document retention

2.6 Segregation of duties

2.7 Business continuity

2.8 New electronic systems

2.0 Systems and Internal Control Procedures

Why are these important?

Maintaining proper accounting records is the way in which the Council evidences its responsibility for the stewardship of public resources.

The Council has a statutory responsibility to "present fairly" the financial consequences of its operations during the year, which are subject to external audit. This audit provides assurance that the accounts have been prepared in accordance with the current Code of Practice on Local Authority Accounting in the United Kingdom and the Service Reporting Code of Practice for Local Authorities (SeRCOP) and that arrangements have been made for securing economy, efficiency and effectiveness in the use of the Council's resources.

Risks:

- The Council cannot account for all income received and expenditure made.
- Financial systems provide inaccurate or misleading information leading to poor decision making.
- Insecure accounting or financial systems give rise to opportunities for fraud or loss.
- Statutory timescales for reporting on the Council's financial affairs are not met.

2.1 Accounting Records

The Deputy Chief Executive (S151) is responsible for determining the accounting systems and procedures adopted and maintained by the Council. All income, expenditure, assets and liabilities are to be properly accounted for in line with published guidance, with the maintenance of a complete audit trail, either electronic or paper for all entries made.

All financial systems and records of accounting are to be in a form approved by the Deputy Chief Executive (S151), who is to be consulted and must approve any changes to accounting records and procedures prior to them being made.

Financial and accounting systems shall incorporate appropriate controls to ensure that, where relevant:

- All data input is genuine, complete, accurate, timely and not duplicated.
- All processing of data is carried out in an accurate, complete and timely manner.
- Output from the system is complete, accurate and timely.
- Segregation of duties wherever possible is built into business processes to reduce the risk of fraud e.g. a single individual cannot authorise and make payment to others.
- All transactions and activities have a clear trail of accountability by authorised, responsible officers.
- Appropriate authorisation levels are set for all staff dependent upon their level of responsibility.
- Records and data are securely retained and in accordance with data protection guidance.
- The Council's transactions, material commitments and contracts and other essential accounting information must be recorded completely, accurately and on a timely basis.

2.2 Controlled Stationery

Why is this important?

Controlled stationery by its very nature has an inherent value. Examples of such stationery are official receipt books, cheque books and cheque stationery. If such stationery is lost or stolen income due to the Council may never reach it or money may be paid out to fraudulent payees.

Risks:

- Stationery could be lost or stolen leading to financial, possibly considerable, loss to the Council.
- Income based services could be put at risk if monies collected are being diverted into fraudsters hands.

Regulations:

- The Deputy Chief Executive (S151) shall be responsible for controlling financial stationery.

- The design and use of all financial stationery shall be subject to the approval of the Deputy Chief Executive (S151).

- The Deputy Chief Executive (S151) shall nominate officers responsible for the ordering, secure storage and issue of financial stationery.

- Proper arrangements are to be made for the security of financial stationery held. No stationery is to be left in circumstances which could lead to unauthorised use.

- An adequate, but not excessive stock of financial stationery will be held. Proper and secure arrangements are to be made for the destruction of any out of date stationery.

- A record of all cheques issued, either electronic or manual is to be made.

2.3 Officer Authorisation Procedures

Why is this important?

Officers can have considerable financial power that needs to be controlled through effective delegation, with clearly defined limits to their delegated authority. Many transactions are now electronically approved and formal paper based lists of authorised signatories are now impractical.

Examples of related areas:

- Official orders
- Sales invoices
- Cheque signatories
- Electronic funds transfers
- Valuation certificates and fee accounts
- Expense claims forms
- Travel and subsistence claim forms
- Wages/timesheets
- Overtime claims

Risks:

- Officers could exceed their authority.
- Fraud, loss, extravagance or waste could arise.

Regulations:

- Procedures are to be put in place to ensure appropriate officers authorise transactions up to agreed levels. Specific guidance will be cited in relevant sections of the Financial Regulations and HR policies.

2.4 Security of Cash, Tills, Safes and Keys

Why is this important?

Money collected by the Council is extremely vulnerable until it is banked. Up to that point it is the Council's responsibility to ensure the safe storage and transit of cash. The security of cash, tills, keys and safes is therefore, essential if the Council is to fulfil its duty.

Risks:

- Cash could be lost or stolen.
- Suspicion in respect of stolen cash may rest with a number of staff if they all had access keys.
- Claims against the Council's insurers may be invalidated.

Regulations:

- Employees of the Council responsible for collecting, holding and the paying in of cash receipts must ensure that it is held under secure arrangements at all times. All cash holdings are to be kept to a minimum and within agreed insurance levels.
- Members of staff who are authorised to gain access to any Council safe or till are responsible for the security of the keys at all times.
- The combination of any Council safe must not be disclosed to another person without the express authorisation of the relevant Service manager. The combination of a safe must be changed immediately when a member of staff, who is authorised to open that safe, leaves the services of the Council.
- All keys held for any official purpose by an authorised member of staff must be held under proper and secure arrangements and not passed or be available to any unauthorised person. The loss or theft of keys is to be reported to the Deputy Chief Executive (S151) immediately.
- All staff are to ensure that all windows, safes and drawers are locked in any location wherever cash or keys are held out of hours.
- Where a till discrepancy is in excess of the amount cited in Appendix A, they shall be referred to Internal Audit.

2.5 Document Retention

Why is this important?

Although the archiving of documents may cause operational difficulties for management, it is vital that these are retained for as long as necessary, and in an adequate environment, to satisfy legal and all other practical requirements. In particular, prime records used within the Council's financial

and key non-financial systems must be given due protection to maintain an adequate trail from source right through to completion of transactions.

Risks:

- Statutory obligations concerning the retention of key documents are not met, e.g. HM Revenue and Customs requirements and penalties may arise.

- The Council may be disadvantaged in taking or defending legal action if prime documents are not retained.

- Performance statistics cannot be verified.

- The external auditor may not be able to verify the Council's final accounts and grants may be lost.

Regulations:

- Financial records, whether electronic or paper, must be retained for six years plus the current year. The Operations Manager for Performance, Governance and Health and Safety will provide guidance to Service managers on the retention of documents which is available on SharePoint.

2.6 Segregation of Duties

Wherever possible the following principles should be complied with when allocating accounting duties:

- The duties of providing information about sums due to, or from, the Council and calculating, checking and recording these sums must be separate from the duty of collecting or dispersing them.

- Employees with the duty of examining or checking the accounts of cash transactions must not themselves be engaged in these transactions.

2.7 Business Continuity

The Deputy Chief Executive (S151) is to ensure that accounting and financial records are held securely and procedures are in place to enable accounting records to be reconstituted in the event of a systems failure. Working with the Corporate Managers and Directors responsible for Business Continuity and ICT, a documented and tested business continuity plan to allow information processing to resume quickly in the event of an interruption, shall be in place.

2.8 New Electronic Systems

The acquisition or renewal of all accounting software must be subject to the approval of the Deputy Chief Executive (S151), the Data Protection Officer and Corporate Manager for Digital

Transformation and Customer Engagement. The purchasing or leasing of computer and ancillary equipment is only to be undertaken in accordance with the ICT Strategy.

All new financial systems shall be documented, tested in parallel and users trained in their operation, prior to the system being used in a live environment.

3.0 Financial Planning

3.1 Overall strategic policy framework

3.2 Service performance plans for financial years

3.3 Asset and vehicle management

3.4 Year end balances - earmarked reserves

3.5 Maintenance of reserves

3.6 Ring-fencing of reserves

3.7 Medium term financial planning

3.8 Reports with financial implications

3.1 Overall Strategic Policy Framework

The strategic plans of the Council are embraced by these key documents:

- Corporate Plan
- Medium Term Financial Plan
- Workforce Plan.

The Corporate Plan sets out the Council's key service priorities as agreed by Members. Policy Development Groups propose policies to the Cabinet in accordance with these priorities. The Medium Term Financial Plan looks forward to the next five years and examines the forecasted income and expenditure for both revenue and capital linked to the Corporate Plan's priorities. (See 3.7 below). Finally, the Workforce Plan looks at staff deployment and employment strategies linked to the Corporate Plan. Constraints imposed by our financial resources often limit what the Council can achieve, within a given time frame, for both revenue and capital.

3.2 Service Performance Plans for Financial Years

Corporate Managers and Directors working with their Cabinet Members are required to produce service plans detailing service provision and level of performance linked to their budget for each

financial year. Initial draft service plans should be created and available in September of each year to assist in the budget setting process.

These plans should be discussed by the Policy Development Groups when budgets are reviewed and amended accordingly. New Government initiatives and other legislative requirements will need to be brought in, also any possible savings identified to help facilitate an overall balanced budget. The service plans will therefore evolve over the budget setting period.

The final service plans, with agreed budgets and salary estimates, are to be presented to Leadership Team for approval before the commencement of the financial year, April 1, for each service.

3.3 Asset and Vehicle Management

Corporate Managers, Directors and Service Managers need to consider the equipment and assets used in the provision of their service in relation to their service performance plans. It is vital that we can demonstrate value for money in our decision making. Assets used by services will have finite lives and provision in their service revenue budgets is needed to facilitate the asset's replacement at the end of its useful life.

Where an item of equipment is needed for a service due consideration should be given to:

- the frequency of use by staff.
- the priority of future service provision.
- the asset's expected life.
- the cost of ongoing maintenance and other running costs of the asset.
- the cost to purchase the asset.
- the cost and conditions relating to leasing the asset.
- the expected residual value of the asset at the end of its useful life.

These factors should then lead to a Best Value decision as to whether the Council:

- purchases the asset.
- procures the asset by way of a finance lease.
- hires the asset for short periods, as and when required.
- enters into an agreement with another organisation for its use.

In all cases Managers should be able to demonstrate value for money and consideration of these factors if challenged on their decision - the current practice should not be mechanically followed year on year.

The current limit for capitalisation of assets is shown in Appendix A. Assets whose values exceed the threshold shown in Appendix A will be capitalised and recorded in the fixed asset register maintained by the Deputy Chief Executive (S151).

IFRS 16 states that lease agreements are to be treated as borrowing and the signing authority must match that of borrowing. In accordance with Financial Regulations all borrowing must be approved as part of the Capital Programme.

Where acquisitions of capital assets are expected in future periods, these should be planned for and be incorporated into the Medium Term Financial Plan. Although the expenditure is treated as capital in the accounts, Service Managers should make an annual revenue contribution each year towards that asset's replacement. This will help to control demands on the capital programme and ensure ongoing provision for replacement, for example an asset costs £100k today with an expected life of 5 years. The expected replacement cost in five years is £120k. The service should budget for an annual charge of £120k/5 = £24k each year to be made into a specific earmarked reserve carried forward to year six so that in year 6 £120k is available to acquire the replacement asset.

Clearly service managers will need to consider their asset provisions made to date annually and if a shortfall is envisaged for replacement, additional provision in future budget(s) will need to be made.

Even if an asset is below the current capitalisation threshold in value, if its cyclical replacement is not budgeted for there can be large spikes in expenditure in financial years when new assets are purchased e.g. there could be a year where large amounts of equipment are to be replaced whose individual values are low. Service managers should therefore consider their future needs and create an earmarked reserve to provide for this eventuality also.

In the case of our vehicle fleet, where non specialist vehicles such as vans can be moved between services an overall strategy for vehicles needs to be made by the Corporate Manager responsible for Transport Management.

3.4 Year End Balances - Earmarked Reserves

Why is this important?

The Regulations below cover arrangements for the transfer of resources between accounting years i.e. earmarked reserves.

Risk:

- Balances are not carried forward correctly.

Regulations:

- The Deputy Chief Executive (S151) is to administer the scheme of earmarked reserves within the guidelines approved by the Council.

- Net underspends on service estimates may be carried forward, subject to:

    - The detailed constraints and completion of a request form **FIN751** as specified by the Deputy Chief Executive (S151).

    - Detailing the sources of underspends or additional income and the specific application of those resources for approval by Deputy Chief Executive (S151).

The Deputy Chief Executive (S151) is to report all underspends on service estimates carried forward to the Cabinet.

Where capital projects are part complete their unused budget shall be rolled forward automatically to future year(s) to ensure their completion, without the need for a completed form FIN 751.

3.5 Maintenance of Reserves

Why is this important?

The Cabinet must decide the level of General Fund and Housing Revenue Account reserves that it wishes to maintain before it can decide the level of council tax or council house rents.

Reserves are maintained as a matter of prudence. They enable the Council to provide for unexpected events and thereby protect it from overspending should such events occur. Reserves for specific purposes may also be maintained.

Risks:

- The Council may be unable to meet its financial commitments or any unforeseen costs that may arise during the year.

- The Council fails to comply with standard CIPFA codes of practice on local authority accounting.

Regulations:

- The Deputy Chief Executive (S151) shall advise the Cabinet and Full Council on prudent levels of reserves for the Council and take into account the advice of the external auditors and generally accepted practice.

- The Deputy Chief Executive (S151) will comply with accepted standard codes of practice in respect of the maintenance of reserves.

3.6 Ring-Fencing of Reserves

Service managers shall only use specific reserves for the purposes for which they were intended.

The Housing Revenue Account and General Fund are ring-fenced and legislation provides that neither can be used to subsidise, or help finance the other. All transactions between the two are required to be at arm's length, fair and equitable to both funds.

Unless funded by a revenue contribution to capital, all capital monies must be expended on capital expenditure. Revenue monies may be used for either revenue expenditure or a revenue contribution to capital expenditure.

3.7 Medium Term Financial Planning

Why is this important?

Without planning for the short/medium/longer term future budget shortfalls could occur impairing the delivery of corporate goals and creating a reactive rather than proactive management style. Future expected trends and the financial “headroom” can be identified and fed into the Corporate Plan. Potential risks are also highlighted.

Regulations:

- The Deputy Chief Executive (S151) will produce and update a Medium Term Financial Plan for the Council covering an advanced period of five years. This is to be presented annually to the Leadership team and the Cabinet for approval prior to budgets for the following year having been set.

- Corporate Managers, Directors and service managers have a duty to inform the Deputy Chief Executive (S151) of any projected major changes (amounts up or down of £20k or more) to their service in future periods.

The Medium Term Financial Plan shall consider the following factors over the life of the plan:

- the Government’s current spending review proposals.
- the likely level of Council Tax rises.
- the Corporate Plan goals.
- new service initiatives.
- service savings.
- income from fees and charges.
- the effects of inflation.
- future legislative changes including taxation.
- the demands of a proposed capital programme.
- treasury management considerations.
- any other factors whose impact could exceed £20k.

Its scope shall embrace the General Fund, the future capital programme, the Housing Revenue Account, future treasury management, and identify the expected level of reserves and any shortfalls.

The plan must state what is known, estimated and assumed in producing the plan.

Sensitivity analysis should be employed to give the reader an idea of a 1% variation - some factors could have a seriously detrimental effect on budgets or reserves whereas other factors might be far less influential.

In making strategic decisions, amending the Corporate Plan, and approving future budgets, Leadership Team and the Cabinet shall have regard to the Medium Term Financial Plan and its implications.

3.8 Reports with Financial Implications

Why is this important?

Without understanding the financial impact of any proposal a poor decision could be made, exposing the Council to risks, possibly leading to an overspent budget. Significant resources could also be diverted from key corporate goals.

Regulations:

- All reports to Members of Policy Development Groups, Scrutiny and the Cabinet shall be reviewed by the Deputy Chief Executive (S151) to quantify as accurately as possible the financial effects and risks of any proposals **before** details are published and to ensure that reports published are fit for purpose.

4.0 Budgetary Control

4.1 Resource allocation

4.2 Budget preparation

4.3 Budget approval

4.4 Responsibility for budgets

4.5 Budget monitoring

4.6 Budget changes (virements)

4.0 Budgetary Control and Monitoring

Why is this important?

Budget management ensures that once Council has approved the budget, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process enabling the Council to review and adjust its budget targets during the financial year. It also provides the mechanism that calls to account responsible managers for defined elements of the budget.

By monitoring the budget on a regular basis, variances against budgetary targets can be identified along with changes in trends and resource requirements at the earliest opportunity. Effective budget monitoring will also inform what management intervention is needed.

The scheme of budgetary virements is intended to enable the Council, service managers and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the Council, and therefore optimise the use of resources.

Risks:

- There may be inefficient use of public money and a failure to comply with the Council's objectives.
- Budgets could become overspent with nobody being held accountable for them.
- Systems could fail with nobody being made aware that they have.

- The Council could face prosecution and/or a qualified external audit report for failing to comply with legislation and accepted standards.

4.1 Resource Allocation

The Chief Executive and Deputy Chief Executive (S151) are jointly responsible for developing and maintaining a resource allocation process that ensures that both capital and revenue expenditure plans take account of the Council's policy framework and changing priorities. It is the responsibility of Corporate Managers and Directors to ensure that the revenue and capital budget estimates reflect agreed service plans and are in line with the Medium Term Financial Plan and the Corporate Plan.

4.2 Budget Preparation

The Deputy Chief Executive (S151), in consultation with Corporate Managers and Directors, shall prepare a budget timetable to ensure that the draft budget is finalised for approval by the Cabinet and Full Council within statutory timetables.

The Budget will be prepared in consultation with the relevant service manager or his/her nominated representative. In assisting the Deputy Chief Executive (S151) to prepare their budgets, due regard shall be given to:

- spending patterns and pressures revealed through the budget monitoring process.
- the prior year's actual outturn.
- legal requirements.
- the Corporate Plan.
- the Workforce Plan.
- initiatives already commenced.
- the future introduction of new Central and regional Government initiatives.

The Deputy Chief Executive (S151) will encourage the best use of resources and value for money by working with service managers to identify opportunities to improve economy, efficiency and effectiveness.

The Authority is legally obliged to set a balanced budget.

4.3 Budget Approval

The Deputy Chief Executive (S151), as Section 151 Officer, is responsible for ensuring that General Fund, Housing Revenue Account and capital budgets are prepared on an annual basis for consideration by Full Council, and in accordance with professional and statutory requirements.

Full Council may amend the budget or ask the Cabinet to reconsider it before approving it.

After the budget has been approved by Council there will be no increase in the overall budget, unless sanctioned by the Cabinet. Expenditure is to be committed only against an approved budget head, unless approved virements have been made. (See section 4.6 below)

The Deputy Chief Executive (S151) will produce an annual summary Budget Book.

4.4 Responsibility for Budgets

Corporate Managers and Directors are responsible for the budgets relating to their service areas and are required to sign approving their service plans and acknowledging accountability for their budgets annually.

If the Corporate Manager or Director wishes to delegate responsibility for the budget to their service manager(s) then evidence of the onward delegation needs to be documented and the service manager will need to sign to accept the delegated budgetary responsibility. Inclusion of such accountability within the signed Job Description of the Service manager shall be regarded as sufficient documentary evidence.

It is the responsibility of Corporate Managers and Directors to control income and expenditure within their area and to monitor performance. Corporate Managers and Directors must ensure that there is a clear allocation of responsibility for revenue budget at cost centre level and capital schemes within their areas. Budget responsibility should be aligned as closely as possible to the decision making that commits expenditure. Corporate Managers and Directors should report on variances within their own areas. They must also take any action necessary to avoid exceeding their budget allocation and alert the Deputy Chief Executive (S151) to any problems. The notification must also include an explanation of any remedial action necessary.

4.5 Budgetary Control and Monitoring

It is the responsibility of the service manager to control income and expenditure within their service areas and monitor performance. Any variances (both over and under spends) are to be discussed with their Corporate Manager and accountant.

Service managers should also take any action necessary to avoid exceeding their budget allocation and alert the Deputy Chief Executive (S151) and Corporate Manager to any problems, immediately as they arise.

The Deputy Chief Executive (S151) will present a budget monitoring report to Leadership Team and the Cabinet, outlining any areas of concern (i.e. identified material overspends and shortfalls in income) along with explanations from service managers as to the actions that are recommended to address the concerns.

4.6 Budget Changes (Virements)

The scheme of virements is administered by the Deputy Chief Executive (S151).

The transfer of budgetary provision from one service unit to another is permissible, providing virement conditions are complied with as detailed below.

A budget virement may not be made between the Housing Revenue Account and the General Fund.

Service managers are responsible for initiating the virements procedure. Approval for each virement will require the completion of a virement request form **FIN701**.

Budgetary virements may be required by changes in accounting practice issued by CIPFA and other regulatory bodies. In such cases virement request form **FIN701** will not be required provided the overall budget, before and after, remains the same.

Appendix A shows the thresholds for approval split between those virements within service units and those between service units. Where a virement request has been approved, under no circumstances is income or expenditure to be vired between different financial years (ultimately amending the overall budget liability).

Approved virement request forms must be processed by the appropriate accountant who will amend the financial ledger accordingly. Approved forms must be retained for audit purposes.

5.0 Procurement and Contracts

5.1 Contract procedure regulations

5.2 Employment status - Use of consultants and service companies

5.3 Construction industry scheme

5.4 Receipt of goods

5.5 Authorisation for payment

5.6 Payments

5.7 Contract register

5.0 Procurement of Works, Goods and Services

Why is this important?

Public money should be spent with demonstrable probity and in accordance with the Council's policies. Local authorities have a statutory duty to achieve best value, in part through economy and efficiency. The Council's procedures should help to ensure that services obtain value for money from their purchasing arrangements and reduce the following risks.

Risks:

- Goods or services may be ordered for personal use and later paid for by the Council.
- The incorrect volume, number or quality of goods and services may be received.
- The Council may be committed to spending on goods and services for which no budgetary provision has been determined.
- Officers failing to follow contract and tendering procedures may leave both themselves and the Council open to accusations of favouritism, unfair contract terms and legal challenge.
- Goods or services ordered may fail to meet the Council's environmental, health and safety and other strategies and policies.

- The procedures which should be followed when considering any spend of Council money are set out in the Contract Procedure Regulations.

5.1 Contract procedure regulations

5.1.1 Why do we have contract procedure regulations?

The Council is obligated by Section 135 of the Local Government Act 1972, to make contract procedure regulations for the supply of goods or services or for the execution of works.

The purpose of contract procedure regulations is to provide a framework within which the Council can get value for money when obtaining supplies of goods, services and works.

Officers must comply with these contract procedure regulations, which lay down minimum requirements for procuring goods, services and works. Guidance on the procurement process can be obtained from the Procurement Team. Officers must always seek advice from the Procurement Team in the first instance and from the Council's Legal Services department when in any doubt and in particular for all contracts where European Law applies. If an authorising officer has any questions about the Contract Procedure Regulations, they should contact the Deputy Chief Executive (S151).

Every contract made by the Council shall comply with these contract procedure regulations.

Every contract made by the Council shall comply with the Public Contracts Regulations 2015 (PCR) or the concessions Contracts Regulations 2016, as applicable.

Contract procedure regulations must be followed unless the law (in particular, European Procurement Directives, but also UK law) requires something different.

5.1.2 Who do the contract procedure regulations apply to?

These contract procedure regulations apply to:

- All contracts made and to all orders placed by, or on behalf of the Council for the procurement, hire and commissioning of goods, services and works including where the Council is acting on behalf of public bodies.

- All Officers and Members of the Council.

- Any person or organisation engaged to manage a contract or undertake work that involves procurement on behalf of the Council. In each case the requirement to comply with the contract procedure regulations is to be included in the terms of engagement.

- The selection of sub-contractors where these are nominated by the Council under a main contract.

5.1.3 Reviewing and changing the Contract Procedure Regulations

The Deputy Chief Executive (S151) is responsible for maintaining a continuous review of the contract procedure regulations and submitting any additions or changes necessary to the Council for approval. The Deputy Chief Executive (S151) is also responsible for reporting, where appropriate, breaches of the contract procedure regulations to the Council via the Cabinet.

Any non-compliance with the contract procedure regulations must be reported to the Deputy Chief Executive (S151) or his representative. Any Officer that breaches the contract procedure regulations may be subject to the Council's disciplinary procedures.

Anyone wishing to act outside the provisions of these contract procedure regulations in a specific instance not covered by these contract procedure regulations must seek the prior written approval of the Deputy Chief Executive (S151) or Corporate Manager for Financial Services and use the designated waiver form.

All instances of working outside these rules, including those subject to an approved waiver or an exemption, will be reported to the next meeting of the Cabinet.

5.1.4 Compliance with the Contract Procedure Regulations

Service managers are responsible for ensuring that all of their staff fully complies with the contract procedure regulations and other internal regulatory documents such as Procurement policies and procedures. The contract procedure regulations is available on a centrally accessible ICT location and hard copies can also be made available.

Staff required to use contract procedure regulations as part of their job will be required to confirm that they have read and understood the contract procedure regulations as part of their induction. If further clarification or training is required, this can be provided by the Procurement Team.

5.1.5 Procurement principles

The Council will adopt the following principles relating to the procurement of goods, services and works:

- Base its procurement requirements on the principles of Best Value to ensure that it achieves efficiency, effectiveness and value for money.

- Take a long-term strategic view of how it procures its requirements including the potential for alternative methods of service delivery, innovative funding methods and partnership working.

- Expect that externally sourced requirements will be procured as a result of a competitive process unless there are compelling or practical reasons to the contrary.

- Ensure that sustainability is an important criterion in any procurement activity as far as possible.

- Where appropriate develop procurement on a partnering basis in which both the Council and the supplier seek to achieve continuous improvements and maximise mutual benefit through longer term clearly worded contracts. These contracts will be based on measurable outcomes and performance that define the obligations of both parties.

- Where appropriate seek to work with others and through legitimate consortia in the procurement of its requirements in order to widen the scope of its experience and focus expertise, maximise purchasing power and harness economies of scale.

The Council acknowledges that cheapest is not always best and shall award the contract based on the most economically advantageous tender (to the Council). This encompasses a number of considerations and can include Best Price Quality Ratio (BPQR) and such other criteria such as environmental and social value. It is important that the criteria for selection and award are made clear in the tender pack, including any sub-criteria.

The method of contract evaluation will be included in the quotation specification or the invitation to tender.

5.1.6 Application and Interpretation of Contract Procedure Regulations

Definitions

Definitions with regard to these contract procedure regulations can be found in the Glossary.

5.1.7 Aggregation of Orders

No procurement or award of contract shall be made in a manner which seeks falsely to bring the value of the contract below the Public Procurement Thresholds ~~European Thresholds~~ or those set out in these Regulations in order to avoid compliance with the applicable laws and these Regulations. This includes dividing the order(s) or contracts in order to give the appearance of being below the relevant threshold.

5.1.8 Exemption

Exemption from any contract procedure regulations may be authorised by the Corporate Manager and Deputy Chief Executive (S151) provided that:

- The decision maker or authorised officer is satisfied that the exemption is justified by special circumstances; and

- The exemption is reported in writing to the decision maker specifying the circumstances justifying the exemption.

5.1.9 Exceptional cases where Contract Procedure Regulations shall not apply (urgency etc.)

Contract procedure regulations shall not apply where in exceptional circumstances approval to proceed would be given by the official waiver procedure:

- The work, goods or materials are urgently required, and loss would be entailed by delay arising from advertising.

- The work, goods or materials required are of such special nature that no advantage would accrue by inviting competitive tenders.

- There is no effective competition for the goods or materials required by reason of the fixing of prices under statutory authority or that such goods or materials are patented or proprietary articles or materials.

- Transactions, which, because of special circumstances, may (either individually or as a class) be excepted from time to time by the Cabinet of the Council.

5.1.10 Transactions effected through public sector purchasing organisations

Contract procedure regulations shall still apply to transactions effected through well-established public sector and other purchasing and distribution organisations. A full list of these is kept by the Procurement team. The procedure will depend on the nature of the framework agreement.

Further competition procedure should be used where the statement of requirements when developed, cannot be met by the standard catalogue of goods or services or if there is no such catalogue. The contract procedure rules will then apply to the further competition process.

Advice must be sought from the Procurement Team, prior to purchasing through any purchasing organisation or consortia.

5.1.11 Contracts and official orders

The table below provides an overview of the approach to be applied to the different thresholds of spend along with a reference to where the process is explained within these regulations:

Value	Form of Agreement	Methodology	Decision Route
<£5,000	Official Purchase Order	Best endeavours	Budget holder
£5,000 - £25,000	Official Purchase Order	Minimum of 3 Written Quotations submitted by a specified date and time and based on a written specification and evaluation criteria	Budget holder
£25,000 - £50,000	Official Purchase Order	Minimum of 3 Written Quotations submitted by a specified date and time and based on a written specification and evaluation criteria and advertise award on Contracts Finder	Service Manager
£50,000 – Public Procurement Thresholds ~~EU Threshold~~	Formal Written Contract & Purchase Order	Formal Tender using to a detailed written tender specification by a defined deadline. (advertise opportunity and award on Contracts Finder)	Assuming that there is agreed budget in place, Corporate Manager + S151 Officer may approve up to £250k.
Over Public Procurement Thresholds ~~EU Threshold~~	Formal Written Contract & Purchase Order	Formal Tender using to a detailed written tender specification by a defined deadline. (advertised in the UK Government's Find a Tender service ~~OJEU~~)	Contracts in excess of £250k will require approval by Cabinet

Prior to commencing any procurement or raising any order, the Officer must be assured that there is sufficient budget in place for the proposed purchase and establish the expenditure code relating to where the budget is held.

Consideration to both the value of the contract and the risk of exposure to the Council should be made by the relevant Corporate Manager when deciding whether to execute a formal written contract.

5.1.12 Estimated Contract value less that £5,000

In the case of goods, where the Authority purchases a significant number of items and the aggregate total spend exceed £5,000 per year, prices must be renegotiated with the supplier annually. If the total spend exceeds £50,000 per year, a contract should be executed in line with the **tender process** below.

In the case of works or services, where the Authority appoints a supplier for a significant number of low value jobs and the aggregate total spend exceeds £5,000 per year, quotations for rates should be obtained in line with the **quotation process** outlined below. If the total spend exceeds £50,000 per year, a contract should be executed in line with the **tender process** below.

In the case of a contract whose total does not exceed £5,000, the officer may place a single order without inviting quotations provided they are satisfied that they have used their best endeavours to

ensure that the most favourable prices and terms are obtained, having regard to the principles of value for money and that the supplier is financially sound and technically competent.

If the contract is related to a service or works provision, appropriate pre-qualification of suppliers must be carried out to ensure that their status in relation to health and safety, financial standing, customer care, data protection, equalities, contract management and provision of insurance is suitable for the level of the contract.

Pre-qualification through an industry recognised method such as Construction Line or Exor will be deemed acceptable although the relevant Corporate Manager may require further checks to be carried out in this regard.

In the event that competitive tenders or quotations are sought, these shall be obtained from such number of contractors/suppliers as the relevant Corporate Manager deems appropriate having regard to the principles of Best Value.

The officer is required to obtain written evidence of the quotations and the evidence is required to be kept in accordance with the Council's document retention guidance. This is 12 months or the life of the contract, whichever is the greater.

5.1.13 Estimated Contract value between £5,000 and £50,000

All contract/agreements exceeding £5,000 must have a Procurement Notification Form completed and submitted to Procurement – Procurement Notification Form (PNF)

Competitive quotations shall be invited unless a Corporate Manager considers that it is not in the best interests of the Council to seek competitive tenders.

Where possible quotations should be sought from three contractors in writing. For further details on quotations refer to the section on the quotation process.

The officer is required to obtain written evidence of the quotations/tenders and the evidence is required to be kept in accordance with the Councils Document Retention guidance.

5.1.14 Quotation Process

Where possible at least three written quotations will be sought.

The Service Manager will ensure all appropriate documentation is provided. The FIN301 Request for Quotation form should be used; however this may be supported by additional supplementary information which will further assist the supplier in providing their quotation. The Service Manager should ensure that such contract documentation shall be approved by Legal Services if required before quotations are requested.

The information contained in the request for a quotation will state:

- The description or specification of the requirement avoiding the use of proprietary or brand names and using available recognised standards.

- The quantity required.

- The delivery time and place.
- The basis of the price to be quoted.
- Which conditions or contract or other approved condition will apply to any order.
- The date by which quotations are to be received by the Council this will normally be not less than 5 working days from the date of the request.
- The evaluation criteria the quote will be assessed upon.

Suppliers shall be required to address their quotations to the Service Manager.

Quotations may be requested and received using recommended electronic methods. The retention and administration is dealt with under the document retention policy.

Quotations received late will be disallowed. They will be retained unopened until after the quotations properly received have been opened and will be returned to the sender with an explanation.

The quotation from the supplier who has offered the lowest acceptable price taking into consideration the required quality, delivery, cost of use and cost of disposal will normally be accepted provided this is within the estimated total cost.

Written acceptance will be notified to the supplier by the officer from the service dealing with the procurement. They will also be responsible for notifying the Procurement Team in order for them to update their records with details of the contract and how they have selected the chosen supplier.

If the contract is for goods currently maintained or which are going to be maintained on the eProcurement catalogue, a full list of products should be forwarded to procurement on the FIN302 Product Upload Template to allow them to be added to the catalogue prior to ordering.

The relevant Service Manager may accept a quotation other than the lowest where it is in the best interest of the Council and best value is achieved. Such a decision and its reasons shall be recorded and this information submitted to the Procurement Team.

An order will be raised on the Council's eProcurement system at the point of awarding the contract.

If requested the unsuccessful suppliers can be notified and given reasons without breaching the commercial confidentiality of the other suppliers.

5.1.15 Estimated Contract value over £50,000 but below Public Procurement Thresholds~~European thresholds~~

The contract opportunity shall be advertised on the Council's eTendering portal and on Contracts Finder in line with UK Procurement legislation.

Competitive tenders shall be invited. Where possible tenders shall be invited from four contractors, however in line with PCR 2015 no shortlisting will be allowed on contract values below the Public Procurement Thresholds~~EU threshold~~. This means that all compliant bids will be evaluated.

Where it can be demonstrated that there are insufficient suitably qualified contractors to meet the competition requirement set out above all suitably qualified contractors should be invited so far as is practical.

5.1.16 Estimated Contract value exceeds Public Procurement Thresholds~~European Thresholds~~

~~Where the estimated Value of the Contract exceeds the thresholds laid down in the European Directive, Public Contract Regulations 2015 will apply.~~

The opportunity will be advertised in the the UK Government's Find a Tender service ~~Official Journal of the European Union (OJEU)~~ and all legislative requirements must be met.

5.1.17 The Tender Process

Before starting a tender process, and with suitable advance notice, the relevant Officer will inform the Procurement Team of the proposed contract details using a Tender Initiation Form. Unless the relevant Service Manager decides otherwise, all draft contract documents to be sent out with a request for tender shall be approved by Legal Services prior to being sent to any supplier.

Consultation will occur between the Procurement Team, Corporate Manager and where necessary Legal Services, and where relevant agree:

- The roles and responsibilities in respect of:
    - the selection process (above Public Procurement Thresholds ~~EU threshold~~ only
    - the tender process
    - the evaluation of the outcomes
    - post tender negotiations
    - the contract award
    - contract management

- A procurement plan that:

    - identifies scope for working with others
    - identifies the use of the best practice contracting and procurement methods including partnerships and partnering
    - reflects any additional requirements and choice of procedure for a contract that exceeds the Public Procurement Thresholds~~EU procurement thresholds~~
    - identifies the use of ~~European~~ UK standards where these are available
    - details timescales and major events
    - identifies and allocates responsibilities
    - identifies whether any property, plant, equipment and/or land are part of the contract

- The selection criteria (to be used above Public Procurement Thresholds ~~EU threshold~~ only) for suppliers to be invited to tender are based on commercial consideration and include:

    - financial viability and capacity
    - operational capacity
    - technical competence and capacity
    - relevant environmental issues
    - the Council's policies
    - legislative compliance
    - health and safety
    - data protection
    - equalities

- The evaluation and award criteria for the contract to achieve Value for Money or MEAT taking into account such aspects as:

    - proposed methods and approach
    - total costs to the Council over the life of the contract including disposal costs
    - quality
    - delivery
    - sustainability
    - risk including the suppliers insurance details
    - health and safety
    - social value

In the case of contract values in excess of £250,000, and any contracts in respect of which the relevant Service Manager may so direct depending on the strategic relevance of the contract, the evaluation and award criteria to be used for award will be agreed in advance of the Invitation to Tender being issued, by the Corporate Manager and relevant Cabinet Member.

Tenders will be advertised and submitted electronically via Supplying the Southwest Procurement Portal using the Council's Standard Form of Tender. Any amendment to this form must be approved in advance by Legal Services.

5.1.18 Tenders – manner of submission

Every invitation to tender shall state that tenders will be only considered if it is received electronically via Supplying the Southwest Procurement Portal.

Every invitation to tender shall state that tenders will be only considered if it is received electronically via Supplying the Southwest Procurement Portal.

5.1.19 Tenders – Procedures for opening

All tenders for a Contract shall be opened via the verification process within the eTendering portal.

Only those Officers delegated with Verifier status will be able to access the tenders and remove the Tender seal.

The tenders may then be accepted and released for evaluation or declined and reasons given.

Documentation from the eTendering portals audit log should be produced to show the following:

- The name of the Tenderers who submitted their tender on-time.
- The name of the Tenderers who submitted their tender late.
- The name of the Tenderers who opted out of the Tender process and the opt out reason (if supplied).
- The date and time of the submission.
- The Tendered price for each on-time submission as it appears on the Form of Tender.

5.1.20 Tenders – Procedures for acceptance

Where tenders have been invited in accordance with these Contract Procedure Regulations, the winning tender based on MEAT as defined at 5.1.15 shall be awarded the contract.

The winning tender will be defined as the one who scores highest based on the pre-defined evaluation criteria which was agreed at 5.1.53 and published with the Invitation to Tender.

For contracts under £250k the Corporate Manager will authorise the contract award.

For contracts above £250k, or where there is 10% excess on the budgeted tender provision, the Corporate Manager, Director and Cabinet Member will authorise the contract award.

5.1.21 Tenders - Record Retention

A full record of the procurement process followed for quotation and tenders will be maintained, including but not limited to:

- Quotations:
    - invitation to quote
    - submitted quotation
    - waivers
    - reason for not accepting lowest price and post quotation clarification including establishing value for money
    - communication with successful supplier
    - feedback (if requested) supplied to unsuccessful suppliers

- Tenders:

    - business case
    - pre-tender market research
    - method of obtaining bids
    - contracting decisions/ reasons
    - waiver
    - award criteria
    - tender documents
    - tender submissions
    - post tender clarification and establishing value for money
    - legal advice
    - evaluation
    - post contract monitoring

5.1.22 Standing Lists of Selected Suppliers

Where quotations or tenders are regularly obtained for the same or similar types of goods, services or works that are below the Public Procurement Thresholds ~~EU tender process value~~ a standing list of selected suppliers may be used in the interest of efficiency and value for money.

Each standing list shall be reviewed and updated by the relevant Service Manager at least once in any 24-month period and copy sent to procurement. A list of the established select lists is held by Procurement.

5.1.23 Orders for Goods, Works and Services

Once a contract has been awarded or a quotation accepted, the following rules in relation to transactional process of ordering through to payment should be followed.

Rules:

The system to be used for the ordering of works, goods and services shall be the eProcurement Corporate Finance System or any successor system as agreed by the Deputy Chief Executive (S151). Only orders in a format agreed by the Deputy Chief Executive (S151) shall be used.

This includes:

- Hire/ rent/ lease of property, plant, equipment and/or land~~goods~~ (See 6.6 Asset Leasing arrangements)
- Delivery of recruitment/ consultancy
- Appointment of Counsel
- Obtaining Finance

Any amendments or changes in procedure to the agreed system must be approved by the Deputy Chief Executive (S151) in consultation with the Corporate Manager for ICT if appropriate, prior to being updated.

Every officer and Member of the Authority has the responsibility to declare to the Monitoring Officer

any links or personal interest that they may have with purchasers, suppliers and/or contractors (including sub-contractors) if they are engaged in contractual or purchasing decisions on behalf of the Authority in accordance with the appropriate Codes of Conduct.

5.1.24 Ordering

Official orders, either in whole or in part, must not be used to obtain goods or services for private use. Any officer found to be breaching this Rule, will be subject to disciplinary proceedings.

Official eProcurement orders shall be raised for all work, goods and services to be supplied to the Council. No work is to be placed to an outside contractor without an order being raised.

All ordering must be conducted through the Procurement Team. No verbal orders are to be placed.

In the case of an emergency situation, the order must be placed as soon as is reasonably possible and in all cases prior to the supplier submitting their invoice.

Guidance must be sought from the Procurement Team for any officers placing an emergency order or orders relating to exceptional circumstances.

Prior to engaging any new supplier, Officers should consult with the Procurement Team to ensure that there is not already a contract in place which could meet their requirement.

To use the new supplier, a Request for Supplier set up form should be completed with all relevant details for verification with HMRC including where applicable:

- UTR (unique tax reference)
- National Insurance number
- Company registration number
- VAT registration number

Consideration of employment status, see 5.2 below and if the work involves construction, 5.3 below, also needs to be made before a new supplier is created.

All orders must be raised, in advance of the works, goods or services being received by the Council. A designated authorised signatory will need to authorise orders prior to the order being raised and placed by the Procurement Team.

It is the responsibility of the designated service Authoriser to confirm with the relevant budget holder and / or Accountant as to whether there is budget available prior to requisitioning the works, goods or services.

Spending limits must be observed at all times and officers must not avoid overspending on the correct expenditure code by applying an incorrect underspend code to an order.

Spending limits will be reviewed and approved by the Corporate Manager on an annual basis.

Officers initiating an order must consult the appropriate Accountant and jointly decide if a virement is required from an underspent code to the correct code before the ordering process continues. Any

doubt or difficulty in correctly coding an order shall be referred to the appropriate Accountant for advice.

Orders are not to be split into smaller orders solely to avoid the value limits and procedures laid down in the Council's Contract Procedure Rules.

Orders are not required for:

- Rents
- Rates
- Supply of Utility Services (Gas, Mains Water, Electric, Telephone)
- Petty Cash reimbursements
- S151 treasury transfers.

Variations to official orders can be made by submitting a properly completed FIN305 variation order to the Procurement Team.

Full details of how to use the eProcurement system can be found in the eProcurement User Guide which is available on SharePoint.

5.2 Employment Status - Use of Consultants and Others

Employment status of non Mid Devon District Council employees should be a concern for all service managers. This guidance lays out the basic position and shows how to work out the status of an engagement.

It is vital to resolve the issue of status and inform the individual how they will be paid, **before** they undertake the work. This will prevent delays in payment and disagreements if someone is paid subject to deductions via payroll, when they were expecting to be paid gross, against invoices submitted via the Creditors system.

IR35 is tax legislation that is designed to combat tax avoidance by workers supplying their services to clients via an intermediary, such as a limited company, but who would be an employee if the intermediary was not used. Such workers are called 'disguised employees' by Her Majesty's Revenue and Customs (HMRC).

The service manager engaging someone to perform a task has the responsibility of determining their employment status and whether they should be paid via payroll. It is not up to the individual being asked to perform the task to indicate what their status is. If the Council treats someone incorrectly, and HMRC imposes interest and penalties these will fall on the service that has commissioned the work. (HMRC will normally go back as far as six years plus the current for unpaid tax, NI, interest and penalties.)

Even if an individual can demonstrate that they are registered with HMRC as self-employed this does not mean that they should necessarily be treated as such when they undertake an engagement for Mid Devon District Council. It depends upon the contractual arrangement with the individual (see below).

If the working arrangement is such that the individual is deemed to be employed by the Council then the HR Manager needs to be informed so the appropriate contract of employment can be drawn up and issued **before** the individual commences any work for the Council.

Employment status can still be an issue for individuals who fall under the Construction Industry Scheme (CIS). To avoid this complication the Council should not provide tools and equipment, and ensure these individuals have other self-employment in addition to the works they do for the Council. This will ensure tax is only payable under CIS, and the Council does not have to consider whether they could be employees or not.

5.2.1 Points to consider

The following are extracts from: "Are your workers employed or self-employed for tax and National Insurance contributions" HM Revenue and Customs leaflet ES/FS2.

An individual worker is likely to be **employed** if the answer is '**yes'** to most of the following questions:

- Does the worker have to do the work themselves?
- Can you tell the worker where to work, when to work, how to work or what to do?
- Can you move the worker from task to task?
- Does the worker have to work a set number of hours?
- Is the worker paid a regular wage or salary?
- Can the worker get overtime pay or bonus payments?
- Is the worker responsible for managing anyone else engaged by you?

Your worker is likely to be **self-employed** if the answer is '**yes'** to one or more of these questions:

- Can the worker hire someone to do the work, or take on helpers at their own expense?
- Can the worker decide where to provide the services of the job, when to work, how to work and what to do?
- Can the worker make a loss as well as a profit?
- Does the worker agree to do a job for a fixed price regardless of how long the job may take?

If you can't answer 'yes' to any of the above questions, your worker is still likely to be **self-employed if** you can answer **'yes'** to most of the following questions:

- Does the worker risk his own money?
- Does the worker provide the main items of equipment (not the tools that many employees provide for themselves) needed to do the job?
- Does the worker have to correct unsatisfactory work in their own time and at their own expense?

An example: If an individual contracts to paint Phoenix House for £20k and to complete the work in eighteen months at times that suit him with as many workers as he sees fit to employ it would indicate self-employment. The costs incurred could generate either a profit or a loss and there is a financial risk to him.

However, if he is to report to a service manager on Monday and paints the building using our paint and equipment, cannot contract others to do the work, and effectively works the hours we decree, then there is no financial risk to him and this would be employment.

There is an online tool that can be used to help determine the status of individuals at: **www.hmrc.gov.uk/calcs/esi.htm**

However, the online ESI tool should **not** be used for determining the status of:

- Individuals who provide their services through a limited company (known as IR35).
- Contracts with agencies to provide services to another person (client).

If you have any doubt as to the correct treatment, the matter should be referred to the Deputy Chief Executive (S151) or Corporate Manager for People, Governance and Waste without delay.

5.3 Construction Industry Scheme

Under current tax legislation the Council is a deemed Contractor and those working for the Council are sub-contractors. The Deputy Chief Executive (S151) will arrange for nominated staff to check the validation at the HMRC website when Procurement has advised of a new potential CIS subcontractor.

Payment in full can **only** be made to such a sub-contractor (company or individual) in the construction industry who has been validated by HMRC and is allowed to be paid Gross. Procurement will check the status of individuals with HMRC when creating new suppliers

Those classified to receive monies net by HMRC, will be paid with a tax deduction of 20% from the labour element of the invoice. These individuals or companies should submit invoices which clearly apportion the materials element of the charge from other elements before VAT is added. A failure to do so will mean that the invoice is not paid and returned to the supplier.

If the subcontractor is not validated the payment can only be made with 30% tax deduction.

Monthly electronic returns of CIS deductions will be made to HM Revenue and Customs by no later than 19th of each calendar month by officers nominated by the Deputy Chief Executive (S151).

5.3.1 Retentions

Payments to contractors will only be made on a certificated invoice of the designated service manager, or where engaged by the Council, the Private Architect, Engineer or Consultant. Certificated invoices shall show the value of the work, retention money, amounts previously certified and amounts now certified.

All variations to contracts are to be in writing and in the form of a properly authorised **FIN305** Variation Order.

The final payment for any contract will not be issued until the Corporate Manager has had a copy of the final account and has carried out such examination as he/she considers necessary in order to satisfy themselves as to the accuracy of the account.

It is recommended that for contracts in excess of £100,000, best practice would be to include a standard retention of 5% until practical completion of a contract and then 2.5% to be held until 12 months after practical completion of the contract, which should be specified in the contract.

It is the responsibility of the Service Manager in conjunction with the Deputy Chief Executive (S151) to agree a suitable level of retention for the specific contract on a case by case basis.

5.4 Receipt of Goods and Services

Goods works and services received by the Council will be "delivered" by approved staff on the financial system upon **receipt** of the goods or services so as to ensure the liability is promptly recorded on the financial ledger.

Certification of work undertaken by external contractors engaged by the Council is to be authorised by suitably experienced and qualified staff prior to delivery being entered on the financial system.

Documentation relating to deliveries such as Delivery notes or Job completion sheets should be kept in accordance with the Council's Document Retention guidance.

Where possible the delivery note should be scanned and attached to the eProcurement system at the point of entering the Good Received Note.

5.5 Authorisation for Payment

The Deputy Chief Executive (S151) will ensure that procedures are in place to ensure that orders made for goods and services on behalf of the Council can only be placed by suitably trained authorised individuals, up to authorised limits, covered by an appropriate budget provision.

The limits for approval of expenditure are set out in Appendix A. Where the approval will result in an increase in total contract price following the award of a contract, the Deputy Chief Executive (S151) or in his/her absence the Corporate Manager for Financial Services, must be consulted where:

- The original value of the contract was above the Public Procurement Thresholds~~European Thresholds~~.

- The original value of the contract was £25,000 or more but below the Public Procurement Thresholds ~~European Thresholds~~ and the expenditure will result in the original value of the contract being exceeded by more than 10%, taking into account any previously approved expenditure above the original contract value.

Service managers will be responsible for the authorisation of orders raised in the pursuit of their agreed service plans. All requests to add or amend authorisation amounts must be made to the relevant Corporate Manager in advance and approved prior to their use.

HR will supply a leaver's memo to the Deputy Chief Executive (S151) to ensure prompt removal of former employees.

Contract retentions in accordance with contractual arrangements are always to be made and the Accounts Payable section is to be authorised only to pay net amounts due.

5.6 Payments

Why is this important?

The Council spends significant amounts of public money on the purchase of goods and services in order to provide its services in accordance with statute and policy decisions.

Risks:

- The Council pays for goods and services that have not been received.
- The Council pays for goods and service twice or more in error.
- The Council pays incorrect suppliers or amounts due to fraud.
- Financial and accounting records are not correctly updated.

Regulations:

- The Council will pay invoices within 30 days from receipt of invoice or on other terms as maybe agreed. All staff involved with paying creditors shall ensure that invoices are dealt with promptly.

- In the cases of invoices relating to work which is covered by the Construction Act 2009, payment will be made in accordance with the protocol set out in the statutory scheme for Construction Contracts.

- No amendments, changes or avoidance of the system laid down for the processing of invoices for payment must be undertaken without the approval of the Deputy Chief Executive (S151).

- Invoices will only be accepted on which details are written in ink, typewritten, printed or generated by computer. Payment against faxed or photocopied invoices require the prior approval of the Deputy Chief Executive (S151), or his/her appointed representative.

- All Invoices must be received centrally in the Accounts Payable section of Financial Services.

It is the responsibility of the paying department to check the following:

- That an order has been raised, where appropriate and in accordance with 5.1 Procurement of Work, Goods and Services.

- The invoice is addressed to Mid Devon District Council.

- That the details listed on the invoice match the order, including the description, units, amount and VAT and that they are within the acceptable validity limit of +/- 5%.

- That the goods and services have been supplied/delivered to the Council and recorded via the ‘enter goods receipt’ section of the eProcurement system.

It is the responsibility of the Accounts Payable section to check the following:

- That any trade and cash discounts have been deducted.

- That the invoice is a genuine invoice and is not faxed or photocopied.
- That the invoice has not previously been paid.

The refunding of any payment made by a member of the public can only be considered if there are genuine reasons for doing so, e.g. cancellation of event, overpayment of Council Tax, etc. The refund request must be correctly authorised and accompanied by proof that a payment was made to the Council.

Payments on Council pre-printed forms, e.g. pro forma invoices such as Petty Cash reimbursement are to be signed by the appropriate authorising officer and checked for correct completion by the appropriate Officers and Accounts Payable staff before payment.

The Internal Audit Section will carry out checks on the Creditors system in accordance with the Audit Plan.

Payment for goods and services not yet received i.e. training courses should only occur in exceptional circumstances and with the prior approval of an authorising officer. A record of the payment should be made on the order and checks should be carried out to ensure that delivery subsequently takes place.

All Creditors cheques returned to the Council, whether by hand or by post shall be passed immediately to the Accounts Payable section of Financial Services and not to the instigating officer. The instigating officer is, however, to be informed of any cheque having been returned.

Creditors will be paid by BACS whenever possible with a remittance advice forwarded within 24 hours of payment. All Bank details to enable payment will be held on the Creditor's individual file records and amended by Procurement staff only on receipt of official notification in writing, from the Creditor.

5.7 Contracts Register

Upon award of any contract tendered via the Procurement Team, a FIN306 Contract Award Notification will be sent by the Procurement Team to the relevant Corporate Manager, Service Manager, Cabinet Member and Accountant and to the Deputy Chief Executive (S151) to notify them of the award

Where the service has awarded their own contract, without the input of the Procurement Team, it is the responsibility of the awarding service to provide the Procurement Team with the information that they require to populate the contracts register (as set out below)

It will remain the responsibility of the Procurement Team to maintain a contract register of all contracts over £5,000 awarded on behalf of the Council.

The register will be available for review on a centrally held electronic file by Officers and Members.

For each contract, the following details must be published:

- reference number
- title of agreement

- local authority department responsible
- description of the goods and/or services being provided
- supplier name and details
- sum to be paid over the length of the contract or the estimated annual spending or budget for the contract
- Value Added Tax that cannot be recovered
- start, end and review dates
- whether or not the contract was the result of an invitation to quote or a published invitation to tender
- whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is, provide the relevant registration number.

6.0 Expenditure

6.1 Housing and council tax benefit payments

6.2 Housing renovation and associated grants

6.3 Purchase cards

6.4 Credit cards

6.5 Petty cash

6.6 Asset leasing arrangements

6.7 Urgent payments

6.8 Emergency action

6.1 Housing and Council Tax Benefit Payments

Why are these important?

The Council administers the payment of benefits, on behalf of the Department of Work and Pensions, to assist people in paying their rent and/or Council Tax bills. The Housing Benefit scheme is complex, requires people to declare both personal and financial details and is, as a result, open to error and abuse. This being the case the assessment, calculation and payment of claimants needs to be carefully controlled.

Risks:

- Benefit could be paid to fraudulent claimants.
- Personal domestic and financial details relating to a claimant could be disclosed without authority to do so.
- Benefit entitlement could be incorrectly calculated.

Regulations:

The Deputy Chief Executive (S151) shall be responsible for arranging the processing, assessment and payment of benefit.

The Deputy Chief Executive (S151) shall ensure that periodic checks on the calculations and the entitlement for benefit cases are carried out. Verification Framework checks are to be carried out on all benefit documentation received.

All records and files of personal information relating to claims and the calculation of entitlement to benefit are to be held under arrangements that will prevent access by unauthorised persons and enable compliance with the Data Protection Act.

Any information gained in the assessment and payment of benefit shall not be divulged by any member of staff to persons not authorised to receive that information. Any person seeking information on behalf of another must provide satisfactory evidence that they are authorised, by the claimant, to do so.

Any member of staff with a personal interest in a benefit claim will have no part in the assessment or payment of that claim. All staff involved in the administration of Housing and Council Tax benefit will complete an annual declaration of interests form, and notify the Benefits Manager as soon as they become aware of any personal interest.

All benefits cheques returned to the Council, whether by hand or by post, shall be passed immediately to the Accounts Payable section and cancelled. The Benefits Unit is, however, to be notified that any such cheques have been cancelled.

Lost cheques will not be reissued until the original has been cancelled or has been stopped. See 14.1.5 relating to crossed cheques.

6.2 Housing Renovation and Associated Grants and Loans

Why is this important?

Each year the Council receives applications from the public for grants and loans to assist them financially in renovating their property or associated work such as alterations for the installation of disabled facilities. Many grants and loans are for thousands of pounds and it is therefore essential that applications are correctly assessed, calculated and paid in accordance with both legislative and Council requirements.

Risks:

- Applicants may be paid and yet not be entitled to receive grant or loan monies.
- Grant or loan entitlement may be incorrectly assessed leading to an incorrect payment being made.
- The grant and loan scheme may be manipulated with fraudulent intent.

Regulations:

The Corporate Manager for Public Health, Regulation and Housing will be responsible for delegating the management and processing of applications for Housing Renovation and other related Grants or loans.

The processing of grant and loan applications shall be dealt with expeditiously in accordance with current legislation and Council policy. All applications must be approved by the Corporate Manager for Public Health, Regulation and Housing or his/her nominated representative before any payments are made.

Payments must be within the limits for such grants or loans set in the Housing Assistance Policy.

Payments of grant or loans are provided before work commences unless there are major adaptations whereby stage payments may be made when staged inspections are completed and signed off as satisfactory by the appointed officer in association with the applicant.

Employees of the Council with a personal interest in any grant application must notify the relevant Corporate Manager who shall record the interest.

Employees of the Council who have a personal interest in any grant or loan application must not participate in the processing of the application or payment of the grant or loan and comply with the Officers Code of Conduct.

6.3 Purchase cards

The Council recognises that the cost of its spending is an area which can be reduced by using more efficient payment methods which include the use of Purchase Cards and Credit Cards.

The Council has an approved purchase card scheme under the Government Procurement Card (GPC) Policy. Purchase cards are issued to Officers where it has been identified that there is either a large volume of low value transactions or a frequent urgency for a smaller number being made when at remote locations**.**

Regulations

Authorised Users sign up to the terms and conditions as set out in Appendix C, which clearly set out how the card is to be utilised and that under no circumstances may it be used for personal purposes.

The scheme is to be used in line with the Guidance document issued to users with their cards shown at Appendix C.

The Deputy Chief Executive (S151) will appoint administrators who shall be able to request information and make amendments on the company account, including the creation of additional cardholders.

Where the cardholder purchases goods or services relating to the Building Services department, the cardholder will be required to provide the Job Number which the purchase relates to alongside the receipt to ensure the goods are charged to the correct job.

Cardholders shall retain all VAT receipts from the transactions and record them on the prescribed transaction log.

The Cardholder, or an authorised user, shall reconcile all the transactions on their transaction log and statement on a monthly basis using the reconciliation software provided by the card issuer. During the reconciliation process, the following items associated with the transaction must be populated:

- Receipt reference
- VAT amount
- Accounting codes
- Description

When the cardholder has checked the statement for accuracy the cardholder's approver must complete the summary before the full month's transactions are loaded into the financial management system.

The reconciliation, approval and loading of the file will be completed in line with the timetable set out each year.

The Deputy Chief Executive (S151) will review the effectiveness of the scheme from time to time and at least at the re-tendering of the contract, usually every 3 years.

6.4 Credit Cards / Purchasing Cards

A Corporate Credit Card is used for the purchase of products or services where the only practical method of payment accepted by the supplier is credit card. The credit card is to be held in a secured location by the Procurement Team.

The Deputy Chief Executive (S151) will appoint authorised signatories who are able to request information, make changes to the account or create new cardholders.

A purchase order must be raised in line with the Financial Regulations before any transaction is made using a card. All transactions made using a credit card are to be recorded on a central log which must be reconciled monthly to the Credit Card statement.

The relevant accounting codes and VAT information from each transaction are to be allocated on the financial ledger at the point of posting. VAT receipts are to be held centrally in line with the Council's retention policy.

6.5 Petty Cash

Why is this important?

Petty cash is required to meet minor items of expenditure that may arise from time to time.

Risks:

- Cash is stolen, lost or borrowed without due authority.
- Money is spent on non-work related goods or services.

- Petty cash is used as a means to circumvent the proper procurement process.

Regulations:

The Deputy Chief Executive (S151), in consultation with Service managers, will decide on the fixed amount of the float to be used for meeting petty cash expenses at any satellite establishment.

Petty cash made available is for work related transactions only. Under no circumstances are petty cash floats to be used for personal reasons i.e., loans or advances of cash. Any officer found to be in breach of this Rule will be subject to disciplinary proceedings.

Payments from petty cash are to be limited to minor non-recurring items of expenditure, not exceeding the thresholds set out in Appendix A.

None of the following items of expenditure are to be paid out of petty cash:

- Travel and subsistence expenses of officers.
- Postage, except where a small supply of stamps is held for specific purposes.
- Sundries, such as milk, tea, coffee, biscuits, etc. for officers.
- Stationery.
- Any other payments relating to staff or persons working or providing a service to the Council.

Any officers found to be in breach of this Rule will be subject to disciplinary proceedings.

A **FIN321** form will be provided by the Deputy Chief Executive (S151) for each officer holding a petty cash float at the 31st March to certify in writing the amount held, either in cash and/or in signed vouchers awaiting reimbursement.

All payments from petty cash are to be recorded on the electronic **FIN320** Petty Cash Reconciliation form and are to be supported by vouchers in the approved form. The voucher is to be signed only by the employee entitled to receive the payment and is to be counter-signed by an authorised officer at the time of payment. Full details of the claim are to be recorded on the voucher and an official VAT receipt obtained and attached to the voucher.

On leaving the Council's employment or otherwise ceasing to be entitled to hold a petty cash float, an employee shall account to the Deputy Chief Executive (S151) for the float amount advanced to him/her.

Petty cash floats are to be reconciled and balanced (vouchers to cash balances) on a monthly basis. Replenishment of petty cash floats will be via the submission of the **FIN320** Petty Cash Reconciliation form using the guidance notes within the workbook. Floats will be replenished from a "top up" float held by the Customer First Supervisors.

The petty cash "top up" float will be replenished by replacing kiosk cash to be banked with a MDDC cheque of the same value.

The Petty cash top up float should be reconciled quarterly in line with the reconciliation of the petty cash eFinancials cost centre.

The workbook should be authorised and sent electronically to accountancy@middevon.gov.uk. A hard copy of the 'Vouchers' page and the 'Replenishment' page should be sent to Accounts Payable with all signed vouchers and receipts in support of the amount claimed.

Once Accounts Payable has verified the replenishment they will authorise the Customer First Team to contact the officer holding the float to collect the replenishment. Council identification must be presented when collecting the cash.

Cash balances and vouchers shall be available for inspection upon request, by Internal Audit.

Any till differences in excess of the amount shown at Appendix A shall be referred immediately to Internal Audit.

6.6 Asset Leasing Arrangements

Why is this important?

~~Capital f~~Finances are not always available to purchase property, plant, equipment and/or land ~~an asset~~ outright~~., especially larger vehicle and equipment purchases.~~ Leasing an asset enables the cost to be spread over several financial years. ~~Asset L~~leasing contracts are legally binding documents which therefore need to be considered and entered into with caution.

All contracts/agreements are in the scope of IFRS 16 and are assessed at inception by the Finance Lead to determine if there is an explicit or implicit asset contained within the contract/agreement.

Peppercorn leases are in the scope of IFRS 16 if they meet the definition of a lease in all aspects apart from containing consideration.

International Financial Reporting Standards (IFRS) require Operating Leases and Finance leases to be treated differently within the year end accounts. Whether a lease is a finance lease or an operating lease depends upon the substance of the transaction, rather than the form of the contract. This is not always conclusive. The assessment requires judgement against the lease classification indicators set out in IFRS 16 Leases - see Appendix C~~. International Accounting Standards (IAS) 17~~.

Criteria pointing to a finance lease classification include:

- ~~The~~ The lease transfers ownership of the asset to the lessee by the end of the lease term.
- The lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value, so as to make it reasonably certain the option will be exercised.
- The lease term is for the major part of the economic life of the underlying asset even if title is not transferred.~~for the major part of the economic life of the asset.~~
- The lessee has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use.
- The lessee has the right to direct the use of the identified asset.

- The lessor does not have the practical ability to substitute alternative assets throughout the period of use.

- The present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset ~~(MDDC applies a rate of 75% and above)~~.

- The leased assets are of such a specialised nature that only the lessee can use them without major modifications.

Recognition Exemptions

- Short term lease – has a lease term of 12 months or less.
- Leases of low value underlying assets – Exemption threshold of £5,000.

In summary not only is it important to ensure that our lease arrangements are appropriate for our needs, it is also important that each lease is classified and recorded within the correct framework.

Lease Term

- The lease term begins at the commencement date and includes any rent free periods provided to the lessee by the lessor.

- The commencement date is the date on which a lessor makes an underlying asset available for use by lessee.

- A leased term is defined by IFRS 16 as the non-cancellable period for which a lessee has a right to use an underlying asset, together with both

    - Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and
    - Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option

Risks:

- The Council may fail to be able to meet future commitments.
- New annual lease payments may exceed budgetary provision.
- Assets are not appraised to ensure leasing is a more viable option than purchasing.
- Assets are not purchased following procurement guidelines or leased following a financing review.
- The asset is disposed of before the lease ends or is ready to be disposed of.
- Lease interest rates are high.
- Lease agreement contracts are not signed or stored correctly.
- Underlying assets (explicit/implicit) not identified within contracts/agreements.
- Leases are classified incorrectly because IFRS regulations are not followed.

Regulations:

A business case analysis should be carried out when considering purchasing a new asset and the Service Accountant should be included in this process. The business case should show that there is a definite business need for the asset, the asset to be acquired has been appraised to be the most operational and cost effective solution and that procurement rules have been followed to obtain quotes or to tender for the asset.

At this stage the Deputy Chief Executive (S151) should consider whether finances are available to purchase or whether leasing the asset is more appropriate. In any event if the Council is to purchase the asset and subsequently undertake a sale and leaseback arrangement the normal procurement rules outlined at 5.1 above must be followed. Service Managers must therefore be mindful of lead times before the acquisition of assets.

~~If the asset is to be leased a leasing advisory body will be contacted to carry out a financial review and find the best leasing option. This must only be done after the decision not to purchase has been made. Additional costs could be incurred in instructing a financial review if a decision is then made not to lease.~~

Arranging the financing of a lease will be administered by the Deputy Chief Executive (S151). All contractual documentation should be forwarded to the Deputy Chief Executive (S151). Once signed by an authorised signatory all Contracts will be entered into the Contracts Register.

~~Annual payments due on new finance leases will be funded by the service acquiring the asset through a budget virement to the finance lease detail code.~~

6.6.1 Property Leases

If the Authority enters into any new property leases, either as Lessor or Lessee, The Deputy Chief Executive (S151) needs to be immediately advised of the transaction and the nature and terms of the agreement entered into. This is most important because the accounting treatment of the transaction and therefore our financial statements could be different, depending upon the circumstances.

6.7 Urgent Payments

Payments to suppliers and others are normally arranged in a series of weekly or monthly runs. Service managers are asked to try wherever possible to adhere to these standard payment runs to maintain efficiency.

This will be by BACS as the faster more secure option and the Service Manager will need to obtain all of the relevant details of the payee for this to occur. However in the rare case that circumstances conspire to warrant an urgent payment service managers should endeavour to obtain the bank details and full name and address of the payee so that a BACS payment can be issued without delay by the Finance Team. The monies will always clear faster than a cheque, and the process is both more secure and cheaper for the Council.

Corporate Managers and Directors and service managers must ensure that Financial Regulations and Contract Procedure Rules relating to contracts and tenders have been complied with. However, in a situation which is outside the time framework for a Cabinet decision, the decision could be taken by the Cabinet Member for Finance together with either the Chief Executive or the Deputy Chief Executive (S151) for expenditure up to the Public Procurement Thresholds ~~EU threshold~~ limits. Any such decision of the Cabinet Member would however need to be reported back to the next Cabinet meeting, so that there is accountability and an audit trail of the decision.

6.8 Emergency Action < £250,000

In the event of an emergency, there is a need for two authorisations, that is, the relevant Corporate Manager on duty and either the Deputy Chief Executive (S151) or the Corporate Manager for Financial Services, to authorise all necessary actions and to incur expenditure outside amounts included within budgets without recourse to the requirements of these Financial Regulations.

The Corporate Manager on duty shall notify the Chief Executive and appropriate Cabinet Members (for that service and Finance) in writing of the circumstances and estimated financial impact.

6.8.1 Emergency Action > £250,000

In the event of an emergency, there is a need for three authorisations, that is, the Chief Executive, Deputy Chief Executive (S151) and either the Leader or Cabinet Member for Finance to authorise all necessary actions and to incur expenditure outside amounts included within budgets without recourse to the requirements of these Financial Regulations.

In the event of such an emergency the provisions of the Constitution rules regarding key decisions apply. The Corporate Manager on duty prepare an update report to the next Cabinet meeting.

7.0 External Expenditure Arrangements

7.1 Work for third parties

7.2 Work by third parties

7.3 Partnerships with external entities

7.4 Projects

7.1 Work for Third Parties

Why is this important?

Current legislation enables the Council to provide a range of services to other bodies. Such work may enable a unit to maintain economies of scale and existing expertise. Arrangements should be in place to ensure that any risks associated with this work is minimised and that such work is intra vires.

Risks:

- The Council could make a significant loss by carrying out this work.
- Internal resources are tied up in providing external users a service with a resulting detrimental effect on internal service provision.
- The Council could be held liable for the actions of its staff.

Regulations:

The Deputy Chief Executive (S151) shall provide guidance on the financial aspects of providing third parties with services and the maintenance of a contracts register.

Each service manager shall ensure that:

- Appropriate insurance arrangements are in place to the satisfaction of the Deputy Chief Executive (S151).

- The Council is not put at risk from any bad debts.
- Valid sales invoices with the correct vat treatment are created for the service.
- Wherever possible, payment is received in advance of the provision of the service.
- The relevant service has the appropriate expertise to undertake the contract.
- All contracts are properly documented and that the documentation is kept up to date.
- The Deputy Chief Executive (S151) is provided with the appropriate information to enable a note to be entered into the financial statements.

Corporate Managers and Directors must ensure that work carried out by third parties (for instance by an Arm's Length Management Organisation) for the Council is approved and covered by a suitable contract or agreement so that the responsibilities of each party are clear. Financial, legal, HR and procurement advice should be sought at an early stage. This will ensure that the organisation only carries out work that is within the relevant legal powers, and that financial issues such as responsibility for managing budgets, insurance and taxation are properly considered.

7.2 Partnerships with External Partners/Agencies

Why is this important?

Partnerships are likely to play a key role in delivering community strategies and in helping to promote and improve the wellbeing of the area. The Council is working in partnership with other councils, public agencies, private companies, community groups and voluntary organisations, to bring together the contributions of the various stakeholders to deliver a shared vision of services based on user wishes.

The Council will mobilise investment, bid for funds, champion the needs of their areas and harness the energies of local people and community organisations. The Council will be measured by what it achieves in partnership with others and assist as much as possible depending upon resources.

Risks:

- Important issues and problems are not addressed. Roles and responsibilities for the partnership are not clearly defined at the outset.
- The risks associated with the partnership are not identified or addressed.
- The financial viability of the partnership is not assessed at the outset.
- The partnership may not deliver the level of staffing or expertise anticipated at the outset.
- The objective of a proposed partnership may not be achieved.

- A partnership arrangement may cost the Council more than an existing or singularly administered equivalent, or the quality of service may decline, or both.

Regulations:

It is the responsibility of all Service managers to identify any instances of partnership working within their service areas and to keep a written record.

Before entering into any partnership agreements the service manager will advise the Deputy Chief Executive (S151) of the key elements of the partnership. This will include an analysis of:

- A cost/benefit appraisal of the financial viability of the partnership, both in the current and future years (including estimated budgetary requirements)
- Risk assessment and management (including the production of a risk log)
- Resourcing, including taxation issues
- Audit, security and control requirements
- Dispute resolution.

The Deputy Chief Executive (S151) must be advised and will give advice on effective controls and ensure that accounting arrangements are satisfactory.

The Corporate Manager for Property, Leisure and Climate Change must be advised and a suitable partnership agreement drawn up and signed before commencement to safeguard all parties.

It will be the on-going responsibility of the service manager to:

- Adhere to approved Council policies relating to partnership working
- Ensure that such partnership agreements and arrangements do not impact adversely upon the services provided by the Authority

- Provide appropriate information to the Deputy Chief Executive (S151) to enable a note to be entered into the Council's statement of accounts concerning material items

- Ensure that all partnership agreements and arrangements are properly documented. Such documentation must be sufficiently detailed to allow the performance of the partnership to be effectively monitored and assessed.

Service managers are responsible for reviewing all existing partnerships on an annual basis to ensure that the partnership continues to deliver Value for Money, and that it operates in the best interests of the Council and is not in conflict with the Council's objectives.

Service managers must notify the Deputy Chief Executive (S151) and the Corporate Manager for Property, Leisure and Climate Change, if the Council intends to disengage from an existing partnership who will then advise on appropriate measures to protect the Council's interests when the partnership is dissolved.

It is the partners' responsibility to:

- If appropriate, and especially where this Council takes the lead, be aware of their responsibilities under these Financial Regulations

- Ensure that risk management processes are in place to identify, assess and monitor all known risks

- Ensure that project appraisal processes are in place to assess the viability of the project in terms of resources (including finance), staffing and expertise

- Agree and accept formally, the roles and responsibilities of each of the partners involved in the project before the project commences (including the production of terms of reference)

- Communicate regularly with other partners throughout the project or partnership so that problems can be identified and shared, to achieve their successful resolution

- Develop a framework for measuring the performance of the project or partnership and regularly share performance results with partners and stakeholders

- Ensure that any financial contributions made to the Council, for the purposes of the Partnership, are made on a timely basis.

7.3 Projects

Why is this important?

The Council normally undertakes projects for "one-off" or unique events. Projects can be caused by many factors including changes in Central Government direction or legislative changes.

All projects that have an intrinsic value (including direct and indirect costs) of £50,000 or more shall be run using structured project management such as PRINCE2 or other appropriate project methodology.

Risks:

- The project may fail due to an inadequate or inexperienced project manager.

- The project may exceed its budget both in terms of cost and time.

- Important issues and problems are not addressed and roles and responsibilities for the project are not clearly defined at the outset.

- The risks associated with undertaking the project are not identified or addressed.

- The financial viability of the project is not assessed at the outset.

- The project may not deliver the desired objectives and outcomes that were anticipated at the outset.

- Failure of a project may impact on the Council's reputation.

Regulations:

Service managers (or Corporate Manager) own the business case, including the budget for the project, and are accountable to Leadership Team for the project. The service manager is responsible for producing and submitting the business case to Leadership Team for approval. This must include:

- Reasons for the project
- Business options
- Expected benefits and Issues/dis-benefits
- Timescales
- Costs
- Investment appraisal
- Major risks

Where the business case submissions form part of a programme or is in competition with other business cases in bids for funding (e.g. capital bids), then scoring criteria will be agreed by Leadership Team. Then each business case can be considered, prioritised or rejected.

If Leadership Team has approved the business case, then at an agreed date a Project Initiation Document (PID) will be submitted by the Service Manager for approval. The PID will contain:

- The objectives of the project
- The scope of the project
- The measurable outcomes/benefits of the project
- A list of deliverables for performance monitoring purposes
- An updated business case (including a cost/benefit analysis)
- A risk log containing risks that have previously been assessed
- An action plan of how and when the project is to be delivered
- The proposed project organisation.

Where the project involves the use of consultants, their appointment should be subject to the Council's normal rules (see Chapter 5). The estimated cost of using a consultant is to be set as the consultant budget on the project. The Project Manager will be responsible for monitoring the actual spend on the consultant on a monthly basis in conjunction with the Deputy Chief Executive (S151) or designated accountant and report to the Project Board.

It is the responsibility of the Deputy Chief Executive (S151) to set up the budget for the project on the financial ledger.

It is the responsibility of the Project Manager to monitor the project budget and project progress, in conjunction with the Deputy Chief Executive (S151) or designated accountant, and to provide the Project Board with regular updates, so that any issues or concerns can be fully discussed and action taken, where appropriate.

All project documentation must be retained in accordance with the document retention guidelines available on SharePoint.

Where the project expenditure is anticipated to be £50,000 or below, it will be the responsibility of Corporate Manager to monitor the total level of expenditure and hold the Service Manager as project owner to account should any variances arise during the course of the project. If the project requires additional financing for the project, then with the approval of the Project Board, the project owner will obtain the approval of Leadership Team prior to committing the expenditure.

Where the project expenditure is anticipated to be between £50,001 and £250,000 it will be the responsibility of Leadership Team to monitor the total level of expenditure and hold the Service Manager as project owner to account should any variances arise during the course of the project. If the Project requires additional financing for the project, then with the approval of the Project Board and Leadership Team, the project owner will obtain the approval of the Cabinet prior to committing the expenditure.

Where the project expenditure is anticipated to be in excess of £250,000, it will be the responsibility of the Cabinet to monitor the total level of expenditure and hold the Corporate Manager as project owner to account, should any variances arise during the course of the project. If the project requires additional financing for the project, then with the approval of the Project Board and Leadership Team, the project owner will obtain the approval of the Cabinet prior to committing the expenditure.

8.0 Staff and Member Related Expenditure

8.1 Payroll

8.2 Travel and subsistence

8.3 Personal telephone calls

8.4 ICT auctions

8.1 Payroll

Why is this important?

Staffing the Council's services is the most expensive cost to fall on the taxpayer.

Risks:

- Payments may be made to employees who have left
- Employees may be paid incorrectly
- The Council could be prosecuted for failing to abide by employment law
- The Council could be heavily criticised by the external auditors for failing to maintain adequate employment records
- Tax compliance and associated penalties

Regulations:

The regulations, set out below, cover all officers employed by the Council and all Elected Members.

All claims from Officers and Members must be submitted to the Payroll Manager by the 6th of the month.

The Corporate Manager for People, Governance and Waste may review these dates from time to time.

8.1.1 New Employees

The Corporate Manager for People, Governance and Waste is responsible for the payment of all salaries, wages, pensions, gratuities and other emoluments to employees, former employees, Members and former Members of the Council.

Appointments will be made in accordance with the establishment and rates of remuneration approved by the Council and provided that adequate budget provision is available. Payments will be made in accordance with nationally or locally agreed conditions.

In all instances where a new appointment is to be made (whether replacing an existing post or adding to the establishment), the recruiting manager will be required to complete a Vacancy Approval Form (VAF) and justify the business case for recruiting. The VAF must then be signed off by the Corporate Manager before being passed to Finance to check that there is adequate budget to recruit. The VAF must then be passed to HR and a Director for approval.

Once an appointment has been made, a starter form will be completed by HR and will be signed by the recruiting manager prior to being passed to the Payroll Manager.

The Corporate Manager for People, Governance and Waste will ensure that baseline security checks are undertaken to satisfy eligibility to work and that new employees produce the following:

- Satisfactory Identification Tax form P45 or HMRC Starter Declaration.

HR and payroll will start and maintain personnel files, within document storage, for all new employees and will complete pension documentation as required, in accordance with the Local Government Pension Scheme.

8.1.2 Leavers

The relevant Service manager will notify the Corporate Manager for People, Governance and Waste immediately of all resignations, dismissals, redundancies, or retirements The Payroll Manager will calculate and initiate the final payment and, where applicable, forward the necessary Pension documentation, to the administering Authority.

8.1.3 Calculation and Payment of Salaries and Wages

Each Service manager will be responsible for notifying HR of all matters affecting the payment of emoluments, including changes in remuneration, other than normal increments, pay awards and agreements of general application.

Overtime must only be worked with the prior approval of the Service manager or his/her representative. Claims for overtime and other allowances must be certified by an authorised officer in accordance with the official Authorised Signatories List for overtime (or Local Conditions of Service where the officer is SCP 35 or above). These must be submitted promptly and at the latest within two months from the end of the month to which the claim relates. If the claim is submitted after two months then it will require the approval of the Director of the service before being processed and paid.

Payments will be calculated by the Payroll team in accordance with the information provided, the relevant Conditions of Service, and statutory payroll legislation. Non statutory deductions and changes to bank accounts are only to be made with the written approval of the employee concerned.

The salary in respect of each full calendar month for officers, and the allowances in respect of Members, will be paid no later than the 22nd of that month. The Corporate Manager for People, Governance and Waste may review these dates after consultation, from time to time.

Payment will be by monthly BACS for all employees. Pay advices can be viewed electronically on the self-service portal. Staff that don't have access to the self-service portal will have pay advices despatched to the relevant service units where a designated officer will be responsible for their distribution. Any undelivered pay advices must be returned to the Payroll Manager.

Payroll will be responsible for the correct accounting and supply of payment information to the relevant bodies for all deductions made from the payroll. The HR Manager will hold a list of signatories authorised to make amendments to payroll/authorise timesheets etc.

8.1.4 Absence

Service managers or their authorised officers are responsible for ensuring records of all absences including holidays, sickness, unpaid and other leave are maintained and monitored, using the appropriate time recording system and self-service portal. Service managers or their authorised officers must ensure staff comply with statutory and prescribed certification and notification procedures for periods of sickness and maternity leave. Failure to comply with these procedures may result in delayed or stopped payment. The submission of false information will be treated as gross misconduct.

Where an employee returns from sickness absence a return to work interview is to be completed by the line manager on the self-service portal, within one week of the employees return to work.

8.1.5 Regradings from Job Evaluation, Promotions and Transfers

The HR Business Partners will be provided with written notification from the Pay and Grading Group and relevant Service manager of any regradings, promotions or transfers. This notification will include the employee's personal and post details, both previous and revised, and the effective date of the change. On receipt of this information, HR Business Partners will instigate the change.

8.1.6 Honorarium

Honorarium payments are only to be made in accordance with the Human Resources policy.

Honorarium payments will only be made to employees who are acting up to cover a higher graded position. It is the responsibility of the Service Manager to notify the HR Business Partner of any members of their staff that are covering higher graded positions.

8.1.7 General

The names and grades of all employees listed on the payroll shall be annually checked and signed as correct by the appropriate service manager to verify the accuracy of the payroll records.

Retention of documents must comply with statutory requirements and be in accordance with section 2.5.

8.2 Travel and Subsistence

Why is this important?

In the course of their duties officers and Members may be required to work away from their normal place of work, attend seminars, training days etc. The officer should be reimbursed for their travel and associated costs at agreed rates and in accordance with agreed procedures. In so doing the officer receives what is due to them and the Council has an acceptable record of what is claimed and by whom.

Risks:

- Fraudulent claims are made, e.g. fictitious journeys, embellished claims, incorrect rates, etc.
- Claims are paid twice
- Financial and accounting records are not correctly updated.

Regulations:

Claims for travel and subsistence shall only be made where journeys were authorised and expenses were properly and necessarily incurred. The cheapest mode of transport should be used where practicable.

Claims for travelling and subsistence are to be made monthly on the self-service portal which must be fully completed and submitted to Payroll by the 6th day of the following month. Late submissions will result in delayed payments.

Officers claiming travelling and/or subsistence allowances are expected to be aware of the provisions of the Local Conditions of Service before a claim is submitted. If there is any doubt concerning the accuracy of an amount being claimed, the Service manager must be consulted and the advice of Payroll sought, if necessary, to ensure that all claims are in accordance with the relevant Conditions of Service.

Claims not submitted within 2 months from the end of the month, to which the claim relates, must be referred to the Director of the service together with a satisfactory explanation, in writing, before any payment will be made.

The submitted claim forms pass to the Authorising Officer first to verify the accuracy of the claim prior to submission to Payroll. Claimants are not permitted to approve their own claim. No benefits in kind or other ex-gratia payments to staff are to be made without consulting the Director of the service.

Subsistence allowances will be paid for the amount actually spent, subject to the limits approved in Local or National Conditions of Service (which is available on the Intranet).

Receipts for the subsistence allowances claimed are to be attached on document storage on the self-service portal. If a receipt is not attached an explanation of the circumstances must be given on the claim form and the allowance paid will be restricted.

Travelling and subsistence claims in connection with the taking of examinations or training should be made on the self-service portal and certified by the Service manager. Proof of attendance may

be required before payment. This will be paid at the prescribed training rate. All claims must be processed through Payroll.

Where an officer is undertaking professional qualification training, in accordance with the Local Conditions of Service, a copy of any invoice that is paid in relation to that professional training is required to be forwarded to the Corporate Manager for People, Governance and Waste.

Where an officer travels outside the prescribed boundaries of the Council for travel purposes, the journey and method of travel must be approved in advance by the Service manager. The cheapest mode of transport must be used where possible.

Where an officer travels direct from home, without first visiting the administrative centre, then the normal mileage from home to work should be deducted in calculating the car mileage allowance payable.

In exceptional circumstances, a Service manager can authorise an officer to claim car mileage allowance for travel from home to office. This must be clearly shown on the claim form. Payment will be made through the Payroll with deductions for Income Tax and National Insurance contributions.

Officers claiming car mileage allowance shall be insured for business use (i.e. not just social, domestic and pleasure) and have included and maintained in their policy of insurance a clause indemnifying the Council against all third party claims, including those concerning passengers, arising out of the use of the vehicle on official business.

It is the responsibility of the relevant Service manager to verify that the appropriate insurance discussed above is in place, along with a valid driver's licence, and evidence provided on document storage on the self-service portal.

It should be noted that these regulations apply equally to Members.

PAYROLL FORMS

STAFF FORMS

Overtime Form	On the HR Group Services page on SharePoint under Payroll
Expenses Claim Form	On the HR Group Services page on SharePoint under Payroll
Mileage Rates	On the HR Group Services page on SharePoint under Payroll
Change of Bank Details	On the HR Group Services page on SharePoint under Payroll
Christmas Club form	On the HR Group Services page on SharePoint under Payroll
HMRC Starter Checklist	Copies held in HR/Payroll
Child Care Vouchers	www.busybeesbenefits.com
Cycle to work scheme	www.cyclescheme.co.uk
Pension Joiner Form	www.peninsulapensions.org.uk
Pension Opt Out Form	www.peninsulapensions.org.uk

MEMBERS FORMS

Expenses Claim Form (paper version)	On the HR Group Services page on SharePoint under payroll
Travel and Subsistence	On the HR Group Services page on SharePoint under payroll
ICT for Elected Members	On the HR Group Services page on SharePoint under payroll

8.3 Personal Telephone Calls

Why is this important?

Telecommunications are a vital part of the Council's infrastructure. These communication channels can be abused, both in terms of the theft of telephone call time and in the theft of work time whilst making private calls.

Risks:

- Telephone calls time could be stolen, i.e. by not declaring
- Extensive use of telephones for private calls in office hours may represent a theft of time.

Regulations:

The making and receiving of personal; telephone calls is a privilege and should be kept to a ***MINIMUM***. Personal calls should only be made for urgent reasons and ideally when the officer is clocked out, e.g. lunchtime. Line Managers are responsible for monitoring that employees do not make excessive or inappropriate use of this facility.

8.3.1 Home Telephones

All officers who have their telephone line rental and business calls paid for by the Council are to pay the quarterly telephone bill in full and reclaim the line rental and business calls made. Evidence of bill payment must be provided before any claim is processed. Claims for reimbursement of line rental and business calls are to be made within two months of the date of the telephone bill.

Claims not submitted after the two month deadline must be authorised by the Corporate Manager for People, Governance and Waste upon receipt of a satisfactory explanation in writing before the claim will be processed.

8.4 ICT Auctions

All payments for assets purchased from ICT auctions should be made to the Cash Desk at Phoenix House or at other Council sites. ICT are to release assets only upon presentation of official receipts for the payment of the asset. The receipts and related records are to be retained by the Cashiers.

9.0 Income

9.1 Setting fees and charges

9.2 Rent reviews and annual increases

9.3 Invoicing

9.4 Income collection

9.5 Postal remittances

9.6 Debt collection procedures and the write off of bad debts

9.7 Refunds

9.8 Government subsidies, grants and claims

9.9 External funding

9.10 Housing advances and council house sales

9.11 Asset sales

9.1 Setting fees and charges

Service Managers shall review all fees and charges levied at least annually. Where increases of charges are recommended they shall be reported to the relevant Policy Development Group, unless authority for delegated decision making has been given to an officer. The effective date must be stated.

In some instances statutory notice must be given before new charges can be introduced and Service Managers must consider this and the timing of both PDG and Cabinet meetings to ensure that any changes are lawful.

9.2 Rent reviews and annual increases

To ensure invoiced amounts are correct Finance are to be advised immediately of any increases in rent, following rent reviews of a property.

Service Managers must notify Finance of any increases so that the system can be set for periodic invoices to recur. A failure to do so will result in the old rates of charge being levied, potentially losing income for the Council.

9.3 Invoices

Where goods or services are provided which are less than the de minimis shown in Appendix A, invoices are only to be raised if a VAT invoice is requested by a business customer. In all cases, every endeavour must be made to ensure that monies are received **before** providing the goods or services.

In terms of customer service, before raising an invoice, service managers must satisfy themselves that:

- Is the customer aware of the goods/service to be provided?
- Are they aware and have they agreed the scale of fees?

If not, **do not** proceed. Significant time is spent dealing with disputes, issuing credit notes and writing off amounts that should not have been issued in the first instance. There is also the need to declare output VAT, where applicable, to HM Revenue and Customs when raising sales invoices.

Service managers are responsible for the prompt raising of invoices associated with the activities of their services. Income for the Council is important as it affects cashflow and the ability of the Council to finance its services. The Council submits VAT returns each month and to ensure these returns are accurate sales invoices need to be within **no more than14 calendar days** of the service having been provided. Service managers should ensure therefore that sales invoices are requested **no later than 7 calendar days** after the goods or service have been provided. Requests for the creation of sales invoices should be made via SharePoint using the proforma.

All charges made shall be in accordance with the Council's approved charging policy, tariffs, or as agreed by the Deputy Chief Executive (S151) and shall include VAT at the prevailing rate, if applicable and as required by statute.

To assist the Income Team all service managers will ensure that any invoice raised clearly states the nature of the goods or services provided to the customer and the period covered.

Where new services are to be introduced Service Managers must advise the Income team and Customer First **before** starting to bill individuals.

9.3.1 Amendments

The Deputy Chief Executive (S151) must be advised promptly where there are changes in the customer's personal details, bank details, amounts or frequency of bills.

9.4 Income Collection

Income is a vulnerable asset. Effective income collection systems are necessary to ensure that all of the income due is identified, collected, receipted and banked properly. It is preferable to obtain income in advance of supplying goods or services as this improves the Council's cash-flow and also avoids the time and cost of administering credit.

Since income collection at the Council can vary in its nature between different services such as leisure centres and social housing, specific procedures will not be addressed here. Rather, it is recommended that each area have their own procedure documents, which have been agreed by the Deputy Chief Executive (S151).

Risks:

- Income is incorrect, i.e. the incorrect rate or tariff is charged.
- Financial and accounting records are incorrect.
- Money owed to the Council is not pursued adequately.
- Income is not collected at all.
- Income collected is stolen.
- Financial and accounting records are not updated correctly.
- VAT returns may not be correct.

Regulations:

Arrangements for the collection of all money due to the Council shall be subject to the approval and control of the Deputy Chief Executive (S151).

The Deputy Chief Executive (S151) will, at least annually, review charging tariffs so as to ensure that they reflect current Council policy reflect an appropriate charge for the goods or services offered and will make recommendations for any changes to the relevant, PDG or Cabinet Member.

All receipt forms or books, account forms, till rolls and tickets are to be ordered and controlled in a manner approved by the Deputy Chief Executive (S151). All issues of these documents to other services shall be properly recorded and acknowledged.

Services drawing receipts or tickets in bulk will maintain a control record indicating issues made, together with signatures acknowledging receipt.

The Deputy Chief Executive (S151) is to be notified promptly of any new, or alterations to existing contracts, leases or other agreements which involve the receipt of money by the Council.

An official receipt is to be issued for all cash payments made to the Council. A receipt for any other alternate method of payment will only be issued by request. New single payment receipting system.

Under no circumstances are personal or third party cheques to be cashed, nor money loaned, out of cash held on behalf of the Council. Any officer in breach will be subject to disciplinary proceedings.

At the close of business each day (and for each individual till point) any Council establishments that receive income on behalf of the Council will be required to:

- Take a daily total income reading, which shows the amounts of cash, cheques and card payments received during the working day.

- Complete a reconciliation of the cash in the till and the total cash figure on the till reading.

- Add up the total monetary value of all cheques taken and ensure that this matches the total cheque figure on the till reading.

- Once the cash and cheque amounts have been correctly agreed, a bank paying in slip must be completed and sealed in a cash collection bag (provided by the Council's nominated Security Collection firm), along with the cash and cheques.

- The sealed cash collection bag must then be placed in the Council's designated safe, immediately.

A card payment report is to be generated from the swipe machine and the monetary value of the card payment slips must match the end of day figure. All card payment slips are to be retained for an appropriate period.

Once the banking has been prepared, the float in each till must be checked to ensure that the balance held matches the designated float total. Income must be banked intact and under no circumstances is the float to be taken out of the till before the takings to be banked.

All collecting officers must maintain an "unders and overs" record for any discrepancies. Where it is found that there is a discrepancy between the level of float in the till and the designated float total, the "unders and overs" record must be completed immediately and any discrepancies over the amount specified in Appendix A must be reported to the Internal Audit Manager. The Service manager or his/her representative is required to check the "unders and overs" record on a regular basis and Internal Audit will undertake regular random spot checks.

Officers receiving money on behalf of the Council shall keep such records of collections and deposits as the Deputy Chief Executive (S151) directs.

Officers collecting income must not also be involved in the reconciliation of that income to the amounts due. An officer who is not involved in the collection process shall ensure that the money reported as collected, has indeed been banked.

Refunds will be issued under appropriate circumstances. If it is determined that money is owed to another party, a refund will be issued only where that party has no other relevant arrears with the Council. Where such arrears exist, the amount owed should be used to reduce the outstanding arrears.

Where a charge has been raised in error e.g. against an unoccupied (void) property, those charges should be cancelled rather than a credit note raised. The effect for the customer is the same. However, since credit notes and cancellations are used under different circumstances, this approach gives a clearer picture of what has occurred.

9.5 Postal Remittances

Post is to be opened by Customer First officers based in the Post room. There are exceptions to this, which will be agreed between the Chief Executive, Deputy Chief Executive (S151) and Leadership Team. Post for HR and CRB notifications are to be opened within HR.

The post is to be opened by at least two officers who will record and witness all remittances received. The remittances and accompanying record must then be sealed prior to removal from the post room.

Postal remittances will then be passed to Customer First cashiers who will be required to sign a receipt to state that they have received the sealed remittances.

Where Planning Officers open remittances in the Post room they also complete a daily listing detailing the number of remittances they receive which is given to Cashiers. Planning is then permitted to take the remittances to check against applications and to return these payments to the cash desk the same day, who will then check the numbers received.

Responsibility for the safe custody of the postal remittances remains with the officer who received such payments until such time as the remittance has been processed and the cash or cheque securely stored in the till.

Under no circumstances are cash and cheques to be held in service areas overnight. Any officer found to be in breach of this rule will be subject to disciplinary proceedings.

9.6 Debt Collection Procedures and the Write Off of Bad Debts

The control and recovery of debts is the responsibility of the, Deputy Chief Executive (S151), as is maintaining adequate bad debt provisions.

No refunds are to be issued for amounts **less than** the de minimis shown within Appendix A, unless specifically requested by a sundry debt account payer.

Invoices raised are to be pursued within the defined timescales with the Service concerned being regularly informed of recovery progress so as to ensure that further provision of goods or services is stopped until payment is forthcoming.

9.6.1 The prescribed process:

- 1st reminder letter - 28 calendar days after issuing the invoice
- 2nd reminder letter - 14 calendar days after issuing the first reminder
- Final letter - on a case by case basis

Where the debt collection agency is experiencing problems collecting the outstanding monies the relevant service manager is to be consulted. The nature of the debt has to be considered.

- How large is the debt?
- Is it a one off single invoice?
- Is it an invoice relating to a potentially recurring item?

- Does it involve an individual with special needs?

These factors together with the overall likely cost/benefit need to be considered before referral to Legal to take legal proceedings against the individual.

9.6.2 Legal Action

Where the item is referred to Legal their professional advice is to be considered by the Recovery Team and the Service Manager who owns the debt, following the Debt Protocol.

9.6.3 Disputed Invoices

Instructions to withhold recovery action on an outstanding account must be made in writing and signed by the relevant Service manager. The written instruction is to include the period of suppression, **normally not to exceed a maximum period of one month,** and the reason for withholding action. Once the period of suppression has ceased the Recovery Team will be able to commence action against the Debtor

9.6.4 Cancellation of Invoices

Where a debt is to be removed, Service Managers must identify what is needed:

- Service billed incorrectly: Credit note issued and replacement invoice for the service/goods provided.

- Service billed correctly, but inability to recover: The debt written off as non-recoverable after all possible recovery exhausted.

The Deputy Chief Executive (S151) must be informed without delay to ensure customer service is maintained and recovery of VAT can take place.

Cancellation of invoices raised in error must be approved by the relevant Service manager.

Debts can only be written off by the Recovery Team and under no circumstances should the write off of bad debts be processed by the service area.

9.6.5 Write off of Bad debts

Copies of the invoices rendered to debtors and all supporting documents in respect of any debt due are to be held in accordance with the Council's document retention guidelines for use by the Recovery Section and Legal Services if the debtor is in default.

The writing off of any due debt (or cumulative total debt from one person) shall be authorised in accordance with the limits set out in Appendix A.

The Deputy Chief Executive (S151) is to be informed of any outstanding income relating to the previous financial year as soon as possible after the 31st March. This includes outstanding income data recorded on independent billing and collection systems (both manual and computerised) held outside Finance Services.

9.7 Refunds

Where a small cash amount has been received, equal to or below the de minimis level shown at Appendix A, then a refund can be made to the individual by cash on request.

In cases where customers have overpaid amounts in excess of the de minimis shown at Appendix A, refunds can only be made after approval by Service Managers subject to the following principles:

- Payments that were originally made by electronic cards should be refunded on the same card.

- If the original payment was received by a cheque or BACS then any refund due should be made by BACS refund in the interests of security and costs. All bank details received from customers must be in writing, to protect the Council, and the confidential data must be protected.

9.8 Government Subsidies, Grants and Claims

Why is this important?

Grants and subsidies are a significant source of finance to the Council. As such it is essential that the Council receives all that is due to it and on time.

Risks:

- Potential income from grants may not be received or received late the Council thereby having to meet any shortfall in income or cashflow.

- Grant claim forms may be incorrectly completed.
- The Council could be criticised by external audit for failing to claim and/or record grant income correctly.

Regulations:

The Deputy Chief Executive (S151) is to provide advice on the methods available for the funding of resources such as grants from Central Government and borrowing requirements and is to assist in the allocation of resources to service managers.

The Deputy Chief Executive (S151) shall be responsible for completion of all forms relating to subsidies, grants and claims submitted to Government Departments on behalf of the Council.

The Deputy Chief Executive (S151) shall ensure that subsidy, grant and claim forms are forwarded to the appropriate Government Department by the due date.

The Deputy Chief Executive (S151) shall nominate specific officers to complete various subsidy, grant and claim forms and it shall be their duty to deal with these forms expeditiously using the most accurate information available.

Copies of subsidy, grant and claim forms, together with adequate supporting working papers shall be prepared and retained and are to be made available for inspection by internal and external auditors, if requested.

Any payment by or income due to the Council arising from a submitted subsidy, grant or claim form shall be made known to the Deputy Chief Executive (S151) and the relevant amount recorded for accounting purposes.

If the grant is ring-fenced for a specific type of expenditure then it must only be used for that purpose and if capital in nature then only utilised for capital expenditure.

If grant conditions are not met within the defined period stipulated and the grant is repayable then repayment to the issuing body must be made without undue delay.

9.9 External Funding

Why is this important?

External funding is potentially an important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the Council. Local Councils are often encouraged to provide 'seamless' service delivery through working closely with other service providers from the charitable, not-for-profit and private sectors.

Funds from external agencies, such as the National Lottery, can provide additional resources to enable the Council to deliver services to the local community. However, in some instances although the scope for external funding has increased, such funding can be linked to tight specifications and may not be sufficiently flexible to link to the Council's overall plan. The cost of submitting a bid versus the likelihood of the bid being successful must also be considered when deciding whether to apply for funds for specific projects.

Risks

- Statutory requirements are not complied with
- Funds are acquired in respect of policies that have not been approved by the Council
- The Council signs up to long term agreements without securing match funding
- The Council incurs significant costs in preparing a bid for external funds which is ultimately unsuccessful.

Regulations:

The Deputy Chief Executive (S151) is to ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts.

The Deputy Chief Executive (S151) is to be made aware of any prospective match funding arrangements and to ensure that the funding requirements are considered prior to entering into the agreements and future revenue budget reflect these requirements.

The Deputy Chief Executive (S151) shall ensure that the external funding requirements of the external auditors are met.

9.10 Housing Advances and Council House Sales

Why is this important?

The Council maintains a number of mortgages mainly with ex-Council tenants. It also continues to sell its housing stock to tenants under the Right to Buy legislation. Sales are often at heavily discounted rates and, the scheme is open to abuse.

Risks:

- Property could be purchased by people who do not qualify for the discounts and then sell it on at significant profit within a relatively short period.
- Property could be sold at a price lower than the market rate when not appropriate.
- Property could change hands without the Council having received payment for it.
- Ex-tenants could avoid having to pay service charges for which they are responsible.

Regulations:

The Deputy Chief Executive (S151) shall be responsible for the administration and collection of mortgage monies due to the Council. It is assumed that no further advances will be made.

9.9.1 Sale of Council Houses

Applications for the buying of council houses shall be subject to the provisions of the Housing Act 1985 as amended by Leasehold Reform, Housing and Urban Development Act 1993 and any subsequent amending legislation.

The Corporate Manager for Public Health Regulation and Housing shall be responsible for co-ordinating the processing of applications made under the Right to Buy or the Rent to Mortgage schemes.

The Corporate Manager for Public Health Regulation and Housing shall be responsible for arranging the valuation of a property to be sold and notifying an applicant of the offer price, taking into account the applicable regulations discount.

When the applicant accepts the offer price, the Corporate Manager for Public Health Regulation and Housing shall pass the applicant's documents to the Legal Section who will be responsible for the conveyancing and the preparation of any restrictive covenants affecting the property.

After approval of the draft transfer or lease by the purchaser's solicitor, Legal Services will finalise the legal work to completion.

The Corporate Manager for Property, Leisure and Climate Change, in liaison with the Deputy Chief Executive (S151) and Corporate Manager for Public Health Regulation and Housing, shall ensure that any rent arrears have been fully paid before the date of completion. If there is a default of payment, completion is not to take place.

Upon completion, the sum due from the purchaser will be exchanged for the conveyance and the money received paid in immediately.

Legal Services shall notify the Corporate Manager for Public Health Regulation and Housing and the Deputy Chief Executive (S151) that completion has taken place and provide details of the relevant income. Housing and property maintenance records shall be amended accordingly and the Deputy Chief Executive (S151) will arrange for the relevant accounting entries to be made.

Service charges for leased properties are to be calculated in accordance with the relevant legislation.

If a leasehold property is sold, the Corporate Manager for Public Health Regulation and Housing shall commence ground rent and service charge records and request the Deputy Chief Executive (S151) to ensure that the periodical income is received on the due dates.

9.10 Asset Sales

Where an asset is sold and the initial cost was less than the de minimus shown at Appendix A, the sale proceeds will be treated as **Revenue** and coded to the relevant income code.

See 12.5 for the provisions relating to the sale of capital assets.

10.0 Stock

10.1 Stock (Inventory)

10.2 Stocktakes

10.3 Write Off of Obsolete and Damaged Stocks

10.1 Stock (Inventory)

Why is this important?

The Council holds stock and inventory whose value is considerable. As such these assets need to be safeguarded from loss. In addition, the costs of holding large quantities of stock are high and so it must be used efficiently in the delivery of services.

Risks:

- Loss of stock/inventory would result in a direct adverse financial effect on the Council. This could happen for any of the following reasons.
    - Goods could be lost
    - Goods could be stolen
    - Goods could be sold below the correct selling price
    - Goods could be damaged and decrease in value
- The stores could be holding more inventory than is necessary. This would increase the cost of holding and also increase the likelihood of obsolescence.

Regulations:

Each Service Manager shall designate officers responsible for the custody and physical control of the stock in their departments.

The Service manager shall ensure that stock/inventory is not carried in excess of reasonable requirements.

10.1.1 Issuing of stocks

Materials are only to be issued to persons authorised to receive those materials. Requisition notes or other approved documents are to be used bearing the signature of the appropriate authorised officer.

All requests for stores materials must be made to the stores officer responsible for the control and issuing of those stores and materials.

The documents and method of issuing stores materials must be approved jointly by the Service manager and the Deputy Chief Executive (S151). Internal Audit may periodically test that the correct procedures are being followed.

Stores officers are to maintain accurate records of all issues and receipts in the prescribed form.

10.2 Stocktakes

Any service manager that is responsible for a quantity of stock must arrange for a stocktake to be carried out at least annually. This should be carried out at or in close proximity to the accounting year-end (31st March), since the data will be used in the annual accounts. The only exception to this rule is where a continuous stocktake system is in operation. This might be where a service carries out a count of 25% of its stock lines each quarter, meaning that 100% are covered within each 12 month period. Any such arrangement must be agreed in advance with the Deputy Chief Executive (S151).

The stocktaking exercise should be undertaken by a group of officers. This group should include staff from outside of the store i.e. those that are not responsible for the inventory on a day-to-day basis.

Those conducting the stocktake must record the quantity counted for each line of stock and identify any obsolescent or damaged items of stock.

Internal auditors should be involved on the day of the stocktake. Their role is not to take part in the stocktake, but to check a sample of completed stock sheets and carry out a second count of them. This will mean that Internal Audit can give an opinion as to the level of assurance that can be taken from the stocktake results.

Stocktaking sheets must clearly show details of all surpluses and deficiencies identified during the stocktakes. All discrepancies are to be investigated and pursued to a satisfactory conclusion before adjusting entries are approved.

Random stock checks may also be carried out by Internal Audit. This can occur at any time of year and without advance warning.

Immediately following the end of the financial year each Service manager shall certify a list of all commodities held at 31st March, together with a valuation of those commodities at the lower of cost or net realisable value (the net amount of monies the Authority might raise in the event of selling the item). These lists must be submitted to Finance no later than the ninth working day of April each year.

The Deputy Chief Executive (S151) shall arrange for stock control systems to be reconciled to the Council's accounts regularly at an appropriate frequency, and annually at 31st March as a minimum.

Where a discrepancy is identified between the stocktake results and the value held in the accounting system, a stocktake form must be signed/approved in accordance with the thresholds shown in Appendix A.

At the point of Finance receiving the stock value listings, they should be forwarded to the officer responsible for insurance cover.

10.3 Write Off of Obsolete and Damaged Stocks

Whilst held in stores, stock/inventory may become damaged or obsolete. In such circumstances, the value held in the accounts should be adjusted to reflect this. This is known as writing off or writing down and can only be done with the approval of the Deputy Chief Executive (S151).

Where obsolete or damaged stock is identified the stocktake form must be signed/approved in accordance with the thresholds shown in Appendix A.

Proposed write-offs shall not be separated to avoid the approval and reporting limits cited at Appendix A.

11.0 Taxation

11.1 Value added tax (VAT) basic guidance

11.2 Tax points - vat returns

11.3 Construction industry scheme

11.4 Responsibility

11.1 Value Added Tax (VAT)

Why is this important?

Section 33 of the VAT Act 1994 enables Mid Devon District Council to recover Input Tax on most expenditure. MDDC also have a duty to pay to HMRC the VAT collected on Vatable sales income. For detailed guidance please see Appendix B.

Risks:

- Penalties will be levied by HMRC if we fail to account for VAT in accordance with legislation.

Regulations:

11.1.1 Expenditure

All invoices due for payment by the Council are to be addressed to Mid Devon District Council. All expenditure must be supported by valid documentation (If over £250 a VAT invoice) to support the Authority's claim of input VAT. Where VAT invoices addressed to Mid Devon District Council have not been received Officers must request these from suppliers.

VAT receipts must be obtained and forwarded to the Payroll Manager to support claims for VAT on mileage expenses.

11.1.2 Sales Income

Sales invoices should be raised wherever possible before the goods or services are provided – See Invoices 9.3 above.

Where goods or services are provided in advance Finance must be advised within **7 DAYS** to raise an invoice. The invoice must be raised within 14 days or the original supply date will become the tax point and has implications for our VAT returns.

Full details of the transaction must be provided to Finance (debtors@middevon.gov.uk) to ensure that the correct VAT treatment of the sales invoice is made.

11.2 Tax Points – VAT returns

Why is this important?

VAT returns are required to be submitted monthly, VAT returns are filed online and the submission date is the 7th of the second month following that of the return, i.e. the VAT return for period 1st – 30th June is to be completed by 7th August. If a VAT return is late HMRC could impose a penalty. As the majority of our VAT returns are repayment returns it is beneficial to complete the VAT return as promptly as possible to improve our cash flow. It is important that all debtor and creditor invoices are recorded in a timely manner to ensure that any VAT is claimed or paid in the correct period.

Risks:

- HMRC can impose a penalty if we fail to submit a VAT return by the due date.
- HMRC can impose a penalty if we fail to account for tax points correctly and account for VAT in an incorrect period.
- Supporting documentation is not retained to support tax point claims.

Regulations:

The Deputy Chief Executive (S151) is responsible for ensuring that the monthly VAT return is completed and submitted to HMRC by the submission deadline. Before submission the VAT return working papers will be reviewed and signed by the preparing Officer and a reviewing Officer.

Where HMRC makes a change in a VAT rate it is important that supplies made before and after the change are made at the correct rate

Both invoices paid and invoices raised are to be kept within Document Retention Guidelines, either in hard copy or stored electronically.

All VAT is accounted for through the Council's VAT nominal codes, including any adjustments to VAT. These nominal codes will be balanced monthly as part of the VAT Return to ensure on-going VAT liabilities are accurate.

11.3 Construction Industry Scheme

What are construction operations?

CIS covers construction operations carried out in the UK. The rules of the scheme define the types of work that are classed construction operations. But, as a general rule, the scheme includes almost any work that is carried out on:

- A permanent building
- A temporary structure
- A civil engineering work or installation

Some examples of the types of construction work that are covered by the scheme include jobs like:

- site preparation
- general construction - bricklaying, roofing, plastering and so on
- alterations and extensions
- repairs and refurbishment
- decorating
- dismantling work
- demolition

You can find out more about the types of work that are covered by the scheme in HMRC's Construction Industry booklet CIS340. The scheme defines 'construction' as a term with a broad meaning that includes:

- building things
- making things
- putting things together
- assembling things

Some jobs are specifically excluded from the CIS. They include:

- professional work, like architects' services
- scaffolding hire - with no labour
- fire alarm installation
- carpet fitting
- manufacturing things like windows, blinds and shutters off-site
- making and putting up signs
- delivering materials

You will also need the following information about the subcontractor:

- their name, or the name of their business or company
- their Unique Taxpayer Reference (UTR)
- the partner's name if they're a partnership
- their National Insurance number (if you know it) if they're a sole trader
- the partner's UTR or National Insurance number if they're a partnership (or, if the partner's a company, that company's UTR or company registration number)

- their company registration number if they're a company
- HMRC’s verification of the subcontractor will advise on the payment status, this will be one of three possibilities:
- gross - meaning you don't make any deductions
- net of deductions at the standard rate (20 per cent)
- net of deductions at the higher rate (30 per cent), because the subcontractor isn't registered or couldn't be verified for some other reason

11.3.1 Making deductions

To make a deduction from a subcontractor's payment, start with the total - gross - amount of the subcontractor's invoice and then take away:

- any VAT they've charged
- the amount of any Construction Industry Training Board (CITB) levy they've paid

Then take away the amount the subcontractor actually paid for each of the following (including VAT if they're not VAT registered):

- materials
- consumable stores
- fuel used - except for travelling
- plant hire
- manufacturing or prefabricating materials
- Finally, apply either the standard or the higher rate percentage to the amount that's left to work out how much to deduct.

Each statement must include:

- the name of your business and your employer tax reference
- either the date when the tax month in which you made the payment ended, or the date when you made the payment
- the subcontractor's name and UTR
- the subcontractor's verification reference number if the deduction was at the higher rate
- the gross amount before you made the deduction but after you'd taken off any VAT, CITB levy, materials costs and so on
- the cost of any materials you took off before making the deduction
- the amount you deducted

Regulations:

The Deputy Chief Executive (S151) is responsible for providing information to HMRC in relation to the Construction Industry Tax Deduction Scheme as required and advising Corporate Managers and Directors of their responsibilities under the scheme.

Officers must have consideration of the Construction Industry scheme and liaise with Procurement before suppliers are set up on our systems.

11.4 Responsibility

Corporate Managers and Directors are responsible for ensuring that the appropriate controls and procedures are operated within their service areas in relation to taxation issues.

(See also 5.2 above relating to the Use of Consultants and Employment Status).

12.0 Asset Management

12.1 Land and buildings property register

12.2 Fixed asset register

12.3 Equipment register

12.4 Additions of assets

12.5 Disposals of assets

12.0 Asset Management

Why is this important?

The Council holds assets in the form of land, property, vehicles, equipment, furniture and other items. It is important that assets should be safeguarded and used efficiently in the delivery of services and that there should be arrangements for the security of those assets. Up to date registers are a prerequisite to maintain proper fixed asset accounting and sound asset management. These include:

- Land & Property Register of all Council owned land and buildings (See 12.1)
- Fixed Asset Register (FAR) to ensure a proper fixed asset accounting (See 12.2)
- Departmental equipment registers (See 12.3)

Risks:

- Holders of equipment and furniture may be unaware that items have been lost or stolen without a record of all such items being maintained.

- The Council's insurers may reject claims to replace lost or stolen items if the Council cannot demonstrate that it maintains adequate inventory records.

- Assets could be used for non-council business.

- Assets are not available when required in the provision of a service.

- Assets are lost or stolen.

- Assets may be acquired without prior approval, for which there is no use and/or on financially unacceptable terms.

- Assets could be sold when there remains an operational need for them.

- Assets could be sold for less than the market or expected residual value.

- Assets could be disposed of to officers, Members or others at no, or very little cost, which could be construed as tantamount to theft.

12.1 Land and Buildings Property Register

Regulations:

The Land & Property Gazetteer Management System must hold all land and buildings owned by MDDC.

When any new land plots are identified this needs to be added to the database.

When any land plots or buildings are sold/purchased they need to be removed from/ added to the database.

All title deeds to such property shall be kept secure, under the control of the Corporate Manager for People, Governance and Waste and Development.

12.2 Fixed Asset Register (FAR)

It is the responsibility of the Deputy Chief Executive (S151) to set policies to ensure that the Council's assets are managed in an efficient, effective and economic way.

The Council shall maintain an asset register to include all land, buildings, plant and equipment owned or subject to a finance lease subject to the thresholds shown in Appendix A. The register shall accurately record acquisitions, disposals (either by sale or transfer of ownership). The Fixed Asset Register will therefore only hold assets previously capitalised or new asset additions whose individual class is over the de minimis.

All assets owned by the Council are to be valued in accordance with CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom.

The FAR is the responsibility of Finance to maintain. However Service Managers are expected to advise Finance throughout the year of changes to these assets (within 2 weeks of any change), so that amendments can be reflected in the FAR using form **FIN601**. Changes may include disposal, acquisition and impairment.

Asset sales including Council House Right-to Buy (RTB) and Land or Property sales will be advised promptly by Legal to the Deputy Chief Executive (S151) on an asset disposal form**.** The Corporate Manager for Public Health Regulation and Housing will also arrange for a memo of the RTB sales to be forwarded to the Deputy Chief Executive (S151).

Asset purchases subject to the de minimis referred to in 12.2.2 above, need to be promptly advised by responsible service managers at the earliest so that these changes can be picked up continuously throughout the year.

12.3 Equipment Registers

Registers of all vehicles and equipment belonging to or in care of the Council with a replacement value of greater than the thresholds shown at Table H 'Equipment Registers' in Appendix A will be prepared and maintained by the relevant Service Manager.

The registers shall be the responsibility of the responsible Service Manager in a form approved by the Deputy Chief Executive (S151). Please see proforma example **FIN603**. A register of all ICT equipment will be held by the Corporate Manager for Digital Transformation and Customer Engagement.

Each Service manager will arrange for the inventory of the physical assets to be checked at least annually and certify the inventory to that effect.

The Deputy Chief Executive (S151) or his/her representative will, at all reasonable times, have access to the property of the Council and may make such checks and tests as he/she deems reasonable and necessary.

Council property including ICT equipment will not be used for private purposes without the express approval of the relevant Corporate Manager Any officer found to be in breach of this Rule will be subject to disciplinary proceedings.

All property belonging to the Council, will so far as is practicable, be marked in a suitable manner as being the property of the Council.

In the event of items of equipment becoming obsolete or surplus to requirements, and if the value exceeds £1,000, then the disposal should be by means of competitive tender. This requirement can be waived if the Corporate Manager receives evidence that a competitive tender would not be cost effective.

All Council land, buildings, vehicles, or items of plant or equipment are to be kept under secure arrangements at all times. Each Service Manager is responsible for ensuring the adequacy of the security arrangements.

No unauthorised private use is permitted of any land, buildings, vehicles or items of plant or equipment irrespective of whether it is owned by, or leased to, the Council. Any officer found to be in breach of this Rule will be subject to disciplinary proceedings.

All buildings, vehicles, plant or equipment shall be appropriately insured. Any instances of loss or damage to any buildings, vehicles or items of plant or equipment must be reported to the relevant Service manager and the Deputy Chief Executive (S151). The Service Manager is responsible for ensuring that any losses are recorded in the appropriate equipment register.

12.4 Additions of Assets

Service Managers must secure best value for money for the Authority on all purchases of assets. Purchase or the leasing of land, buildings and equipment shall be within overall budget provision and the Deputy Chief Executive (S151) will decide on the appropriate method of financing.

All purchases or leasing of land and buildings shall be on the best financial terms that can be obtained for the Council. The purchasing or leasing of land and buildings is to be in accordance with the Council's Procurement policies (See Chapter 5).

Lessees and other prospective occupiers of Council land or buildings are not allowed to take possession of, or enter the property, until a lease or agreement has been signed.

No purchase or leasing of land and buildings shall be undertaken without consideration of:

- current and anticipated usage; and
- consideration of the other availability of owned existing land and buildings.

The appraisal should take into account the economic benefits of renting rather than purchasing or leasing.

It is the responsibility of the Service manager to notify the Deputy Chief Executive (S151) of any acquisitions of, or disposals of, assets immediately to ensure that the asset register is updated in a timely manner. Insurance requirements, must be amended immediately if necessary.

Records must demonstrate that the income received from the disposal of an asset has been properly accounted for. Appropriate accounting entries are to be made to remove the value of the land and/or buildings from the Councils records and to include the sale proceeds.

12.5 Disposal of Assets

When assets are found to be surplus to requirements, and the Council takes the decision to dispose of them, they must be disposed of in a manner that ensures the Council receives the maximum sale value but also in accordance with regulations below.

Prior to disposal the relevant Service manager must check to confirm that the asset is owned by the Council and that the Council is free to dispose of it. Some Council assets, which were purchased initially, may subsequently have been included in a bulk lease financing arrangement and may not be the Council's to dispose of.

The market value of a property asset being disposed of must have been established and the disposal has been approved by the Leadership Team. Where the item(s) are valued up to and including the amount described at Appendix A it is the Service manager's responsibility to ensure that the best possible price is obtained, even if the asset is scrapped.

Competitive tenders are to be sought for any item of equipment valued at over the amount shown at Appendix A and it shall be the responsibility of the Service manager to obtain the best possible price, having regard to the likely disposal cost. Land or buildings should be valued by a qualified valuer to ensure that these assets are sold at their market value and at arm's length where transactions take place between the General Fund and the Housing Revenue Account.

The Service manager will be required to follow the tender process set out in Procurement (see section 5) and any evidence and/or documentation relating to the transaction must be kept in accordance with the document retention policy.

On acceptance of the highest offer, the purchaser must pay the Council and tender a Council official receipt before the item is released.

Records must demonstrate that the income received for disposal of an asset has been properly accounted for. Appropriate accounting entries are to be made to remove the value of the asset from the Council's records and to include the sale proceeds if applicable.

Any equipment register record relating to the vehicle or item of plant or equipment disposed is to be endorsed with the date of disposal and the receipt number for the income received.

It is the responsibility of the Service Manager to notify the Corporate Manager for Financial Services of any acquisition, or disposal of, assets within two weeks of the date of acquisition or disposal to ensure that the asset register is updated in a timely manner.

All property sales up to £50,000 must be approved) by the Capital Strategy and Asset Management Group (CSAG) (prior to the sale). This multi stage process, agreed by Members, is depicted below:

DISPOSAL, ACCESS RIGHTS, EASEMENTS ETC – LAND AND PROPERTY

Customer Request* or Land identified by MDDC as surplus to requirement

Section 1.01 *Inform of Administration Fee (non-refundable), legal fees and potential Valuation Fees payable to investigate
Get written confirmation that the applicant will pay all fees

ESTATES MANAGEMENT SERVICE

Legal Services

Establish Ownership

Not MDDC

Inform Applicant

Initial Assessment of Asset
Check conveyance for:
✓Planning Conditions
✓Restrictions
✓Section 106
✓Covenants
✓Other impediments to sale or granting access, etc.

CONSULTATION PROCESS

Lease, licence, wayleave, access, letting, change of use value <£10,000 (for term of the lease)

Disposal < £10,000

Granting lease, licence, easement, access, letting >7 years or change of use >£10,000

Disposal > £10,000 but less than 0.25 hectares

Disposal > 0.25 hectares (0.6 acres)

CSAG Corporate Manager as appropriate Legal Services Financial Services Ward

CSAG Corporate Manager as appropriate Legal Services Financial Services Ward

CSAG Corporate Manager as appropriate Legal Services Financial Services Ward

CSAG Corporate Manager as appropriate Legal Services Financial Services Ward

CSAG Corporate Manager as appropriate Legal

Asset sale appraisal report to Executive for disposal

Section 1.02 YES
Inform Consultees

Section 1.03 NO
Inform Consultees**

Instruct Valuer**

Section 1.04 **Invoice applicant for Fees payable regarding investigation and valuation (only for adhoc enquiries)

Section 1.05 Market Site

Inform Applicant

Proceed

Section 1.06 NO

Section 1.07 CLOSE FILE

Section 1.08 Consideration of offers

Section 1.09 YES

Section 1.10
ffer rejected
Section 1.11
eappraise

Section 1.12
Offer accepted
Section 1.13
Proceed

Delegated Decision report circulated in WIS

Instruct Legal & Monitor Completion

Set up invoicing arrangement including fees

Record data in property database
Inform CSAG and Portfolio-holder

Set up rent review, monitor expiration of lease, licence, renewal fees, reviews

13.0 The Capital Programme

13.1 Selection and Compilation of the Capital Programme

13.2 Capital Strategy Asset Group

13.3 Budgetary Control of the Capital Programme

13.4 The Prudential Code

13.5 Utilisation of Capital Receipts

13.0 The Capital Programme - Introduction

Capital expenditure differs from revenue expenditure in several ways, and falls into the following general categories:

- the purchase or construction of an asset
- the enhancement of an asset
- grants for capital purposes.
- The leasing of underlying assets.

Council assets include land, buildings, vehicles, plant and equipment. The Council makes grants for capital purposes such as Private Sector Housing Grants (e.g. Disabled Facilities Grants & Empty Homes Grants) which are classed as capital expenditure. Disabled Facilities grants are mandatory whereas Empty Homes grants are not.

Capital expenditure is often of high value and the benefit is expected to be spread over a number of years. Revenue expenditure refers to the annual running costs relating to the provision of a service which may include revenue costs associated with the capital acquisition.

13.1 Selection and Compilation of Capital Programme

Why is this important?

Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the Council, such as land, buildings, and major items of plant and equipment or vehicles. Capital assets shape the way services are delivered and create financial commitments for the future in the form of financing costs and ongoing revenue expenditure.

The Government places controls on the financing capacity of the Council through the Prudential Framework and Indicators. This means that capital expenditure should form part of an investment strategy and should be carefully prioritised in order to maximise the benefit from scarce resources.

Risks:

- The Council could commit itself to capital projects for which no funding is available.
- The final cost of a capital scheme could be considerably higher than that estimated at the outset.
- The Council may spend more on capital schemes than it is legally allowed to.
- The Council may choose a project at the expense of a project which has a better return or is more in keeping with the Council's corporate aims.

13.1.1 Capital Programme and New Schemes Fund Initiatives

Each year, the Deputy Chief Executive (S151) will prepare the Medium Term Financial Plan (MTFP). This looks at the current year and the following four years in respect of the Capital and Revenue Budgets. These budgets will comply with the Prudential Code.

Service Managers will prepare provisional estimates for each of their services for each of the next four years of proposed expenditure on capital schemes, including any associated capital income. Consideration will be given to any additional revenue base increases (e.g. Support & maintenance increases for new ICT systems) or additional revenue income (e.g. additional leisure income for a spend to save project. The Deputy Chief Executive (S151) will specify the form these estimates should take and the timetable for their submission.

All capital proposals will be scrutinised by the Deputy Chief Executive (S151) and the Capital Accountant. A project appraisal and a capital bid form, constituting the business case, must be prepared for consideration by the Capital Strategy and Asset Management Group (CSAG).

The Leadership Team will consider the provisional capital programme as part of the MTFP. After making any necessary amendments, the Deputy Chief Executive (S151) will submit to Cabinet the fully funded Capital Programme in conjunction with the revenue budget (that will include any revenue implications of projects included within the Capital programme). Both Capital & Revenue Budgets will be ratified at Full Council where the final budgets will be agreed and the Council Tax set.

13.2 Capital Strategy and Asset Group

The Deputy Chief Executive (S151) and Property Services shall co-ordinate the work of the Capital Strategy Asset Management Group (CSAG) and shall report the Group's recommendations to Leadership Team and the Cabinet as appropriate.

The Capital Strategy and Asset Management Group shall comprise those officers who are responsible for delivering schemes within the Capital Programme.

The Capital Strategy and Asset Management Group are to meet at least quarterly to ensure that a corporate view of the Capital Programme is taken in accordance with corporate objectives.

The responsibilities of the Capital Strategy and Asset Management Group are:

- To monitor the progress of schemes within the Capital Programme.
- To amend stage and completion timings, if necessary.
- To ensure the estimated and final cost of schemes are within approved Capital Programme limits.
- To prepare reports for Leadership Team and the Cabinet as required.
- To evaluate scheme performance.
- To consider the sale of capital assets.
- To evaluate requests for purchase of capital assets.

13.3 Budgetary Control of the Capital Programme

Service Managers are to ensure that all capital transactions are carried out in accordance with current legislation and Government guidelines. Capital works are only to be undertaken in accordance with the approved Capital Programme of the Council. The definition of 'capital' will be determined by the Deputy Chief Executive (S151) having regard to Government regulations accounting requirements and de minimis levels £k referred to in Appendix A.

Credit arrangements, such as leasing, if required for a capital asset, are to be arranged through the Deputy Chief Executive (S151).

Officers responsible for schemes where external grants are available are to ensure that those grants are claimed in the correct manner and at the proper time and that no loss occurs to the Council. Those officers will also be responsible for ensuring any conditions or restrictions associated with the grants are adhered to.

The Deputy Chief Executive (S151) must be consulted on the funding or on any financial implications arising from proposed capital transactions. The Cabinet must approve any additional bid for capital funding or borrowing approval not anticipated in the Capital Programme as extra borrowing may create further commitments to financing costs.

The officers responsible are to ensure that any overspending on a scheme is reported as part of the budget monitoring cycle and that appropriate management action is agreed.

The Deputy Chief Executive (S151) shall be responsible for reporting to the Council on financial matters associated with the Capital Programme. The Capital programme monitoring sits alongside the Revenue Monitoring and is included as an appendix to the report. The report shall state, among other things:

- The method of funding capital expenditure during the previous financial year.
- The actual capital expenditure during the previous financial year.
- Any contributions received from outside bodies.

13.4 The Prudential Code - Impact on financing of capital projects

The Prudential Code, developed by CIPFA applies to all Local Authorities. Local authorities are required by legislation to have regard to the Prudential Code when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003.

The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable.

The Prudential Code requires that the capital programme can only be financed by one or more of the following means:

- By using capital receipts generated by the sale of capital assets such as land and buildings.

- By making a revenue contribution to capital (RCCO) which is a real charge to the General Fund or Housing Revenue account.

- By using capital grants unapplied where any conditions associated with the grant have or will be met in full.

If monies are borrowed from an external financial institution the Council still has to meet its capital financing obligation as shown above at 13.4.3. If this cannot be met in full in the first year then this creates a Capital Financing Requirement (CFR). The Authority must make a Minimum Revenue Provision, which is a real revenue charge, similar to a revenue contribution to capital (RCCO), against any CFR that it has at 31 March each year.

13.5 Utilisation of Capital Receipts

Capital receipts, above the de minimis shown at Appendix A, derived from the sale of land and buildings can only be used to finance capital expenditure, unless there is dispensation from Central Government under a bespoke directive

14.0 Banking and Treasury Management

14.1 Banking arrangements

14.2 Treasury management policy

14.3 Investments

14.4 Loans

14.5 Loans to external bodies (including soft loans)

14.1 Banking Arrangements

Why is this important?

All the Council's income and expenditure is directed via its bank. Every day many transactions take place between the Council, its customers and the Council's bankers. Bank accounts, therefore, are a high risk in terms of their exposure to fraud or error. As a result tight control over setting them up, maintaining them and dealing with the transactions that flow through them is required.

Risks:

- Bank accounts could be opened in the name of the Council with the aim of perpetrating a fraud.
- Unauthorised persons could gain access to a Council bank account and carry out fraudulent transactions.
- Banking instruments, e.g. cheques, money orders etc. could be stolen and used to steal money from the Council's bank account.
- Fraud or error could go undetected or the investigation could be seriously delayed if bank reconciliations did not take place or were late.
- The Council would be heavily criticised by the external auditors if the bank reconciliations were not up to date and accurate.

Regulations:

Only the Deputy Chief Executive (S151) together with a member of Finance may close, open or amend the conditions relating to the operation of the Council's bank accounts. All bank accounts are to be in the name of Mid Devon District Council.

All cheques shall be ordered only on the authority of the Deputy Chief Executive (S151), who shall ensure that secure arrangements are made for their safe custody.

Cheques and payment forms of authorisation, drawn on the Council's banking accounts, shall bear signatories in accordance with Appendix A.

Both the Chief Executive and the Deputy Chief Executive (S151), acting jointly or independently shall have the authority to cancel the signature authorisation of any officer if they or either of them considers such action necessary or desirable; in which event the officer effecting the cancellation shall notify the Council's Bankers without delay.

Crossed cheques shall only be opened with the express approval and countersignature of the Deputy Chief Executive (S151) or an authorised cheque signatory.

The Deputy Chief Executive (S151) shall ensure, as far as practical, the separation of staff duties so that the following tasks are the responsibility of separate officers:

- the checking and approval of creditors' invoices, benefits, salaries and wages
- the control of cheques
- the preparation of cheques
- the signature or alteration of cheques
- the despatch of cheques
- the entries in cash accounts
- the reconciliation of bank balance

The Deputy Chief Executive (S151) shall nominate officers responsible for reconciling all bank accounts in the name of the Council with the relevant accounting records.

A detailed reconciliation statement is to be prepared, as soon as practicable, following the end of each month and is to be presented to the Deputy Chief Executive (S151).

The statement is to be signed jointly by the Deputy Chief Executive (S151) and the officer responsible for its preparation.

Any discrepancy above the de minimus limits in Appendix A arising at the time of reconciling the accounts and records will be made known to the Deputy Chief Executive (S151) and Internal Audit and any such discrepancy clearly stated on the reconciliation statement.

14.1.1 Bank Transactions and Instructions to our Bankers

Cheque and electronic bank transfer payments must only be made by authorised individuals registered with our bankers. The Deputy Chief Executive (S151) will register appropriate individuals to ensure business continuity.

Electronic bank transfers must involve a minimum of two staff with authorisation procedures and records approved by the Deputy Chief Executive (S151).

Only authorised staff may communicate with the Council's bankers.

14.2 Treasury Management Policy

Why is this important?

The Council often invests considerable sums of taxpayer's money so as to make an acceptable return on the investment, which in turn is used to help finance Council services and projects. Investment is not without risk. It is the Council's duty to ensure that such risk is minimised through prudent management of its investments in accordance with legislation and recognised standards.

Risks:

- Money invested by the Council could be lost giving rise to the Council facing serious financial difficulty.
- The Council could face prosecution and a critical external audit report for failing to comply with legislation and accepted standards.
- Council funds could be misused by a member of staff for their own ends.
- Investment returns may fall short of expectation.

Regulations:

The Deputy Chief Executive (S151) shall be responsible for the investment of Council funds in accordance with the Local Government Act 2003, the CIPFA Code of Practice on Treasury Management and the Treasury Management Strategy approved by the Cabinet, annually.

14.2.1 Statutory Requirements:

The Local Government Act 2003, and supporting regulations, requires the Council to "have regard to" the Prudential Code and the CIPFA Treasury Management Code of Practice (CIPFA TMCOP) to set Prudential and Treasury Indicators for a three year period to ensure that the Council's capital investment plans are affordable, prudent and sustainable.

14.2.2 CIPFA Requirements:

The primary requirements of the Code are as follows:

- Creation and Maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

- The Full Council receive an annual Treasury Management Strategy Statement (including the Annual Investment Strategy and Minimum Revenue Provision Policy) for the year ahead, a Mid-year Review Report and an Annual Treasury Report (outturn report) covering activities during the previous year.

- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions. In our case this is the S151 Officer.

- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specified named body. For this Council the delegated body is the Cabinet.

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.

14.3 Investments

The Council compiles its cashflow forecast for a one year period. This is done on the basis that most large items of expenditure and income are known in terms of value and date of payment/receipt. Finance should be notified immediately of any significant items of new expenditure, over £50,000, as this may impact on investment decisions for the future or, more seriously, cash flow constraints.

Investment decisions are made based upon the cash flow position on that day and the future requirements on the cash flow of the Council. This is done under the remit of the approved Treasury Strategy.

The Deputy Chief Executive (S151) shall arrange for the investment of excess funds based upon the counterparty criteria relevant at that time. This can be found on the most recent Treasury Strategy. From the pool of eligible banks or building societies the officer will call to obtain the best rate of interest on that particular day, and proceed on this basis.

All Council bank accounts have a mandate signed, typically by two senior officers of the Finance service which are filed with all relevant banking documentation.

When any investment is made, a journal is signed by the officer who authorised the payment to be made. This is then processed on E-financials to record the investment has been made.

Repayment of an investment is known in advance and is paid, typically by Clearing House Automated Payment Scheme (CHAPS), by the borrower on the due date. The cashflow spreadsheet is used as the source document to notify when funds are due back to the Council.

The investment policy is reviewed twice yearly: when both the Annual Strategy and the Half Year Investment Report are compiled.

In the event of a borrower default, the Accountant dealing with Treasury would notify the Section 151 Officer, Cabinet Member for Finance, Leader of the Council and Chief Executive. This would

then be communicated to the Leadership Team and the Cabinet. The Accountant would liaise daily with the S151 Officer on any developments and actions to recover the monies due.

All investment transactions shall be in the name of the Council. All securities, which are the property of the Council, are held in the custody of the Deputy Chief Executive (S151).

Monies invested will be paid to recipients by way of CHAPS (Clearing House Automated Payments System). Manual CHAPS payments must be checked and signed by two authorised signatories. CHAPS payments using the Payment Manager System are set up by one card holder and authorised by a second card holder.

Interest Allocation: Interest accrued on invested funds is allocated between the General Fund and the Housing Revenue Account based on average balances held each year.

14.4 Loans

Why is this important?

The Council may have a need to borrow considerable sums of money so as to help finance Council services and projects. Borrowing is not without risk. It is the Council's duty to ensure that such risk is minimised through prudent management of its borrowing in accordance with legislation and recognised standards.

Risks:

- Money could be borrowed by the Council at less than advantageous interest rates and thereby incurring higher than necessary cost.
- The Council could fail to repay money borrowed on time thereby having penalties invoked against it.
- The Council could receive a critical external audit report for failing to comply with legislation and accepted standards.
- Loans could be taken out in the Council's name by a member of staff for their own ends.

Regulations:

The Deputy Chief Executive (S151) shall be responsible for the administration and day to day operation of the Council's borrowing requirements and in so doing comply with the CIPFA Code of Practice on Treasury Management.

The Deputy Chief Executive (S151) shall ensure that money required by the Council is borrowed at the most advantageous rates and terms possible. All legal agreements are to be reviewed by the Legal Department before being signed and the Council becoming bound by their terms. All borrowings shall be in the name of the Council.

The Deputy Chief Executive (S151) shall be the Council's registrar of mortgages and shall maintain records of all monies borrowed by the Council.

Under the criteria of the Prudential Code the Deputy Chief Executive (S151) is to prepare a report prior to the commencement of each financial year for the Council to consider and then set the borrowing limits for the ensuing year.

The Council's Aggregate Credit Limit is to be monitored and at no time are the Council's borrowings to exceed the limit.

The Deputy Chief Executive (S151) shall report to the Cabinet at regular intervals on treasury management activities for the previous period.

Monies may be repaid by way of CHAPS (Clearing House Automated Payments System). Manual CHAPS payments must be checked and signed by two authorised signatories. CHAPS payments using the Payment Manager System are set up by one card holder and authorised by a second card holder.

Internal borrowing within the Authority, which will relate to the General Fund and Housing Revenue Account will be done via a service level agreement arranged by the respective Corporate Managers and Directors and Cabinet Members. The rate of borrowing agreed will be benchmarked against a publicly available rate such as the Public Works Loan Board (PWLB) or Bank of England Base Rate.

14.5 Loans to External Bodies (Including Soft loans)

Mid Devon District Council has the power to provide businesses or social organisations with soft loans.

14.5.1 Definition:

A soft loan is one with no interest or below-market rate of interest.

Lenient terms such as extended grace periods in which only interest or service charges are due, and interest holidays may be present. Typically they offer longer amortisation schedules and lower interest rates than conventional bank loans.

Risks:

- Reduced returns on available cash reserves
- Borrower default

Regulations:

Each request must be subject to a robust Business Case and will be reviewed on merit and any loan agreement requires Deputy Chief Executive (S151) and Cabinet/Council approval subject to the limits shown in Appendix A, paragraph A. Once approved, the drawdown of such loans can be phased.

In order to be eligible, the borrowing business or social organisation, shall be resident within the Mid Devon District Council boundary.

Any interest premium applied will be benchmarked against an available market rate.

The Council's security requirements will vary depending on the nature of the business, the loan value and the duration of the loan.

The Council must be mindful of the restrictions of State Aid when considering offering loans.

15.0 Insurance

15.1 Insurance

15.2 Notification of New Risks

15.3 Incident Reporting and Claims Handling

15.1 Insurance

Why is this important?

The delivery of Council services is not without inherent risk of death, injury or financial loss to staff, Members, third parties or the Council itself. The Council must make a careful assessment of these risks and how they should be covered. Some will be insurable and a balanced view will need to be taken as to what risks will be insured and those other risks which will be carried by the Council, through maintenance of earmarked funding or otherwise.

Risks:

- The Council may not be adequately insured and be unable to meet some claims made against it.
- The Council may be over insured.
- The Council may be paying too much for its insurance cover.

The Council has an internal team to manage its insurance-related responsibilities, and to help avoid disruption to Council services and finances. The Council's Insurance team:

- provides a claims management service
- arranges and negotiates appropriate insurance cover for the Council
- investigates potential and actual claims against the Council
- collates necessary supporting evidence
- submits claims on behalf of the Council
- provides control of all claims against the Council's insurance policies
- manages insurable risks to minimise potential losses and reduce disturbance to Council services
- advises on the level of claims and insurable risks

Regulations:

All insurance cover shall be reviewed at least annually by The Deputy Chief Executive (S151) and where new risks are identified due consideration in terms of cost and scope of cover will be made immediately.

15.1.1 Scope and Types of Risk

The Deputy Chief Executive (S151) is responsible for arranging all insurance cover subject to the approval of the Legal Services Manager on the form of policy.

15.1.2 Types of Cover

Public Liability: This insurance covers injury or death to any person on or around the Council's property and damage to Third Party material property.

Land & Buildings: This safeguards the Authority's properties.

Equipment: This covers specified equipment.

Motor: This provides cover for all of the Council's vehicles including plant.

Engineering Insurance: Insurance relating to the Council's plant, machinery and equipment.

Employers Liability: Protects the Council against legal liability to pay damages and legal costs arising from Employees suffering bodily injury, illness or disease and including death in the course of employment.

Fidelity Guarantee Insurance: All appropriate employees of the Council will be included in a suitable fidelity guarantee insurance policy to safeguard the Authority against losses caused by dishonesty of employees.

15.2 Notification of New Risks

Service Managers shall promptly notify the Deputy Chief Executive (S151) of the extent and nature of all new risks to be insured and of any alteration affecting insurable risk within their department. Details must be e-mailed to insurance@middevon.gov.uk.

Service Managers will consult with the Deputy Chief Executive (S151) in respect of the terms of any indemnity, which the Council is requested to give when entering into a contract with a Third Party. The Deputy Chief Executive (S151) will consult the Council's insurer if appropriate.

When any additions are made to the Corporate Risk Register consideration needs to be given to any insurance implications regarding the new risk. Details must be e-mailed to insurance@middevon.gov.uk .

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15.3 Incident Reporting & Claims Handling

Service Managers will notify the Deputy Chief Executive (S151) immediately of any loss, liability, damage or any event which seems likely to lead to a claim. The appropriate claim form shall be completed and submitted to the Insurance Section within seven days via e-mail insurance@middevon.gov.uk or Post. Any necessary supporting evidence must be submitted within two weeks of incident date.

Motor Claim Form	**FIN801**
Public Liability Claim Form	**FIN802**
Property/Theft Claim Form	**FIN803**
Employers Liability Claim Form	**FIN804**

Clear guidance is given on the forms; additional help is available via e-mail from:
insurance@middevon.gov.uk

Service Managers, staff and Members must ensure that they **do not** accept liability or make any offer to pay compensation, which may prejudice the conduct and outcome of any insurance claim.

The Deputy Chief Executive (S151) must be informed and the appropriate claim form completed, where damage is caused to Council property, plant or vehicles, by fire or other insured risk, before work or repairs, other than emergency works, shall be undertaken and necessary authority has been given by the Council's insurers.

The Insurance Section will negotiate all claims in consultation with the Insurers and Service Managers.

Policy premiums and any excess required to be paid in the claims process will be charged to relevant service expenditure codes.

15.3.1 Other

Contractors or agents acting for the Council must have insurance arrangements which adequately indemnify the Council against any third party claim. It is the Service Manager's responsibility to require this of contractors at quotation stage and to have details of the relevant insurance documents.

16.0 Postage

16.1 Postage

16.1 Postage

Why is this important?

Postage stamps, prepaid envelopes and balances held within franking machines are vulnerable to theft or loss.

Risks:

- Stamps could be lost or stolen.
- Franking machine balances could be misused.
- Prepaid envelopes could be lost or stolen.

Regulations:

Officers responsible for postal franking machines will certify the balance of impressions held in the machine at the 31 March each year. The certificate is to be forwarded to Finance without delay.

Where more than one service use the same franking machine, a record of each services usage must be maintained.

Franking machines, stamps and pre-paid envelopes are only to be used for mail sent in connection with the Council's business. Use for any private mail is not permitted and will lead to disciplinary proceedings.

All services are allocated a number for their post by Customer Services, which is input into the franking machine when the post is franked. Readings from the franking machine allocate postage costs to each service area which will then be charged to the service as part of the year end recharge.

17.0 Financial Statements and Reports

17.1 The Annual Statement of Accounts

17.2 Accounting policies

17.3 Reports containing financial information

17.1 The Annual Statement of Accounts

The Deputy Chief Executive (S151) is responsible for ensuring that the annual financial statements are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom and other legal and regulatory requirements for approval by the Audit Committee. This ensures that the statement of accounts present a true and fair position of the Council at the year end and also provides detail of the expenditure and income for that year.

Finance will issue a detailed timetable to Service Managers annually to ensure that all relevant information is collected in a timely manner and that the statutory deadline is achieved.

The accounts are subject to external audit, the objective of which is to provide assurance that the accounts have been prepared correctly, that proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of the Authority's resources.

The Audit Committee is responsible for approving the annual statement of accounts, which must be signed by the s151 Officer by 1 May following the end of the financial year. The Approval by the Audit Committee and publication of the Statement of Accounts with the audit opinion must be completed by 31 July.

17.2 Accounting Policies

Why is this important?

The Accounting policies underpin the preparation of the statement of accounts and must be consistent with the basic accounting concepts of materiality, going concern, matching, consistency, prudence and substance over form.

17.2.1 Key controls

The key controls for the satisfactory completion of the statement of accounts are that:

- Suitable accounting policies are determined, communicated and their consistent application monitored.

- A reasonable and prudent policy is created to ensure a consistent approach to all instances where estimates are made and that these are documented.

- Statutory and other professional requirements are observed.

- All reasonable steps are taken for the prevention and detection of fraud and other irregularities.

- The draft statement is available for examination and report by the external auditors in accordance with the previously agreed timetable.

Regulations:

17.2.2 Responsibilities of Deputy Chief Executive (S151)

The Deputy Chief Executive (S151) is responsible for selecting appropriate accounting policies, ensuring that they are applied consistently and that they are fully disclosed in the financial statements.

17.2.3 Responsibilities of Service Managers

Service Managers are to adhere to the accounting policies and guidelines approved by the Deputy Chief Executive (S151) throughout the financial year and to submit to Finance any information considered necessary for accounting and costing purposes in accordance with the yearend timetable.

17.2.3 Internal and External Reports containing Financial Information

Why is this important?

The Council's reputation could be damaged if erroneous or misleading information is published. Poor or ill-advised decisions could be made on incorrect data published within a report.

17.2.4 Key controls

All reports should be reviewed by Finance and where appropriate, Internal Audit to safeguard the integrity of the presented data. Where amendments are required these must be made by officers before the report is published.

18.0 Risk Management and Governance

18.1 Prevention of fraud and corruption

18.2 Risk management and corporate governance

18.3 Internal audit

18.4 External audit

18.5 Financial irregularities

18.6 Money laundering

18.1 Prevention of Fraud and Corruption

18.1.1 Corporate Fraud

Why is this important?

The Council will not tolerate fraud and corruption whether externally or internally. It is determined that the culture and tone of the organisation is one of honesty and total opposition to fraud and corruption.

The Council has an established Code of Conduct for all Council Officers and Members. The Council has robust policies relating to Fraud, Corruption and Whistle-blowing.

The Council requires its contractors, suppliers, partners and other service providers to adhere to the Council's policies and procedures, which uphold the Council's high standards.

The National Fraud Initiative is actively supported and a range of measures is in place to identify and successfully prosecute anyone claiming Housing and/or Council Tax Benefit fraudulently.

Risks:

- The Council may suffer financially through fraudulent or corrupt practices and failure to maintain high standards of conduct.

- Genuine claimants may be refused.

- The confidence of the public in the Council may be undermined as a result or discovery of fraud or corruption involving Council staff, Members or its partners and contractors.

- The Council's reputation may suffer.

- Staff may be prevented from raising their concerns through 'whistleblowing' procedures under the Public Interest Disclosure Act 1998 and the Council may leave itself open to payment of compensation, (with no upper limit).

Regulations:

The Operations Manager for Performance, Governance and Health and Safety is responsible for maintaining the Council's:

- Anti-fraud and Corruption Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy

18.1.2 Benefit Fraud

As part of the National Fraud Initiative, the Council undertakes biennial data matching for Housing and Council Tax Benefit.
18.1.2 Where evidence of fraud is found the information will be passed to the DWP for further investigation.

18.1.3 Awareness

All service managers will ensure that all officers (including any new employees) within their service areas have access to, and regularly refresh their knowledge of:

- The Officers' Code of Conduct
- The Council's Anti-Money Laundering Policy
- The Council's Anti-Fraud and Corruption Policy
- The Council's Whistleblowing Policy.

All Service Managers will ensure that any contractors, or any other parties, working on behalf of the Council, within their service areas have access to, and regularly refresh their knowledge of, the Councils Whistleblowing Policy.

The Monitoring Officer will ensure that all Members have access to, and regularly refresh their knowledge of, the Members Code of Conduct.

All Officers and Members must ensure that they provide the Monitoring Officer with returns relating to the declaration of any personal interests and offers of gifts or hospitality (whether accepted or not).

18.2 Risk Management, Internal Control and Corporate Governance

Why is this Important?

Risk is identified as something that might have a detrimental impact on the Council's objectives or affect service delivery. The Council, therefore, has a duty to ensure that risks are properly identified, managed and controlled.

The objectives and many of the Council's services and activities are not without inherent risks including those of risk of death, injury or financial loss to staff, members of the public or external organisations.

Risk can be mitigated by:

- Transferring the risk to a third party, e.g. through insurance
- Implementing additional controls to those that exist to minimise the likelihood of the risk occurring or minimising its potential impact (e.g. through regular inspection and continuous monitoring of identified key risk areas).
- Establishing and regularly testing business continuity and disaster recovery procedures to deal with the consequences of events and minimise potential disruption.
- Training of officers and staff in key risk areas.

The key controls for risk management are:

- Leadership Team leading and directing risk management at highest level.
- Establishing clear roles, responsibilities and reporting lines within the Council for managing risk.
- Incorporating risk management considerations/ systematic benchmarking and a performance management system.
- Maintaining documented procedures for the control of risk, the provision of suitable information, training and supervision.
- Maintaining an appropriate incident reporting, recording and investigation procedure to prevent recurrence.
- Allocating resources to identified priority risk areas.
- Training to reinforce the importance of effective risk management as part of the everyday work of employees.
- Maintaining effective communication and the active involvement of every member and employee of the Council.
- Including risk management as an agenda item at meetings as appropriate.

- Providing opportunities for shared learning on risk management across the Council.

- Preparing contingency plans in areas where there is potential for an occurrence having a catastrophic effect on the Council and its business capability.

Internal controls are one of the tools used to manage the Council's risks, and ensure that it meets its strategic objectives and statutory obligations. The Accounts and Audit Regulations 2015 impose an explicit duty on the Council to ensure it has a sound system of internal control including the publication of an Annual Governance Statement.

The system of internal controls is established in order to provide measurable achievement of:

- Efficient and effective operations
- Reliable financial information and reporting
- Compliance with legislation and regulations
- Risk management
- Security of assets.

Risks:

- The opportunity for fraud, loss, extravagance, waste or reputational damage is increased.

- The Council could be in contravention of legislation.

- Incorrect political and managerial decisions could be made because of the absence of consideration of risk.

Regulations:

The Operations Manager for Performance, Governance and Health and Safety is responsible for producing, reviewing and updating the Council's Risk Management Strategy to be approved by the Audit Committee annually.

It is the responsibility of the service managers to ensure that the risks affecting their service areas are identified on a continuing basis, and documented in a risk register along with the controls for mitigating those risks.

Service Managers are responsible for ensuring that any actions that have been agreed to put controls in place to mitigate risks are completed in the agreed timescale.

The centralised risk register will be held electronically on the SPAR.net system, and will be reviewed regularly. Service managers, or their nominated representatives, will ensure that risks relating to their service area are reviewed and updated using the SPAR.net system.

Service Managers are to ensure that all staff in their service area have a clear understanding of the risks affecting the Council and their service area and the consequences of not controlling those risks.

The Leadership Team will act as the Council's Corporate Risk Management Group in order to review those risks likely to have an impact on the achievement of the Council's objectives.

18.2.1 Internal Control

Internal Audit will be responsible for conducting an annual review of the effectiveness of the Council's internal control environment, the results of which will be included in the Annual Governance Statement.

The Operations Manager for Performance, Governance and Health and Safety will produce an Annual Governance Statement in accordance with current CIPFA guidance, which is to be reviewed and approved by the Audit Committee and signed off by the Leader of the Council and Chief Executive, and published with the statement of accounts.

An action plan will be produced as part of the Annual Governance Statement, covering areas of exception. Service managers are responsible for ensuring that any recommendations relating to their service area are implemented by the agreed timescale.

Service Managers are to manage service processes to ensure that established controls are being adhered to, and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks.

18.2.2 Corporate Governance

The Council is responsible for approving the Council's Code of Corporate Governance following consideration by the Audit Committee.

The principle of the Code will be openness, integrity and accountability and will cover the areas required by the CIPFA delivering good governance local government framework which includes:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement.
- Defining outcomes in terms of sustainable economic, social and environmental benefits.
- Determining the interventions necessary to optimise the achievement of the intended outcomes.
- Developing the entity's capacity, including the capability of its leadership
- and the individuals within it.
- Managing risks and performance through robust internal control and strong public financial management.
- Implementing good practices in transparency, reporting and audit to deliver effective accountability.

Direct responsibility for the monitoring of compliance with the principles and elements of corporate governance and the requirements of the Code are placed with the Council's Operations Manager

for Performance, Governance and Health and Safety (with the exception of the application of these Regulations, which are the responsibility of the Deputy Chief Executive (S151)).

18.3 Internal Audit

Why is this important?

The Accounting and Audit Regulations 2003 requires that the Council shall be responsible for ensuring that financial management arrangements are adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk. The Council shall conduct a review at least once a year of the effectiveness of its system of internal control and shall include a statement on internal control to be published with the statement of accounts.

Internal Audit is an assurance function which provides an opinion to the Council. It objectively examines, evaluates and reports on the adequacy of controls that affect the Council objectives. Its contribution is to the proper economic efficient and effective use of Council's resources on the control environment comprising risk management, control and governance by evaluating its effectiveness in achieving the Council's objectives. Internal Audit objectively examines, evaluates and reports on the adequacy of the internal control environment as a contribution to the proper, economic, efficient and effective use of resources.

Risks:

- Changes in the delivery of services lead to internal financial control systems failing, thereby increasing the possibility of fraud, loss, extravagance, waste or reputational damage to the Council.

- The Council could face legal action for failing to maintain an adequate internal audit service.

- The absence of an internal review process increases the opportunity for fraud, corruption or lax service delivery.

- Increased external audit costs may be incurred if the external auditor is not satisfied that the Internal Audit service is adequate.

Regulations:

The Council shall make provision for Internal Audit in accordance with the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006. The Accounts and Audit Regulations 2015 state that a relevant body must 'maintain an adequate and effective system of internal audit of the Council's accounting records, and of its system of internal control in accordance with the proper internal audit practices'.

The Council has entered into a shared service arrangement with The Devon Audit partnership (DAP), constituted under section 20 of the Local Government Act 2000, for the provision of Internal Audit services.

The Internal Audit Manager, or representative from Internal Audit, shall, with full regard to the Data Protection and Human Rights requirements, have authority to:

- Enter at all reasonable times on to any Council premises or land.

- Have access to all records, documents and correspondence (both manual and electronic) relating to any transaction of the Council.

- Require and receive such information and explanations from any officer as are necessary concerning any matter under investigation.

- Require any employee or agent of the Council to account for cash, stores or any other Council property under their control.

- Access records belonging to third parties, such as contractors or partnerships, if required.

The Internal Audit Manager has direct access to the Chief Executive, Deputy Chief Executive (S151), Leader and Chairman/Vice Chairman of the Cabinet and the Audit Committee.

The Internal Audit Manager shall produce an operational internal audit plan and also a three year strategic audit plan, which will cover the full range of services provided by the Council. The core financial systems of the Council will be audited on an annual basis and the remaining systems will be audited on a rolling programme, according to the level of risk.

It shall be the responsibility of Internal Audit to review, appraise and report upon:

- The soundness, adequacy and application of internal financial controls.

- The extent to which the Council's assets and interests are accounted for and are safeguarded from losses of all kinds including:

    - Fraud and other offences
    - Waste, extravagance, inefficient administration, poor value for money or any other cause.

    - The suitability, reliability and use of financial and other management information available within the Council.

Service Managers (in consultation with their line manager) are to consider, and promptly respond to agreed recommendations set out in Internal Audit reports and to ensure that any agreed actions are carried out within the timescale agreed.

The Internal Audit Manager will report to the Audit Committee at each meeting. Reports will contain details of Internal Audit activities and actions agreed on any high priority recommendations.

Internal Audit shall be informed of, and can act in a consultancy capacity to officers and others acting on the Council's behalf in respect of the creation, amendment or removal of systems of a direct or indirect financial nature. This may incur an additional charge from the Internal Audit provider, DAP.

18.4 External Audit

Why is this important?

Each financial year the Council is subject to an external audit of statutory financial statements. The external auditor has rights of access to all documents and information necessary for audit purposes.

In carrying out their duties the external auditor is required to comply with statutory requirements governing them, and in particular the Local Audit and Accountability Act 2014, the Code of Audit Practice, the Local Government Act 2010 and the Accounts and Audit Regulations 2015. The Code of Audit Practice sets out the auditor's objectives to review and report upon:

- The audited body's financial statements and its Annual Governance Statement.
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Council's accounts are scrutinised by external auditors, who must be satisfied that the statement of accounts 'present true and fairly' the financial position of the Council and its income and expenditure for the year in question and complies with the statutory requirements as set out in the current Code of Practice on Local Authority Accounting in the United Kingdom and the Service Reporting Code of Practice (SERCOP).

Risk:

- The Council's accounts are not signed off by the external auditors or are signed off with a qualifying comment to the effect that they fail to present fairly the financial position of the Council.

Regulations:

The Deputy Chief Executive (S151) will work with the external audit staff to ensure that there is effective liaison between external and internal audit to optimise use of audit resources and that all Members and Finance staff are advised of their roles and responsibilities in relation to external audit. Service managers shall ensure that external auditors are given access (at reasonable times) to premises, personnel, documents and assets which are considered necessary for the purposes of their work.

Service Managers shall ensure that all records and systems are up to date and available for inspection.

18.5 Financial Irregularities

All suspected frauds or irregularities involving cash, property or financial transactions of the Council shall be notified immediately to the Internal Audit Manager, and the Deputy Chief Executive as Section 151 Officer.

Where fraud or irregularity is suspected:

- The relevant service manager will take immediate action and all possible steps to prevent further loss and to secure records against removal or alteration.

- The Operations Manager for Performance, Governance and Health and Safety and/or the Corporate Manager for People, Governance and Waste will initiate an immediate investigation and the Deputy Chief Executive (S151) as S151 officer will be informed.

Where sufficient evidence exists that a criminal offence may have been committed, the Operations Manager for Performance, Governance and Health and Safety, in consultation with the Chief Executive, and Deputy Chief Executive (S151) (as Section 151 Officer), will inform the police to further investigate and decide on possible future proceedings.

The relevant Service Manager with the Corporate Manager for People, Governance and Waste and Development will instigate the Council's disciplinary procedures where the outcome of an investigation indicates misconduct, fraudulent or otherwise.

18.6 Money Laundering

18.6.1 What is money laundering?

Money Laundering can be defined as "the crime of moving money that has been obtained illegally through banks and other businesses to make it appear that the money has been obtained legally".

When the Council (or any of its employees or Members) is accepting or dealing with money or other assets there is a risk that such money or assets could come from a criminal source. In the vast majority of cases this is unlikely, but everyone should bear in mind that they could contravene the law if they become aware of or suspect criminal activity and continue to be involved in the matter without reporting their concerns.

18.6.2 Recognising money laundering

Possible indicators of money laundering may include:

- Cash based businesses which are more likely to add criminal funds to legitimate business takings.
- Large cash receipts generally and always amounts over the equivalent of 15,000 Euros.
- A person who is reluctant to supply evidence of identity or address.
- Large overpayment of fees or money on account.
- Cancelled transactions without good reason, requiring a repayment.
- Requests to forward balances on to a third party.
- Information received about an individual which may reveal criminality or association with criminality.
- The use of over-complicated financial systems or funds received from third parties.

- A buyer's or seller's financial profile not "fitting" the transaction they are undertaking.

- Unexplained use of an out of area solicitor/agent in relation to a property transaction.

No payments over £5k shall be accepted without the formal consent of the Money Laundering Reporting Officer. The Council's nominated Money Reporting Officer is the Operations Manager for Performance, Governance and Health and Safety.

This list is not exhaustive but gives examples of when employees should consider whether their suspicions should be aroused and in such circumstances should suggest to the employee that they should be asking themselves questions such as *Would I expect this individual to have this amount of cash?; why do they wish to pay in cash?; Why is this person offering to pay more than the going rate for this item/service? etc.*

18.6.3 Legislation relating to money laundering

Legislation concerning money laundering has broadened the definition of money laundering and increased the range of activities caught by the statutory framework. The obligations impact on areas of local authority business and require local authorities to establish internal procedures to prevent the use of their services for money laundering.

There are several pieces of legislation relating to money laundering which include:

- The Terrorism Act 2006
- The Counter-Terrorism and Security Act 2015
- The Proceeds of Crime Act 2002
- Serious Organised Crime and Police Act 2005
- Money Laundering Regulations 2017
- Third European Union Money Laundering Directive 2005

18.6.4 Purpose and scope

The aim is to maintain the high standards of conduct which currently exist within the Council by preventing criminal activity through money laundering.

The legislative requirements concerning anti-money laundering procedures are extensive and complex. These regulations have been written so as to enable the Council to meet its' legal requirement in a way which is proportionate to the very low risk the Council faces.

These regulations apply to **all employees** (including agency staff and contractors) and **elected Members**. All employees must be aware of their responsibilities and the consequences of noncompliance. Service managers must ensure that all employees are aware of these regulations during new employee induction. The Council's Money Laundering Reporting Officer (MLRO) will arrange suitable training of all staff and elected Members

An employee could potentially be caught by the money laundering provisions (if they suspect money laundering and either become involved with it in some way and/or do nothing about it) – e.g. if they:

- Assist a money launderer

- “Tip off” a person suspected to be involved in money laundering that they are suspected or that they are the subject of police investigations
- Fail to report a suspicion of money laundering
- Acquire, use of or possess criminal property.

It is extremely important that all employees are familiar with their legal responsibilities. Employees found guilty at trial of contravening the legislation may be faced with imprisonment, a fine or both.

Failure by an employee to comply with the procedures set out may lead to disciplinary action being taken against them. Any disciplinary action will be dealt with in accordance with the Council’s Disciplinary Procedure.

18.6.5 Reporting/disclosing information

If an employee/Member suspects money laundering or has any suspicions relating to any transaction then they must report their suspicions to the Council’s Money Laundering Reporting Officer (MLRO).

The employee/Member will need to supply as much information as possible to the MLRO about the individual or company concerned i.e. name, address and their reasons for suspicion. If any other employees/Members have been involved with the transaction the names of these persons should also be passed to the MLRO.

Any disclosures must be reported using the Form to the Anti-Money Laundering Policy found on SharePoint. Upon receiving the completed form the MLRO will consider all of the applicable information in order to determine whether the grounds to suspect money laundering are valid. If the MLRO determines that the information or matter should be disclosed it will be reported to the UK Financial Intelligence Unit (UKFIU), the branch of the Serious Organised Crime Agency (SOCA) that deals with money laundering.

Disclosures should be kept confidential and not discussed with colleagues. It is important to ensure that the person(s) suspected of money laundering is not “tipped off” regarding the disclosures. It is an offence to prejudice an investigation by informing anyone of the disclosure or by tampering with evidence. If found guilty there is a punishment of up to 5 years in prison available to courts on indictment.

18.6.6 After disclosure

No transactions can be completed where it is believed that money laundering is involved until clearance has been received from either the UKFIU or the SOCA, or seven days have elapsed since the disclosure was made to them and no instructions have been received. Employees must **always** check the position with the MLRO before taking any action.

Glossary of Terms

Accounting Policies	Accounting policies define the process whereby transactions and other events are reflected in financial statements. For example, an accounting policy for a particular type of expenditure may specify whether an asset or a loss is to be recognised; the basis on which it is to be measured; and where in the revenue account or balance sheet it is to be presented. Accounting policies do not include estimation techniques.
Accounts Payable	The ledger and process relating to the payment of trade creditors and other payments.
Accounts Receivable	The ledger and process relating to the raising of sales invoices and their collection.
Accrual	A sum included in the final accounts to cover income or expenditure attributable to that year but for which payment was not received/made during that year. Local authorities only accrue for revenue expenditure; capital expenditure is recorded on a receipts and payments basis.
Appropriation	The transfer of ownership of land or buildings from one service to another.
Asset	An asset is anything that is owned/leased/rented by the Council that has a value.
Asset Management Plan and Capital Strategy	A document that explains how the Council will maintain its assets over the next few years and where it is intending to spend money on new or improvements to its existing assets.
Bad Debt	Money owed to the Council that is unlikely to be paid.
Balances	The total revenue reserves required to provide a working balance during the financial year, for example in periods when expenditure exceeds income.
Best Practice	The term used to describe the methods used by local government to share procedures and practices in order to learn and improve from each other.

Best Value	Arrangements to secure continuous improvement in the way its functions are exercised having regard to a combination of economy, efficiency and effectiveness.
Budget	A statement of the Authority's plans for revenue and capital expenditure and income over a specified period of time. The forecast of net revenue and capital expenditure over the accounting period.
Budgetary Control	The process of ensuring actual expenditure and income does not exceed the budget available and taking corrective action where variances are identified.
Budget Monitoring	The process of reviewing actual expenditure or income against the sum allocated for the year enabling action to be taken to reallocate budgets to or from other budget lines in a timely manner where variances are found.
Budget Head	A specific area of activity where expenditure may be incurred or income collected.
Capital Adjustment Account	This records the timing difference between the costs of fixed assets used and the capital financing set aside to pay for them.
Capital Charges	This is a general term used for the notional charges made to service revenue accounts for the use of fixed assets. The term covers: Depreciation of buildings and equipment, amortisation of intangible assets, impairment charges and amortisation of REFFCUS expenditure.
Capital Discharged	The amount of capital expenditure which has been paid for out of revenue or other sources.
Capital Expenditure	Money spent to either acquire or improve an asset owned by the Council which will be used over a period of years or money awarded to a third party towards an asset owned by them for example a grant to improve their property. Includes the purchase of land, purchase or cost of construction of buildings and the acquisition of plant, equipment and vehicles.
Capital Outlay	Expenditure on the acquisition of significant fixed assets which will be of use or benefit in providing services beyond the year of account.

Capital Programme	The Council's capital expenditure plans for the next few years. The capital programme will show the anticipated cost, usually on a scheme by scheme basis, and how it intends to finance this.
Capital Receipts	Proceeds from the sale of assets and other receipts of a capital nature.
Capital Receipts Unapplied	Capital receipts not yet used for repayment of debt, or to finance capital expenditure.
Capital Strategy Asset Group (CSAG)	A working group of senior officers set up to oversee the capital programme. The CSAG reviews new expenditure plans before they are recommended for inclusion onto the capital programme, and monitors both the capital expenditure and the financing resources on schemes in the capital programme ensuring timely action is taken for any variances identified.
Central Establishment Charges	Salaries and associated expenses of central departments together with the cost of maintaining administrative buildings and other central services.
Commitments	A commitment arises when an order is raised to purchase goods or services but the goods or services have not yet been received.
CIPFA	The Chartered Institute of Public Finance and Accountancy. This body is responsible for interpreting accounting standards and recommending working practices to be followed by all local authorities.
Collection Fund	A separate fund that records the income and expenditure relating to council tax and non-domestic rates.
Corporate Plan	A document outlining what the Council wants to achieve and how it will get there. The Corporate Plan generally covers a period of 3 years, but is reviewed and updated on an annual basis.
Corporate Democratic Core	Those activities which the local authority is engaged in specifically because it is an elected multi-purpose authority. This includes the costs of corporate policy making, representing local interests, representatives and duties arising from public accountability.

Cost Centre	An individual reference used within the Council's financial system to enable the allocation and monitoring of expenditure and income in a meaningful way.
Creditors	Persons/businesses owed money by the Council.
Debtors	Persons owing monies to the Council.
Decision Maker	Refers to the Council, Policy Committee or any other group to whom a function has been delegated in accordance with the Council's Constitution and shall include a Corporate Manager exercising authorised powers or a delegation under the Council.
Depreciation	The allocation of the cost of the useful economic life of the Council's fixed assets for the accounting period through general wear and tear, consumption or obsolescence.
Deferred Capital Receipts	Deferred Capital Receipts are the amounts derived from sales of assets which will be received in instalments over agreed periods of time.
Earmarked Reserve	Money allocated for a specific purpose which will be spent in a future year.
Emergency	An occurrence involving or likely to 'involve danger to life or health' or 'serious damage to property' or 'destruction of property'.
Fidelity Guarantee	Insurance against fraudulent losses.
Finance Lease	~~A lease whereby all the risks and rewards of ownership of a fixed asset are with the lessee. In substance the asset belongs to the lessee.~~ A contract or part of a contract that conveys the right to use an asset (underlying asset) for a period of time in exchange for consideration.
Financial Regulations	A written code of procedures approved by the authority, intended to provide a framework for proper financial management. Financial regulations set out rules on accounting, audit, administrative procedures and budgeting systems.
Financial Year	A Local Authority financial year runs from 1 April to 31 March.
Fixed Asset	An owned asset intended to be held for a period of more than one year, such as a machine or building.

Forecast	A prediction of spend for future months/years.
General Fund	The main revenue fund of the Council. Income from the council tax precept and Government grants are paid into the fund, from which the cost of providing services are met.
Government Grants	Payments by Central Government towards local authority expenditure. They are specific for a particular service; and are receivable in respect of both revenue and capital expenditure.
Grants	Income received by the Council to support the undertaking of Council services or to support the capital programme. Grants may have terms and conditions as to use attached.
Housing Revenue Account	Statutory ring-fenced account required to represent the landlord/tenant obligations for the Council in relation to managing and maintaining its housing stock in return for rental income from tenants.
Impairment	A reduction in the value of a fixed asset to below its carrying amount on the balance sheet due to damage, obsolescence or a general decrease in market value.
Income & Expenditure Account	The net cost for the year for services provided by the Council for which it is responsible and showing how the cost has been financed from precepts, grants and other income.
Internal Control	The system of control devised by management to help ensure the Council's objectives are achieved in a manner which promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
Internal Recharge	A charge made by one council department to another for provision of a service.
Inventories (previously Stock)	Items of raw materials, work in progress or finished goods held at the financial year end normally valued at the lower of cost or net realisable value.
~~**Lease**~~	~~An asset not owned by the Council but which the Council has an agreement to use in providing its day to day services in return for a regular cash payment.~~

Liquid Resources	Cash and current asset investments that can be easily converted to known amounts of cash without penalty, or can be traded on the active market.
Long Term Borrowing	Amounts borrowed in excess of one year.
Long-Term Contract	A contract entered into for the design, manufacture or construction of a single substantial asset, or the provision of a service (or a combination of assets and services which together constitute a single project), where the project falls into more than one accounting period.
Long Term Debtors	Sums of money due to the Authority originally repayable within a period in excess of twelve months but where payment is not due until future years.
MEAT	Most economically advantageous tender.
Medium term Financial Plan	A document outlining the Council's spending plans and forecast resources over the next three years.
Money Laundering	The term used where an individual uses legal payment routes to disguise income earned from illegal activities or to avoid the payment of Government taxes. In terms of the Council's activities this could include the payment of rents and council tax at the Council's payment counters with large cash payments.
Monitoring Officer	The Council is required to designate an officer as its monitoring officer. This officer is responsible for promoting and maintaining high standards of overall conduct, for reporting any actual or potential breaches of the law, or instances of maladministration either to the Council directly or via the Cabinet.
Net Book Value	The value of fixed assets included on the balance sheet, being the historical cost or a current revaluation less the cumulative amounts of depreciation.
Nominal Ledger	The nominal ledger is the main accounting record of the Council. It is basically a library of financial transactions.
Non-distributed Costs	In the main these relate to costs which are not specific to a service e.g. past service costs and settlements relating to post-employment benefits.

Operating Lease	~~A lease where the risks and rewards, and therefore the ownership of the asset, remains with the lessor.~~ A contract/lease where substantially all risks and rewards from owning the asset are not transferred.
Outturn	The actual income and expenditure for a financial year disclosed by the final accounts.
Overspend	This is where the actual net expenditure exceeds the budget for the same period.
Performance Indicators	A set of local authority service performance indicators.
Petty Cash	A small amount of cash held by departments and available to purchase minor items of expenditure such as postage stamps.
Policy Framework	The collective term used to describe all the Council's agreed policies and strategies which identify what the Council aims to do, how it plans to do this and what resources it has available over a period of years.
Precept	The amount levied by one authority which is collected by another. E.g. the County Council is the precepting authority and the District Council is the collecting authority.
Prepayment	An adjustment to a sum paid where the period covered by an item of expenditure partly relates to a future accounting period e.g. A single road fund tax payment partly covering two financial years.
Provisions	An amount set aside by the authority to meet a known item of expenditure but for which the actual timing and amount of the payment is not known. The main provisions relate to the Council's various insurance funds. Reserve Money set aside for future policy initiatives.
Rateable Value	The annual assumed rental value of a property, to which rate poundages are applied to arrive at rates payable.
Revenue Expenditure Funded from Capital under Statute (REFFCUS)	Expenditure which may properly be capitalised but which does not result in assets owned by the Council. These charges are amortised to revenue immediately in the year of acquisition.

Reserves	Funds set aside to meet future expenditure on specific items or as a contingency against future losses. Reserves. The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Council. Some capital reserves such as the fixed asset restatement account cannot be used to meet current expenditure.
Revaluation Reserve	This records net gains from revaluations made after 1 April 2007 not yet realised through sales.
Revenue Contributions to Capital	This refers to the financing of capital expenditure directly from revenue rather than from loans or other sources.
Revenue Expenditure	Expenditure incurred by the Council on a day to day basis in the provision of services to the public.
Revenue Support Grant	The general grant paid by government to local authorities to enable all authorities to levy similar rate levels for similar levels of service.
Risk Management	The planned and systematic approach to the identification, evaluation and control of risk.
Section 151 Officer	Under section 151 of the Local Government Act 1972 each Council is required to have a nominated Officer with responsibility to ensure the proper administration of the Council's financial affairs. At Mid Devon this role is undertaken by the Deputy Chief Executive (S151). This Officer must be a member of a professional accountancy body.
Service Unit	A section of the Council responsible for the delivery of a single service. As a guide, the budgets for service areas are reported within the budget book.
Service Reporting Code of Practice (SERCOP)	Produced by CIPFA and required to be followed by local authorities. Preparing accounts in line with the SERCOP ensures consistency and allows comparison between authorities.
Statement of Accounts	Councils are required to produce an annual Statement of Accounts which shows how the Council has spent its money and what resources and reserves it has available. The Statement of Accounts includes the

	Council's statutory income and expenditure account, its balance sheet and a cash flow statement.

Support Service	The term used to describe those Council departments or services that do not provide a service direct to the public, but provide a back office function to support the staff directly working with the public. Support services include finance, IT, HR, legal, as well as property services etc.
Treasury Management	The term used to describe the Council's management of its cash, investments and borrowing requirements.
Underspend	A favourable variance. Actual net expenditure including any commitments is less than the budget set for the same period.
Value Added Tax (VAT)	Tax levied on goods and services.
Variation	A variation is an increase or decrease in a budget after the budget has been approved at the start of the year.
Virement	A switch of budget resource between cost centres or service units.

Definitions in respect of the Contract Procedure Regulations

"**Approved List**" means a list of contractors maintained by the Council, which is regularly reviewed and admission to which is the outcome of a selection process which verifies the financial soundness and technical competence of a contractor.

"**Authorised Officer**" means the officer who has delegated authority to exercise the relevant function in accordance with the Council's Scheme of Delegation within the Constitution.

"**Best Endeavours**" means that the officer has reasonably done all he/she can to ensure that the best possible value for money has been obtained on behalf of the Council.

"**Best Interest**" means that the officer has reasonably done all he/she can to ensure that the Council's best interests are met.

"**Best Value**" means the Council's duty under section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way its functions are exercised having regard to a combination of economy, efficiency and effectiveness.

"**Contract**" means a contract for supplies, services or for the execution of any works which the Council is procuring and also includes framework agreements.

"**Contractor**" means any person on, or applying to be on an Approved List, Select List or European List or whom is invited to tender, negotiate or submit a quotation, or to whom a Contract has been awarded.

"**Decision Maker**" means the Council, Policy Committee or any other group to whom a function has been delegated in accordance with the Council's Constitution and shall include a Corporate Manager exercising authorised powers or a delegation under the Council'

Economy – Doing less with fewer resources, i.e. making savings.

Efficiency – Doing the same as before, but with fewer resources (money, staff, and space).

Effectiveness – Doing more than before with the same resources but to the same standard.

"**Estimated Total Cost**" means the aggregate total cost of the supplies or services to be provided or works to be performed under a contract (as distinct from the annual value) estimated prior to its procurement.

"**European Directives**" means the procurement directives of the European Union and any regulations that implement them within the United Kingdom.

"**European List**" means a list of contractors compiled by another contracting authority including the Office of Government Commerce, in accordance with European Directives admission to which is the outcome of a selection process which verifies the financial soundness and technical competence of a Contractor.

~~"**European Thresholds**" means the threshold limits which the European Union have set for the procurement of goods and services and works for public sector authorities.~~

"**Framework Agreements**" are where there are multiple suppliers or multiple purchasing organisations contracting under an umbrella set of terms and conditions and for a fixed price.

"MEAT" – Most Economic Advantageous Tender.

"**Procurement**" means the acquisition of goods, services and works in exchange for payment.

"Public Procurement Thresholds" means the threshold limits which have set for the procurement of goods and services and works for public sector authorities.

"**Select List**" means a list of Contractors prepared by the Council for a particular contract only and admission to which is the outcome of a selection process which verifies the financial soundness and technical competence of a contractor.

"**Supplier**" means an individual or business that provides goods, services or works in exchange for payment.

"**Value For Money**" is the term used to assess whether or not the organisation has obtained the maximum benefit from the goods and services it acquires within the resources available to it. It not only measures the cost of goods and services, but also takes account of the mix of quality, cost, resource use, fitness for purpose, timeliness and convenience to judge whether or not, when taken

together, they constitute good value. Achieving Value for Money may be described in terms of the ‘three E’s’ – economy, efficiency and effectiveness:

Appendix A

SUMMARY OF FINANCIAL LIMITS APPEARING IN THE MDDC FINANCIAL REGULATIONS

The following tables summarise the financial limits quoted in these Regulations. When looking at a specific level where there are two or more "X" the requirement is that authority needs to be made by **ALL** parties highlighted.

Financial Thresholds – covering both Revenue and Capital Budgets

A General Authorisation Limits – To exceed agreed budget for the financial year

Ref No	Limit (£)	Council	Cabinet	S151 Officer	Corporate Manager	Operational Manager	Service Manager
A1	Up to ~~£10,000~~£20,000						X
A2	£20,001 to £50,000					X	
A2	£10,001 to £100,000				X		
A3	£100,001 to £250,000			X			
A4	£250,001 to £500,000		X				
A5	Over £500,000	X					

A1 Authorisation to Pay Invoices within budget, including relevant earmarked reserves

Ref No	Limit (£)	S151 Officer	Corporate Manager	Manager
Level 1	Up to £50k			X
Level 2	£50k to £250k		X	
Level 3 *	Over £250k	X		

*Once approved by Cabinet a Corporate Manager can approve an individual order up to £5m

B Bank Payment Limits

Ref No	Limit (£)	Manager	Comments
B1	Up to £50k	X	One nominated signatory required
B2	Over £50k	XX	Two nominated signatories required

C Budget Virements (Movement of Budget from one service area to another)*

Ref No	Limit (£)	Council	Cabinet	S151 Officer	Corporate Manager	Manager
C1a	Up to £10,000					X
C1b	£10,001 to £100,000				X	
C1c	£100,001 to £250,000			X		
C1d	£250,001 to £500,000		X			
C1e	Over £500,000	X				

***Note: A Corporate Manager has authority to move budget across services within their own areas of responsibility. Budget movements from one service area to another, across two or more Corporate Managers service areas, requires the approval of both parties at the appropriate level as outlined above.**

D Till Discrepancies (See 2.4) / Petty Cash claim limit / De Minimis refund limit

Replaced By:

Ref No	Limit (£)	Comments
DE1	£50	If discrepancy greater than £50 report to Internal Audit.

E Write Off of Individual Bad and Doubtful Debts (Excluding bankruptcy administration or Debt Relief Orders)

Ref No	Limit (£)	Cabinet	S151 Officer	Corporate Manager	Manager	Comments
E1	£5,000				X	Operations Manager For Benefits and Recovery has a limit of £100 in respect of Council Tax and NNDR income.
E2	£5,000.01 to £50,000			X		
E3	£50,000.01 to £100,000		X			
E4	Over £100,000	X				

F Stock Deficiencies / Obsolete Stock Written Off

Ref No	Limit (£)	Cabinet	s151 Officer	Corporate Manager	Manager
F1	Up to £5,000 on any stock item				X
F2	Over £5,000 on any stock item			X	
F3	Up to £10,000 in total for one store location, per occasion			X	
F4	Over £10,000 up to £25,000 in total for one store location, per occasion		X		
F5	Over £25,000 in total for one store location, per occasion	X			

G Equipment Registers

Ref No	Limit (£)	S151 Officer	Corporate Manager	Comments
G1	Over £1,000 but less than £20k		X	Service manager to record in equipment register - **REVENUE**
G2	Over £20k	X		Asset recorded in fixed asset register maintained by Finance **CAPITAL**

H Public Procurement Thresholds ~~(OJEU etc.)~~

The thresholds which apply in this country derive from the Public Procurement Thresholds~~current EC thresholds~~. These are announced every two years and apply from 1 January. The current thresholds (see below) apply from 1 January 2018 to 31 December 2019. Thereafter the thresholds which are then announced will apply, unless national legislation indicates otherwise. It is essential that you liaise with the Council's procurement team to check the applicable threshold for your procurement before going to market – sometimes a contract may comprise a mix of services and works and it is important to understand the implications before proceeding.

From 1 January 2018 – 31 December 2019 and then by reference to latest EC thresholds and national legislation:

Goods and services:	**£213,477 (inc. VAT)**
Works and concessions:	**£5,336,937 (inc. VAT)**
Light Touch (social & specified other):	**£663,540 (inc. VAT)**

When calculating the estimated value of the contract to determine whether the regulations apply, the contract value estimation should be inclusive of the standard rate of VAT (currently 20%), where applicable, from 1 January 2022.

I **Stock Adjustments/Write Offs**

Ref No	Limit (£)	Cabinet Member	S151 Officer	Corporate Manager	Manager
I1	£5,000				X
I2	£5,000.01 to £50,000			X	
I3	£50,000.01 to £100,000		X		
I4	Over £100,000	X			

J **De Minimis Invoice Limit**

Invoice amount	**£250.00**

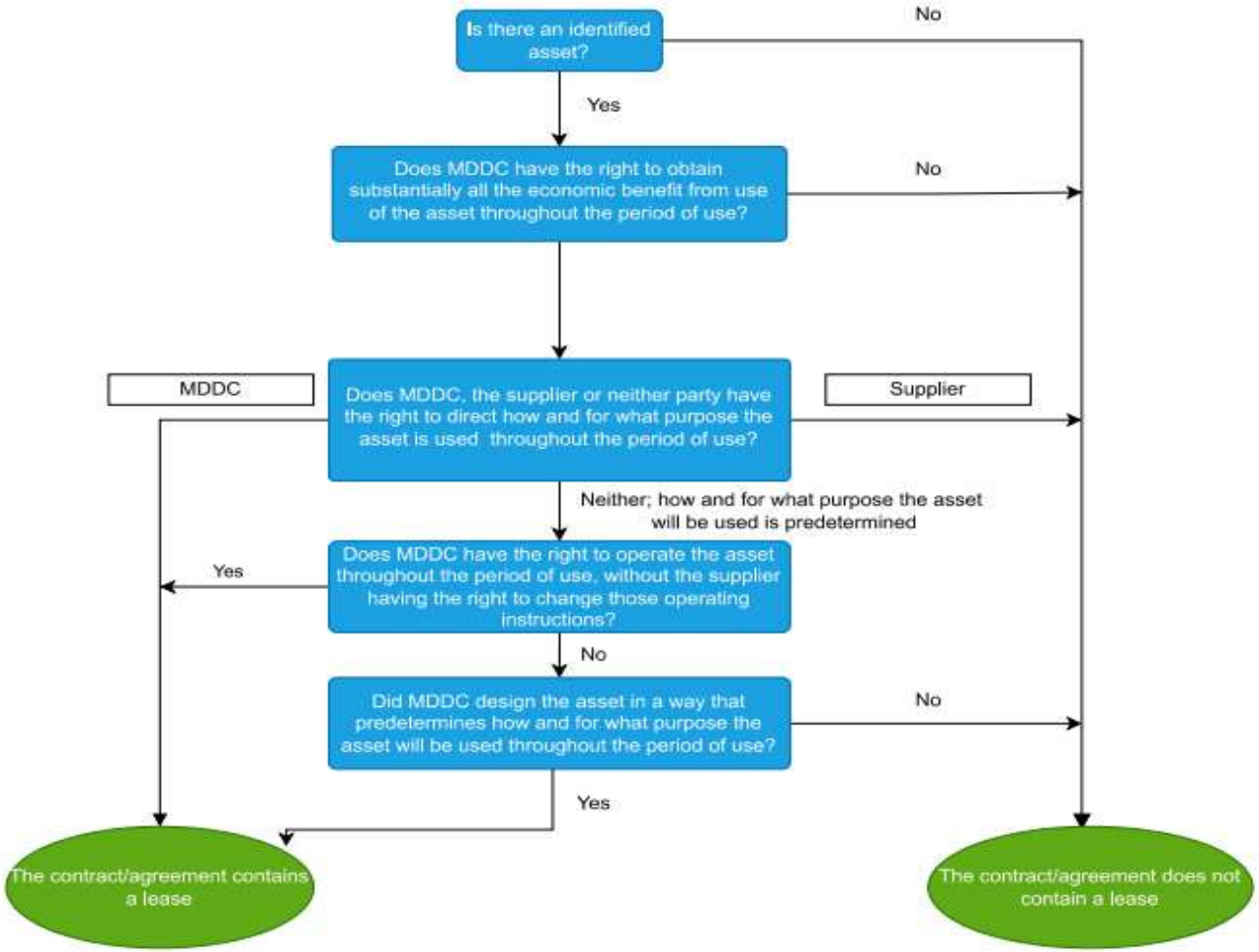
K **Disposal of Assets**

K1	**Best possible price**	**Value less than or equal to £1,000**
K2	**Sealed Bids/Auction**	**Value >£1,000 or equal to £5,000**
K2	**Competitive tender**	**Value more than £5,000**
K3	**Capital assets**	**Value > £20,000 To be approved By the Capital Strategy Asset Group**

L **Money Laundering Cash Receipt Limits**

Cash Receipt	**£5,000**

Appendix B IFRS 16 Lease Assessment



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MINUTES of a **MEETING** of the **COMMUNITY POLICY DEVELOPMENT GROUP** held on 23 January 2024 at 2.15 pm

Present Councillors	B Holdman (Chairman) C Connor (Vice Chairman), M D Binks, D Broom, G Cochran, A Cuddy and S Robinson
Apologies Councillor(s)	C Harrower
Also Present Councillor(s)	J Buczkowski, S J Clist, M Jenkins, J Lock and D Wulff
Also Present Officer(s):	Richard Marsh (Director of Place & Economy), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Lisa Lewis (Corporate Manager for Business Transformation and Customer Engagement), David Parker (Democratic Services & Policy Research Officer) and Angie Howell (Democratic Services Officer)
Councillors Online	A Glover G Czapiewski

49 APOLOGIES AND SUBSTITUTE MEMBERS (03:47)

Cllr C Harrower sent her apologies and Cllr M Binks attended as her substitute.

50 DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (04:11)

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

There were no declarations of interest.

51 PUBLIC QUESTION TIME (04:37)

There were no members of the public present.

52 MINUTES OF THE PREVIOUS MEETING (04:46)

The Minutes of the Meeting held on 5 December 2023 were approved as a correct record and **SIGNED** by the Chairman.

53 CHAIRMANS ANNOUNCEMENTS (5:18)

The Chairman made the following announcements:-

- With regard to Agenda Item 7 – Town and Parish Charter the recommendation had an amendment as follows:-

  That the PDG considers and recommends that the proposed new Charter is sent to the Towns and Parishes for review between February and April 2024.

- The next meeting to be held on 26th March 2024 would have several reports to discuss and the meeting was proposed to begin at 1.00pm rather than 2.15pm.

He also reminded Members and officers of the Committee to address the Chair when they wished to speak.

54 MEETING MANAGEMENT (07:04)

The Chair announced that we would be discussing Agenda Item 7 before Agenda Item 6.

55 TOWN AND PARISH CHARTER (07:10)

The Parish Liaison Officer presented a report with a proposal for a review into the Charter between Mid Devon District Council and the Town and Parish Council in Mid Devon and highlighted the following:-

- The Town and Parish Charter was reviewed every 3 years and was a contract between Mid Devon District Council and Town and Parish Councils. It was last reviewed in 2020 with minimal amendments.
- The proposed changes were shown through “tracked changes” so that the Community Policy Development Group (PDG) could review the current and the proposed wording side by side. If agreed, the document circulated to Towns and Parishes would have the same tracked changes so that they could easily reference the proposed changes made.
- The recommendation on the report was incorrect as there was no requirement for the report to go to Cabinet as this stage.
- Once the review was completed in three months’ time the Charter would come back to Community PDG for recommendation to Cabinet for approval.

The following changes were **AGREED**:-

- Page 15 Number 7 – to add the word “and Members” – therefore to now read:- Encourage officers and Members to attend local Council meetings and speak on issues of concern/interest and provide feedback.
- Page 15 Item 9 – to add and explain all acronyms used. Therefore to now read:- Use plain English in written communications and to explain all acronyms used.

- Page 15 Item 6 – to change the wording so that it says:- Formally add to the role of Chairman of the District Council that of being “Local Council Lead Member” who will encourage better working across the district.

The Chairman also reminded Members to promote the review to encourage their Town and Parish Councils to participate.

The Community Policy Development Group considered and **APPROVED** that the proposed new charter be sent to Towns and Parishes for review between February and April 2024 with the amendments identified above.

(Proposed by Cllr S Robinson and seconded by Cllr G Cochran).

Note: *Report previously circulated.

56 **MEDIUM TERM FINANCIAL PLAN - DRAFT BUDGET UPDATE FOR 2024/2025 (23:18)**

The Group received, and **NOTED**, a verbal update from the Corporate Manager for Finance, Property and Climate Change regarding the 2024/2025 budget position. This was based on the Medium Term Financial Plan report being presented to the Cabinet in December 2023 with an update in January 2024.

The following summary was provided:

- Savings of circa £1.644m had been identified as part of the budget setting process during recent months. These had been listed under the RAG rating system so as to identify red, amber and green risks which had left a gap of £418k.
- It was confirmed that staff savings would only be taken if a post became vacant, redundancies would not be a factor as part of this budget.
- An additional net sum of £41,000 had been identified for savings.
- Since December Mid Devon District Council received the Finance Settlement and received grant funding of £85,000. Also, due to the Building Control Partnership where the mix of partners percentage of costs had altered which had resulted in a £78,000 saving.
- Additional savings had been identified due to government announcements in December regarding the local government financial settlement and Council Tax and Business Rate changes.
- It was confirmed that a fully balanced budget would be taken to Cabinet and that it would not be necessary to look to this Policy Development Group for further savings in order to balance the budget. However Members were asked to consider savings that could be developed toward the budget for 2025/2026 over the summer.

57 **CUSTOMER CARE POLICY (29:00)**

The Corporate Manager for Digital Transformation and Customer Engagement presented a report for a review of the Customer Care Policy and Customer Standards of Mid Devon District Council (MDDC) and highlighted the following:-

- The Customer Care Policy was a pre-existing policy which was last reviewed in November 2021.
- The policy remained with little or no change except where acknowledgment was given to vulnerable customers.
- The standards applied not just to Customer Services but to all of the Authority and the required behaviours of all staff and the expectations that our customers should have.
- Those who had concerns about getting in touch with the Council were encouraged to complete a customer feedback report in order that their concern could be fed into the statistics.

Consideration was given to:-

- Whether the public would assume that Councillor response times were included in any statistics. It was confirmed that Councillor response times would differ due to the different relationships they had with their constituents and that reference would be made to that in the report.
- How MDDC compared with similar authorities in terms of opening times and public access.
- How a number of factors had influenced the decision on how services were provided based on budget constraints and to continue to provide the best level of service.
- Due to financial transactions now being online this had also reduced the footfall.

RECOMMENDED to Cabinet that the revised Customer Care Policy and Standards be approved.

(Proposed by the Chairman)

Note: *report previously circulated.

58 **PUBLIC ACCESS TO PHOENIX HOUSE - WORKING GROUP UPDATE (44:30)**

The Chairman gave an update on the Pubic Access Working Group. He informed the PDG of the following:-

- The next meeting of the Working Group would be held on 22 February 2024 where they hoped to put forward a recommendation to the Community PDG for an intercom to be fitted.

- This would then go to Cabinet for approval. If approved hopefully it would be implemented within a few weeks.

- The intercom would give vulnerable customers comfort and confidence that they could contact us even when reception was closed.

(The meeting ended at 3.02 pm) **CHAIRMAN**

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MINUTES of a **MEETING** of the **ENVIRONMENT POLICY DEVELOPMENT GROUP** held on 23 January 2024 at 5.30 pm

Present Councillors

B Fish (Vice Chairman), C Adcock, M D Binks, G Czapiewski, B Holdman, J Poynton and S Robinson

Apologies Councillor(s) C Harrower

Also Present Councillor(s) J Wright, D Broom, J Buczkowski, S J Clist, M Jenkins and D Wulff

Also Present Officer(s): 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), Luke Howard (Environment and Enforcement Manager), Laura Woon (Democratic Services Manager) and David Parker (Democratic Services & Policy Research Officer)

Councillors Online M Fletcher and G Westcott
E Buczkowski, A Glover, S Keable, J Lock and L Taylor

Officers Online

45 APOLOGIES AND SUBSTITUTE MEMBERS (0:03:42)

Cllr C Harrower sent her apologies, she was substituted by Cllr M Binks.

46 DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (0:04:10)

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

47 PUBLIC QUESTION TIME (0:04:27)

The following member of the public asked questions:

Paul Elstone **A Local Resident and Council Taxpayer** .

My questions relate to Agenda Item 10 Renewable Energy in Mid Devon.

Question 1.
The briefing paper says there are 10 Anaerobic Digesters in Mid Devon.
What are their names and exact locations?

Question 2.
The paper also says these Anaerobic Digesters have an installed capacity of 5.3 megawatts.
What is the power generating capacity for each Anaerobic Digester?

Question 3
Is this the approved power generation output, or does it include spare capacity in the event of breakdown?

Question 4
How many solar farms are there in Mid Devon?

Question 5
Where are they exactly located?

Question 6
What acreage does each solar farm cover and what is their individual generating capacity?

Question 7
How many solar farms have planning approval and are still to be constructed and commissioned?

Question 8
Where are they?

Question 9
What is their power output?.

Question 10
Are Committee Members aware that:
Maize is the major feedstock for Anaerobic Digesters in Mid Devon
That annually an acre of solar panels can produce more electrical energy than 17 acres of Maize.
That a British Soil Association Report says that 75% of the land where maize is grown is badly or severely degraded and causing excessive water run off resulting in erosion ?

Question 11.
Are Committee Members aware that an Anaerobic Digester in Mid Devon.
Obtains feedstock and disposes of digestate from as far afield as Bow, Wellington, Wimple and Stoke Canon, a round trip distance of up to 46 miles.
Using weighbridge ticket information, it is believed the agricultural tractor mileage for this Anaerobic Digester can be estimated at 75,000 miles per annum or 3 times round the equator?

Question 12
Are Committee Members aware that it is believed that these same tractors are emitting as much as 600,000 Kilograms of Carbon annually? This not including other pollutants.
Hence the requirement for planning condition enforcement.

A general response to questions 1 to 9:
The source of data on renewable energy installations was government statistics published online by the **Department for Energy Security and Net Zero** - this material is freely available and links are contained within the report but it does not provide locations and details of individual installations. The Council is not responsible for keeping details of all privately owned operations and their power agreements / arrangements, and might not keep records of local energy installations, except perhaps in relation to larger scale installations where certain permissions are required. However, the Council does not hold all of this information as one data set and it is therefore not possible to address the questions raised.
Response provided by the Climate and Sustainability Specialist.

As questions 10 -12 were not submitted before the meeting, the Chairman indicated that a written response would be provided.

This is the written response to questions 10 – 12.

The Committee thanks the questioner for making this point.

Response provided by the Chief Executive.

48 **MINUTES OF THE PREVIOUS MEETING (0:08:51)**

The minutes of the previous meeting, held on Tuesday 7 November 2023, were approved as a correct record and set aside for **SIGNING** by the Chairman.

49 **CHAIRMAN'S ANNOUNCEMENTS (0:09:31)**

The Chairman had no announcements to make.

50 **CABINET MEMBER FOR ENVIRONMENT AND CLIMATE CHANGE UPDATE (0:09:37)**

The Group had before it, and **NOTED**, a report* from the Climate and Sustainability Specialist.

The report highlighted green and healthier homes, parks and transport.
Consideraton was given to:

- The Council had received awards for the Z-Pod project – opening six Net Zero energy homes for tenants at Cullompton with more being installed at Tiverton and more on the horizon.

- Greener Taxis – consultation with taxi operators as to how we could support a cleaner and more efficient taxi sector in the District.
- More electric vans had joined the Mid Devon District Council fleet.
- The Council had switched over to green electricity at all of their sites.

The group had before it and **NOTED** the Cabinet's Biodiversity Duty report*. Crucially this statutory obligation linked into but was NOT the same as Biodiversity Net Gain (being implemented Feb onwards), it was a pre-existing duty for local government to act. So Mid Devon District Council would produce an Action Plan. The Cabinet was asking PDGs to contribute ideas and feedback on how the whole Council could deliver on its Biodiversity Duty by the PDG's next meeting in March.

Consideration was given to:

- Potential new actions outside statutory Planning Policy / Local Planning Authority (LPA) duties and powers that could contribute to the general biodiversity duty.
- Potential new actions within statutory Planning Policy processes and powers that could contribute to the general biodiversity duty.
- Could the Environment PDG consider what was realistic? – Did they want a new policy or to shape existing policy?
- The timetable for the policy to be placed before all PDG's for their input before it went to Cabinet in April 2024 to enable a plan to be finalised.
- Whether the Council could influence land management apart from on their own estate? – There were no funds or grants that could be applied to go to other landowners, the Council could try to influence in other ways but these would not be using regulatory powers.
- The Towns and Parishes should have something to offer with their resources and opportunities. There should be a positive action plan in relation to policy with Community Engagement including the "Sustainable" groups such as "Friends of the Exe".

Note: *reports previously circulated.

51 MDDC DRAFT MTFP 2024 - 2029 - SECOND REVIEW (0:24:09)

The Corporate Manager for Finance, Property and Climate Change gave a verbal update regarding the draft Medium Term Financial Plan (MTFP) 2024 – 2029 which summarised the reports that went to the Cabinet both in December and January.

The following was highlighted:
:

- Savings had been reviewed and refined and an increase in savings of £307,000 had been identified bringing the total up to £1,644,000
- Savings had been made on Red/Amber/Green (RAG) status – Red £53,000, Amber £718,000 and Green £873,000.
- Savings on staff would only be made if a post became vacant. – There would be no staff redundancies.

- Since the December report the Finance team had undertaken a further review of service areas which established further savings of £41,000 to take the total savings to £1,685,000 out of the original £2,103,000 that the Council started with, leaving £418,000 of savings to be found.
- In December the Local Government Finances Settlement was announced and £85,000 more grant funding was made available and the increase to Council Tax was allowed at 3% and not 2%, with the implications of the uplifted Business Rates multiplier added that now enabled the Corporate Manager to announce that we had a balanced budget.
- Those managing the budget were now only looking at what savings may be made in readiness for the 2025/26 budget, and the officer encouraged members to highlight savings options for development over the summer.

52 **ENVIRONMENT AND ENFORCEMENT POLICY UPDATE (0:27:52)**

The Group had before it, a report* from the Environment and Enforcement Manager.

The Cabinet Member for Environment and Services explained that this paper outlined the key environment enforcement policies that underpin key activities related to fly tipping, abandoned vehicles, dog fouling, littering, etc. There were no significant changes. The largest change was in the fly tipping policy which included an increase in the maximum fixed penalty to £1,000 with delegated authority being granted to the Environment and Enforcement Manager with regard to the issuing of those fixed penalty notices, and inclusion of greater detail with regard to the household duty of care.

Discussion took place with regard to:

- The “separation guidance” for recycling boxes, there was a debate around better explanation on the website regarding what to do with batteries or small electrical goods.
- The number of people against whom there had been enforcement action taken for litter dropping. The PDG were reminded by the Corporate Manager for People, Governance and Waste that Enforcement statistics are taken to the PDG on a quarterly basis.
- Whether litter dropping had increased since the three weekly bin collection policy had been introduced.
- Advertising to the voluntary litter collection groups that litter pickers and Hi-Viz vests were available for loan.
- Reporting those who drop litter and those who drop litter from vehicles.
- 7 year review of the fly tipping policy.
- The Bin-it 123 and Environment Policies had been successful and seen an increase in recycling rates and a reduction in the Council’s carbon footprint.
- A press release regarding three weekly collections that would state that the District would be expected to be fully compliant by 26 February 2024.
- Recycling Advisors were available to offer advice on how waste and recycling would be collected (and how it should be left out for collection).
- That too much waste that could be recycled was going into black bins and black bags. There would be a video to help illustrate this point.
- People across the district needed to understand that fly tipping and litter dropping were not acceptable hence the importance of these environment education policies.

- There were two employed Street Cleansers in Tiverton, one in Cullompton and one on Crediton High Street.
- “Make a Difference Days” where employers offer their employees days off to do voluntary work. Those voluntary groups complimented what Mid Devon District Council were able to do by working with “Clean Devon Partnership”.
- The Environment and Enforcement Manager was looking into a scheme to enable the Council to collect larger items and was seeking funding for this.

RECOMMENDED to the Cabinet that

(a) That Litter Policy be implemented to reflect Defra guidance on Proportionate, Effective, Targeted, Transparent and Consistent approach to littering offences,

(b) To amend the Fixed Penalty Notice (FPN) for littering to include a 50% discount for a period of 14 days from the date of the offence

(c) To review and approve wording simplification:

1. **Stray Dog Policy**
2. **Littering from Vehicles**
3. **Compulsory Recycling**
4. **Fly Tipping minor wording amendment regarding FPN value.**

(d) To approve Abandoned Vehicle policy wording changes.

Proposed by the Chairman

Note: *report previously circulated.

53 **GREEN STANDARDS IN PLANNING INCLUDING RENEWABLE AND ALTERNATIVE ENERGY, ENERGY EFFICIENCY AND COMMUNITY ENERGY PROJECTS AND RENEWABLE ENERGY IN MID DEVON (0:50:33)**

The Group agreed to deal with agenda items 9 and 10 together.

The Group had before it, and **NOTED**, two updates* from the Climate and Sustainability Specialist.

The briefing paper tackled the subject of climate change as a material consideration in the planning process. The paper highlighted what Mid Devon was doing as a local authority covering a range of areas, energy efficiency standards, embodied carbon as a consideration and a list of what other authorities were doing.

Discussion took place with regard to:

- Local Authorities were not given the freedom to shape their policies to go beyond national standards (some exceptions are allowed when properly evidenced etc). Planning Officers would apply whatever legislation and Policy Guidance was in place at the time of the application.
- The Forward Planning Team asked that all Councillors engaged with the new Forward Plan and with the Planning Policy Advisory Group (PPAG) and Plan Mid Devon, to help shape policy.
- A new Written Ministerial Statement discouraged Local Planning Authorities from raising energy standards for new homes without strong evidence.

- If the Local Authority raised local building standards it could have an impact on Embodied Carbon (the impacts of materials, construction methods, transport etc.). An issue perhaps too complex an issue for Mid Devon to manage.
- The impact that increasing the cost of housing had on the number of houses that could be provided for communities.
- If Mid Devon tightened up on standards then they could put a lag into the economy. We probably needed these issues to be dealt with at a national level where it would drive the economy and await information from the research institutions.
- The latest written guidance from Central Government needed to be clarified as it would seem that local authorities cannot raise their own energy efficiency standards from new housing without doing a very difficult and time expensive calculation which may or may not prove the viability of what was being suggested.
- If so, could Mid Devon raise criteria for Embodied Carbon? Was there any scope that in the initial sustainability assessment of development applications, could we not validate planning applications which did not conform to certain sustainability criteria?
- Should the Council consider having two approaches; 1. Current guidance 2. Policies that the Council would really like to see if the National Planning Policy Framework was relaxed, so that they could be put into the local plan? This was an interesting challenge to put to forward planners – how could we do this?
- Exeter City Council is pulling it into their own planning policy a “just in case policy” anticipating future standards coming into place.
- Embodied Carbon – as there were no restrictions, there should be room to include this in the Council’s plan although it would need to be strongly evidenced.
- The Council had published free resources to help builders and developers identify affordable ways to achieve low carbon / Net Zero new build and retrofit. (Net Zero Carbon Toolkit; Net Zero Housing Assessment Tool.)
- PPAG, 15 years ago, tried to agree whether new build residences should have solar voltaic cells and heat pumps, the Council was told at that time that it was not possible to have its own separate non-national guidelines. Also it related to building control and not planning. Mid Devon is different to other authorities where the Council is such a large rural authority. The district doesn’t have the infrastructure to charge electric vehicles (ev’s). The district is a special case and should be allowed to improve their energy systems.
- Insulation, heat recovery, heat pumps.
- Could the Council get an assessment of what it was likely to cost to build in those higher standards because it would be much cheaper to build them in at the building stage than it would be to retrofit at a later stage. It would assist in demonstrating the through-life cost to the occupiers of these houses.
- Encouraging developers to adopt “Green Policies”.
- Promoting the “Z Pods” – the design and technology was fantastic.
- The Future Homes and Buildings Standards: 2023 consultation - GOV.UK consultation was live. Central Government were consulting on future homes standards and future building standards, the Council could engage with that consultation.

- Retrofitting was a massive task even set against just new homes. However, there was also massive skills and investment potential. There were millions of homes in Mid Devon that would need retrofitting.
- The Climate and Sustainability Officer was asked to respond to the Government Consultation on "Future Homes". Would it be possible for him to ask if the standards could be improved and the statement made that the Council would like to see more ambitious options so that our legal targets of meeting Net Zero by 2050 nationally could be met or moved towards.

Regarding Energy statistics

- A mixed story on Renewable Energy and Community Energy - big growth in solar; others e.g. wind power at a standstill.
- Would it be possible to calculate the current district requirement for energy and project a mix to enable the district to be self-sufficient in 2030?
- The Climate and Sustainability Officer had been joining a Devon local area energy planning group regarding future energy scenarios, they were trying to generate some investible projects with achieving net-zero in mind.
- Hydro Energy was a small element but it was always there. The Council had looked at this in the past but as solar power was a lower risk the Council had prioritised that. If there was a view that at community scale that Hydro Energy was something worth-while and could attract some kind of Community Partnership investment in that technology then it could be done in various ways, (it was a very complex area), but at a lower scale then the Climate and Sustainability Officer could look at that. An energy consultant had told him that hydro-electric was the most risky of all the renewable energy options not least, in the damage that it may do to the river system.
- What would be Mid Devon area's energy needs? If the Council had a good estimate of that then they could plan energy supply over the next ten years. The Climate and Sustainability Officer was asked to request the data.
- Devon Climate Emergency were already tracking demand.
- What was the prospect for Wind Energy, it needed a change in the National Planning Policy Guidelines, public perception had already changed.
- A Local Energy Plan was about the whole mix of energy production.
- National Grid – could the Council put any pressure on them to increase the number of connections for power suppliers? – That was unlikely but the Council could keep National Grid informed.

Note: (1) *updates previously circulated.
(2) Cllr M. Binks left the meeting at 6.40pm

54 **RENEWABLE ENERGY IN MID DEVON**

This item was dealt with, within the item before.

55 **WORK PROGRAMME* (1:37:17)**

The group had before it and **NOTED** the Work Programme.

Bio Diversity Duty update has been added to the meeting in March 2024.

The Chairman called for items which could be considered at future meetings.

Note: * Work Programme previously circulated

(The meeting ended at 7.08 pm) **CHAIRMAN**

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MINUTES of a **MEETING** of the **HOMES POLICY DEVELOPMENT GROUP** held on 16 January 2024 at 2.15 pm

Present Councillors	C Adcock (Chairman) J Cairney, S Chenore, F W Letch, N Letch, S Robinson and R Roberts
Apologies Councillors	C Harrower and H Tuffin
Also Present Councillors	D Broom, S J Clist and D Wulff
Also Present Officers	Richard Marsh (Director of Place & Economy), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Laura Woon (Democratic Services Manager) and Sarah Lees (Democratic Services Officer)
Councillors Online	A Glover J Buczkowski
Officers Online	R Marsh (Director of Place), M Lowman (Building Services Operations Manager) and C Oliphant (Housing Policy Officer)

51 APOLOGIES AND SUBSTITUTE MEMBERS

Apologies were received from Cllr H Tuffin and Cllr C Harrower who was substituted by Cllr R Roberts.

52 PUBLIC QUESTION TIME

The following statement and request was made by Mr Graeme Barnell (this was read out by the Chairman as Mr Barnell was unable to be present):

“At the meeting of MDDC Cabinet in August I asked for an explanation of the Council’s strategy relating to the delivery of affordable housing especially in addressing the very large historic shortfall in delivery against targets and the

challenges presented by the findings of local Joint Housing Needs Survey carried out by the Council as recently as 2022.

I also raised the issue again of the lack of any regular management reports setting out as KPIs the delivery of different forms of affordable housing against the target set by the Councils existing Housing Strategy and by the MDDC Local Plan. In reply to my questions Cllr Clist said that the delivery of affordable housing is a key priority for the new Council. He spoke about a new Housing Strategy being prepared by the Council to replace the existing Strategy (2021-25) and a new scorecard or performance framework that would address the shortcomings in reporting performance and allow regular updates on delivery.

I wrote to him after the meeting asking for his response in writing, but I did not receive an answer.

Please can I ask for an update on the Council meeting its current targets for the delivery of affordable housing to include a forecast for this financial year? Please can this reply include Year to Date and forecast figures for the delivery of affordable homes for rent and purchase by both the commercial and not for profit sectors. I would also appreciate an update on the advent of the new Housing Strategy mentioned by Cllr Clist in August."

The following response was provided by the Cabinet Member for Housing and Property Services:

My thanks to Graeme Barnell for his question in advance. I do have an update to the questions that he provided to the August Cabinet meeting. As he is aware the situation is always fluid with new opportunities coming along and obviously one or two issues with conditions beyond our control causing a delay. Obviously every opportunity, will be, and is, being grasped and for certain reasons they cannot really be discussed because they are of a financially discretionary nature and one doesn't want to highlight that. My answer to him is that in terms of affordable housing of all types provided by the market developers (and this information is collated and verified by the Forward Planning Team annually), 23 units were provided in the year 2022 - 2023 and the data for 2023 – 2024 will be available some time after 31 March 2024. With regard to Affordable Housing and new Council houses for social and affordable rent, Mid Devon Housing are on track to provide 60 new Council homes during the year 2023 – 2024. I will briefly outline them and can I perhaps caveat that by saying that is does in fact add up to 59 not 60, however, as with buy backs etc. one has to include plus one or minus one so we will call it 60 for instance and purposes:

- There are 3 at Beech Road, 6 at St. Andrews, Cullompton, 8 at Shapland Place, Tiverton, 1 at Allington Terrace, Morchard Road, 39 at St. Georges Court, Tiverton and potentially 3 buy backs, 2 look positive, 1 may be not so but that will come forward.

As regards the Housing Strategy update, this will be commenced in the spring of 2024 and will inform the wider new Corporate Plan underpinning key priorities around housing delivery and standards. Mr Barnell, you will be aware that if you look online at meeting agendas the new dashboards that come forward for the Homes PDG and the new Corporate Plan will be fairly self explanatory. Undoubtedly it will be something that the PDG will be reviewing throughout the year anyway.

I would also like to highlight that Mr Barnell is a very big advocate of a very successful and ambitious social rented housing programme and I can reassure him that both as a political group and as a Council we are too and we will do our level best to increase and accelerate delivery. Thank you.

53 DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

No interests were declared under this item.

54 MINUTES

The minutes of the meeting held on 21 November 2023 were approved as a correct record and **SIGNED** by the Chairman.

A question was asked as to when the Group might receive an update in relation to the Flexible Tenancies Working Group? It was confirmed by the Chairman of the Working Group, Cllr A Glover, that it would be possible to provide an update to the next meeting in March.

55 CHAIRMAN'S ANNOUNCEMENTS

The Chairman wished the Group a Happy New Year and thanked the officers for their work in providing reports to the meeting.

56 MEDIUM TERM FINANCIAL PLAN - DRAFT BUDGET UPDATE FOR 2024 / 2025 (00:12:00)

The Group received, and **NOTED**, a verbal update from the Corporate Manager for Finance, Property and Climate Change regarding the 2024/2025 budget position. This was based on the Medium Term Financial Plan report being presented to the Cabinet on 9th January 2024.

The following summary was provided:

- Savings of circa £1.644m had been identified as part of the budget setting process during recent months. These had been listed under the RAG rating system so as to identify red, amber and green risks.
- It was confirmed that staff savings would only be taken if a post became vacant, redundancies would not be a factor as part of this budget.
- As a result of a great deal of hard work by both staff and Members there was now only a shortfall of £150k as compared to a shortfall in December 2023 of £418k.
- Some of this was due to government announcements in December regarding the local government financial settlement and Council Tax and Business Rate changes.
- It was confirmed that it was not necessary to look to this Group for further savings in order to balance the budget unless they became relevant prior to the final draft budget being approved by Council next month.

A brief discussion took place with regard to some concerns about the amount of pressure put on staff when colleagues left in terms of workload. It was confirmed that the majority of vacancies were planned for and were not ‘reactive’, therefore allowing time to address

workload issues and relieve the pressure on the staff that remained. This issue was also being closely monitored by a number of staff working groups and the union.

57 DEVON RESPONSE TO HOME OFFICE CONSULTATION OF REFUGEE CAP ON SAFE AND LEGAL ROUTES (00:22:00)

The Corporate Manager for Public Health, Regulation and Housing provided the Group with a verbal update and brief presentation regarding the Devon response to the Home Office consultation on the refugee cap on safe and legal routes.

The following summary was provided:

- The Illegal Migration Act (July 2023) placed a duty on the Home Office to consult Councils on the development of a 'cap' on the number of people arriving in the UK via safe and legal routes.
- Parliamentary process would set the first cap in summer 2024, to be operational in 2025.
- Local authorities were expected to engage with partners to assess capacity in their area (this to be completed by Nov and Dec 2023).
- Two tier areas were expected to seek political agreement across County and Districts via Team Devon Leaders and Chiefs. This happened in Dec 2023.
- 'No response' was not an option.
- Government's stated aim was a well-managed migration system.
- Team Devon's view and recommendations were that these schemes save lives and Councils across the region want to respond positively.
- District Councils have looked at their capacity based on past performance, changing conditions and housing availability and have expressed concerns about the wider housing crisis and available accommodation.
- Devon County Council had been looking at services needed to resettle refugees and was concerned about (1) pressure on secondary school places and rising school transport costs (2) lack of access to resources to remove language barriers (3) zero capacity to support learners with Special Educational Needs (SEN).
- NHS: worked with a range of partners to support the health and wellbeing needs of asylum seekers and refugees and would continue to do so.
- Community Sponsorship: Devon did community sponsorship well and was nationally recognised, there was potential to grow this model with support.
- Therefore the Team Devon Response to Home Office is to recommend the Devon 'cap' was set within a range of 20-26 households including 8 via Community Sponsorship. Mid Devon = 3.

Discussion took place with regard to:

- The myriad of 'routes' into the UK, some legal and the some not.
- The Team Devon position did not include Plymouth or Torbay unitary authorities.
- The already significant overspend Devon wide in terms of education spend and an incapacity to absorb anymore cost.
- The pressure would need to be managed but it would be very difficult.
- Complications and delays with the visa process.
- The speed with which the Home Office had placed this duty on local authorities and the fact that further guidance was still awaited.

- Community sponsors proactively worked to find accommodation, theirs was a different relationship with refugees and subject to different pressures and application processes.
- Government guidance was unclear and more funding was needed.
- Mid Devon had a voice through Team Devon who were working collaboratively and fostering a positive approach wherever possible.

58 **REVIEW OF THE MID DEVON HOUSING GARAGE, GGRP AND CAR PARKING SPACE POLICY (00:56:00)**

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing regarding a review of the policy outlining the Mid Devon Housing (MDH) approach to renting out garages, garage ground rent plots (GGRP) and car parking spaces that it owned.

The following was highlighted within the report:

- This was a financial policy around rent setting, it was not a new policy. It reflected how the Government had wanted VAT to be treated. The HMRC had made lawful changes and local authorities were now required to update their policies to reflect these.
- As part of this review the policy had been better defined with greater priority given to blue badge holders and to people who lived in the same or adjoining street as the asset.
- As part of the review the rent payable by charities and not for profit organisations was investigated. It was due to different rates being charged for different organisations which had led to an administrative burden on the service. To bring consistency, the revised policy stated that garages, GGRP and Car Parking Spaces rented by charities and not for profit organisations would be charged at the same rate as MDH dwelling tenants with VAT added as required.

Discussion took place regarding a general need for Members to better understand the situation regarding Council owned garages, GGRP and car parking spaces for example, how many had it developed, how many had or were planned to be demolished, how many had or were planned to be improved? It was explained that this kind of information was already held by Mid Devon Housing (MDH) and this could be shared with Members providing an opportunity to gain a better understanding of the current situation and plans for the future. This was requested as part of a need for a better overall understanding of asset management. It was **AGREED** that a workshop / briefing would be set up to allow this information to be discussed alongside the next meeting.

RECOMMENDED to the Cabinet that the updated Garage, GGRP and Car Parking Space policy and Equality Impact Assessment contained in Annexes A and B respectively be adopted.

(Proposed by Cllr J Cairney and seconded by Cllr S Robinson)

Reason for the decision

The administrative burden of renting garages remained a significant cost to offset against the rent generated. The aligning of rents for charities and not for profit organisations would help alleviate the financial costs in administering the policy. MDH also had to legally comply with the VAT Government and Public Bodies VATGPB8350 - Other local authority activities: housing and community projects: property improvement grants.

Additionally, failure to provide housing management staff with the appropriate policies could result in a less consistent and effective service and failure to collect rental income could impact the ability to fund necessary management and maintenance activities.

Note: * Report previously circulated.

59 **NEW MID DEVON HOUSING HOMES SAFETY POLICY (01:10:00)**

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing bringing forward a new policy in relation to Homes Safety. The Regulator of Social Housing was due to introduce a revised set of consumer standards as part of the new consumer regulatory framework by April 2024. The Safety and Quality Standard would replace the Home Standard and required landlords to provide safe and good quality homes and landlord services to tenants.

The following was highlighted within the report:

- Tenant safety was, and always had been, a key consideration across all the MDH policies.
- Some Tenant Satisfaction Measures now specifically related to safety and the Council were legally bound to report on these.
- Actual figures in relation to asbestos would be reported in the future rather than assumptions being made.
- Council's would need to be 100% compliant in terms of electrical testing by 2027/2028. MDH planned to be 100% compliant a year in advance of this date.
- The Group would be able to monitor this closely through the service delivery report presented to it on a regular basis.

Consideration was given to:

- Procedures in relation to gaining access to properties where this had been denied to MDH in the past were being strengthened. Charging for missed appointments and threatening court action where appropriate was helpful in this regard. It was important to be able to have access to Council owned property for necessary safety checks to be undertaken.
- There was a separate policy in relation to Damp and Mould due to the complexities involved, however, this was cross referenced with the new Homes Safety Policy.
- The Council was unlikely to be able to secure any further funding to support the impacts of the new inspection regime but would seek to access any funding should this be possible.

RECOMMENDED that Cabinet recommend to Council the adoption of the new MDH Homes safety Policy and Equality Impact Assessment contained in Annexes A and B respectively.

(Proposed by Cllr S Robinson and seconded by Cllr J Cairney)

Reason for the decision

The Council was an RP and therefore was required to comply with the regulatory framework operated by the RSH.

The policy ensured that MDH fully complied with its statutory obligations and that the safety of its residents was safeguarded including provisions set out in the draft new Safety and Quality Standard.

Note: * Report previously circulated.

60 **REVISED PETS & ANIMALS POLICY (01:45:00)**

The Group had before it a report * from the Corporate Manager for Public Health, Regulation and Housing outlining the Mid Devon Housing (MDH) approach to keeping pets and animals by its tenants and their household. It was stated that MDH understood the benefits that responsible pet ownership could bring. Owning a pet or animal could be life enhancing and it was recognised that it could have a positive impact on physical health and mental well-being.

The following was highlighted within the report:

- This policy had been due for review and touched almost every area of housing delivery. Historically Mid Devon had had a very strict approach but it was necessary to recognise the positive impact owning a pet had for some tenants.
- It was important that Neighbourhood Officers had a consistent policy that could be applied across all of its properties.
- The updated policy clarified the position regarding service animals and dangerous dogs where national legislation had recently changed.
- It was now a fairer policy providing greater clarity.

Discussion took place regarding:

- Dog breeding would need a licence and MDH worked closely with the Licensing Team thereby reducing opportunities for non-compliance with the policy.
- The vast majority of tenants with pets were very responsible.

RECOMMENDED to the Cabinet that the updated Pets and Animals Policy and Equality Impact Assessment contained in Annexes A and B respectively be adopted.

(Proposed by Cllr F Letch and seconded by Cllr s Robinson)

Reason for the decision

The Council's tenancy agreement contained clauses relating to animals and pets which state that tenants should seek permission for most pets or animals and should ensure that they do not cause nuisance or annoyance to neighbours, or cause any damage to the property.

Note: * Report previously circulated.

61 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (02:04:00)**

In addition to the items already listed in the work programme for the next meeting the following was requested to be on the agenda:

- A workshop / briefing regarding garages and asset management
- Biodiversity Duty Report
- 2024 / 2025 Work Programme
- Flexible Tenancies Working Group update
- Homes for Ukraine Scheme update
- MDH service delivery report for quarter 3

(The meeting ended at 4.25 pm) **CHAIRMAN**

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 4 January 2024 at 5.30 pm

Present Councillors	J M Downes (Chairman) G Cochran, M Farrell (Vice Chairman), B Fish, M Fletcher, N Letch, R Roberts and G Westcott
Also Present Councillors	D Broom, E Buczkowski and J Buczkowski
Also Present Officers	Richard Marsh (Director of Place), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Adrian Welsh (Strategic Manager for Growth, Economy and Delivery), Zoë Lentell (Economic Development Team Leader), Angie Howell (Democratic Services Officer) and Sarah Lees (Democratic Services Officer)
Councillors Online	A Cuddy, S Keable and D Wulff

47 APOLOGIES AND SUBSTITUTE MEMBERS

Apologies were received from Cllr A Cuddy who was not able to attend the meeting in person but attended online.

48 PUBLIC QUESTION TIME

There were no members of the public present and none had registered to ask a question.

49 DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

No interests were declared under this item, however, Members were reminded of the need to make a declaration should it be become relevant during the course of the meeting.

50 MINUTES

The minutes of the previous meeting, held on 16 November 2023, were approved as a correct record and **SIGNED** by the Chairman.

51 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had no announcements to make.

52 MEDIUM TERM FINANCIAL PLAN - DRAFT BUDGET UPDATE FOR 2024 / 2025 (00:04:00)

The Group received, and **NOTED**, a verbal update from the Corporate Manager for Finance, Property and Climate Change regarding the 2024/2025 budget position. This was based on the Medium Term Financial Plan report presented to Cabinet in December and the latest position being presented to the Cabinet on 9th January 2024.

The following summary was provided:

- Savings totalling £1.68544m had been identified as part of the budget setting process during recent months. These had been listed under the RAG rating system so as to identify red, amber and green risks in terms of deliverability and impact on the service.
- It was confirmed that staff savings would only be taken if a post became vacant, redundancies would not be a factor as part of this budget.
- As a result of a great deal of hard work by both staff and Members there was now only a shortfall of £150k as compared to a shortfall in December 2023 of £418k.
- Some of this was due to government announcements in December regarding the local government financial settlement and Council Tax and Business Rate changes.

Discussion took place with regard to:

- Possible income from battery boxes in the future.
- There was some flexibility with regard to purchasing energy in advance.
- Savings with regards to changes in the Leadership Team structure were reflected in the draft budget.
- It was hoped that there would be a new mechanism for local government funding following the General Election as the current system was viewed by many as ‘broken’.
- Mid Devon was in a pool of local authorities for Business Rate purposes. This had benefits in terms of sharing risks and reducing our levy payment of any growth achieved.
- A full condition survey would be undertaken on all Mid Devon assets over the coming 12 months to assess their short term maintenance needs, longer term viability and options to improve carbon neutrality.

The Group wished to express its congratulations and thanks to all members of staff and Members of the Council who had played a part in helping to identify budget savings in order to reduce the shortfall for next year’s budget.

53 **ECONOMIC DEVELOPMENT TEAM UPDATE (00:20:00)**

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 two months. This included the following:

Prosperity Funding:

- 9 applications had been received to the current round. A further 5 businesses had been invited to full application (from rounds 1 and 2) but had not yet submitted forms. The next round closed for applications at the end of January.

- The Funding Panel meet on 17 January to make grant award decisions and a decision summary will be shared with the PDG Members.

- The January 'Be Grant Ready' workshop had 13 places booked with 7 spaces remaining.

Field to Fork:

- The 'Meet the Producer' project was proving popular with good levels of engagement on social media. The project was approximately halfway through with another 6 producers to be featured. A more in depth update on this project would be presented to the next Committee meeting. This project was specifically supporting the Field to Fork elements of the Shared Prosperity Delivery Plan with targets for:

    - Number of enterprises receiving non-financial support, and
    - Number of people reached.

- The 'Meet the Producer' posts and reels had been published weekly on Facebook and Instagram throughout December and would be ongoing.

- Grants had been offered to Food and Drink Devon and Devon County Show for further support projects to Mid Devon producers. This included networking events, membership support schemes and subsidised trade stalls. This supported delivery of outputs for businesses receiving non-financial support and supporting enterprises to reach new markets.

- Through the Devon Agri-tech Alliance, as part of the Business Support project with Devon County Council, 4 specialised events for farm businesses were being organised, the first of which would focus on "Routes to Market" taking place on 22 February at Pipers Farm. The next two events were pencilled in for end of March/ early April looking at Diversification and the third event in November looking at Regenerative Farming. The fourth event would take place early 2025 with the topic to be confirmed.

Visitor Economy

- Project work continues on both the Walking Festival and Tiverton Swan Trail.

- The programme for the Walking Festival was being collated, with the initial content to be featured in a promotional campaign - "Escape to Mid Devon" - running later this month to encourage holiday bookings in Mid Devon.

- The swans were with the artists until the end of January, when they would return for an anti-graffiti lacquer coating before being ready for installation by the end of March. The Planning Application for the Swan Trail would go to Planning Committee in February.

- A more in depth update on both the Walking Festival and Swan Trail would be presented to the next Committee meeting.

- With regards to other Visitor Economy projects outside the SPF:

    - The Bradninch board was installed Friday 8 December opposite the SPAR, outside the Guildhall. Many thanks to the Town Council and residents of Bradninch for all their help with content and pictures.
    - Additional boards were installed in Crediton on Tuesday 28 November, one in St Saviours Way car park, one in Market Street car park and again, our thanks to the Town Council for working with us on this.

- Visit England was creating a portfolio of nationally supported, strategic and high-performing Local Visitor Economy Partnerships (LVEPs).

- The team continued to engage with the Heart of the South West LEP and destination management colleagues across Devon on a potential Local Visitor Economy Partnership for Devon. The recent workshop in December looked at options for a framework for the new LVEP. The team fed back the importance of:

    - Communication and ensuring that district councils had a clear voice on the LVEP.
    - Recognition of the different USPs and offer that parts of the county provide, ensuring that countryside, city and moors were promoted as well as the coast.
    - The need for the LVEP to encourage skills support both with regards to best practice updates for our businesses but also to liaise with and advocate for sectoral qualifications locally to support employment needs.
    - Fair membership models to ensure that micro tourism businesses had equal access to sectoral information and advice in the same way as the larger tourism businesses.

- Tomorrow's Tourism were working on behalf of the LEP to assemble the bid to Visit England. They were collating the feedback from the workshop and the team expect to receive an update on this soon.

Business Innovation

- Under the Business Innovation project, Petroc were hosting another business breakfast engagement event on 1 February and a business growth workshop at the end of January in their new Innovation Centre.

Looking Ahead

- The team were proceeding with Q4 delivery and preparing for the start of 2024/25 with the launch of the People and Skills projects.

- Mid Devon and other District Authorities across Devon were in conversation with Devon County over options for supporting an Enterprise and Skills Hub. This would directly support the Youth Skills and Supported Employment interventions in the team's Delivery Plan. Discussions were still underway and an outline of the confirmed proposal would be reported in March.

- With regards to the Green Skills intervention, a grant award had been offered to Apricot Centre, towards a Regenerative Agriculture Training, Skills and Employment Project. Due to the delivery timescales, this project would start in January 2024.

- The team were looking to host some business support surgeries in February and March. The February event would coincide with a consultation event at the Market Centre building looking at its potential use as a work hub. A survey was live and the team would present the findings of the study at the next PDG meeting.

Town Centre Health

- Quarter 4 shop surveys were undertaken in January each year. This will be reported to the March Committee meeting along with the latest footfall data.

- Sadly the team were losing their Project Support Officer the following day. The post would be re-advertised.

Consideration was given to the following:

- Businesses had to be officially registered as a business enterprise in order to qualify for funding consideration under the various agricultural schemes.
- It was confirmed that 'Levelling Up' funding in this area did not feature as part of the 'bottom line' on the budget, it was up to the Group to identify ways of using the funds.
- Businesses did not currently pay to advertise as part of the Field to Fork programme. This had originally been a way of helping businesses through Covid and as part of a recovery plan. This would be reviewed as part of the Destination and Culture Management Plan due to be undertaken during 2024.
- There were potential income opportunities for businesses to advertise their goods and services as part of the Walking Festival / campaign.

- Future presentations to the Group by businesses applying and being successful in receiving funding were encouraged.
- It was requested that future data in relation to some of the schemes and projects discussed this evening be presented more 'pictorially' going forwards rather than the Group just receiving a written report.

Note: * Report previously circulated.

54 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (00:40:00)**

In addition to the items already listed the following was requested by the Group for either the next meeting or a future meeting:

- An update in relation to J28 as well as J27, to include the Culm Garden Village, the Cullompton Relief Road and the Cullompton Railway line.
- The Chairman's annual report. This would also be used as a wider agenda item at the first meeting in the new municipal year to highlight achievements during the last year, take stock of progress with regard to the Shared Prosperity Programme and also identify work programmes for the following year.
- An informal session of the Group (to which all Members be invited) to be arranged to discuss income generation.

(The meeting ended at 6.20 pm) **CHAIRMAN**

MINUTES of a **MEETING** of the **PLANNING COMMITTEE** held on 10 January 2024 at 2.15 pm

Present Councillors	L J Cruwys (Chairman) S J Clist, G Cochran (Vice Chairman), F J Colthorpe, G Duchesne, B Holdman, M Jenkins, S Robinson and J Lock
Apologies Councillor(s)	M Farrell, R Gilmour, F W Letch and N Letch
Also Present Councillor(s)	D Broom, J Cairney, S Keable, H Tuffin and G Westcott
Also Present Officer(s):	Philip Langdon (Solicitor), Angharad Williams (Development Management Manager), Brian Hensley (Devon County Council Highway Authority), Adrian Devereaux (Area Team Leader), Angie Howell (Democratic Services Officer) and David Parker (Democratic Services & Policy Research Officer)
Councillors Online	J Buczkowski and L Knight
Officers Online	Richard Marsh and Jake Choules

63 APOLOGIES AND SUBSTITUTE MEMBERS

Apologies were received from the following:-

- Cllr F Letch with Cllr S Robinson substituting.
- Cllr N Letch with Cllr J Lock substituting.
- Cllr M Farrell
- Cllr R Gilmour

64 PUBLIC QUESTION TIME

Gerald Conyngham referred to Application 23/00924/FULL

On the 22nd of September 2022 88% of voters voted in favour of the Crediton Neighbourhood Plan at a referendum which means it carries full weight for guiding planning applications submitted to the council and forms part of the statutory development plan for the Crediton area.

The plan has a key objective on sustainability 'To reduce environmental degradaon and mitigate the effects of climate change'. McDonalds promotes the consumption of beef which is responsible for 14% of carbon emissions. Also despite what McDonalds say, independent research shows that some beef supplied to them comes from illegally cleared Amazon rain forests, so they are colluding in rainforest clearance. Another objective is 'to improve the quality and quantity of sustainable transport'. By making it a drive in facility McDonalds will be encouraging the use of cars thus increasing carbon emissions in the area. On Design, the NP says: 'New developments should be locally distinctive'. In no way will this happen since McDonalds have a standard approach with the use of the Big M to all new developments. Another objective is' to buy food that is grown locally' . McDonalds source their food centrally.

Given all these ways in which this application goes against the statutory development plan for Crediton, will the committee please reject it?

Giles Fawsett referred to Application 23/00924/FULL

McDonalds, with two drive throughs and located right on the very edge of our town, would be an environmental disaster. Firstly, our government, secondly our county council, thirdly our district council and fourthly our town council have all declared a climate emergency.

These food outlets ought to be in the centre of town where people can and should walk.

Allow me to quote you from your Crediton Masterplan that your council has just completed. Page 23 “In recent years Government policy has strengthened its position on the importance of walking and cycling in positively addressing health and wellbeing, congestion, air quality and climate change.”

So how is this drive though McDonalds compatible with this government policy?

Secondly, what does our Devon County Council say? Its draft vision was issued in August 2023. Again it’s about reducing the need to travel, enhancing and protecting our health and wellbeing and “Promoting the ’20-minute neighbourhood’”
So how is this drive though McDonalds compatible with this county council policy?

So thirdly Mid Devon District Council. Your first masterplan objective, yes top of the list. Page 34 “1. Support redevelopment that maximises economic benefit within the town centre.” So why will you allow a Drive though McDonalds that isn’t in the town centre?
The Crediton Masterplan page 39 refers to “the need to tackle the climate crisis by changing the ways in which we travel.” Top of the transport hierarchy is walking.
So why are you allowing a drive though McDonald’s that is going to be driven to?
In addition, Mid Devon District Council Air Quality Action Plan concluded “that there were unacceptable levels of air pollution in parts of Crediton town centre and designated it as an Air Quality Management Area (AQMA), in which a reduction in NOx emissions is required to meet national standards”.

So how can this committee justify this McDonalds knowing that almost everyone will be driving up and down Exeter Road right pass its air pollution monitor?

Fourthly, Crediton Town Council has objected to the proposal. Say no more!

McDonalds, like mainstream politicians, advocate economic growth. This model is noisy, polluting and wasteful. Its commercial priorities have forced people to gear everything to jobseeking and career development, but still leave many people facing chronically unfulfilling and precarious jobs and lives.

Finally, do you recognise the hypocrisy in allowing McDonald's given these policies in your Masterplan for Crediton?

David Harris referred to Application 23/00924/FULL

We are already dealing with the consequences of not taking appropriate action to mitigate the continuing impacts of greenhouse gas emissions on our home. From wildfires to flooding, sea level rise to droughts, heatwaves to more frequent and intense storms, we have experienced it all in this country and within this region. The impacts are not only at the time of the weather-related event but also in subsequent months and years, making it harder for our farmers to produce our food and make a sustainable living.

When we think of greenhouse gas emissions, we tend to focus on CO2 which mostly comes from the continued burning of fossil fuels. However, what is often forgotten or overlooked is the impact of methane of which a large proportion is emitted by ruminants, sheep and particularly cattle. Methane has a much greater impact on the heating of our climate than CO2, 30 times as much to be precise. There is another fact about methane that is often not considered and that is its much shorter lifespan, 10 years or so as compared to CO2 which remains in the atmosphere for hundreds of years.

So, methane, mostly emitted by cattle, poses a much greater threat to the overheating of our climate but also provides a great opportunity to reduce greenhouse gases in a much shorter period of time than CO2. And to reduce the global heating driven by methane all we need to do is to reduce the number of cattle we farm, rather than relying on unproven technology, as is the case with CO2.

Now, it shouldn't fall on ourselves to be having to do this, we have national leadership that should have been moving this forward at the required pace. However, they have not. And so it has fallen upon us within this room to make the necessary decisions. The question for you to answer in the years to come is what do I want to say to my children, grandchildren or someone else's children? Is it I was only doing my job or perhaps they might not even ask you because they know that you were brave enough to do everything you could.

Caroline Romijn referred to Application 23/00924/FULL

I note that the recommendation in the agenda is that permission be granted for this application. This is very disappointing in the light of Mid-Devon's supposed commitment to climate action, and I hope the committee may still decide to refuse permission.

It is clear that a McDonalds drive through would be detrimental to Crediton, as other objectors make clear, with significant negative impacts on the environment and the town's carbon footprint, on efforts to promote active travel, as well as on people's health, and on local food businesses and food producers.

If, in spite of this, the committee is minded to approve the restaurant, we need you, please, to apply the strictest conditions and limitations possible:

Could you approve the 'static' restaurant but refuse or restrict the drive-thru element? Refuse it outright or limit it to specific times and days?

Could you apply conditions limiting the hours and the brightness of their illuminated signs, which will otherwise add significant extra light pollution, affecting both human well-being and biodiversity?

Could you apply strict conditions to the packaging that will be used? Requiring it to be non-plastic and easily recyclable? Could you stipulate that MacDonalds take full responsibility for litter-picking and recycling?

Tiffany Gaston referred to Application 23/00924/FULL

I am a teacher at Queen Elizabeth's School in Crediton and our school community will be greatly affected by the proposed McDonald's. I would be grateful if you could take the following information into account at your planning meeting on Jan 10th. Unfortunately, I cannot be there in person as I will be teaching.

On Monday 13th November QE students debated whether a Drive Through McDonald's restaurant would be good for the people of Crediton. The event was well attended by both students and members of the local community. Both sides argued their case expertly. Arguments put forward to support the motion included the need for more jobs and a greater choice of affordable food outlets in Crediton as well as the idea that the restaurant would provide a safer place for young people to meet in the evening. However, views against the development highlighted the impact of fast food on the environment and the potential job losses if local businesses were forced to close due to lack of business. The likelihood of increased litter in the area and the link between fast food and obesity were also given as compelling arguments. The issue of light pollution was also a concern. The judging panel, comprising of the mayor of Crediton, a local GP and a local shopkeeper, adjudged the debate a tie. However, when put to a vote the audience voted overwhelmingly against the motion that Mcdonalds would be good for Crediton.

Given that the debate showed that people, especially young people, (who many may assume would be in favour of the development) do not think that McDonald's would be good for the people of Crediton, how can MDDC decide to approve the application?

Alan Murray referred to Application 23/00924/FULL

Can the planning officer confirm what measures are part of this planning application to prevent pollution from surface waters from buildings, traffic and car parking, and from construction activities, reaching the River Yeo potentially affecting flora and fauna and in particular the endangered native White-clawed Crayfish? The River Yeo adjacent to the site is one of only two locations in Devon where they still survive.

With consideration to the site being located on a flood plain and the increasing likelihood of flooding events due to climate change, the current measures proposed do not appear adequate to prevent polluting run-off entering the Yeo as they rely on poorly designed rain gardens and infiltration from swales on wet grassland.

David Horton referred to Application 23/00924/FULL

At present the A377 roundabout services a vehicle every five seconds at traditional mealtimes. The impact of the additional vehicle demand from a McDonalds drive through restaurant would be expediential to this number.

Unlike the current businesses which have capacity for their visitors, the high-density design of the McDonald's site would mean that any delay would quickly feed back to the arterial road, preventing all vehicle movements, and cause blockages on the A377. The recommendation of approval currently feels like a gamble as opposed to a fact based decision.

Why has the application not been designed to access directly off the roundabout, giving clear accountability in the future for authorities to police these inevitable disruptions to the highway?

65 DECLARATION OF INTERESTS UNDER THE CODE OF CONDUCT

Members were reminded of the need to declare any personal or pecuniary interests where appropriate. The following Declarations of Interest were made:-

- Cllr M Jenkins referred to Application 23/00924/FULL – he had received numerous amounts of correspondence and had started a campaign long before he was a Member of the Council. He confirmed that this had no impact on his outlook today and would listen to all relevant sides and vote accordingly.
- Cllr S Clist referred to Application 23/01532/FULL and confirmed that he had an Interest as it was his portfolio area but had not had any discussions with officers.
- Cllr S Clist referred to Application 23/00924/FULL and confirmed that he had received correspondence.
- Cllr G Cochran referred to Application 23/00924/FULL and explained that he was a member of the Town Planning Committee.
- Cllr B Holdman referred to Application 23/00924/FULL and confirmed that he had received correspondence.
- Gllr G Duchesne referred to Application 23/00924/FULL and confirmed that she had received emails and a telephone call.

66 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 22 November 2023 were agreed as a true record and duly signed by the Chairman.

67 CHAIRMAN'S ANNOUNCEMENTS

The Chair announced the following:-

- He reminded all Members of the Committee and Officers to address the Chair when they wished to speak.
- He reminded Members of the meetings taking place on:-

  18th January briefing for the Culm Garden Village/Cullompton Infrastructure.
  7th February informal Planning Committee

68 **WITHDRAWALS FROM THE AGENDA**

Application 23/01533/FULL - Erection of first floor infill extension to provide 1 flat at Dwelling Block, 1 - 11 Wingfield Close, Tiverton was withdrawn from the Agenda.

69 **THE PLANS LIST**

The Committee considered the applications on the *Plans List.

Note: *List previously circulated and attached to the minutes

a. 23/01532/FULL - Erection of 2 dwellings at 1 Honiton Road, Cullompton, Devon.

There being no discussion on this item it was **RESOLVED** that planning permission be granted subject to conditions.

(Moved by the Chairman)

Reason for the Decision – as set out in the report.

b. 23/00924/FULL - Erection of restaurant with drive-thru facility, car parking, landscaping and associated works at Land at NGR 284600 099535, Joseph Locke Way, Crediton.

The Area Team Leader outlined the contents of the report by way of a presentation and highlighted the following:-

- The proposal was for a McDonald's restaurant and drive thru with landscaping and parking.
- The site was allocated under Policy CRE10 which was an allocation for commercial development.
- The site was accessed from a shared access road with Mole Avon Country Stores to the south.
- Main issues raised included impact on the town centre, climate change, transport, flooding, ecology and living conditions of nearby residents.
- This application would bring a vacant site into active use and would create up to 120 jobs for local people.
- S106 monies would be put back into the town centre with contributions of £15,000 towards the Shopfront Enhancement Scheme.
- A financial contribution of £35,281 would be allocated and spent towards measures necessary to assist with the flow of traffic through

the Western Gateway, St Lawrence Green and the High Street in Crediton. This would include for the provision of two additional electric vehicle charging points above the two required by Policy making four in total to address air quality within Crediton Air Quality Management Area.

- Funding of £5,000 was proposed to provide a cycle/footway to the junction.
- Concerns raised initially by the Lead Local Flood Authority had been addressed with final details being worked upon.
- A condition was recommended to approve the final brick detail, in order that it would not detract from the red brick used at Wellparks or the Red Deer Public House nearby.
- The Public Health Department had viewed reports and plans for noise and lighting and had agreed to the conditions recommended.
- Devon Garden Trust had raised no objections and further comments made by the Council's Conservation Officer, a 12m high totem pole sign originally proposed, had been reduced to 6m in height.

In response to public questions the Area Team Leader answered as follows:-

Gerald Conyngham

Q. Given all these ways in which this application goes against the statutory development plan for Crediton, will the committee please reject it?
A. The question enquires how the development would comply with policies within the Crediton Neighbourhood Plan (NP). The relevant policies in the NP have been noted within the report and the case made as to why the development is considered to accord with these. In terms of 'new developments should be locally distinctive', it was noted in the presentation that the design was amended in light of concerns with more red brick brought into the design and appearance which would be more in line with the materials at the Red Deer Public House close by and Wellparks. The sourcing of food for a restaurant would not be a planning consideration but it is noted that the applicant is here today and may wish to address this matter.

Giles Fawssett

Q. So how is this drive though McDonalds compatible with this government policy?

A. Crediton Masterplan has been referred to which is currently going through consultation but it should be noted that this is an allocated site for commercial development within the adopted local plan, it is close to a number of bus stops and within walking distance of the train station. It is also to be located close to the biggest supermarket for the town, near to Redlands Care which is the only doctor's surgery for Crediton and a number of other facilities/services so it is considered that this development would be in accordance with policy. It is also within walking distance of the Wellparks development whereby Members may recall the recent decision to approve a further 31 residential units.

Over the last 13 years, there have been over 200 houses built in and around Wellparks, with all these residents being within walking distance of the proposed development.

Q. So how is this drive though McDonalds compatible with this county council policy?

A. The second question relates to Devon County Council policy and the promotion of 20 minute neighbourhoods. Again I would note this is an allocated site and given the accessibility of the site to a large number of residences on foot and public transport services. I would note that the Tiverton McDonalds which has been operating successfully for a number of years would be comparable being out of centre, adjacent to other commercial development and within walking distance of a number of residences.

Q. So why will you allow a Drive though McDonalds that isn't in the town centre?

A. I can confirm that the required sequential test was carried out in line with policy and there were no available sites which could achieve a comparable development. As such a refusal based on this proposal not locating within the town centre would be contrary to National guidance and adopted policy.

Q. So how can this committee justify this McDonalds knowing that almost everyone will be driving up and down Exeter Road right pass its air pollution monitor?

A. The issue of air quality has been assessed with this development with planning obligations to be secured from the development. Again, this is an allocated site whereby any commercial development allowed would result in an increase in traffic generation. This development would provide electric vehicle charging points and can be visited by public transport and walking by a number of residents.

Q. Do you recognise the hypocrisy in allowing McDonald's given these policies in your Masterplan for Crediton?

A. The reason the development is considered to comply with Planning Policy is set out in detail within the officer report.

<u>David Harris</u>

Q. The question for you to answer in the years to come is what do I want to say to my children, grandchildren or someone else's children?

A. The question relates to the impact of methane of which a large proportion is emitted by sheep and cattle. With this planning application, the consideration is to the proposed use class of the development which is a drive thru restaurant which is considered to be acceptable on this allocated site. The general rearing of animals for food production would not be a planning consideration.

Caroline Romijn

Q. Please would you confirm what conditions you are prepared to apply?

A. With respect to the planning conditions, these were on page 67 and included conditions are recommended by the Public Health Team who viewed the proposal, assessing times for deliveries, lighting, noise etc. The proposed development has been submitted as a drive thru restaurant so a condition preventing the drive thru element would be unreasonable. With the planning submission, lighting plans and report were submitted with the Public Health Team advising that a report has been submitted by Signify dated May 2023 whereby the applicant proposes 6m high lighting columns with highly directional downward facing lights designed to prevent backwards and upwards light overspill. In view of the proposal for 24 hour opening we do not anticipate any concerns regarding this selection of lighting units. We would not be able to condition packaging as this would fail to meet the necessary tests and where other legislation is likely to cover packaging for food. Litter bins would be provided on site and the plans include enclosure for a main bin storage on site, labelled as a 'corral' on plans.

Tiffany Gaston

Q. Given that the debate showed that people, especially young people, (who many may assume would be in favour of the development) do not think that McDonald's would be good for the people of Crediton, how can MDDC decide to approve the application?

A. Having viewed the Queen Elizabeth School facebook report on this event, it was noted that total number of participants in this debate at QE school was 30, of which two thirds were stated as being students. The breakdown of the vote being 4 in favour with 26 against. The Ofsted report notes that the number of pupils on the school roll is 1291 so it could not be reasonably argued that the result of the debate would represent the majority of views/thoughts of the young people at the school or the wider area of Crediton. On a point of fairness, I would note as reported within the officer report on page 48 and through the update with the additional two representations received, the number of people having written in support of the development is 66 whereas 46 were in opposition. Therefore it could be viewed that there is support for the development in the wider community.

Alan Robert Murray

Q. Can the planning officer confirm what measures are part of this planning application to prevent pollution from surface waters from buildings, traffic and car parking, and from construction activities, reaching the River Yeo potentially affecting flora and fauna and in particular the endangered native white-clawed Crayfish?

A. As noted within the conditions on Page 67 and 68, there were conditions requiring the development to be carried out in accordance with the Construction Environmental Management Plan (CEMP) which has been agreed with the Public Health Team and Devon County Council Highways

(condition 3), Condition 9 requires provision to be made within the site for the disposal of surface water so that none drains on to any County Highway. The additional condition (14) from the LLFA also requires the approval of the final drainage design.

David Horton

Q. Why has the application not been designed to access directly off the roundabout, giving clear accountability in the future for authorities to police these inevitable disruptions to the highway?

A. The application before Members is for the access off Joseph Locke Way which also serves Mole Avon so it is this proposal which needs to be considered. As noted in the presentation, following concerns received, the access was moved clear of the service yard gates. A Travel Plan and Assessment were submitted as part of this application with the Local Highway Authority raising no objection to the access arrangements. I would also note that parking accords with policy requirements.

Consideration was given to:-

- Section 106 monies and whether MDDC would ask for more.
- The proximity of local residential properties to the restaurant.
- The opening hours and whether the hours would be reduced.
- The effects of lighting and signage for the restaurant on nearby residents.
- Whether staff car parking would be provided.
- Traffic and congestion that would be caused by the shared access way.

It was therefore **RESOLVED** that planning permission be granted subject to conditions, which include amendments advised in the update sheet and the additional condition (14) from the LLFA.

(Proposed by the Chairman)

Reason for the Decision – as set out in the report.

Notes:-

(i) David Shawyer spoke as the Applicant.
(ii) Cllr L Brookes-Hocking spoke on behalf of Crediton Town Council.
(iii) Cllr J Cairney spoke as the Ward Member.
(iv) Cllr F J Colthorpe declared she had received correspondence.
(v) Cllr J Jenkins abstained from voting and wished this to be noted.

70 MAJOR APPLICATIONS WITH NO DECISION

The Committee had before it and **NOTED** a list* of major applications with no decision.

The Committee agreed that:-

(i) Application 23/01796/MARM, Reserved matters for the erection of commercial units on Plots 7 and 8 following Outline approval 20/01409/MOUT to remain as delegated.

(ii) Application 23/00129/MFUL, Erection of 13 affordable dwellings following demolition of 4 existing dwellings and garage blocks with associated parking, landscaping and works to remain as determined by Committee.

(iii) Application 23/01870/MOUT, Hybrid application for a change of use of land to allow the siting of up to 25 safari tents and cabins; conversion of existing barns to provide space for administration, grounds keeping, housekeeping facilities and visitors reception; demolition of existing barn and construction of wellness centre; improvements to existing vehicular accesses and the provision of car parking, the creation of track ways and associated access and landscaping works (outline, all matters reserved) and Full application for change of use of land to allow the siting of 10 safari tents, extension to existing marquee, creation of vehicular access ways, the construction of 24 car parking spaces and natural swimming pool and associated landscaping to be determined by Committee.

(iv) Application 23/01838/MFUL, Installation of ground mounted solar PV panels to generate up to 5MW, comprising photovoltaic panels and associated infrastructure and works (Site Area 6.30ha) to remain as delegated.

Note *List previously circulated and attached to the minutes.

71 **APPEAL DECISIONS**

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 4.27 pm) **CHAIRMAN**

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Report for:	**COUNCIL**
Date of Meeting:	21 February 2024
Subject:	2024/25 Council Tax Resolution
Cabinet Member:	Cllr James Buczkowski, Cabinet Member for Finance
Responsible Officer:	Andrew Jarrett, Deputy Chief Exec (S151)
Exempt:	None
Wards Affected:	All
Enclosures:	None

Section 1 – Summary and Recommendation(s)

As a Billing Authority, the Council is required to set the Council Tax for 2024/25 for Mid Devon.

Recommendation(s): Cabinet recommend to Council:

1. To approve the formal Council Tax Resolution as laid out in Appendix 1, subject to the approval by each Precepting Authority of its own Precepts as included within this report.

Section 2 – Report

1. **Introduction**

1.1 The permissible annual increase in the Council Tax charged by the Council, known as the Precept, is governed by the Referendum Limit as set by the Government. This is effectively a maximum percentage increase which if exceeded would result in the need for a local referendum. The limit on a Band D bill for a District Council is an increase up to 3% or a £5 cash increase – whichever is higher. This was announced as part of the Provisional Local Government Funding Settlement announcement made on 18 December 2023 and confirmed through the Final Settlement announced on 5 February 2024.

1.2 In addition to the Council Tax levels permissible for a District Council, Central Government has confirmed the referendum limit for County Councils as 3% with the

additional flexibility for those with Adult Social Care responsibilities to allow a further increase of 2%. These additional funds have to be ring-fenced for Adult Social Care costs. Fire and Rescue Authorities are able to increase a Band D bill by 3%. Police and Crime Commissioners are able to increase a Band D bill by £13.

1.3 Within this Resolution, MDDC (as the Billing Authority) has to indicate whether any of the major precepting bodies (County Council, Fire and Rescue Authority, or Police and Crime Commissioner) have exceeded their specified limit (see **Appendix A paragraph 6.0**).

2. 2024/25 Council Tax Resolution

2.1 Since the meeting of the Cabinet on the 06 February 2024, the precept levels of other precepting bodies have been received. In some cases they are recommendations to their respective bodies, in others they are fully approved. These are detailed below:

2.1.1 Town and Parish Councils

The Town and Parish Councils precepts for 2024/25 are detailed in **Appendix A**, **paragraph 3.1,** and total £2,483,078.61. The increase in the average Band D Council Tax for Town and Parish Councils is 6.09% and results in an average Band D Council Tax figure of £82.16 for 2024/25 (£77.44 for 2023/24).

2.1.2 Devon County Council

Devon County Council, who meet on the 15 February 2024, recommend their precept be set at £51,851,150.31 adjusted by a Collection Fund deficit of £258,383.16. This results in a Band D Council Tax of **£1,715.67**, a 4.99% increase on the previous year. The detail in shown in **Appendix A, paragraph 4**.

2.1.3 Devon & Cornwall Police and Crime Commissioner

Devon & Cornwall Police and Crime Commissioner met on the 02 February 2024 and set their precept at £8,295,966.45 adjusted by a Collection Fund deficit of £41,356.99. This results in a Band D Council Tax of **£274.50**, being a 4.95% / £12.94 increase on the previous year. The detail in shown in **Appendix A, paragraph 4.**

2.1.4 Devon & Somerset Fire and Rescue Authority

Devon & Somerset Fire and Rescue Authority, who meet on the 16 February 2024, recommend their precept be set at £3,012,539 adjusted by a Collection Fund deficit of £15,304. This results in a Band D Council Tax of **£99.68**, being a 2.99% increase on the previous year. The detail in shown in **Appendix A, paragraph 4.**

2.2 The recommendations of the Cabinet are set out in the formal Council Tax Resolution in **Appendix A**. If the formal Council Tax Resolution at Appendix A is approved, the total Band D Council Tax will be as follows:

Table 1 – Council Tax Levies in Mid Devon

COUNCIL TAX LEVIES	2023/24 £	2024/25 £	Variation £	Variation %
Mid Devon District Council	225.40	232.16	6.76	2.99[1]
Parish & Town Councils (Average)	77.44	82.16	4.72	6.09
Sub Total	**302.84**	**314.32**	**11.48**	
Devon County Council (inc Social Care Precept)	1,634.13	1,715.67	81.54	4.99[2]
Devon & Cornwall Police and Crime Commissioner	261.56	274.50	12.94	4.95
Devon & Somerset Fire and Rescue Authority	96.79	99.68	2.89	2.99
TOTAL	**2,295.32**	**2,404.17**	**108.85**	**4.74**

3. 2024/25 Local Government Finance Settlement

3.1 On the 06 February 2024, the Cabinet considered the budget for the financial year 2024/25 based upon the Provisional Local Government Finance Settlement. This meeting recommended a balanced General Fund budget requiring a £6.76 (2.999%) increase in Council Tax (as detailed in Table 1 in para 2.2 above).

3.2 The Final Local Government Finance Settlement was announced on 5 February 2024 by the Secretary of State and confirmed the additional grant of £86,425 within the Rural Services Delivery Grant, £1,367 within Services Grant and £21,726 within the Funding Guarantee. The other funding remains as announced within the Provisional Settlement.

3.3 There continues to remain a great deal of uncertainty over the future levels of Government funding. The review of Local Government resources, known as the Fair Funding Review along with Business Rates Baseline reset have been postponed until into the next Parliament. It continues to remain Government policy to phase out New Homes Bonus Grant, but has yet to outline any replacement scheme. It has also indicated that local authorities can expect to receive new income from the Extended Producer Responsibility for Packaging (EPRP), although again the timing of this coming into force is unclear. The impact on other core Settlement funding is not known.

4. Section 25 Report of the Section 151 Officer

4.1 In making decisions in relation to the setting of Council Tax, Section 25 of the Local Government Act 2003 requires the Chief Financial Officer of the Council to report to it on the Robustness of the Estimates and The Adequacy of the Financial Reserves. It is a statutory requirement that councillors must consider this report when considering and approving a budget. These statements are presented in the following sections of this report.

[1] Note – MDDC increase is 2.999%
[2] Includes 1.99% For Adult Social Care

4.2 Robustness of the estimates

4.2.1 The estimate process adopted by the Council for 2024/25 is concerned with the mitigation of risk wherever possible when approving the budget.

4.2.2 Construction of the estimates for 2024/25 has taken full account of the following:

a. Previous years outturn;
b. Current year revised estimates;
c. Latest Quarter 3 budget monitoring forecast (up to December 2023);
d. Inflation levels and consideration of the Cost of Living Crisis;
e. Current income levels;
f. Changes in legislation;
g. Service prioritisation linked to the current Corporate Plan;
h. Feedback from Budget Consultation through the annual Resident's Survey.

4.2.3 The key component for ensuring the estimates are reviewed and deliver the priorities of the Council is the budget monitoring process. The ability to manage and control spending within the approved budgets during the course of the forward year mitigates the Council's level of financial risk. In particular, regular reviews of income streams and expenditure patterns and variance with profiles of expected activity are identified at the earliest opportunity to Members and officers so that corrective action can be initiated.

4.2.4 All budgets were compiled on a prudent basis, bearing in mind the level of risk associated with certain income sources (e.g. car parking, planning, leisure and interest receipts – which are affected by the current Cost of Living Crisis). We also have increased volatility and risk in the Council's overall budget (i.e. collection fund levels and our commercial rental portfolio). These budgets have been carefully monitored during 2023/24 and this process will continue during 2024/25.

4.2.5 The Finance Team have liaised with all Service Managers, Senior Management and Members during this process and have ensured a robust challenge process of all proposed budgets through Scrutiny and the Policy Development Committees. The budget ensures that all aspects of the budget (Revenue, Capital and Treasury) are understood and the interdependencies are taken account of.

4.2.6 The Prudential Code introduced a rigorous system of prudential indicators, which explicitly require regard to affordability, prudence, value for money, stewardship, service objectives and practicality in the way in which we manage our finances. The Council has complied fully with the requirements of the Prudential Code for Capital Finance in Local Authorities.

4.2.7 The Treasury Management Strategy, Capital Strategy and Investment Strategy provide the framework for which the Council adhere to. It includes the Prudential Indicators, our "Liability Benchmark" – an estimate of future Net Borrowing Requirement, and evidences consideration of Environmental, Social and Governance (ESG) factors in our investment policy and that the levels assumed are affordable and sustainable.

4.2.8 Similarly, the insurance cover is adequate to meet all reasonable insurable liabilities.

4.2.9 In all respects the estimates are prepared on the best information available. We review current experience, for example, the estimates of income have been rebased, especially where the income stream is demand led and therefore currently being affected the Cost of Living Crisis. In a similar way, all salary estimates have been constructed on an individual officer basis because this element of the budget is such a significant expenditure heading.

4.2.10 Finally, in preparing the detailed estimates the Council takes advice from third party organisations concerning a number of discrete areas. In particular, Treasury Management decisions are informed with reference to interest rate movements forecasted by Link Group and similarly external guidance on accounting regulations, insurance and pension contributions is also used.

4.2.11 The Council has sought to involve all Members throughout the budget setting process. The first report to Cabinet in September outlined the initial budget gap of circa £2.103m estimated for 2024/25. This was as a result of a number of factors but was heavily impacted by the removal of the one-off targets included within the 2023/24 budget and inflation, i.e. pay, superannuation and increases in fuel and energy prices.

4.2.12 After significant work by Officers over the summer, savings options totalling £1.337m were considered by the first round of PDG meetings in October. Following Cabinet approval in October of these savings, the position had reduced to a shortfall of £0.765m. Further refinement of assumptions within those savings proposals and some minor new savings options, the December Cabinet report approved a further reduction down to £0.418m. Following the Local Government Finance Settlement and identification of further savings, the January Cabinet report further reduced the shortfall to £0.150m.

4.2.13 Scrutiny and the PDG's were again involved during their November and January round of meetings to seek views on Fees and Charges and final options to balance the budget, prior to a final Cabinet meeting, which has recommended the budget for approval by Full Council on 21 February 2024.

4.2.14 The Internal Auditors, Devon Audit Partnership (DAP), have been able to progress through the internal audit plan and the outcome of this work has demonstrated stability and in the Councils control framework and a "Reasonable Assurance" opinion is expected.

4.2.15 The Council's External Auditor, Grant Thornton, is indicating an unqualified opinion on the 2022/23 financial statements, subject to the final outcomes of the 3 Rivers external audit. Although ongoing, the auditor is yet to complete their Value for Money assessment and give their opinion.

4.2.16 "The District Council is recommended to note that, in my opinion, the estimates used in the production of the budget proposal for 2024/25 are adequately robust"

4.3 Adequacy of Reserves

4.3.1 The Council has a robust risk management framework in place. The framework supports the Council in managing significant risk. However, there are times when

the Council will need to call upon Reserves. Therefore, Reserves are held for three main purposes:

a. A contingency to cushion the impact of unexpected events;
b. As a cushion against uneven cash flows;
c. As a means of building up funds to meet known or predicted liabilities (Earmarked Reserves).

4.3.2 CIPFA makes it clear that the level of reserves for each Council cannot be decided by the application of a formula. Each Council must assess their own reserve levels based on the specific risks and pressures they face. The Council is facing significant risk and change over the medium term due to number of local and national issues and it is important that the level of reserves reflects this.

4.3.3 The key risks within the budget for 2024/25 are set out below:

a. Cost of Living Crisis, including:
   i. Reductions in Income across Council Tax, Business Rates, Service Fees and Charges and Commercial Income;
   ii. Increasing cost of delivering services to the community due to inflationary pressures, such as pay, fuel and energy prices;
   iii. The possible need to deliver additional services announced by Government to mitigate the implications, i.e. Business Grant and Energy payments to households;
   iv. Economic recovery – slow return of trade / investment / growth;
b. Rising Council Tax support claimants / HRA Voids;
c. General Service budget overspends;
d. Lack of opportunity / ability for further commercial investment to generate returns to the Council;
e. Interest Rate volatility.
f. Lack of funding to support, and delay in the delivery of major infrastructure projects.

4.3.4 In preparing the 2024/25 budget, consideration has been given to how best to mitigate these risks through the use of prudent budget assumptions. However, it is possible, reserves will be required should these mitigations and assumptions fall short.

4.3.5 Continuing provision has been made for the slow recovery in collection levels of Council Tax, Business Rates and revenue from fees and charges. Clearly, the Cost of Living Crisis will have unprecedented financial implications for a number of council services and robust financial monitoring during 2024/25 will be required to ensure their continued viability.

4.3.6 There are also future risks that need to be considered now to ensure the Council is best prepared. One of the most significant is the potential changes to how the Council is funded.

- The government have planned a reset of Business Rates growth for a number of years, but have delayed implementing it until into the next Parliament and thereby are allowing the growth to continue. The Council currently forecasts income from Business Rates to be approximately £2.1m above the

Government's baseline calculation. Should a reset be implemented as expected in the future, there is a risk that some (or possibly all) of this additional funding could be lost, potentially along with the benefit to pool in the future.

- Similarly, the New Homes Bonus scheme is planned to be scrapped. In 2024/25, the Council will receive £414k. Although this funding should be ring-fenced to Local Government, there is no guarantee any replacement funding mechanism will benefit MDDC to that value.

- There are an increasing number of one-off, bid based funding streams. Failure to secure funding from these will have a detrimental impact on the Council, for example the Levelling-Up fund that the Council would like to use to underpin the Housing Infrastructure Fund scheme at Cullompton, or decarbonisations scheme across our asset portfolio.

4.3.7 The General Fund balance brought forward into 2023/24 amounted to £2,025k. The 2023/24 budget monitoring reports are predicting a year-end deficit of approximately £119k, giving a forecast General Fund balance of £1,905k, below the Council's recommended minimum of £2,000k. The level of general balances recognises risks facing the Council including the economic uncertainty and the future changes to Local Government Funding. Plans will need to be identified to replenish the reserve to the minimum level.

4.3.8 A review of the minimum reserve levels will be undertaken at Outturn to assess the ongoing minimum General Fund reserve balance. The HRA also has a recommended £2,000k minimum balance, which it is not currently projecting to breach. As part of the detailed budget setting process we also reviewed all of our other Earmarked Reserves to ensure they provided for known future financial pressures. Therefore, it is my strong recommendation that the Council aims to maintain its level of reserves at £2,000k, and if it proves necessary to temporarily reduce this level, it is replenished in a planned, affordable way.

4.3.9 "Based on the assessment of the reserves, the key financial risks identified, and the thorough process used for developing the Medium-Term Financial Strategy, I have determined that the level of reserves and balances for 2024/25 is adequate."

5. Conclusion

5.1 As noted above a great deal of work has been carried out to ensure the Robustness of the Estimates. As a result of this work, combined with the increased awareness by Members and officers of the Council's financial position, and the availability of reserves, it is my considered opinion as Section 151 Officer that the budget for 2024/25 has been set within a robust framework and the impact of this resolution will maintain an adequate level of the financial reserves held by the Council.

Financial Implications

This report sets out the Council's Council Tax Requirement for 2024/25 which is derived from its balanced budget, as recommended by Cabinet on the 06 February 2024 and notification of the Precept Requirements for the County Council, PCC for Devon and Cornwall, Devon and Somerset Fire Authority and Parish or Town Councils.

Legal Implications

The Council has a statutory duty to approve a Council Tax Requirement. The Authority must have due regard to the Council's S151 Officer Report on the Robustness of the Estimates and Adequacy of Reserves when making decisions on the Budget and Precept, as required by Section 25 of the Government Finance Act 2003.

Risk Assessment

The Council is required under the Local Government Finance Act 1992 to set a Council Tax. Failure to set a Council Tax will result in the Council acting unlawfully and could lead to legal challenge. Failure to agree the Council Tax in a timely manner could lead to the Council losing out on Council Tax income and the cashflows associated with this.

Impact on Climate Change

There are no Climate Change implications directly relating to the content of this report. However, the General Fund, Capital Programme and the Housing Revenue Account all contain significant investment in order to work towards the Council's Carbon Reduction targets.

Equalities Impact Assessment

It is considered that the impact of this report on equality related issues will be nil. However, budgetary options included within the budget are supported by EIA where required.

Relationship to Corporate Plan

The 2024/25 budget shows the costs of delivering the key priorities of the Council's Corporate Plan.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 08 February 2024

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 08 February 2024

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 08 February 2024

Performance and risk: Dr Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 08 February 2024

Cabinet member notified:

Section 4 - Contact Details and Background Papers

Contact: Paul Deal - Corporate Manager for Finance, Property & Climate Change
Email: pdeal@middevon.gov.uk
Telephone: 01884 234254

Background papers: Cabinet Report – 06 February 2024

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The Council is recommended to resolve as follows:

1.0 It be noted that on 14 November 2023 the Cabinet calculated the Council Tax Base for 2024/25

(a) for the whole Council area as 30,997.03 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")] ; and

(b) for dwellings in those parts of its area to which a Parish Precept relates as detailed in 1.1 below.

1.1 Taxbase for Councils area adjusted from overall Council Tax Base of 30,997.03 reduced to 97.5% (30,222.10), to allow for less than full collection. (subject to rounding)

	Council Tax Base	Collection Rate @ 97.5%
Bampton	780.74	761.22
Bickleigh	124.35	121.24
Bow	477.14	465.21
Bradninch	767.56	748.38
Brushford	26.34	25.68
Burlescombe	341.97	333.42
Butterleigh	56.16	54.75
Cadbury	71.03	69.25
Cadeleigh	92.65	90.34
Chawleigh	269.40	262.67
Cheriton Bishop	323.66	315.57
Cheriton Fitzpaine	408.25	398.04
Clannaborough	28.16	27.46
Clayhanger (B Gate)	57.31	55.87
Clayhidon	235.82	229.92
Coldridge	167.01	162.83
Colebrooke	197.72	192.78
Copplestone	497.16	484.73
Crediton	2,895.87	2,823.47
Crediton Hamlets	570.43	556.17
Cruwys Morchard	227.95	222.25
Cullompton	3,709.24	3,616.51
Culmstock	401.06	391.04
Down St Mary	158.19	154.24
Eggesford	35.46	34.57
Halberton	699.43	681.94
Hemyock	908.47	885.76
Hittisleigh	63.91	62.31
Hockworthy (B Gate)	90.46	88.19
Holcombe Rogus	232.76	226.94
Huntsham (B Gate)	66.88	65.21
Kennerleigh	37.43	36.49
Kentisbeare	404.02	393.92
Lapford	410.87	400.59
Loxbeare	81.10	79.07
Morchard Bishop	444.73	433.61
Morebath	156.84	152.92
Newton St Cyres	399.90	389.91
Nymet Rowland	50.93	49.66
Oakford	185.02	180.40
Poughill	84.35	82.24
Puddington	94.02	91.67
Sampford Peverell	514.35	501.50
Sandford	548.61	534.89
Shobrooke	211.43	206.15
Silverton	828.08	807.38
Stockleigh English	28.86	28.13
Stockleigh Pomeroy	57.22	55.79
Stoodleigh	161.54	157.50
Templeton	71.69	69.90
Thelbridge	144.63	141.01
Thorverton	430.63	419.86
Tiverton	7,537.55	7,349.11
Uffculme	1,137.01	1,108.59
Uplowman	169.43	165.20
Upton Hellions	35.46	34.58
Washfield	169.11	164.88
Washford Pyne	43.20	42.12
Wembworthy	112.12	109.32
Willand	1,218.03	1,187.58
Woolfardisworthy	75.07	73.19
Zeal Monachorum	171.27	166.98
Total Tax Base	**30,997.03**	**30,222.10**

2.0 As a preliminary step, calculate that the Council Tax requirement for the Council's own purposes for 2024/25 (excluding Parish precepts) is **£7,016,360** (£232.16 x 30,222.10, subject to rounding to nearest £10)

3.0 That the following amounts be calculated for the year 2024/25 in accordance with Sections 30 and 31A to 36 of the Act:

(a) £ 58,667,602	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
(b) £ 49,168,163	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c) £ 9,499,439	being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
(d) £ 314.32	being the amount at 3(c) above (item R), all divided by Item T (1.0 (a) above), calculated by the council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
(e) £ 2,483,079	being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act as detailed in column 2 of table in 3.1 below. (subject to rounding)
(f) £ 232.16	being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1.0(a) above), calculated by the Council, in accordance with section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
(g) See text across	The amounts stated in valuation Band D in table at 3(h) below given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the council area specified in column 3 of table in 3.1 divided in each case by the amount in 1(a) above (result in column 3 of table in 3.1 below), calculated by the Council, in accordance with section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its are set out in column 3 of table in 1.1 to which one or more special items relate. e.g. Silverton - table 3h column 5 = £293.88 this is made up of 3f = £232.16 + £61.72 in table 3.1 column 3. The £61.72 is calculated by taking the Parish Precept in Column 2 of table 3.1 and dividing by the relevant taxbase figure detailed in column 3 of the table in 1.1 above (in this example £49,835.08 / 807.38 = £61.72).

3.1 This table shows the full precept for each parish and the band D equivalent charge which is determined by dividing the total precept in column 2 by the relevant parishes taxbase detailed in column 2 table 1.1 above.

	Total Precept £	Band D Equivalent £
Bampton	79,160.00	103.99
Bickleigh	4,900.00	40.42
Bow	12,000.00	25.79
Bradninch	61,500.00	82.18
Brushford	0.00	0.00
Burlescombe	12,049.69	36.14
Butterleigh	750.00	13.70
Cadbury	600.00	8.66
Cadeleigh	2,000.00	22.14
Chawleigh	15,000.00	57.11
Cheriton Bishop	15,225.00	48.25
Cheriton Fitzpaine	20,000.00	50.25
Clannaborough	0.00	0.00
Clayhanger (B Gate)	1,656.33	29.65
Clayhidon	10,250.00	44.58
Coldridge	5,000.00	30.71
Colebrooke	11,565.00	59.99
Copplestone	25,000.00	51.58
Crediton	491,499.00	174.08
Crediton Hamlets	10,578.00	19.02
Cruwys Morchard	5,600.00	25.20
Cullompton	524,815.00	145.12
Culmstock	44,811.00	114.59
Down St Mary	4,550.00	29.50
Eggesford	0.00	0.00
Halberton	27,110.00	39.75
Hemyock	86,195.00	97.31
Hittisleigh	2,250.00	36.11
Hockworthy (B Gate)	2,429.28	27.55
Holcombe Rogus	12,254.00	54.00
Huntsham (B Gate)	1,899.48	29.13
Kennerleigh	200.00	5.48
Kentisbeare	41,000.00	104.08
Lapford	26,000.00	64.90
Loxbeare	0.00	0.00
Morchard Bishop	10,560.00	24.35
Morebath	6,100.00	39.89
Newton St Cyres	14,048.00	36.03
Nymet Rowland	800.00	16.11
Oakford	6,600.00	36.59
Poughill	3,477.00	42.28
Puddington	2,268.75	24.75
Sampford Peverell	19,293.00	38.47
Sandford	33,275.00	62.21
Shobrooke	9,000.00	43.66
Silverton	49,835.08	61.72
Stockleigh English	0.00	0.00
Stockleigh Pomeroy	0.00	0.00
Stoodleigh	6,000.00	38.10
Templeton	4,160.00	59.51
Thelbridge	2,000.00	14.18
Thorverton	20,529.00	48.89
Tiverton	541,381.00	73.67
Uffculme	99,950.00	90.16
Uplowman	3,950.00	23.91
Upton Hellions	0.00	0.00
Washfield	2,250.00	13.65
Washford Pyne	500.00	11.87
Wembworthy	5,400.00	49.40
Willand	76,555.00	64.46
Woolfardisworthy	700.00	9.56
Zeal Monachorum	6,600.00	39.53
Total Parish Precepts	**2,483,078.61**	**2,633.91**

3(h) The amounts set out in table below given by multiplying the amounts at 3g above by the number which, in the proportion set out in section5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that particular proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

	Valuation Bands £							
	A	B	C	D	E	F	G	H
Bampton	224.10	261.45	298.80	336.15	410.85	485.55	560.25	672.30
Bickleigh	181.72	212.01	242.29	272.58	333.15	393.72	454.30	545.16
Bow	171.96	200.63	229.28	257.95	315.27	372.59	429.91	515.90
Bradninch	209.56	244.49	279.41	314.34	384.19	454.04	523.90	628.68
Brushford	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Burlescombe	178.86	208.68	238.48	268.30	327.92	387.54	447.16	536.60
Butterleigh	163.90	191.23	218.54	245.86	300.49	355.13	409.76	491.72
Cadbury	160.54	187.31	214.06	240.82	294.33	347.85	401.36	481.64
Cadeleigh	169.53	197.79	226.04	254.30	310.81	367.32	423.83	508.60
Chawleigh	192.84	224.99	257.12	289.27	353.55	417.83	482.11	578.54
Cheriton Bishop	186.94	218.10	249.25	280.41	342.72	405.03	467.35	560.82
Cheriton Fitzpaine	188.27	219.65	251.03	282.41	345.17	407.92	470.68	564.82
Clannaborough	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Clayhanger(B Gate)	174.54	203.63	232.72	261.81	319.99	378.17	436.35	523.62
Clayhidon	184.49	215.24	245.99	276.74	338.24	399.73	461.23	553.48
Coldridge	175.24	204.46	233.66	262.87	321.28	379.70	438.11	525.74
Colebrooke	194.76	227.23	259.68	292.15	357.07	421.99	486.91	584.30
Copplestone	189.16	220.69	252.21	283.74	346.79	409.84	472.90	567.48
Crediton	270.82	315.97	361.10	406.24	496.51	586.79	677.06	812.48
Crediton Hamlets	167.45	195.36	223.27	251.18	307.00	362.81	418.63	502.36
Cruwys Morchard	171.57	200.17	228.76	257.36	314.55	371.74	428.93	514.72
Cullompton	251.52	293.44	335.36	377.28	461.12	544.96	628.80	754.56
Culmstock	231.16	269.70	308.22	346.75	423.80	500.86	577.91	693.50
Down St Mary	174.44	203.51	232.58	261.66	319.81	377.95	436.10	523.32
Eggesford	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Halberton	181.27	211.49	241.69	271.91	332.33	392.76	453.18	543.82
Hemyock	219.64	256.26	292.86	329.47	402.68	475.90	549.11	658.94
Hittesleigh	178.84	208.66	238.46	268.27	327.88	387.50	447.11	536.54
Hockworthy(B Gate)	173.14	202.00	230.85	259.71	317.42	375.13	432.85	519.42
Holcombe Rogus	190.77	222.57	254.36	286.16	349.75	413.34	476.93	572.32
Huntsham(B Gate)	174.19	203.23	232.25	261.29	319.35	377.42	435.48	522.58
Kennerleigh	158.42	184.83	211.23	237.64	290.45	343.26	396.06	475.28
Kentisbeare	224.16	261.52	298.88	336.24	410.96	485.68	560.40	672.48
Lapford	198.04	231.05	264.05	297.06	363.07	429.08	495.10	594.12
Loxbeare	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Morchard Bishop	171.00	199.51	228.00	256.51	313.51	370.51	427.51	513.02
Morebath	181.36	211.60	241.82	272.05	332.50	392.96	453.41	544.10
Newton St Cyres	178.79	208.59	238.39	268.19	327.79	387.38	446.98	536.38
Nymet Rowland	165.51	193.10	220.68	248.27	303.44	358.61	413.78	496.54
Oakford	179.16	209.03	238.88	268.75	328.47	388.19	447.91	537.50
Poughill	182.96	213.45	243.94	274.44	335.43	396.41	457.40	548.88
Puddington	171.27	199.82	228.36	256.91	314.00	371.09	428.18	513.82
Sampford Peverell	180.42	210.49	240.56	270.63	330.77	390.91	451.05	541.26
Sandford	196.24	228.96	261.66	294.37	359.78	425.20	490.61	588.74
Shobrooke	183.88	214.53	245.17	275.82	337.11	398.40	459.70	551.64
Silverton	195.92	228.57	261.22	293.88	359.19	424.49	489.80	587.76
Stockleigh English	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Stockleigh Pomeroy	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Stoodleigh	180.17	210.20	240.23	270.26	330.32	390.37	450.43	540.52
Templeton	194.44	226.86	259.26	291.67	356.48	421.30	486.11	583.34
Thelbridge	164.22	191.60	218.96	246.34	301.08	355.82	410.56	492.68
Thorverton	187.36	218.60	249.82	281.05	343.50	405.96	468.41	562.10
Tiverton	203.88	237.87	271.84	305.83	373.79	441.75	509.71	611.66
Uffculme	214.88	250.69	286.50	322.32	393.95	465.57	537.20	644.64
Uplowman	170.71	199.17	227.61	256.07	312.97	369.88	426.78	512.14
Upton Hellions	154.77	180.57	206.36	232.16	283.75	335.34	386.93	464.32
Washfield	163.87	191.19	218.49	245.81	300.43	355.06	409.68	491.62
Washford Pyne	162.68	189.80	216.91	244.03	298.26	352.49	406.71	488.06
Wembworthy	187.70	218.99	250.27	281.56	344.13	406.70	469.26	563.12
Willand	197.74	230.71	263.66	296.62	362.53	428.45	494.36	593.24
Woolfardisworthy	161.14	188.01	214.86	241.72	295.43	349.15	402.86	483.44
Zeal Monachorum	181.12	211.32	241.50	271.69	332.06	392.44	452.81	543.38

3(i) This table shows the proportions payable for the MDDC element of Council Tax and would be the amount payable for those Parishes who's Precept has been set at zero.

	Valuation Bands £							
	A	B	C	D	E	F	G	H
All other parts of the Council's area	154.77	180.57	206.36	**232.16**	283.75	335.34	386.93	464.32

4.0 That it be noted that for the year 2023/24 Devon County Council, Devon and Cornwall Police and Crime Commissioner and the Devon and Somerset Fire Authority have stated the following amounts in precepts issued to the District Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Precepting Authority	**Valuation Bands £**							
	A	**B**	**C**	**D**	**E**	**F**	**G**	**H**
Devon County Council - General Expenditure	978.72	1,141.84	1,304.96	1,468.08	1,794.32	2,120.56	2,446.80	2,936.16
Devon County Council - Adult Social Care	165.06	192.57	220.08	247.59	302.61	357.63	412.65	495.18
Devon County Council Total	**1,143.78**	**1,334.41**	**1,525.04**	**1,715.67**	**2,096.93**	**2,478.19**	**2,859.45**	**3,431.34**
Devon & Cornwall Police and Crime Commissioner	183.00	213.50	244.00	274.50	335.50	396.50	457.50	549.00
Devon & Somerset Fire and Rescue Authority	66.45	77.53	88.60	99.68	121.83	143.98	166.13	199.36

5.0 That, having calculated the aggregate in each case of the amounts at 3h and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2024/25 for each part of its area and for each of the categories of dwellings shown below:

Town / Parish Council	**Valuation Bands £**							
	A	**B**	**C**	**D**	**E**	**F**	**G**	**H**
Bampton	1,617.33	1,886.89	2,156.44	2,426.00	2,965.11	3,504.22	4,043.33	4,852.00
Bickleigh	1,574.95	1,837.45	2,099.93	2,362.43	2,887.41	3,412.39	3,937.38	4,724.86
Bow	1,565.19	1,826.07	2,086.92	2,347.80	2,869.53	3,391.26	3,912.99	4,695.60
Bradninch	1,602.79	1,869.93	2,137.05	2,404.19	2,938.45	3,472.71	4,006.98	4,808.38
Brushford	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Burlescombe	1,572.09	1,834.12	2,096.12	2,358.15	2,882.18	3,406.21	3,930.24	4,716.30
Butterleigh	1,557.13	1,816.67	2,076.18	2,335.71	2,854.75	3,373.80	3,892.84	4,671.42
Cadbury	1,553.77	1,812.75	2,071.70	2,330.67	2,848.59	3,366.52	3,884.44	4,661.34
Cadeleigh	1,562.76	1,823.23	2,083.68	2,344.15	2,865.07	3,385.99	3,906.91	4,688.30
Chawleigh	1,586.07	1,850.43	2,114.76	2,379.12	2,907.81	3,436.50	3,965.19	4,758.24
Cheriton Bishop	1,580.17	1,843.54	2,106.89	2,370.26	2,896.98	3,423.70	3,950.43	4,740.52
Cheriton Fitzpaine	1,581.50	1,845.09	2,108.67	2,372.26	2,899.43	3,426.59	3,953.76	4,744.52
Clannaborough	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Clayhanger(B Gate)	1,567.77	1,829.07	2,090.36	2,351.66	2,874.25	3,396.84	3,919.43	4,703.32
Clayhidon	1,577.72	1,840.68	2,103.63	2,366.59	2,892.50	3,418.40	3,944.31	4,733.18
Coldridge	1,568.47	1,829.90	2,091.30	2,352.72	2,875.54	3,398.37	3,921.19	4,705.44
Colebrooke	1,587.99	1,852.67	2,117.32	2,382.00	2,911.33	3,440.66	3,969.99	4,764.00
Copplestone	1,582.39	1,846.13	2,109.85	2,373.59	2,901.05	3,428.51	3,955.98	4,747.18
Crediton	1,664.05	1,941.41	2,218.74	2,496.09	3,050.77	3,605.46	4,160.14	4,992.18
Crediton Hamlets	1,560.68	1,820.80	2,080.91	2,341.03	2,861.26	3,381.48	3,901.71	4,682.06
Cruwys Morchard	1,564.80	1,825.61	2,086.40	2,347.21	2,868.81	3,390.41	3,912.01	4,694.42
Cullompton	1,644.75	1,918.88	2,193.00	2,467.13	3,015.38	3,563.63	4,111.88	4,934.26
Culmstock	1,624.39	1,895.14	2,165.86	2,436.60	2,978.06	3,519.53	4,060.99	4,873.20
Down St Mary	1,567.67	1,828.95	2,090.22	2,351.51	2,874.07	3,396.62	3,919.18	4,703.02
Eggesford	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Halberton	1,574.50	1,836.93	2,099.33	2,361.76	2,886.59	3,411.43	3,936.26	4,723.52
Hemyock	1,612.87	1,881.70	2,150.50	2,419.32	2,956.94	3,494.57	4,032.19	4,838.64
Hittesleigh	1,572.07	1,834.10	2,096.10	2,358.12	2,882.14	3,406.17	3,930.19	4,716.24
Hockworthy(B Gate)	1,566.37	1,827.44	2,088.49	2,349.56	2,871.68	3,393.80	3,915.93	4,699.12
Holcombe Rogus	1,584.00	1,848.01	2,112.00	2,376.01	2,904.01	3,432.01	3,960.01	4,752.02
Huntsham(B Gate)	1,567.42	1,828.67	2,089.89	2,351.14	2,873.61	3,396.09	3,918.56	4,702.28
Kennerleigh	1,551.65	1,810.27	2,068.87	2,327.49	2,844.71	3,361.93	3,879.14	4,654.98
Kentisbeare	1,617.39	1,886.96	2,156.52	2,426.09	2,965.22	3,504.35	4,043.48	4,852.18
Lapford	1,591.27	1,856.49	2,121.69	2,386.91	2,917.33	3,447.75	3,978.18	4,773.82
Loxbeare	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Morchard Bishop	1,564.23	1,824.95	2,085.64	2,346.36	2,867.77	3,389.18	3,910.59	4,692.72
Morebath	1,574.59	1,837.04	2,099.46	2,361.90	2,886.76	3,411.63	3,936.49	4,723.80
Newton St Cyres	1,572.02	1,834.03	2,096.03	2,358.04	2,882.05	3,406.05	3,930.06	4,716.08
Nymet Rowland	1,558.74	1,818.54	2,078.32	2,338.12	2,857.70	3,377.28	3,896.86	4,676.24
Oakford	1,572.39	1,834.47	2,096.52	2,358.60	2,882.73	3,406.86	3,930.99	4,717.20
Poughill	1,576.19	1,838.89	2,101.58	2,364.29	2,889.69	3,415.08	3,940.48	4,728.58
Puddington	1,564.50	1,825.26	2,086.00	2,346.76	2,868.26	3,389.76	3,911.26	4,693.52
Sampford Peverell	1,573.65	1,835.93	2,098.20	2,360.48	2,885.03	3,409.58	3,934.13	4,720.96
Sandford	1,589.47	1,854.40	2,119.30	2,384.22	2,914.04	3,443.87	3,973.69	4,768.44
Shobrooke	1,577.11	1,839.97	2,102.81	2,365.67	2,891.37	3,417.07	3,942.78	4,731.34
Silverton	1,589.15	1,854.01	2,118.86	2,383.73	2,913.45	3,443.16	3,972.88	4,767.46
Stockleigh English	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Stockleigh Pomeroy	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Stoodleigh	1,573.40	1,835.64	2,097.87	2,360.11	2,884.58	3,409.04	3,933.51	4,720.22
Templeton	1,587.67	1,852.30	2,116.90	2,381.52	2,910.74	3,439.97	3,969.19	4,763.04
Thelbridge	1,557.45	1,817.04	2,076.60	2,336.19	2,855.34	3,374.49	3,893.64	4,672.38
Thorverton	1,580.59	1,844.04	2,107.46	2,370.90	2,897.76	3,424.63	3,951.49	4,741.80
Tiverton	1,597.11	1,863.31	2,129.48	2,395.68	2,928.05	3,460.42	3,992.79	4,791.36
Uffculme	1,608.11	1,876.13	2,144.14	2,412.17	2,948.21	3,484.24	4,020.28	4,824.34
Uplowman	1,563.94	1,824.61	2,085.25	2,345.92	2,867.23	3,388.55	3,909.86	4,691.84
Upton Hellions	1,548.00	1,806.01	2,064.00	2,322.01	2,838.01	3,354.01	3,870.01	4,644.02
Washfield	1,557.10	1,816.63	2,076.13	2,335.66	2,854.69	3,373.73	3,892.76	4,671.32
Washford Pyne	1,555.91	1,815.24	2,074.55	2,333.88	2,852.52	3,371.16	3,889.79	4,667.76
Wembworthy	1,580.93	1,844.43	2,107.91	2,371.41	2,898.39	3,425.37	3,952.34	4,742.82
Willand	1,590.97	1,856.15	2,121.30	2,386.47	2,916.79	3,447.12	3,977.44	4,772.94
Woolfardisworthy	1,554.37	1,813.45	2,072.50	2,331.57	2,849.69	3,367.82	3,885.94	4,663.14
Zeal Monachorum	1,574.35	1,836.76	2,099.14	2,361.54	2,886.32	3,411.11	3,935.89	4,723.08

6.0 The Council has determined that its relevant basic amount of Council Tax for 2024/25 is not excessive in accordance with principles approved under section 52ZB Local Government Finance Act 1992.

As the billing authority has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2024/25 is excessive and therefore that the billing authority is not required to hold a referendum in accordance with section 52ZK Local Government Finance Act 1992.

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Report for:	**Full Council**
Date of Meeting:	21.02.2024
Subject:	**Consultation on proposed Combined County Authority (the 'devolution deal')**

Section 1 – Summary and Recommendation(s)

The Devon and Torbay Devolution Deal was approved for consultation by Devon County Council and Torbay by their respective cabinets/executives on 2nd February. The consultation went live on 12th February. All information can be found either in the reports that went to DCC's cabinet or at the webpage here: https://www.devontorbaydeal.org.uk/

Recommendation(s):

1. **It is recommended that council approves the response (as published) to the consultation, and that delegated authority is given to the Chief Executive in conjunction with the Leader to add to this if required following district-level briefing by the team at DCC.**

Section 2 – Proposed responses

- We note the county is intending to propose this deal under the process described by statute.
- We support the principles of devolved decision-making and firmly believe that decisions taken in Devon are more likely to beneficial to the specific needs of the communities in Mid Devon than those taken in Whitehall. However, we have a number of specific concerns that we would urge parties to consider and address as part of any implementation.
- In common with other district colleagues across Devon, we have concerns in a number of specific areas:
    - UK Shared Prosperity Fund (UKSPF) – we expect this (or its successor) to continue to be devolved to districts within Devon to deliver. We note that there is currently no certainty about any future rounds of the UKSPF programme. However, in line with government commitment to replace lost EU funding, we would expect the shared prosperity fund, or equivalent replacement funding streams in future, to

be devolved from the CCA to district level by default. The remaining CCA remit should be to broker conversations about strategic commissioning of countywide (generic) business support activity, and to maximise the effectiveness of local investment aligned to the economic support activity newly-returning to the county council as part of the winding down of the Local Enterprise Partnership (LEP). However, since the LEP failed on both its democratic mandate and often in its local relevance, we would wish the CCA to set off firmly on the right foot by committing to retain local delivery methods for business support where this is currently in place via districts.

- Housing empowerment – we expect the CCA to enable and accelerate delivery with and through districts and local housing associations. Much is made of the potential for a shared strategic investment pipeline with Homes England, and while we recognise the potential for shared investment and the need for strategic conversations to deliver this, we would wish to make it clear that districts expect existing housing functions and groupings to be utilised – such as the Devon Housing Task Force, which already covers the whole of the Devon and Torbay area (and which is currently chaired by a District Council Leader). The aims of the CCA should be to build on best practice and expertise; to provide a stronger platform and empower the excellent work being done across the Team Devon landscape, not to duplicate or add extra bureaucracy. We understand that this is the intention, however we would wish to be involved more fully in the discussions around 'operationalising' the CCA.
- Voting rights and governance – we understand that the government rejected the proposed amendment by the House of Lords to allow district councils to be constituent members of the new Combined County Authorities. We would hope that a more enlightened future government takes steps to amend this. However, in the meantime we would ask that all such opportunities within the law are considered to ensure that districts can have a voice on reserved matter issues. Particularly when many of these are of relevance to districts and existing partnership ambitions are already in place, for example around carbon reduction and the Devon Climate Emergency. We welcome and firmly support the proposal to move 'Team Devon' onto a more robust governance footing by converting this to a statutory joint committee in order to inform the voting intentions wielded at the CCA board. However, we regret that such a workaround is necessary and note the policy paradox of government devolution diminishing the voice of local democratic institutions.
- Transport – we recognise that operational highway matters will remain with DCC and Torbay respectively. However, in the duty to produce a joint strategic transport plan across the CCA geography, we would urge inclusion of the district councils in the formulation of this in order to ensure that vital land-use and housing plans are aligned to transport plans and that sustainable transport options are embedded – both in terms of strategic intent and future investment.
- Community and involvement of local towns and parishes – the voice of the Devon Association of Local Councils (DALC) is a welcome one

within the current ‘Team Devon’ arena, and we would strongly support the inclusion and recognition of town and parishes in the implementation and operationalising of the CCA. Housing, transport, jobs, skills and sustainability are strategic issues with often local or hyper-local solutions. The CCA should aim to be the bridge that demonstrates strategic intervention and scale, while empowering our communities’ ambition and aspiration.

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