Agenda for Cabinet
Wednesday, 3 December 2014; 5.30pm

Members of the Cabinet

Venue: Council Chamber, Knowle, Sidmouth, EX10 8HL
View directions

Contact: Diana Vernon, 01395 517541 (or group number 01395 517546); Issued 24 November 2014

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Members of the public exercising their right to speak during Public Question Time, but do not wish to be recorded, need to inform the Chairman who will instruct those taking a recording to cease while they speak.

1 Public speaking
2 Minutes of 5 November 2014 (pages 4-15) – to be signed as a true record subject to the removal of the words ‘although BT had invested heavily’ (in broadband provision) from Minute 99.
3 Apologies
4 Declarations of interest
5 Matters of urgency
6 Confidential/exempt items – there are two items which officers recommend should be dealt with in this way.
7 Forward Plan for key decisions for the period 1 December 2014 to 31 March 2015 (pages 16-19)

8 Matters referred to Cabinet by the Overview and Scrutiny Committee for reconsideration in accordance with the Overview/Scrutiny procedure or budget and Policy Framework Procedure Rules under Part 4 of the Constitution – no items have been identified

9 Minutes of the Overview and Scrutiny Committee meeting of 13 November 2014 (pages 20-30)

10 Minutes of a meeting of the Housing Review Board held on 6 November 2014 (pages 31-36)

Part A matters for decision – key decision

11 Office relocation – update (pages 37-58)
Report of the Deputy Chief Executive on progress made to date in respect of the office relocation initiative
App 1 – refurbishment of all existing Knowle Office building
App 2 – refurbishment of 1970s Knowle Office accommodation

Part A matters for decision

12 Financial monitoring report 2014/15 – Month 7 – October 2014 (pages 59-65)
To consider the Council’s overall financial position for 2014/15 at the end of month 7 and any corrective action required.

13 Treasury Management Half Year Performance report (pages 66-73)
To consider details of the overall position and performance of the Council’s investment portfolio for the first six months of 2014/15.

14 Council Tax discretionary discount and reduction policy (pages 74-94)
To consider the report of the Revenues and Benefits Manager with a proposal to introduce a new policy to bring together the Council Tax Discretionary Discount Policy and Exceptional Hardship Fund Policy.
Plus appendix 1 – draft policy
Appendix 2 – equality analysis/impact assessment

15 Christmas 2014 parking concessions (pages 95-96)
To consider the report of the Service Lead – Environmental Health and Car Parks with proposals for car parking concession being offered for Christmas 2014.

16 Code of Practice re control of construction site nuisance (pages 97-98)
Report of the Principal Environmental Health Officer informing with recommendations for a consistent approach to control nuisance from construction sites.

17 View Point Survey (pages 99-106)
Report on the results of the 2014 surveys – the feedback is used to help the Council to continue to transform, develop and improve its services.

18 Performance monitoring report for October 2014 (pages 107-109)
The month tracking appendix (A) is attached – other appendices summarising performance are provided as links under Background Papers in the report
Private meeting: Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012: Notice is given of intention to hold this part of the meeting in private as required by the Regulations. The statements of reasons for meeting to be held in private, details of any representations received why the meeting should be open to the public in response to the ‘28 clear days notice’ already posted on the Council’s website, and the Council’s response to the representations, are set out against each agenda item below. Where it has been impracticable to comply with the private meeting notice procedures, the required agreement has been obtained from the relevant chairman or vice chairman that the meeting is urgent and cannot reasonably be deferred. Notice of this agreement, if relevant to this meeting, may be viewed on the council’s website. View statutory exclusion information here.

19 The Vice Chairman to move the following:
“that under Section 100(A) (4) of the Local Government Act 1972 the public (including the press) be excluded from the meeting as exempt information, of the description set out on the agenda, is likely to be disclosed and on balance the public interest is in discussing this item in private session (Part B)”.

Part B Matters for Decision

20 Action notes of the Exmouth Regeneration Programme Board – 30 October 2014 (pages 110-115)
Reasons for consideration in Part B:
1) Para 3 Schedule 12A Information relating to the finance or business affairs of any particular person
2) The report includes details of land, legal and commercial negotiations.

21 Exemption from Standing Orders – Queens Drive, Exmouth (pages 116-117)
The report of the Economy and Regeneration Manager asks Cabinet to confirm the continuing appointment of professional services – and therefore exemption from Standing Orders - in respect of Queens Drive.

Reasons for consideration in Part B:
1) Para 3 Schedule 12A Information relating to the finance or business affairs of any particular person
2) The report includes commercially sensitive information.

Decision making and equalities
For a copy of this agenda in large print, please contact the Democratic Services Team on 01395 517546
Public Speaking
The Leader welcomed members of the public present – those wishing to speak asked to do so at agenda item 9 rather than at the start of the meeting.

Minutes
The minutes of the Cabinet meeting held on 1 October 2014 were confirmed and signed as a true record.

Proposal to condemn New Devon Clinical Commission Group's proposal
The Leader read out a drafted statement in respect of the New Devon Clinical Commission Group’ proposal to cut costs by restricting treatment given to morbidly obese patients. The Leader asked Cabinet to support a condemnation of this proposal. Other groups had taken up the issue with their local MP, and also Healthwatch. Councillor Jill Elson asked for her abstention from voting to be noted.

RESOLVED:
1. that this Council condemns a proposal by New Devon Clinical Commission Group, to suspend treatment to certain patients, as unacceptable and unethical and not in keeping with the Hippocratic Oath and Constitution of the NHS;

2. that the New Devon CCG’s proposal be removed immediately from the ongoing consultation, with the Council doing all in its power to make sure it does not proceed any further.

REASONS:
The proposal to suspend treatment where there is little or poor evidence of outcome is one of a number of cost cutting proposals of NHS in Devon which is giving this Council cause for concern.

For the Commissioning Group to consider this proposal purely as part of a cost cutting exercise was not only unethical but was abhorrent to all those who would or could be involved in the future. Whether NHS staff or relatives, everything must be done to save lives where there is hope; patients and relatives must be consulted.

Declarations
Cllr Ray Bloxham
Min no. 106
Personal interest
Reason: Resident and homeowner of Cranbrook.

Exclusion of the public
RESOLVED:
that the classification given to the documents to be submitted to the Cabinet be confirmed; there were four items which officers recommended should be dealt with in Part B.
*97 **Forward Plan**  
Members noted the contents of the forward plan for key decisions for the period 1 November 2014 to 28 February 2015.

*98 **Matters referred to the Cabinet**  
There were no matters referred to the Cabinet by the Overview and Scrutiny Committee.

99 **Overview and Scrutiny Committee – 16 October 2014**  
Members received and noted the minutes of the meeting of the Overview and Scrutiny Committee held on 16 October 2014.

Yarcombe Parish Councillor Steve Horner spoke of the need of Yarcombe households and businesses for reasonable broadband speeds. He said that the parish had a significant number of home-based businesses. Although the community was scattered, it could not be described as remote - yet even the centre of the village had been deemed to be outside the Connecting Devon and Somerset Programme. He said that although BT had invested heavily, it was not a partner but a contractor. He felt that the Broadband Task and Finish Forum’s recommendations were not strong enough and asked the Council to be more involved in proactive talks with Devon County Council as the supervisory authority.

Upottery Parish Councillor, Graham Long, had attended meetings of the Broadband Task and Finish Forum. He had been advised by BT that his three local villages were too remote for fibre optic connections due to cost. Although the area would benefit from planned road improvements, it would not be attractive to business because it was outside the Broadband Programme. He said that businesses could not survive with slow broadband speeds and he gave an example of a business moving out of the area for that reason. He asked the Council to do all it could to make sure that its rural areas were included within improved broadband provision and suggested that this would require private investment. He referred to recommendations he had made in an earlier email and asked Councillors to sign an on-line petition. He said that the recommendations of the Task and Finish Forum no longer reflected the current broadband situation. He advised that the Council had until 19 November to make a submission to the House of Commons Committee on Environment Food and Rural Affairs on the inadequacy and ineffectiveness of the broadband programme for rural areas.

In presenting the minutes of the Overview and Scrutiny Committee, Councillor Tim Wood, Chairman, advised that the recommendations of the Broadband Task and Finish Forum had been made some time ago and that there was a possible case for them to be reviewed and updated. He expressed sympathy for rural residents and was critical of the national delivery of improved broadband speeds.

Councillor Phil Twiss, Portfolio Holder – Corporate Services advised that progress was being made and referred to a useful meeting with Devon County Council regarding the Connecting Devon and Somerset Programme. He now had a better understanding of the process and how 100% super-broadband coverage might be achieved. He was satisfied that the Programme would adopt an open and European-wide procurement approach when inviting bidders for an innovative solution using new technology. The aim would be to achieve maximum coverage within a specified and tight timeline. Bidder day was the next phase of a timetabled Superfast Extension Programme with the aim of ‘superfast for all by 2020’. He advised that there had been a reasonable level of market interest.
Councillor Ian Thomas, Portfolio Holder – Economy advised that superfast broadband within his ward had been achieved through community initiative and had not received public funding. An element of BT’s original contract had now been withdrawn which meant that if a community decided to ‘go it alone’, it was not precluded from government funding; this change might help to encourage other local communities to provide superfast broadband for themselves.

Cabinet accepted the recommendations of the Task and Finish Forum and added the decision to make a submission to the House of Commons Committee on Environment Food and Rural Affairs.

In respect of Overview and Scrutiny Committee minute 40 – the Beehive, Councillor Wood advised that the minutes did not sufficiently show that his Committee sought to monitor EDDC grants to ensure that the money was well spent. He advised that this would be remedied at the next meeting of the Committee. He recognised the need for the Committee to be able to undertake appropriate scrutiny and monitoring - this required a clear understanding of funding arrangements. Councillor Mike Allen, Member Champion for Business had asked that the Committee evaluate how contracts were drafted to safeguard district council grants made to other organisations.

In respect of Overview and Scrutiny Committee minute 41 – NHS consultation members’ briefing notes – Councillor Wood asked Cabinet to take forward the recommendations. Comments made during the debate on this minute included:

- Local communities were upset about the possible loss of NHS facilities – the in-patient hospital beds in Axminster were given as an example. Local hospitals provided good post-operative care and therefore took pressure off the Royal Devon and Exeter hospital. There was potential to harness community-raised funds.
- The population of the district was planned to grow over the next 10 years and this increase needed to be addressed.
- An increase in an ageing population would add strain to local health provision.
- Local health service providers had been involved with the relevant EDDC Local Plan meetings. EDDC’s planners were required to consult on relevant planning applications to determine whether health facilities had the capacity to serve the proposed development. The Service Lead – Planning was able to confirm that following a useful meeting with representatives of the NHS, he now had contact details of appropriate consultees for receiving useful advice on applications.
- The Portfolio Holder – Sustainable Communities and Homes had consulted local MPs, seeking their support in retaining and improving local hospital and medical facilities.

RESOLVED 1 – that the following decisions be noted:

Minute 39 – Office relocation – the update report was noted.

RESOLVED 2 – that the following recommendations, as amended by Cabinet, be approved:

Minute 38 – Broadband scrutiny review report
1. that in respect of Broadband provision, clarification be sought from the Connecting Devon and Somerset team, and reported to Members at the earliest opportunity, as to whether the SSDC/EDDC element of the potential £22.75 million SEP funding can be redirected to an alternative provider outside the Connecting Devon and Somerset Programme;
2. that clarification be sought from the Connecting Devon and Somerset team, and reported to Members, on whether the original objectives of the BDUK project were to provide improved access for rural residents to Superfast Broadband (in recognition of the fact that such access was now seen as essential in modern domestic and business life) or was it also to support cheaper provision to small and medium enterprises (SMEs) in more urban areas. Members would also like to have the position on state aid to businesses clarified in relation to this point;

3. that a submission be made to the House of Commons Committee on Environment Food and Rural Affairs by 19 November on the inadequacy and ineffectiveness of the broadband programme for rural areas and to alert the Committee to this Council’s concerns about the Connecting Devon and Somerset’s approach.

Minute 41 – NHS consultation
1. that anger be expressed at the apparent changes already being made to local hospitals, namely Axminster, Seaton and Ottery St Mary hospitals, despite the consultation process still being underway;
2. that more regard be paid to the costs, burdens imposed, and time taken to travel and support patients either in their own homes or in fewer in-patient community hospitals;
3. that the New Devon CCG be asked to consider not only the retention of the current in-patient bed provision, but look to the future expansion of each hospital, in light of the growing pressure on the RD&E and it being unable safely to discharge patients in a timely manner;
4. that there should be improved communication between the providers and commissioners of health services in order to benefit the local community;
5. that the provision of Minor Injury Units in the proposal be reconsidered in light of the considerable needs of certain communities in busy tourism periods and the growing pressure on the RD&E;
6. that the providers and commissioners of the local health services take an active role in the formulation of the Council’s Local Plan in order to better understand the need of a growing population, particularly in the growing towns in the area.

RESOLVED 3
that the Overview and Scrutiny Committee consider how contracts are drafted in future in respect of when substantial grants are made to other organisations, with the Committee being made aware of steps taken to safeguard the investment to ensure that it is used for the purpose intended.

RECOMMENDED – that the following recommendation be considered by Council:

Minute 38 – Broadband scrutiny review report
that whatever decision is taken corporately to address providing Superfast Broadband to “the final 10%”, there is a commitment to openness, transparency and accountability from all those involved and there will be no further use of non-disclosure agreements or similar.

*100 Recycling and Refuse Partnership Board – 18 September 2014
Members received and noted the minutes of the meeting of the Recycling and Refuse Partnership Board held on 18 September 2014.

Councillor Iain Chubb, Portfolio Holder – Environment and Chairman of the Partnership Board outlined progress being made to achieve efficiencies, including SITA’s proposed use of cloud technology. Improvements had been made in reducing missed bins and time taken
to replace bins. In respect of the procurement and mobilisation of a new recycling and waste collection contract, a Commissioning Group had been set up and a survey had been sent to parish and towns for their views on the new contract specification.

Improved arrangements for the disposal of clinical waste in partnership with Exeter were noted. Members recognised the importance of retaining and improving its recycling rates and the need to maintain the quality of recycled materials – achieved through kerbside sorting.

RESOLVED that the decision made by the Partnership Board be noted and supported.

*101 Member Development Working Party – 30 September 2014
Members received and noted the report of the meeting of the Member Development Working Party held on 21 October 2014.

Members had been asked to consider what pre-election information needed to be provided to prospective candidates and what the welcome/refresher programme and information pack following the 2015 election should include. Members emphasised general principles to keep in mind when devising the programme, including the need to avoid information overload, provide bite sized learning, include problem solving, arrange ‘meet the teams’ opportunities and site visits. Mentoring of newly elected councillors by re-elected councillors was very effective; Councillors retiring in May 2015 would also be asked to act as mentors and share their knowledge and experience.

The draft programme and approach based on Members’ suggestions would be referred to a future meeting of the Working Party for consideration.

*102 New Homes Bonus Panel – 21 October 2014
Members received and noted the report of the meeting of the New Homes Bonus Panel held on 21 October 2014. A further meeting of the Panel would be held in November.

RESOLVED that the Panel’s recommendations be approved:

1. Cranbrook Community Fund for Cranbrook Community Forum - £4000
that the Cranbrook Community Forum be informed that because of its lack of appointed officers and the current breakdown of the relationship between the Forum and Broadclyst Parish Council, as an interim arrangement the process to make decisions on applications for funding be changed to be solely made by the Finance Committee or other appropriate committee of Broadclyst Parish Council. If new officers were recruited and elected to the Forum, the Panel would review their future involvement in the Fund.

2. Health and Transport Scheme
that, with the information at hand funding to pay for taxi costs to deliver the child concerned to pre-school was not within the remit of the grant, so should not be funded. The Panel did recognise the need of the family but felt there were more appropriate means of investigating this need. Ali Eastland from DCC would put the health worker in contact with Kerry Thorne from Early Years Childcare to see what could be done.

*103 Update on Regeneration Projects – Part 1 – key decision
The Deputy Chief Executive presented this progress report on the Exmouth and Seaton Regeneration projects – achievements and future projects already in the pipeline. He said
that it was an opportunity to celebrate progress being made and to highlight the challenges. Details of individual regeneration projects, primarily in respect of Exmouth and Seaton, were set out in the report. Plans for Axminster and the potential to develop opportunities in other towns were also noted and would be the subject of a report to Cabinet in due course.

Much had been achieved through engagement with local communities. The Portfolio Holder for Sustainable Homes and Communities congratulated the efforts of the Sea Cadets – for their dedication and self-help. The Council was also working with other youth groups, including the Air Training Corps and Sea Scouts in trying to improve their facilities.

The Council’s newly combined economy and regeneration team would develop a strategic plan of future project opportunities with viable funding plans and targets.

**RESOLVED:**

1. a. that a grant of up to £150,000 be offered to Exmouth Sea Cadets in 2015/16 for expenditure on a new building, subject to the Sea Cadets entering into a lease with the Council on terms to be agreed including in respect of the Sea Cadets securing all other funding required to build the new facility,
   b. that the Chief Executive in consultation with the Deputy Leader of the Council be given delegated authority to progress negotiations to ensure that the project is delivered.
2. that progress on multiple regeneration projects and interventions in the district including Exmouth, Seaton and Axminster be noted;
3. that, as part of the new structure involving a combined Economy and Regeneration Team, a strategic plan be developed to identify future project opportunities with viable project plans and target impacts in terms of jobs, business benefits, improved local spend and visitor numbers among other criteria. A report to this effect to be referred to a future meeting of the Cabinet.

**REASONS:**
To enable the Economy and Regeneration Manager to progress individual regeneration projects through the feasibility stages and bring detailed recommendations on their financial feasibility and asset ownership implications to Cabinet in due course.

*104 Anti-social Behaviour Policing and Crime Act 2014*

The report set out the main changes being introduced by this Act – the new powers and duties being given to local authorities to deal with anti-social behaviour nuisance.

Responsibility for dealing with anti-social behaviour is shared between a number of agencies, particularly the police, councils and social landlords. This legislation is based on a new approach to ensure that agencies put the needs of victims first, with the responsible agencies working together to achieve best outcomes.

The report sets out a summary and explanation of the legislation:

- the community trigger
- the community remedy
- new effective powers to allow the responsible authorities to deal with problems quickly – reference is made to establishing clear standards of behaviour, use of mediation and Acceptable Behaviour and Parenting Contracts.
- Civil injunction – to prevent nuisance and annoyance
- Criminal Behaviour Order and Dispersal Power
- Community Protection Notice
- Public Spaces Protection Order
- Closure power
- New absolute ground for possession (to expedite the eviction of the most anti-social tenants)
- Irresponsible dog ownership.

Members welcomed the ‘closure power’, which allowed the police or Council to close premises quickly. Police closure of a business selling legal highs was given as a working example. The proprietors would have to apply to Magistrates’ Court to re-open the business.

The legislation would help address local problems. Councillor Tom Wright advised that East Devon was in a good position due to effective local consultation groups and proactive work carried out through the Council’s Anti-Social Behaviour and Community Safety Coordinator.

The legislation would help the Council to improve the quality of life for the people of East Devon.

RESOLVED:
1. that the new ASB regime as summarised in the report be noted.
2. that the proposed amendments to officer delegations set out in the report be approved and the Corporate Legal and Democratic Service Manager update the Constitution accordingly.
3. that the recommendations for the proposed Fixed Penalty Notice levels be approved.

REASONS:
- The new anti-social behaviour legislation will form the basis of the Council’s tools in dealing with behaviour that causes nuisance, annoyance, alarm or distress in the wider community.
- The delegations will provide Strategic Leads, Service Leads, Officers and lawyers with the framework of responsibility to use powers to investigate complaints and allegations of ASB effectively and quickly.
- To inform the preparation of the Economy Service Plan 2015-18.

**Homelessness Strategy 2013-2018 update**

The Strategic Lead – Housing, Health and Environment presented the annual update on progress made since the publication of the Council’s current Homelessness Strategy. He referred to the work of the Council’s housing options and homelessness prevention services and their success in significantly reducing the problem of homelessness in East Devon.

When introduced in 2013, the new strategy reflected a proactive approach to homelessness prevention, providing a more holistic service at the first point of contact.

Because of the proactive and effective work, including partnership working, the Council had been able to reduce its homelessness budget.

Members welcomed the improved performance against key aims and actions - overall, the Homelessness Strategy aims were being met and the Council’s work with homeless households was effective.

The teams were continually trying to improve the service provided, evidenced with a peer review and ongoing training. Credit was given to the Housing Needs and Strategy Manager and his teams. On behalf of the Council, the Portfolio Holder for Sustainable Homes and Communities extended thanks and congratulations to Dennis Boobier and his teams.
**RECOMMENDED:**
that the key aims contained in the Homelessness Strategy continue to be implemented.

**REASON:**
The approach within the Strategy was proving effective. Members had asked for regular progress reports to monitor the Strategy.

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**Achieving the vision for Cranbrook update and resource issues**

The Deputy Chief Executive presented the report outlining the progress being made towards the masterplan for Cranbrook and resources required to achieve this. Development of Cranbrook was proceeding at an accelerated pace and there was intense pressure to deliver current and anticipated growth. The masterplanning and resourcing of all phases was vital to ensure development was well managed and that the vision of a sustainable community was achieved. Table 3.2 of the report set out funding sources and the potential shortfall should further DCLG funding not be secured (DCLG had advised that this would be known next week). Additional staff resource was necessary to deal with the masterplan/area action plan process as Cranbrook continued to grow. The table at 3.8 of the report lists the additional staff resources required. This detailed fixed contract posts needed to manage the surge of work; some of the posts would be externally funded.

Councillor Mike Allen, Member Champion for Business appreciated the work and effort being made to help the community thrive but reminded Cabinet of the need for small workshop provision. The Deputy Chief Executive confirmed that the economic development strategy would focus on what the town required in terms of its overall future economic growth including small business space and development.

The effective work of the Growth Team was acknowledged as was the support given by Broadclyst Parish Council. Together they were helping to deliver a vision for Cranbrook.

**RESOLVED:**
1. that progress so far, following on from the agreement of the ‘Achieving the Vision for Cranbrook’, be noted;
2. that the on-going and forthcoming areas of work at Cranbrook be noted;
3. that an exemption to standing orders be agreed to secure the engagement of CABE to support the visioning and masterplanning exercise and to provide consultancy support for the determination of planning applications.

**RECOMMENDED:**
1. that the need to make up for possible shortfall in masterplan costs (the total cost of the work is estimated to be up to £110,000) be recognised should the grant applied for be unsuccessful;
2. that the need to provide additional staff to support the ongoing and increasing challenges of a fast developing town with significant proposed expansion areas be supported.

**REASON:**
To support the delivery of the vision for Cranbrook.

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**Exmouth Water Taxi inspection and licensing**

Consideration was given to the report of the Council’s Beach Safety Officer seeking a decision on whether three Exmouth water taxis should continue to be licensed and inspected by this Council. Members were recommended to accept the proposal for Exeter City Council to undertake this work.
RESOLVED: that with effect from April 2015, the three Exmouth water taxis be licensed by Exeter City Council, the Harbour/Navigation Authority.

REASON:
Exeter City Council as the Harbour/navigation authority license other commercial operations on the Exe. The water taxis can be licensed by Exeter City Council (ECC) with a direct duty in the area of operation. (Exeter City Council is willing to take them on from April 2015.) There is little, if any, income from licensing the Taxis but it does increase this Council’s liability and duty of care.

*108 Monthly performance report – September 2014
The Cabinet considered the report of the Strategic Lead - Organisational Development and Transformation setting out performance information for the 2014/15 financial year for September 2014.

Most of the performance indicators showed acceptable performance.

The following indicators showed excellent performance.

- percentage of planning appeal decisions where the planning inspector has disagreed with the Council’s decision
- percentage of Council Tax collected
- days taken to process Housing Benefit/Council Tax Benefit new claims and change events
- percentage of invoices paid within 10 working days

RESOLVED: that the progress and proposed improvement action for performance measures for the 2014/15 financial year for September 2014 be noted.

REASON:
The performance monitoring report highlights progress using a monthly snapshot report; SPAR reports on monthly indicators and systems thinking measures in key service areas including Streetscene, Housing, Development Management and Revenues and Benefits.

*109 Exclusion of the public
RESOLVED that under Section 100(A) (4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public (including the press) be excluded from the meeting as exempt and private information (as set out against each Part B agenda item), is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B).

*110 Update on Regeneration Projects – Part 2 - key decision
Members considered a further report of the Economy and Regeneration Manager on the Regeneration Projects – this report was in the confidential section of the meeting because it included financial and commercially sensitive information. The report set out the anticipated programme of capital expenditure and income that would arise from the regeneration activities over the next 5 years and other resource/funding information.
The report indicated the scale of risk involved and how this could be mitigated and managed so that the projects could be delivered. Further reports on projects, expenditure and the scale of challenge would be brought forward for consideration at a future time.

Discussion included:
- changes to the pattern of supermarket development and the ways in which groceries were now bought
- Level of borrowing and financial comments included within the report
- Possible alternative approaches
- The Queen’s Drive development to be regarded as a separate scheme
- Improvements were needed to develop a transport hub in Exmouth
- Sports facilities to meet local need

RESOLVED:
1. that the current programme of future capital income and expenditure expected to result from regeneration activities in Exmouth be noted;
2. that the potential requirement and risk associated with borrowing in expectation of future capital receipt be recognised - further detail arising through budget and service planning processes would be provided when available;
3. that it be noted that more detailed evaluation of cost implications will emerge through budget setting and service planning processes for 2015/16 onwards;
4. that it be agreed that future reports seeking decisions regarding required borrowing to deliver the priority regeneration projects be referred to Cabinet;
5. that the Queen’s Drive project be decoupled from the other regeneration proposals so that it could be progressed at all speed.

REASON:
To enable the Economy and Regeneration Manager to progress individual regeneration projects through the feasibility stages and bring detailed recommendations on their financial feasibility and asset ownership implications to Cabinet in due course.

*111 Seaton Regeneration Programme Board
Members of the Cabinet noted the action points from a meeting of the Seaton Regeneration Programme Board, which had been held on 17 September 2014.

*112 Leisure East Devon Joint Working Group
Councillor Tim Wood presented the notes of a meeting of the Joint Working Group held on 14 October 2014. He referred to funding and maintenance issues, joint use arrangements, the Ocean Blue contract and LED’s decision not to take on the running of the Thelma Hulbert Gallery.

113 Queen’s Drive, Exmouth
Members considered a further report of the Economy and Regeneration Manager, which provided an update on the Queen’s Drive site following a marketing exercise. The report included information on expressions of interest and associated infrastructure requirements for a water-sport facility. This was a priority project within the Exmouth Masterplan and was a quality development. Exmouth was already a well-regarded centre for water sport and there was potential for the site to host national competitions.

A key issue for the delivery of the centre was the re-alignment of the road; the initial outlay would be recovered by use of a capital receipt when the remainder of the site was sold. The
Strategic Lead – Finance drew Members’ attention to the financial comments in the report – the aim was for the development to be self-funding.

The Exmouth Member Champion urged the Cabinet to support this initiative, which he said would benefit Exmouth and the whole of East Devon.

The Economy and Regeneration team were thanked for their work and efforts in facilitating the development of the site.

RESOLVED:
1. that the specific development of a Watersports Centre at Queens Drive, as detailed in the report, be pursued;
2. that delegated authority be given to the Deputy Chief Executive to pursue negotiations with the Watersports Centre provider;
3. that the progress on the Queen’s Drive development site and the opportunities and risks inherent in progressing new development on the site, be noted;

RECOMMENDED
that the delivery of the Queen’s Drive site in phases be approved, with phase 1 requiring the Council to explore the funding options for delivering the road realignment and the new car park in order that the Watersports Centre development can be progressed at the earliest opportunity.

REASON:
To enable the delivery of the first phase of the Queen’s Drive redevelopment project.

Attendance list
Present:
P. Diviani Leader/Chairman
Andrew Moulding Deputy Leader/Portfolio Holder Strategic Development and Partnership

Portfolio Holders:
Ray Bloxham Corporate Business
Iain Chubb Environment
David Cox Finance
Jill Elson Sustainable Homes and Communities
Ian Thomas Economy
Phil Twiss Corporate Services

Deputy Portfolio Holders
Stephanie Jones Sustainable Homes and Communities
Tom Wright Environment
Also present:

Councillors:
Mike Allen
Deborah Custance Baker
Alan Dent
Christine Drew
Martin Gammell
Graham Godbeer
Tony Howard
Douglas Hull
John Humphreys
Frances Newth
John O’Leary
Helen Parr
Pauline Stott
Peter Sullivan
Tim Wood

Also present:

Officers:
Mark Williams, Chief Executive
Richard Cohen, Deputy Chief Executive
Simon Davey, Strategic Lead - Finance
John Golding, Strategic Lead – Housing, Health and Environment
Rachel Pocock, Corporate Legal and Democratic Services Manager
Andrew Wood, East of Exeter Projects Director
Carol Austin, Communications and Promotions Officer
Dennis Boobier, Housing Needs and Strategy Manager
Ed Freeman, Service Lead – Planning
Alison Haywood, Development and Regeneration Manager
Darren Summerfield, New Community Projects Officer
Diana Vernon, Democratic Services Manager

Apologies:

Non Cabinet:
Peter Bowden
Geoff Chamberlain
David Chapman
Maddy Chapman
Sheila Kerridge
Steve Hall
Geoff Pook
Mark Williamson

Chairman ..................................................  Date.................................................................
EAST DEVON DISTRICT COUNCIL

Forward Plan of Key Decisions - For the 4 month period 1 December 2014 to 31 March 2015

[In addition Key Decisions and other decisions which are proposed to be taken in a private meeting are identified to comply with the Local Authorities (Executive Arrangements)(Meetings and Access to information)(England) Regulations 2012. A public notice period of 28 clear days is required when a decision making body is to hold a meeting wholly or partly in private. This document includes notice of those matters the Council intends, at this stage, should be considered in the private part of the meeting and the reason why. Any written representations that a particular decision should be moved to the public part of the meeting should be sent to the Democratic Services Team [address at the end] as soon as possible.

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<th>Key Decision</th>
<th>List of documents to be submitted to Cabinet [so far as known at present]. Other documents may be submitted to the Cabinet in addition.</th>
<th>Lead Member</th>
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<th>Proposed Consultation and meeting dates (Committees, principal groups and organisations). Members of the public are given the opportunity to speak at meetings unless shown in italics.</th>
<th>Operative Date for decision (if no call-in)</th>
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<td>18 December 2014</td>
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Seaton Regeneration Action Notes following regular meetings | Portfolio Holder Economy | Deputy Chief Executive (RC) | Cabinet meetings following production of Action Notes | Part B [if commercially sensitive]

Leisure East Devon Joint Working Group | Chief Executive | Cabinet meetings following production of Action Notes | Part B [if commercially sensitive]

<p>| Table showing potential future key decisions which are yet to be included in the current Forward Plan |</p>
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This plan contains all the key decisions that the Council’s Cabinet expects to make during the 4-month period referred to above. The plan is rolled forward every month. Key decisions are defined by law as “an executive decision which is likely:—

(a) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates; or

(b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the Council’s area.

In accordance with section 38 of the Local Government Act 2000, up-dated by the Local Authorities (Executive Arrangements)(Meetings and access to Information)(England) Regulations 2012 in determining the meaning of “significant” in (a) and (b) above regard shall be had to any guidance for the time being issued by the Secretary of State in accordance with Section 9Q of the 2000 Act (guidance). The Cabinet may only make a key decision in accordance with the requirements of the Executive Procedure Rules set out in Part 4 of the Constitution and the Regulations. A minute of each key decision is published within 2 days of it having been made. This is available for public inspection on the Council’s website http://www.eastdevon.gov.uk, and at the Council Offices, Knowle, Sidmouth, Devon. The law and the Council’s constitution provide for urgent key decisions to be made without 28 clear days notice of the proposed decisions having been published. A decision notice will be published for these in exactly the same way.

Obtaining documents
Committee reports made available on the Council’s website including those in respect of Key Decisions include links to the relevant background documents. If a printed copy of all or part of any report or document included with the report or background document is required please contact Democratic Services.

The members of the Cabinet are as follows: Cllr Paul Diviani (Leader of the Council and Chairman of the Cabinet), Cllr Andrew Moulding (Strategic Development and Partnerships Portfolio Holder), Cllr Ray Bloxham (Corporate Business Portfolio Holder) Cllr Phil Twiss (Corporate Services Portfolio Holder) Cllr Ian Thomas (Economy Portfolio Holder), Cllr Iain Chubb (Environment Portfolio Holder) Cllr David Cox (Finance Portfolio Holder), Cllr Jill Elson (Sustainable Homes and Communities Portfolio Holder), and Deputy Portfolio Holders – Cllr Stephanie Jones (Deputy – Sustainable Homes and Communities) and Cllr Tom Wright (Deputy – Environment ) Members of the public who wish to make any representations or comments concerning any of the key decisions referred to in this Forward Plan may do so by writing to the identified Lead Member of the Cabinet (Leader of the Council ) c/o the Democratic Services Team, Council Offices, Knowle, Sidmouth, Devon, EX10 8HL. Telephone 01395 517546.

December 2014
*44 Public Speaking
Robert Persey asked the committee if they could conduct a review of how planning officers interpret “sustainable locations” in open countryside. He outlined how the Council took a narrow view of the NPPF and the new permitted development order introduced in April, comparing a 100% refusal of application against this new order for the Council as opposed to only 14% refused for Mid Devon District Council. He suggested that the Council’s approach to determining a sustainable location was not consistent with other authorities.

Robert Leach informed the committee of his recent application under the new permitted development rights, and that despite meeting the criteria, the application was refused. He quoted from the Minister of State for Housing and Planning on the application of the new permitted development rights. Mr Leach felt that the Council was not in line with the views of the Minister on development.

In response, Councillor Helen Parr, Chairman of Development Management Committee, informed the committee that the issue of sustainability was discussed at a recent meeting of her committee. The important issue of determining what was sustainable would be set out in the Local Plan, which was due before the Development Management Committee in January, expected to go onto full Council in February of next year and she welcomed views of Members at both of those meetings. In response specifically to the new permitted development rights, she advised the committee that the authority was not alone in refusing applications and that appeals on those decisions had been upheld.

*45 Minutes
The minutes of the Overview and Scrutiny Committee meeting held on 16 October 2014 were confirmed and signed as a true record subject to an amendment to Minute 40 to add:

RESOLVED
That the committee receive a report on how contracts are drafted where substantial grants are made to other organisation, outlining steps taken to safeguard the investment to ensure that it is used for the purpose intended.

*46 Declarations of Interest
Councillor Eileen Wragg: personal interest; member of Regional Coast and Flood Committee
Councillor Peter Halse: prejudicial interest; Chairman of Honiton Town Council.

*47 Police and Crime Commissioner
The Chairman welcomed the Police and Crime Commissioner (PCC) for Devon and Cornwall, Mr Tony Hogg, who was accompanied by one of his team, Richard Martin. Mr Hogg was also joined by Superintendent Keith Perkin, Local Policing Commander for Exeter, East and Mid Devon; as well as Inspector Antonia Weeks (Exmouth and Ottery).

Paul Arnott spoke about the conclusion of the police investigation into former councillor, Graham Brown, of the district council and questioned if the investigation had indeed been robust and extensive as stated; he accused the Chief Executive of “meddling” with the
investigation and targeting the council’s best councillors. Following a reference to the current president of FIFA, he commented on whether the announcement of the police investigation one day prior to the Police and Crime Commissioner attending the committee that evening was co-incidental.

The Police and Crime Commissioner, Tony Hogg, outlined to the committee his recent work in light of continued budget pressures for the police force. He outlined his six priorities from his plan:

- To make our area a safer place to live, work and visit – reducing the likelihood that people will become victims of crime
- To reduce the crime and harm caused by the misuse of alcohol
- To make every penny count in protecting policing for the long term. We need to drive for further efficiency, work to secure more central funding and actively explore all avenues to deliver the significant savings we require from 2017/18 to sustain our services
- To promote an effective criminal justice system for our area, delivering a high quality service for victims, witnesses and society
- To deliver a high quality victim support service across our area
- To encourage and enable citizens and communities to play their part in tackling crime and making communities safer.

He outlined the financial savings already made by Devon and Cornwall constabulary and the issues ahead to secure further savings, such as making transformations to the service and pursuing a strategic alliance with Dorset. There was also work to be done towards closer working with other agencies such as with the Health and Wellbeing Board to help knit together services, and some further promotion to the public of the valued work by the Community Safety Partnerships.

The service to victims was outlined in response to a question, with a victims code being introduced last December being built on to provide an ambitious model providing a victims’ hub and links to forty organisations that could benefit victims (from locksmiths to specialist services) that would be in operation from April 2015.

Work on alcohol abuse in no way impeded the war against drugs, but consultation had made clear that alcohol needed clear focus. Police checked legal highs and some results had shown contamination with class A and B drugs in some areas. Recent changes to anti-social behaviour legislation meant that police had more powers to secure closing down shops that sold such products. Health partners need to be involved in terms of the impact of legal highs on the health and wellbeing of individuals.

In response to a question on police numbers and retiring officers, Mr Hogg responded that pension changes for 2016/17 were twice the level of the precept, and the budget instability was concerning, but he was committed to defend the 3,000 plus level of officers.

In response to a question relating to the closure of safe houses, Mr Hogg outlined a shift in approach away from removing the victim from their area to removing the perpetrator. Supt Perkin advised the committee of the recent introduction of sexual offences and domestic abuse investigation teams; the use of safeguard alarms; close working advisors to victims; and new notices and orders now available under the changes in legislation to be used prior to obtaining a court order.

A number of questions had previously been submitted to the PCC, which are reproduced below with the response.
Q Is your office ever informed of the progress of ongoing police investigations that are of local or national interest? If so, with whom might you share any such confidential information?

In response, Mr Hogg confirmed that he was kept informed of high profile or high risk investigations and was party to confidential information, but he was not informed of very investigation due to the high number.

Q The way in which the police service now works involves closer working with many partner organisations and agencies, e.g. local authorities, social services, the NHS. Consequently, if there are allegations of criminal conduct by members of any such partner organisations, it may be regarded as inappropriate for the local force to investigate such allegations in the same way, as it may be inappropriate for the police to investigate themselves. What reassurances can you offer that there are systems in place to ensure that local police are not too close to persons and organisations complained of and that if such complaints are made, there is due consideration of the question of requesting that an outside force investigate?

In response, Mr Hogg stressed that the police are impartial and adhere to high standards of behaviour. He was confident that there were provisions in place to reduce the risk referred to in the question. In addition, a joint audit committee examines that the recently updated code of ethics is embedded and followed.

Q Does the commissioner have any plans to ask the Chief Constable of Devon and Cornwall Police to require all staff, police and civilian, who may be members of organisations such as the Freemasons, to register such membership? (At present there is no such local requirement, only an expectation that any such officers will report such membership where there may be potential for conflict. Unless there have been any recently, no such potential conflicts have ever been reported) Further, will the commissioner make public whether he or any of his staff are members of such organisations?

In response, Mr Hogg stated that he was not a member of any organisation. There were certain prescribed organisations that police officers were not permitted to belong to because of the potential for being compromised. The Freemasons was not one of the organisations and the force vetting service does not ask applicants if they are a member of that organisation.

Q Is the Commissioner aware that the respected organisation Transparency International is of the opinion that corruption, at all levels, is one of the biggest global issues of our time (http://www.transparency.org.uk/corruption) and that the same organisation gives, in its report 'The Mounting Risks', the following two examples: “Electoral corruption, such as the in the 2004 Birmingham local elections, when over 1,500 votes cast were subsequently identified as fraudulent.” and “Bribery in local government, such as in the case of a councillor in the West Country who was recorded making claims that he could obtain planning permission in return for payment”. Is the commissioner satisfied that Devon and Cornwall police have the experience and resources to deal with allegations of corruption in the West Country, in any of its partner organisations, in a professional, diligent and timely manner?

In response, Mr Hogg advised that if any suspicion was referred by the Returning Officer to the police, guidance in investigation was followed from ACPRO and the Electoral Commission, working with the CPS. He gave an example of a Saltash councillor case in 2013. In terms of bribery in local government, each council would have its own defence
against fraud in place and the referral options to the police to pursue. If referred, the police would allocate resources appropriately.

Q Can the Commissioner comment on the length of time it is taking to deal with the Graham Brown case and the unfairness this has caused to various individuals involved, as well as the continuing damage it does to the Council’s reputation while the matter remains unresolved?

In response, Mr Hogg read out the announcement by the police of the previous day. Supt. Keith Perkin explained the delays in the initial stages where the case fell to the national body of the fraud squad, which took time to filter back down to the local force. CID officer took initial statements and those went onto the serious crime branch. The case was complex, with excess of 40 statements taken. The case was thorough and undertaken by specialist investigators, who have to follow evidence and determine that a threshold of evidence has been reached. In this case, the evidence was not there.

A question was asked by Councillor Giles if the police intended to release details of those who gave statements. The response was no, as per any other investigation the statements would not be released. In response to a question on what view the police would take on someone else releasing details of who had been interviewed, the Superintendent advised he would take a dim view. He was not prepared to answer any further questions put forward on the same topic.

A question was asked if a report was submitted along with recommendations to the council by the police. The Superintendent was unable to answer the question because he was not informed of the full operational details of the case but would find out and respond in due course. He also made clear that the delays did not affect the outcome, as no evidence was lost.

Q Please can you explain the difference in comparative expenses today of your office as against the old Police Authority. How does this offer better value for money to the council tax payer?

In response, Mr Hogg informed the committee that in 2013 the Police Authority budget was £1.623m; 2013/14 budget for the Commissioner’s office was £1.93m, which included £183K transition costs. Costs also included some redundancies. The Police and Crime Panel undertake scrutiny of the budget. In comparison with the previous Police Authority, the work achieved was improved. Efficiencies were also being made by moving the Commissioner offices to Middlemoor and two redundancies had been made from the team.

In response to a question about what the Commissioner felt was his greatest achievement, he responded that it was to uphold the number of police officers.

Q The Exe Valley is a fairly neglected area with regard to police. We have been moved from pillar to post, from Ottery to Crediton, back to Ottery, with rumour that Crediton Police Station was closing. We have always had great support from the over stretched staff in Crediton, but even they do not know the future of this rural patch. We have various issues, which we have asked for support with including speeding, school parking as well as crime prevention and neighbourhood watch. Some members have asked to be on the police email system but this has resulted in emails regarding crimes not relevant to this patch – apparently done by Beat numbers not location. I would be grateful to know what the future plans are for policing in the Exe valley, and how we can get details of the police events in this area.
Inspector Weeks responded that every effort was made to police a geographically challenging area. The local policing team for that area is the Ottery team and officers are deployed from the nearest station as necessary and available. Rural policing is a priority for the service. Community messaging continues to be used extensively. Supt Perkin added that it was key for officers on the ground to have leadership in place, and the area now had a full complement of Inspectors, with a move to achieving the same result for Sergeants.

Other questions included:
- Closure of enquiry desks – footfall evidence showed that those desks were not being used to a large extent and closures had produced £800K savings. Where closure had occurred, local arrangements had been made to provide the ability for people to meet with local police officers. Mr Hogg did not believe that closure of desks prevented people from reporting crime;
- Lost property could now be reported online or handed into the Exeter office;
- 101 service had been recognised as needing full review, with plans to enable calls made from blue police phone boxes to jump the queue once technology permitted it.

The Chairman thanked Mr Hogg, his aide, and the police officers for their attendance and responses to the numerous questions from members.

*48 East and Mid Devon Community Safety Partnership update*

The Chairman welcomed Gerry Moore, the Community Safety and Anti-Social Behaviour Co-ordinator who presented his latest update.

Highlighted were a number of examples of work recently undertaken by the Community Safety Partnership and their local action groups, including:
- Raise awareness of domestic abuse and the support services available
- Delivery of consistent messages on substance misuse
- Make local communities aware of the new Anti-Social Behaviour legislation
- Promote the activities of the local action groups and arrange positive news stories
- Tackling rural crime

In response to a question on the change of provider for advice and support in the area, Mr Moore informed the committee that the provider SPLITZ was providing the same if not improved service, and he was working to distribute the change of provider around local services, such as GP surgeries.

Members agreed in praise of the work of the Community Safety and Anti-Social Behaviour Co-ordinator and the continued work of the local action groups.
Exmouth beach management task and finish forum report

Councillor Maddy Chapman presented her findings of the Forum, set up in response to local concerns about the loss of beach material. There was also concern on the focus on Dawlish contained in the beach management study being led by Teignbridge District Council, where Exmouth was contained within the plan title, which raised expectations of Exmouth residents.

She outlined the site visit undertaken and the Forum’s work in discussion the issue with officers from both the council, and the Environment Agency. As a result of the meeting and site visit, the Forum were satisfied that Exmouth issues had been clarified and felt reassured that appropriate consideration was being given to local concerns.

John Golding, Strategic Lead - Housing, Health and Environment, reassured the committee that the situation would continue to be monitored. The Forum has given members the opportunity to question the experts and made clear to members the funding rules for such work.

RECOMMENDED

1. To understand that the current Beach Management of Exmouth beach is in respect of protecting its amenity value – there is no identified risk of flooding and therefore any works will not attract government funding. Any emergency resulting from an exception storm would justify government funding to repair damage but not to undertake improvements;
2. Consideration should be given to raising funds from commercial enterprises and new development to use for future beach management specific to maintaining the amenity value of the beach area and address problems of sand erosion and accretion;
3. To undertake consultation with beach users – including the RLNI, fishermen and Stuart Line cruises – as an important means of local intelligence in determining any change to the beach and estuary profile. This local information could be used to support the 6 monthly monitoring being undertaken by the Plymouth Coastal Observatory on behalf of the Environment Agency, and also to immediately flag up any problems or significant changes;
4. The Dawlish and Exmouth Beach Management Study to be renamed “The Dawlish Beach Management Plan” to be more factual and to avoid raising Exmouth residents’ expectations;
5. The beach trends and sand movement to be closely monitored to inform the Exmouth Beach Management Plan and to potentially bring forward action should the sand loss/accretion indicate an accelerated trend. The drafted Plan to be referred to the Task and Finish Forum and/or Exmouth Town Council for consideration before being referred to Cabinet;
6. Immediate improvement works to be carried out – including removal of sand from the Esplanade and road, clearance of exposed gun emplacement debris and alerting South West Water to problems arising from the exposure of the sewerage drainage pipe at the Maer.
Overview and Scrutiny Committee 13 November 2014

50 Full council meeting review

Councillor Ray Bloxham, Portfolio Holder for Corporate Business, briefly outlined work undertaken by a joint Think Tank in conjunction with the Portfolio Holder for Corporate Services.

RECOMMENDED

1. In respect of agendas and decisions by the council that:
   a. There is timely and early involvement of Chairman in production of the draft Council agenda;
   b. Councillors have a responsibility to contact the Chairman at their earliest opportunity about any inaccuracy or other concern over a minute that will become part of the minute book;
   c. Councillors have a clearer understanding of the procedures to “calling in” a decision and “calling” a minute;
   d. Councillors to have a clearer understanding of the decisions that can be made by Cabinet (resolutions) and those which are referred to Council (recommendations);
   e. Councillors have a clearer understanding of the significance of starred and un-starred minutes;
   f. That recommendations to council from other meetings include a link to the officer report on which the recommendations were based. Where the officer report was in Part B of the agenda, councillors will be given a supplementary list of agenda links to these officer reports;
   g. That when the issue is within the remit of the Council to make a decision, in making its recommendations, Cabinet or other decision making committee adds the wish that this matter is shown as a separate item on the Council agenda.

2. In respect of presentations to Council, that presentations will only be made in the following cases:
   a. where the matter relates to the health and wellbeing of the district;
   b. where the matter relates to a change to national policy and/or legislation which affects the Council’s core business;
   c. where the matter relates to a key decision that the council will be asked to make;
   d. and, in all of the above cases, it is considered necessary that all members of the Council be briefed;

3. Presentation of long service awards and other awards such as Bes Kept Village be retained at full council;

4. In respect of minutes of meetings, that as soon as possible (normally within five working days) draft (unsigned) minutes are publicised to councillors via email or knowledge newsletter with link;

5. Called minutes should be notified by councillors to democratic services by no later than 6pm on the Monday preceding full council, to notify of the intention to “call” a minute from the minutes book;

6. Questions to the leader and portfolio holders administration is amended as follows:
   a. That the period of notice of questions be increased to midnight on Thursday prior to the Wednesday full council;
   b. That questions provided for council are circulated prior to the meeting for members to consider them;
   c. That the initial question and answer is projected on the screen so that members of the public may be aware of the question and answer;
   d. That the questions and answers (and supplementary questions and answers if made) are included as part, or as an appendix to, the minutes of the meeting;

7. That the website be revised and improved in setting public speaking rules and what to expect.
RESOLVED
That the Portfolio Holder for Corporate Business report back to a future meeting of the committee on the other matters debated by the joint think tank following further research.

*51 Performance monitoring second quarter 2014/15
A query was raised prior to the meeting on council promise “Make sure that new developments are supported with the right level of investment in infrastructure to benefit the community”, in that the promise seemed vague as did the answer. A revised comment to the council promise was issued to all members prior to the meeting which stated:

The reason it is shown as variation is simply that viability remains an issue with developments and as a result it is not always possible to secure all of the necessary planning obligations to meet policy requirements in relation to education contributions, affordable housing provision etc. This is nothing new and is completely outside of our control since where a development would not be viable under our policy requirements we are required to reduce our requirements until the scheme is viable. This is a national issue and not unique to East Devon.

RESOLVED
that a report be provided to the committee at a future date on the council promise relating to developments supported with the right level of investment in infrastructure to benefit the community to help explain the issues to members.

*52 Finance Portfolio Holder update
The Chairman welcomed Councillor David Cox, Portfolio Holder for Finance to update the committee on his work.

He gave the committee an update on the asset management aspect of his portfolio, including:
- Refreshed corporate property asset management plan
- Additional land and buildings management in Cranbrook
- Tenanted non residential review of leisure assets, beach huts and chalets, private clubs and sports clubs;
- Estates team systems thinking review
- Whole life costing appraisal
- Beach development plans
- East Devon serviced workspace demand and delivery appraisal
- Policy on unauthorised occupation of council owned land

He also reminded the committee on the challenges already achieved on the budget, set out in a presentation to the committee. The work of the Budget Task and Finish Forum was also fed into the draft budget process and the general understanding of both the services and the budget process by members had been boosted as a result.

A report is being prepared on how to achieve a balanced budget up to 2020/21, helping to identify how future savings will be achieved to cover a £2.7m shortfall.

In response to come comments about the need to relocate in light of future budget shortfall, the committee were reminded that the council needed to be mindful of good stewardship in preparing for providing consistent services in the future.
The Chairman and the Portfolio Holder thanked the Strategic Lead – Finance for the work he and his team had undertaken in budget preparation, and in making the accounts more transparent in terms of additional information supplied.

53 **Viewpoint survey results**

The Portfolio Holder for Corporate Business presented the report on behalf of the Strategic Lead – Organisational Development and Transformation. The report set out the feedback from the 2014 viewpoint survey on the council overall, and on specific council priorities and services.

Members flagged up the satisfaction rate with the planning service and debate took place over the difference between satisfaction with the service and satisfaction with the outcome of a planning application.

**RECOMMENDED**

1. that members note the contents of the report and agree that the actions and responses are delegated to the Chief Executive and SMT in conjunction with their portfolio holders.

2. that members note that the results of the residents’ survey are very similar to last year. On that basis, we have identified where responses show a 5% difference or more compared to last year. We would expect some fluctuations year on year.

3. that members agree that due to the similar nature of the feedback to the 2013 Viewpoint Surveys these will next be carried out in 2016.

*54 **Overview and Scrutiny Forward Plan**

Jacqueline Green spoke about the former Economic Development Manager as lead officer of the Business Task and Finish Forum, asking who would act as lead officer for the Forum once it resumes.

An answer had been provided which the Chairman read out: At the April 2014 Council meeting, the Chairman of the Overview and Scrutiny Committee responded to a question raised by Jacqueline Green on when the Business Task and Finish Forum would resume and if the Council’s Economic Development Manager would continue to be the Forum’s lead officer. Councillor Tim Wood advised that he was guided by legal advice and, so far as he was aware, the Economic Development Manager would continue to be the lead officer for the Forum, as there was no reason for this not to be the case. With the conclusion of the police investigation into ex Cllr G. Brown, the Chief Executive has issued advice regarding this particular TAFF. The most appropriate next step is to now consider that advice.

The Chairman expressed that he saw the next step for the committee was to review the requirements of the Forum at their next meeting and for the Forum to briskly complete work, aiming for March 2015. He wanted the committee to be confident that the Forum was able to investigate and ensure a satisfactory relationship with businesses. He also commented strongly that businesses should have the right, just as individuals enjoyed, to communicate their views to the council.

Mrs Green asked a supplementary question: was it appropriate for a paid servant of the council to influence the committee?

The Chairman confirmed that it was the role of officers to give advice to the committee and members make their own decision. The Chief Executive affirmed this as his role to give
advice to council. The Chairman also made clear that it is the decision of the committee to
decide the composition of the Forum.

In clarifying his advice, the Chief Executive set out to the committee that it was important for
them, in considering the future of the Forum, to understand the full history of the Forum to
date and the issues involved. He outlined that, in response to the police referral, he had
advised them to take into account when the concern about the East Devon Business Forum
(EDBF) had first been raised at the meeting of Council on 27 July 2012 where a motion had
been put to Council on the subject. Clearly those individuals raising concern at Council on
27 July 2012, and at subsequent meetings of the Overview and Scrutiny Committee and the
Business TaFF would be of interest to the police to contact.

In response to statements that the naming of a councillor was incorrect to do, legal advice
from the Principal Solicitor was provided to the committee that the advice issued by the
Chief Executive did not state that the police interviewed those individuals detailed, it stated
that there was contact with the police.

Councillor Claire Wright commented on recent circulation of letter of the East Devon
Alliance, and stated that trying to eject her from the membership of the Forum sends a
message to the public that there is something to hide.

Councillor Allen reminded the committee that a Task and Finish Forum could not pursue a
legal investigation under the terms of the constitution. He suggested that, if the Forum
proceeds, the committee consider including in its remit to investigate any undue influence of
any councillor or organisation, including political elements, on the issue of land use.

Arising from the minutes of the 16 October 2014, Councillor Allen asked the committee to
agree to, further to the agreement to have a report back on general contract terms, a report
specifically on the contract relating to the Beehive, Honiton. He wanted to be clear on the
contractual obligations for Honiton Town Council in respect of the development on a charity
basis.

RESOLVED
1. that a report be brought to the committee at their next meeting on the Business Task
   and Finish Forum with proposals of how, if the committee agrees, it should proceed,
   bearing in mind that there has been no criminality, unlawfulness or maladministration
   arising out of the operation of the Forum and the Council's relationship with it;
2. that a report be brought back to the committee at a future meeting on the contractual
   arrangements of the Beehive, Honiton to scrutinise how the value of the investment is
   being secured.
**Attendance list**

**Present:**
Tim Wood (Chairman)
Graham Troman (Vice Chairman)
Mike Allen
Peter Bowden
David Chapman
Maddy Chapman
Deborah Custance Baker
Roger Giles
Peter Halse
Tony Howard
John Humphreys
David Key
Frances Newth
Brenda Taylor
Chris Wale
Eileen Wragg
Steve Wragg
Claire Wright

Also present:
Pauline Stott
Peter Sullivan
Susie Bond
Ray Bloxham
Tom Wright
Iain Chubb
Stephanie Jones
Steve Gazzard
David Cox
Ben Ingham
Andrew Moulding
Phil Twiss
Paul Diviani
Philip Skinner

Mark Williams, Chief Executive
John Golding
Simon Davey
Jamie Buckley
Debbie Meakin, Democratic Services Officer
Henry Gordon Lennox, Principal Solicitor

**Apologies:**
Derek Button
Sheila Kerridge
Jill Elson
Alan Dent

Chairman .................................................. Date.................................................................
EAST DEVON DISTRICT COUNCIL
Minutes of a Meeting of the Housing Review Board held
at Knowle, Sidmouth on 6 November 2014

Attendance list at end of document

The meeting started at 6.00pm and ended at 7.30pm

*41 Public Speaking
Victor Kemp read a statement to the Board stating that GPs should make a recommendation of support for housing allocations applicants. Dennis Boobier, Housing Needs & Strategy Manager responded on behalf of the Board and stated that the Exeter Health and Wellbeing panel did not have a GP member but did have social workers, health practitioners and occupational therapists. They review health needs with property needs; it was about the impact of the property on health ground issues not the actual health of the person themselves. In most cases common sense prevailed; bias could arise if a medical person was on the panel as health would be their priority over the property. He did not think that setting up a Task & Finish Forum was necessary. Comments from the Board were that they did have a representative on the Health and Wellbeing panel and it was recommended retaining the status quo. It was suggested the Panel ought to look at long-term needs of people needing assessment and to respond to these in the future.

Cllr Elson, Portfolio Holder – Sustainable Homes and Communities reminded the Board of the lack of two bedroom properties for live-in carers and large hospital equipment required by the patient - often meaning they was no room for anyone else to use or even get into the bedroom. She agreed the situation needed looking into long-term. The Housing Needs & Strategy Manager stated that the Devon Home Choice Board were reviewing the health and wellbeing criteria in the Devon Home Choice Policy. He would give an update at a future meeting.

*42 Minutes
The minutes of the Housing Review Board meeting held on 4 September 2014 were confirmed and signed as a true record.

*43 Declarations

Mike Berridge
Personal Interest - Family member lives in a Council owned property; Housing tenant.

Douglas Hull
Personal Interest - Sister lives in Council owned property.

Rob Finch
Prejudicial interest - Agenda items 17 & 18 works for Devon & Cornwall Housing

Joyce Ebborn
Personal Interest - Housing tenant

John Powley
Personal Interest - Housing tenant

Pat Rous
Personal Interest - Housing tenant

*44 Exclusion of the Public
RESOLVED:
To agree any items to be dealt with after the public (including press) have been excluded. There were two items that officers recommended should be dealt with in Part B.
*45 Housing Review Board forward plan
The Strategic Lead – Housing, Health and Environment presented the forward plan and advised Members that the forward plan would help act as a reminder of agenda items to come forward to future meetings.

RESOLVED:
that the forward plan be noted.

*46 Financial Monitoring report
The Board was presented with a summary of the overall financial position on the Housing Revenue Account, HRA Capital Programme and the Business Plan for 2014/15 at the end of month six (September 2014).

Regular monitoring was intended to highlight any areas of concern or unforeseen expenditure in the HRA and associated capital programme, enabling corrective action to be taken as required. Any variances would be reflected in the Business Plan. There are currently no areas of concern.

A large proportion of the Capital spend would be on the new IT software system. The Right to Buy fund had been bolstered by the sales of 15 Right to Buy properties and 1 garage so far this year.

Current monitoring indicated that:
- The Housing Revenue Account Balance would be maintained at or above the adopted level and currently shows a surplus of £4.7m
- The position on the HRA Business Plan remained healthy.

RESOLVED:
That the variances identified as part of the HRA revenue and capital monitoring process up to month six be acknowledged.

*47 Review of Asbestos Procedures
Dennis Boobier, Housing Needs & Strategy Manager highlighted key points from his report. In March 2011 Members agreed the Council’s revised Asbestos Policy and Procedures. This document had been revised further to reflect good practice and was presented to Members for approval. The information held about asbestos in the Council’s housing stock was being updated through the asbestos ‘management’ surveys carried out on each void property. The survey results of each void property could be shared with similar properties of the same size, build type and build date in the same street/location.

Members of the Board had previously agreed to undertake a Demolition and Refurbishment Survey in place of the Management Survey, where necessary and additional funds had been approved for this purpose. Outcomes identified were that annual reviews of properties where asbestos materials was known to exist were not being carried out; of the 3000 properties on the housing database, 75% have some form of asbestos material. This is a requirement of Health and Safety legislation and action must be taken to ensure that this was carried out. Members were asked to approve the appointment of 1 x FTE new member of staff to undertake this work.
RESOLVED: Members agreed approval for an additional FTE post to undertake the annual review of
council properties where asbestos materials were known to exist in accordance with current
legislation.

Handy Person Scheme
The Board was asked to consider the principle of introducing a Handy Person Scheme for
day-to-day repairs and minor works that are the tenant’s responsibility. It was proposed that
the Board set up a time limited Task and Finish Forum (TAFF) to develop the scope and
key criteria for a Handy Person Scheme. The Board agreed to this TAFF made up of the
following members:

Cllr Stott, Cllr Drew, Cllr Bond, Joyce Ebborn, John Powley, Pat Rous and 1 support officer
from the housing team.

Discussions included the following:
- Service to be more than just a repair scheme – responsive repairs normally
  undertaken by a contractor. Operatives would be the ‘eyes and ears’ of the
  housing service as would report back other repair issues.
- How other schemes are run; with some of these being free of charge to the
  tenant.
- TAFF could consider how best to provide the service, such as if the handy
  person was a dedicated employee, or a contractor but managed by the housing
  service.
- Exmouth Town Hall has a similar scheme that does light jobs for free – the
  Housing Needs & Strategy Manager would look into how this scheme operates.

RESOLVED: that a Task and Finish Forum be set up to develop the concept of a Handy Person Scheme
and to propose a local scheme approved by the HRB.

Tenant Inspectors
The Board was asked to consider whether or not to introduce tenant inspectors for day-to-
day repair maintenance service to help manage the quality of workmanship by the Council’s
contractors, and to better understand tenant satisfaction with the service.

Discussions included the following:
- Initial inspections would be to look at void properties, including improvements to
  kitchens and bathrooms and compliance with the void standard.
- Not every repair would be inspected as it would be too time consuming.
- If a tenant was dissatisfied with any work the inspector would be called in.
- Experience from the Mid Devon scheme would be reviewed and taken into account.

RECOMMENDED: that the introduction of tenant inspectors for the Council’s repair service be recommended
for approval in principal.
**50 Older Persons Targeted Support**

Sue Bewes, Landlord Services Manager gave an update to the Board on the position regarding the impact of the termination of Devon County Council (DCC) Supporting people contract and options for the future of the Council’s support service for sheltered housing residents. The service was in the process of conducting tenant consultations with over 400 people having already attended a roadshow session. Initial results showed that 109 tenants preferred option 1 (charging all customers) and 211 tenants preferred option 2 (an enhanced management service plus the opportunity to buy more support hours). The Landlord Services Manager thanked Cllr Peter Sullivan who came to the Sidmouth consultation and helped with initial questions raised at the start about issues affecting local government in general. Some of the comments already received during the consultation were shared with the Board.

A full report will be presented to the Board in January and would be looking for the recommendation to start from 1 April 2015.

Pat Rous thanked Sue and her team for the help and support in this matter as well as thanking Cllr Jill Elson for providing information to the press.

**RESOLVED:**

that the contents of the report be noted.

**51 Home Safeguard activity report**

Amy Gilbert, Support Services Manager gave an update on the work of the Home Safeguard team due to changes to the service. It had been a challenging year especially the implementation of the new Operator working rota that changed staff times of work; this had led to some staff leaving. The new team was now in place and working well with a day team and a night team, set up to meet customer demand. Devon County Council cuts would affect Home Safeguard but the team was ready for these challenges.

There had been good marketing feedback on the new logo and publications with lots of talks with community groups. There is already an increase in business for installations and October was a record month with the highest number of installations for quite some time.

The Home Safeguard team had passed another Telecare Services Association (TSA) accreditation for the fourth year in a row and was now accredited to 2016; subject to a further successful annual inspection in 2015. The TSA accreditation provided a ‘health check’ in all areas of the service with particular focus on speed of response and customer satisfaction.

John Golding, Strategic Lead – Housing Health and Environment thanked Amy Gilbert, Sue Bewes, and Sue Hodges for the new rota and the continuous 24/7 service provided. They ensured the service is always covered, sometimes at very short notice and sometimes covering shifts themselves. The Chairman asked that the team be nominated for a ‘bouquet’ in the next Team Brief on behalf of the Housing Review Board. Cllr Jill Elson congratulated the whole Home Safeguard and Housing teams. The Chairman gave her support for this growing scheme and said it was a great comfort to many people knowing someone was there.

Discussions included the following:

- Concerns over County Council cuts to support services and hope that officers could cover these challenges.
The Support Services Manager intended to seek further corporate contracts to see if these could generate extra income.

John Golding reported that next year’s budget was a challenge and was being prepared. He intended for the draft budget to be cost neutral for the Home Safeguard team. This process would be presented at the next meeting. Any revised charges should be kept affordable, and with a flow of new people accessing this is a strong demonstration of need for the service.

RESOLVED:
that the changes in the Home Safeguard work plan as set out in the report be approved.

*52 Right to Move consultation
The Strategic Lead – Housing, Health and Environment presented a report from the Department for Communities and Local Government (DCLG) who were consulting on proposals to give social housing tenants a right to move to take up a job offer or to live closer to employment or training. He advised that the Government may impose targets. Cllr Jill Elson stated that as a council this was already the practice but recognised the shortfall of suitable affordable rented properties would make the process difficult. If changes are made to national guidance on allocations, this will be reflected in our Devon Home Choice scheme.

RESOLVED:
that the proposals in the consultation paper on Right to Move be noted.

*53 Tenants Leading Change
The Strategic Lead – Housing, Health and Environment updated the Board on the DCLG Tenants Leading Change initiative, promoting tenant involvement and its benefits to the delivery of improved services. He added that the Council had good examples of this, including tenant scrutiny and mystery shoppers. John Golding thanked Pat Rous for being on all interviews for HRA staffing and quoted this as another example of good practice.

RESOLVED:
that the report on Tenants Leading Change be noted.

*54 Exclusion of the public

RESOLVED:
that under Section 100(A) (4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public (including the press) be excluded from the meeting as exempt and private information (as set out against each Part B agenda item), is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B).

*55 Danby House/Exebank – DCC updated proposals

Members were asked to view correspondence between DCC and the Council regarding proposals over the future of these two DCC owned properties. The Board was asked to support an ‘in principle’ offer to purchase subject to contract, surveys, further investigations etc.
RESOLVED:
that the opportunity to acquire the site be progressed.

*56 Submission of Offers – Manstone Depot, Sidmouth
As part of the office relocation project the Council had appointed Savills to market Manstone Depot and the Knowle. The Manstone Depot site was considered to be of a suitable size and location consistent with the Council’s ambitions for own build and therefore an offer subject to contract has been submitted.

RESOLVED:
that the offer submitted for the purchase of Manstone Depot, Sidmouth be noted.

Attendance list

Present:
Cllr Pauline Stott (Chairman)
Cllr Susie Bond
Cllr Christine Drew
Cllr Douglas Hull

Co-opted tenant members:
Mike Berridge (Vice Chairman)
Pat Rous
Joyce Ebborn
John Powley

Co opted independent community representatives:
Rob Finch,

Also present:
Cllr Jill Elson, Portfolio Holder – Sustainable Homes and Communities

Officers
John Golding, Strategic Lead - Housing, Health and Environment
Dennis Boobier, Housing Needs & Strategy Manager
Sue Bewes, Landlord Services Manager
Jane Reading, Tenant & Communities Section Leader
Amy Gilbert, Support Services Manager
Giles Salter, Solicitor
Amanda Coombes, Democratic Services Officer
Debbie Meakin, Democratic Services Officer

Apologies:
Julie Adkin
Harry Roberts
Cllr Steph Jones

Chairman ...........................................  Date..............................................................
Subject: Relocation Update – key decision

To advise members of latest developments regarding the relocation of EDDC HQ from Knowle. In particular to make Members aware that marketing of Knowle and Manstone sites is completed and further discussions with bidders are in progress and, to advise Members of changed circumstances and proposed changes to the preferred new HQ site.

Recommendation:

1. Note project progress following the previous update report of 4 June 2014
2. Recognise emerging changes to the relocation project agree the following:
   a. The marketing exercise for Knowle and Manstone has resulted in a range of offers and, following a detailed assessment process, we have received price, form and quality of development propositions that merit further detailed negotiation toward selection of a preferred developer.
   b. Leading offers for Knowle do not include options to sell Manstone in which case EDDC can choose to retain Manstone for the foreseeable future as a depot function and continued employment use.
   c. The reduced offer for EDDC’s Heathpark site no longer represents a sufficiently persuasive level of capital receipt and will not be pursued further.
   d. The retention of Heathpark in EDDC ownership means that this now represents the most cost effective and straightforward location to develop a new headquarters building for the Council.
   e. Relocation to Skypark is no longer a viable proposition based on the reduced offer for Heathpark and combination of Knowle market value and prudential borrowing.
   f. The East Devon Business Centre (EDBC) should preferably be retained and could potentially be combined within a new EDDC HQ development.
   g. In the interim, Exmouth Town Hall has been vacated by Devon County Council Services and represents a new opportunity within the relocation plan.
   h. A new HQ in Honiton can be restricted in size and cost to a 170 desk equivalent scale with an improved Exmouth Town Hall for 80 EDDC staff as a main
satellite office in the District’s largest community.

i. As part of its commitment to more mobile working and accessibility, the Council will offer a service presence as customers require in future at locations elsewhere in the District.

j. That relocation continues to make financial and operational sense on a whole life cost basis, specifically 20 yr. projections combining capital receipt and repayment of prudential borrowing versus existing office running cost and unfunded expenditure on existing building repair, maintenance and improvement.

3. Authorise the Deputy Chief Executive (Development, Regeneration and Partnership) in consultation with the Office Accommodation Executive Group to take forward further actions in pursuit of the above recommendations and Project Plan

4. Agree that further reports are produced for Cabinet and Council on project progress and to seek formal approval for any disposal of Knowle.

Reason for recommendation: To advise on project progress, in particular the outcome of Knowle and Manstone site marketing and significant changes to relocation site preferences. To seek agreement to further progress the project and commit to report back to Cabinet and Council.

Officer: Richard Cohen rcohen@eastdevon.gov.uk
Deputy Chief Executive (Development, Regeneration and Partnership)

Financial implications: The recommendations in this report follow the financial assessments for the options identified, considering; the cost of acquiring land if appropriate, cost of build and/or renovation, any associated capital receipt from asset sales, ongoing costs for a 20 year period including total financing costs required. These calculations have been on a consistent basis throughout this project appraisal. Cost factors can be estimated with a degree of certainty and contingency sums allowed in the calculations, an unknown factor to date was the receipt that could be obtained from the Knowle and Manstone and although this was considered on valuation sums it is only now that tenders have been received that we can assess with some certainty the actual value and therefore complete the assessments and make recommendations to Cabinet and Council.

The report highlights the costs associated if the Council wished to continue operating from the Knowle, essential repairs alone would cost £1.566m this is without a capital receipt or a reduction in running costs in order to meet this outlay. The financial assessments show that the Honiton/Exmouth solution is financial viable over the 20 year period which takes all costs into account, including those already incurred on the project to date. There are financial risks and these have been considered in the financial assessments mainly relating to cash flow implications where costs will be incurred on the accommodation before a receipt is received. The most significant risk being the potential tender does not securing the necessary planning permission at which stage the Council would have already incurred significant outlay in its new
accommodation, mitigation will be taken where possible but this risk will remain.

**Legal implications:**

Cabinet’s role includes considering the Council’s position as landowner and to manage the Council’s property assets within overall Council policy.

The general legal rule, set out in the Local Government Act 1972, is that a council can dispose of land in any manner they wish, subject to getting the best consideration that can reasonably be obtained. Our commercial land agents, Savills, have been made aware of government guidance in terms of the valuer’s role in assessing and demonstrating best value. An public tender process has been adopted. Once the bids for Knowle have been fully evaluated by Savills and the Council’s project manager, further legal advice will be given as required.

There are some exceptions to the best consideration rule which enable, for example, certain projects of social value to go ahead where land is disposed of at less than market value, and some special rules relating to particular types of disposal, such as open space.

The planning history and potential Local Plan issues are relevant background to understanding possible options/strategy for the Council as landowner; without prejudice to the normal planning application processes that might follow at a later date for proposed redevelopment of sites to be released to provide funds for an office move. As members are aware, the consideration of planning applications for council owned land is a matter for the Development Management Committee and members are aware of that separation of functions.

The report to Cabinet on July 17 2013 identified that the Council has a best value duty toward its community. The headline duty is to make arrangements to secure continuous improvement in the way Council functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The [separate] general equality duty requires public authorities to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations across all of the characteristics protected by the Equality Act 2010. EDDC will be introducing more flexible working arrangements allied to new technologies to ensure that staff and services are accessible to our resident and business communities, partners, visitors and other stakeholders. It is understood that stakeholder involvement and consultation will continue as the office relocation project moves forward to ensure that Equality Act and best value duties are complied with.

The report refers to possible legal challenges to various aspects of the office relocation project, based on the national picture that those who disagree with planning or council strategic objectives may seek to use judicial review to challenge or delay council plans. This possibility will be managed through awareness of potential areas of challenge, allowing for delays within the timetable, since delays can be caused even where a
challenge is without merit.

On 4 June 14, Cabinet agreed that specialist expertise be commissioned to advise on the specialist area of European procurement, relating to Skypark. This advice has confirmed that a European procurement process for site acquisition and development was likely to be required, with additional cost and associated delay. Since June, however, as the body of the report explains, Skypark has in any case become less affordable due to the reduction in projected capital receipts likely to be available for the office relocation project.

**Equalities impact:**

Low Impact

As part of the project development process going forward, a full equalities impact analysis will be carried out. Equality and accessibility considerations will be thoroughly explored including both physical and remote means by which our customers can contact the Council.

**Risk:**

Low Risk

This report does not commit the Council to sell Knowle or Manstone sites and recommends actions that remove the additional complexity of a new site acquisition.

This in one among a series of reports that has sought Cabinet and Council decisions on project actions and advised on project progress. As well as a managed and monitored risk review process, the regular reporting process and Member Executive Group oversight means that risk is reviewed and mitigated.

Decisions in this report enable officers to pursue negotiation with buyers for Knowle, further refine the new opportunity for Honiton/Exmouth offices and confirm that sale of Heathpark is no longer financially attractive with the resultant impact on Skypark relocation viability.

The report contains a reminder of overall project risks further in this report.

**Links to background information:**

- Cabinet Minutes 5 Feb 2014, Minute 180
- Report on Relocation Update, Cabinet 4 June 2014

**Attached Appendices**

- Cost Model for Refurbishment of all Knowle Office Buildings
- Cost Model for Refurbishment of 1970 Office Building and Complimentary New Building

**Link to Council Plan:**

Relocation meets a range of priorities in the Council Plan. It will provide future resilience and improved working for the council to continue to design and deliver services that suit our residents, businesses and visitors' needs. EDDC is also committed to making the best use of its assets including the longer term certainty and efficiency that modern offices will provide with operational flexibility alongside more mobile working across the district.
Progress

The Cabinet report in June 2014 committed to report back later in the year principally regarding marketing of the Knowle and Manstone sites and, progress on Skypark as the preferred relocation site.

This report now updates Cabinet on those matters and seeks agreement to a number of recommendations principally to agree to enter into negotiations with a preferred bidder for the sale of Knowle and develop in detail plans for our Honiton and Exmouth assets as relocation sites in preference to the sale of Heathpark, Honiton and a development at Skypark.

Knowle/Manstone Sites

The Knowle and Manstone sites were marketed in September/October 2014. The marketing exercise was open to any and all types of appropriate development proposals. A number of proposals were received and considered in long and short list exercises by the Office Accommodation Executive Group. Through a detailed, scored selection process including interview of short listed bidders the number was reduced. Following the interviews of short listed bidders further information has been provided by them on certain detail of the bids for our consideration. In particular, a raised offer was submitted at interview by one proposer which necessitated the opportunity to offer other bidders the chance to improve their offers as well. Further improved offers have been received.

Among the shortlisted development proposals were bids that now merit further investigation in terms of the offered price for our land, quality of proposal, risk and other matters. Discussion and negotiation will continue with the aim of securing a preferred bidder from among bids of sufficient value that have been offered to the overall relocation project and merit continued engagement. There are capital receipts being offered that in combination with prudential borrowing make the revised relocation opportunities described below viable and can allow the Council to remove itself from a more costly, uncertain and increasingly impractical future at Knowle.

In response to the marketing exercise, a mix of proposals were received all of which proposed variations on residential, retirement and/or care and extra care communities. The bidders all understood the planning history of Knowle as well as the current and draft Local Plan policy position. The bidders at interview displayed a range of careful thought and enthusiasm with their development proposals. As well as bid values the selection panel heard from bidders regarding demand analysis, design detail, planning consideration, local benefits and other matters.

Whilst this report cannot at this time go into the detail of bids received due to ongoing and commercially sensitive discussions, the proposals offered to the Council represent a mix of responses to local need and demand in terms of residential and/or care provision in a setting that retains the public park.

It should also be noted that whilst care facilities for example will certainly bring jobs, none of the proposals received was for a continued specific employment use on either Knowle or Manstone. Furthermore there was no market interest in retaining any of the existing buildings. All proposals received were based on the removal of existing buildings (while retaining or re-provisioning ‘Building B’, the bat roost).

Going forward there will be a range of matters to explore further in selecting a preferred developer. The Office Accommodation Project Executive Group will reconvene to recommend a preferred developer who will then be given a period of exclusivity to refine their proposition in terms of design, planning considerations, site investigations and other matters.

Among the bids are proposals to develop the Knowle alone and not including Manstone Depot. It may be that a preferred developer is selected that leaves Manstone to continue operating as a depot for the foreseeable future. The depot functions currently provided at Knowle Depot will be transferred across to Manstone.
Skypark

In February 2014 Cabinet and Council agreed to pursue Skypark as their preferred relocation site and tasked officers with beginning detailed negotiation. A further recommendation was to market Knowle and Manstone to ascertain developer interest and value attached to the sites. The marketing exercise was subsequently held over pending resolution of the Town and Village Green application pursued by local objectors. The decision to pursue Skypark was also informed by the offer of a capital receipt for EDDC’s Heathpark site.

Between Feb 2014 and now circumstances have changed. The offer price for our Heathpark site has reduced. The supermarket concerned has, along with others in the sector, revised its business model. In this case the retailer revised their offer around a reduction in size of foodstore and significantly reduced the offer price for the site. This reduced offer takes a significant sum of money out of the funding package to deliver a new build at Skypark as well as providing a replacement of EDBC.

Also, a key plus point regarding Skypark was the prospect of a turn-key guaranteed maximum price arrangement to completion of a new HQ that would minimise uncertainty and reduce risk. However, within the negotiation, due diligence process and legal advice it has become clear that such an arrangement could potentially fall outside of European Union regulations. This would have then required a new site search exercise, cost and delay.

The progressive and risk managed approach that the Council is taking means that we have been able to respond to this viability issue in a manner that effectively manages public finance.

Whilst Skypark offered an attractive option of new build in the District’s key emerging employment and commercial development, it was predicated on the comfort of a fixed price project and sufficient financial receipt from land sales.

Honiton Heathpark

In September 2013 Cabinet agreed that officers should investigate the opportunity to sell the former SITA depot site at Heathpark. Through a marketing exercise it became clear that there was commercial interest in the Heathpark site with food retail presenting the highest value interest. The offer price negotiated at that time was attractive as part of the funding package to relocate to Skypark and with the potential to invest in replacement facilities for EDBC. However, the supermarket operator reduced its offer in line with a new business sector model. Members will be aware of the changing face of food retail and its impact especially on the ‘Big Four’.

This is a disappointing turn of events but one that, through the progressive development of this project, can be managed and still enable the Council to achieve its objective of relocation from Knowle and securing a capital receipt for that site. The reduced offer for Heathpark makes a sale of the site no longer attractive.

Since it will no longer sufficiently fund a Skypark move and Business Centre replacement, officers recommend that Cabinet agrees not to sell Heathpark at the revised sum and, instead, retains the site as the location for its new Headquarters building and seeks to retain a business centre operation on the site as well. Design of a new HQ will be able to consider joining up the business centre as a part of the new HQ and utilising the existing building including efficiencies and savings through shared space.

Furthermore and with reference to the opportunity provided by Exmouth Town Hall as described below, the new HQ building at Honiton can be smaller and even cheaper to build and run than was previously costed.

Using our Heathpark site plays to a recognised strength of Honiton which is that this is a site in the Council’s ownership, thereby giving stronger certainty and control. Whilst the vast majority of the Councils transactions with its communities are remote rather than face to face, there has been debate about centrality versus peripherality. Honiton delivers on the former.
Exmouth Town Hall

A reduced size of Headquarters building in Honiton is possible because the Council also needs to address the future of Exmouth Town Hall (ETH) which was vacated by Devon County Council in Sep 2014.

Initial survey work identifies that EDDC could use ETH to house 80 staff while retaining the existing tenants and their function. Internal and front of office improvements will be needed to the offices as well as a car parking strategy and travel plan for staff as required. The building is designed for local government operation and is a 1920s construction. The costs of modernisation are factored into the overall project budget.

The Council could decide to sell the site and focus entirely on Heathpark as a single location but this is a more expensive option and would result in both EDDC, Exmouth Town Council and various service providers looking for alternative venues and compromise the ability of EDDC to provide a comprehensive service within East Devon’s largest town.

Operationally, a twin site approach accommodating in the region of some 250 desk equivalent in total will be further supported by a greater degree of mobile working facilitated by better use of technology.

Additionally the council aims to expand its digital offering and has an ongoing project to improve existing online transactions and develop a further significant number of online services for customers who would like to do their business online.

Sites in Exmouth and Honiton provide an ideal opportunity for us to respond to the demand analysis that our various services have carried out. We already know there is a clear need to increase the service provision for Housing Benefits, Council Tax, Housing advice and register and debt advice in both Exmouth and Honiton.

The council will provide surgeries in other towns as we do now in Cranbrook, Axminster, Seaton etc. and will experiment with the frequency and range of services depending on what our demand analysis shows.

Other Considerations

Site Preference Process

The previous process of site consideration from Cabinet in Feb 2014 offered Members an order of preference. The two lead options considered were Skypark and Clyst House, Winslade Park with the former decided as the preferred option. In total five sites had been shortlisted. Cranbrook had been scored higher than our Heathpark site but was not preferred and, like Skypark, required the sale of our Heathpark site to provide funding.

EDDC’s Heathpark Site was considered straightforward in the sense that the Council owned the site but new build on this site and retention of EDBC would preclude its sale and therefore reduce the overall financial package that could fund relocation to Skypark.

Our Heathpark site was recommended elsewhere in the Feb 2014 Cabinet report for sale as a retail food store. This has subsequently been superseded by a reduced offer from the supermarket developer.

Financial

The reduced offer for Heathpark, the availability of Exmouth Town Hall and the values of bids for Knowle/Manstone have required officers to revisit the options for relocation and the financing arrangements.

It remains the case that in terms of capital outlay and a 20 year operational cost analysis, the Honiton/Exmouth solution is more cost effective and predictable than staying at Knowle as well as operationally more flexible and viable.
Offers received for Knowle are subject to further negotiation with the Council as landowner.

**Risk** – In moving from a scenario of new site acquisition to using existing owned assets the Council is reducing risk, cost and complexity within the relocation project. We also now know that there are developers offering bids for the Knowle of sufficient value to merit further negotiation. Previously, the project costings were based on estimated market values.

We now know what values developers are offering for Knowle and can calculate accordingly following further negotiation.

The risks associated with staying at Knowle remain with the added intelligence that no developer has proposed to retain the former hotel building or other existing buildings individually or as part of a larger development.

As part of the selection interviews, the bid proposers were asked for their view on the challenges and risks of their development proposal including matters of finance, track record and planning. The Council has taken independent planning advice on the proposals and a selected preferred developer will be expected to engage promptly with the planning authority.

Previously identified risks are recognised and mitigated within the process. Delay to planning permission (e.g. Judicial Review) is reflected in a cost profile that includes extended borrowing within the overall project budget. The Council’s Development Management Committee will consider any planning application in the normal way; obviously the outcome of any planning application cannot be assumed as each application is considered on its planning merits.

Relocation will be dependent on a developer securing planning permission meaning that the Council will not be left homeless.

The project budgeting includes a combination of mitigations of risk not least contingency throughout and borrowing projections that include added time to manage delays through judicial review or similar challenge.

Overall 20% contingency has been identified through design and build to allow for unplanned expenditure. Council has decided that it wants to relocate having fully considered the risks in remaining at Knowle compared to moving to new offices. There is no developer interest nor value in the existing Knowle buildings. There is outstanding basic repair cost and significant cost to any efforts to refurbish or modernise the current buildings with no prospect of capital receipt to help fund such expenditure.

Bidders have considered planning issues in preparing their bids including an independent planning statement commissioned by the Council as landowner. The preferred developer will carry out pre-app discussions promptly. The Council will not enter into unconditional contract with a developer for the Knowle without planning permission in place. Once permission is obtained by the developer the risk substantially diminishes allowing Council new build/refurb at Honiton and Exmouth to commence. At the same time, other risk factors need to be mitigated through keeping to a construction timetable to avoid construction cost inflation (currently at 7.1% pa – BCIS Tender Price Indices). Members should be aware that Judicial Review or call in are factored into risk analysis and management.

**Geography** - The Council’s customers are predominantly communicating with us via remote means with telephone as a preferred method. We also increasingly offer on-line transaction and information services. This move away from a focus on the importance of location of an HQ was a consideration in the HQ site selection process. However, an HQ in Honiton also resonates with a concern that remains about the physical accessibility and geography of the Council. Combined with a significant office presence in Exmouth and mobile working elsewhere in the district, this will be a more than satisfactory resolution to concern about location.

**Impact** – As we know from the previous Economic Impact Assessment, Sidmouth is estimated to experience a reduction in economic activity through the Council’s move. Those benefits will be redistributed between Honiton and Exmouth. Development of the Knowle for residential and/or
care facilities would bring economic benefits of construction jobs, new residents’ spending as well as the additional potential for purchase of local services and possible new employment. Overall there will be an economic uplift distributed around the district.

Residential, retirement and or care facilities would offer a mix of other benefits to Sidmouth including social, health and wellbeing considerations along with new residential facilities and the freeing up of existing homes in the area.

The Future of Knowle

It is worth restating the key reasons why this Council has committed to move from the Knowle to new Headquarters:

1. Essential repair works to existing buildings will cost £1.566m. There is no funding allocation (capital receipt or otherwise) to cover this cost. Such repairs would not include any redecoration, refurbishment or rebuilding. No internal restructuring or modern office working would be provided.
2. In buildings of this age and design there is little doubt that they will present further problems even after repair and/or refurbishment.
3. Refurbishment of all of the existing buildings will cost up to £15.9m. This can reduce if only newer parts of the office spaces were refurbished and with minimum additional build but the cost will still be of the order of £7.7m without a significant capital receipt to cover the costs nor any uplift in value to the site or buildings (see two attached cost model reports).
4. No market interest has been shown in retaining and refurbishing any of the existing buildings. All bids were made only for a site vacated by EDDC and cleared. Bids received all covered the upper car parks, office and depot space.
5. Bids received make clear that to derive a meaningful capital receipt from the Knowle requires EDDC to leave.
6. Suggestions that the Council can retreat to the 70s/80s blocks and derive a significant receipt from sale of the former hotel are unviable. The Council has considered the possibility (including a reduced size of workforce) and found that it fails on the basis of cost, lack of asset uplift in value and absence of market interest.
7. Knowle has annual energy costs of £83,900 pa compared to a predicted energy cost for Honiton/Exmouth combined of £33,700 pa. Even after repairs, Knowle energy costs would still be double those of the Honiton/Exmouth alternative.
8. Based on Dept. of Energy and Climate Change (DECC) current fuel price indices, gas has increased on average 18.8% pa between 2003 and 2013 whilst over the same period, electricity has increased on average by 11.9% pa. Allowing a modest 10% pa inflation rate for energy and 2% for general inflation, the total savings in running costs of Honiton/Exmouth over Knowle are of the order of £5.55m over 20 years.
9. New build at Honiton and refurbishment of Exmouth Town Hall will be funded via capital receipt and prudential borrowing. Over a whole life period of 20 years the spend will pay for itself with savings accruing thereafter.
10. The outcome of a departure from Knowle will be new and refurbished modern offices with low maintenance and minimised additional maintenance costs.

Looking Forward

Fundamentally, any efforts to keep EDDC at Knowle will be expensive and inefficient in the short and long term. Capital repair costs loom and long term running costs are high while the buildings inhibit effective modern working in terms of space usage, flexibility, accessibility, communication and cooperation. Attempts to argue that the Council can remain in part of the buildings while securing a capital receipt for the former hotel building are both impractical and unattractive to the market. The reality is that, no interest has been shown by developers in retaining any of the existing buildings on Knowle.
In the longer term EDDC needs to consider what the shape of local government may be. Among its merits Skypark offered a flexible office space in a location that lent itself to wider accessibility and cross border cooperation with other authorities. A combined Honiton and Exmouth office base offers a different approach involving new or modernised offices in two locations. In a world of potentially merging or reducing scale of local government an HQ and satellite or multi-hub function offers a responsive option. For example, if the Council were to reduce in size then ETH could be converted in to a business centre or, on the other hand, there is additional space on the Heathpark site to allow for both new offices, EDBC and an extended office building or a relocated depot allowing a future sale of Manstone depot. The strategy has flexibility to accommodate what the future holds.

If a successor organisation or other local government arrangement were to inherit Knowle from EDDC it is unlikely that such care would be shown toward its future use as has been shown by EDDC. An objective assessment of Knowle says that none of its buildings are fit for purpose and as such would be vacated by a different authority. Either the site might be sold quickly or the site and buildings left undeveloped. EDDC has sought to respect the parkland and reflect the previous planning decision by limiting the area of development. In leaving Knowle, EDDC has sought to secure a sensitive exit and leave behind both an extensive public parkland and a type and quality of future use that makes sense to the town and reflects the quality of its location.

An HQ at Honiton and a significant Exmouth satellite operation offer both a physical presence for the Council in key locations and an asset base that can be adapted to respond to future change in the way local government is structured and carries out its business.
EDDC RELOCATION PROJECT

COST MODEL FOR REFURBISHMENT OF ALL EXISTING KNOWLE OFFICE BUILDINGS

For East Devon District Council

Revision J - 21 November 2014 - BREEAM VERY GOOD
**BASIS OF ESTIMATE**

**Cost Basis**
Following a request from Steve Pratten a cost model has been produced to provide an indication as to the order of cost for refurbishment of the existing premises based on an overall gross internal area of 7,722 m². The standard cost model has been adjusted to reflect the two different construction types consisting the former hotel building previously converted to offices and the purpose built concrete framed office building.

- The extent of refurbishment can vary greatly but in this case the scope of works has been assumed as follows (without any specific knowledge of the buildings):
- Full strip out of existing building services, fittings and internal partitions to provide modern open plan accommodation
- Essential repairs to the existing building fabric including replacement of existing roof finishes
- Replacement / upgrade of windows and external doors
- Alterations to provide a DDA compliant building
- Upgrade to the thermal performance and carbon efficiency of the building and achievement of minimum BREEAM Very Good rating.
- Full replacement of all building services installations

**Tender Price Inflation**
The base cost estimate is at Forth Quarter 2014 prices and an adjustment for inflation has been included separately, based upon the BCIS Tender Price Index for the proposed tender being received during the Q4 2016. This allowance is 9.8%, based upon available indices as at 10 November 2014.

**Exclusions**
- EDDC Temporary Offices, decanting and subsequent returning costs
- Surveys and any preliminary opening up works, site investigations etc
- FF&E
- VAT
- Unknown abnormalities within the existing building structure and fabric including any abnormal ground conditions or contamination issues
- Archaeological and ecological issues
- Offsite roadworks and transport systems beyond the immediate access to the Development - e.g. upgrades to existing road junctions (Section 278 Works) etc.
- CIL / Section 106 contributions
- Any offsite reinforcement of utilities - electrical supplies, sewage treatment, links to offsite sustainable energy systems, water infrastructure, gas and telecoms
- Site specific external works and car parking including any alterations
- Finance costs

**Notes**
This cost model has been provided as an approximate indicative cost subject to further scoping, detailing and design. These costs have been based on AECOM's standard Cost model for office refurbishment for the use of EDDC only and are not intended for the use or manipulation by a third party without AECOM's prior consent.
## Indicative Cost Model

<table>
<thead>
<tr>
<th>Demolitions and Alterations</th>
<th>GIA</th>
<th>7,722 m²</th>
<th>Qty</th>
<th>Unit</th>
<th>Rate</th>
<th>£</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>General internal soft strip out / demolition of internal walls, doors, stairs, timber floors, fittings etc</td>
<td>7,722 m²</td>
<td>31</td>
<td>239,382</td>
<td>Subject to extent of re-configuration and proportion of open plan space</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for repairs to internal floors etc where retained / allowance for timber boarding replacement or latex levelling screed etc subject to construction type</td>
<td>1 Item</td>
<td>200,000</td>
<td>25.90</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Removal of existing plasterwork, ceilings etc</td>
<td>7,722 m²</td>
<td>8</td>
<td>61,776</td>
<td>8.00</td>
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<td></td>
</tr>
<tr>
<td>Strip out of existing sanitary fittings, redundant heating systems, boiler, electrical installations etc.</td>
<td>7,722 m²</td>
<td>6</td>
<td>46,332</td>
<td>6.00</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for removal of asbestos</td>
<td>1 Item</td>
<td>120,000</td>
<td>120,000</td>
<td>15.54</td>
<td>Subject to Survey</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Roof
- Hotel building - strip off of existing roof tiling and replace, Extension - replacement of flat roof finish and replace | 7,722 m² | 35 | 270,270 | 35.00 |
- Repairs to chimneys including brickwork, pots and providing new linings / cappings etc | 1 Item | 20,000 | 2.59 |

### Stairs
- Repairs to existing stairs including replacement of handrails / balustrades, sundry steps and ramps | 7,722 m² | 10 | 77,220 | 10.00 |

### External Walls, Windows and Doors
- Allowance for cleaning brickwork facades as necessary and repointing brickwork joints | 1 Item | 280,000 | 36.26 |
- Allowance for repairs / replacement of areas of damaged stonework window and door surrounds - old building only | 1 Item | 50,000 | 6.48 |
- Replacement of existing doors and windows | 7,722 m² | 80 | 617,760 | 80.00 |
- Allowance for any damp and rot issues including installation of injected damp proof course and tanking to Ground Floor / Basement areas | 1 Item | 100,000 | 12.95 |

<p>| Carried Forward | 2,082,740 | 269.72 |</p>
<table>
<thead>
<tr>
<th>INDICATIVE COST MODEL</th>
<th>GIA 7,722 m²</th>
<th>Qty</th>
<th>Unit</th>
<th>Rate</th>
<th>£</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structural Alterations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for structural alterations to existing for new layout, openings etc</td>
<td></td>
<td>1</td>
<td>Item</td>
<td>130,000</td>
<td>16.84</td>
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<td>Allowance for main contractor building surveys, remedial works</td>
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<td>1</td>
<td>Item</td>
<td>40,000</td>
<td>5.18</td>
<td></td>
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<tr>
<td><strong>Office Fit Out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New internal walls and doors - metal stud partitions, mdf skirtings, flush doorsets, glazed screens to meeting rooms etc</td>
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<td>7,722 m²</td>
<td>95</td>
<td>733,590</td>
<td>95.00</td>
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<tr>
<td>Wall finishes - plasterboard linings to inner face of external walls, painting generally</td>
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<td>7,722 m²</td>
<td>16</td>
<td>123,552</td>
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<tr>
<td>Floor finishes - replacement screeds, raised floor to 70% of floor area, carpet finish, ceramic tiling to toilets and kitchen areas, reconstituted stone tiling to reception &amp; floor paint to plant rooms</td>
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<td>7,722 m²</td>
<td>75</td>
<td>579,150</td>
<td>75.00</td>
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<tr>
<td>Ceiling finishes - suspended ceilings - plasterboard on MF system including bulkheads, repairs and re-decoration of existing ceilings</td>
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<td>7,722 m²</td>
<td>35</td>
<td>270,270</td>
<td>35.00</td>
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<tr>
<td>Fittings &amp; Furniture including general joinery, kitchenette fit-out, no canteen fit-out</td>
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<td>7,722 m²</td>
<td>45</td>
<td>347,490</td>
<td>45.00</td>
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<tr>
<td>Sanitary Installations - toilet core fit-out, WC's, urinals, wash hand basins, vanity units, hand dryers, mirrors, shower cabinets</td>
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<td>7,722 m²</td>
<td>34</td>
<td>262,548</td>
<td>34.00</td>
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<tr>
<td>Disposal Installations - soil, waste, rainwater disposal</td>
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<td>7,722 m²</td>
<td>15</td>
<td>115,830</td>
<td>15.00</td>
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<tr>
<td>Water Installations - hot &amp; cold water service, storage and</td>
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<td>7,722 m²</td>
<td>20</td>
<td>154,440</td>
<td>20.00</td>
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<tr>
<td>Heat source - gas fired boilers, flue, pumps, heat exchanger etc</td>
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<td>7,722 m²</td>
<td>12</td>
<td>92,664</td>
<td>12.00</td>
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<tr>
<td>Allowance for renewable energy source - Photo Voltaics</td>
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<td>1</td>
<td>Item</td>
<td>100,000</td>
<td>12.95</td>
<td></td>
</tr>
<tr>
<td>Space heating &amp; air treatment - LTHW installation, hot &amp; cold water supply to plant, dedicated localised cooling systems, toilet &amp; kitchen extract</td>
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<td>7,722 m²</td>
<td>135</td>
<td>1,042,470</td>
<td>135.00</td>
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<tr>
<td><strong>Carried Forward</strong></td>
<td></td>
<td></td>
<td></td>
<td>6,074,744</td>
<td>786.68</td>
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</tbody>
</table>
**INDICATIVE COST MODEL**

<table>
<thead>
<tr>
<th>GIA</th>
<th>7,722 m²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qty</td>
<td>Unit Rate</td>
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<tr>
<td>Brought Forward</td>
<td>6,074,744</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Electrical installations - LV switchgear, panels and distribution boards, power to main plant &amp; lifts, small power, containment to security &amp; power, office high level exposed luminaires, emergency lighting, PIR sensors etc</th>
<th>7,722 m²</th>
<th>185</th>
<th>1,428,570</th>
<th>185.00</th>
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</thead>
<tbody>
<tr>
<td>Gas installation - renewal of gas distribution</td>
<td>7,722 m²</td>
<td>3</td>
<td>23,166</td>
<td>3.00</td>
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<tr>
<td>Lift installations</td>
<td>7,722 m²</td>
<td>35</td>
<td>270,270</td>
<td>35.00</td>
</tr>
<tr>
<td>Protective installations - earthing &amp; bonding and lightning protection</td>
<td>7,722 m²</td>
<td>2</td>
<td>15,444</td>
<td>2.00</td>
</tr>
<tr>
<td>Communication installations - fire &amp; smoke detection, security installation, disabled refuge alarms, induction loops &amp; ICT cat 6 data cabling</td>
<td>7,722 m²</td>
<td>41</td>
<td>316,602</td>
<td>41.00</td>
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<tr>
<td>CAT 6A Data &amp; AV installation to meeting areas</td>
<td>7,722 m²</td>
<td>50</td>
<td>386,100</td>
<td>50.00</td>
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<tr>
<td>Building management system</td>
<td>7,722 m²</td>
<td>17</td>
<td>131,274</td>
<td>17.00</td>
</tr>
<tr>
<td>Builder's work in connection with services</td>
<td>5%</td>
<td>216,969</td>
<td>28.10</td>
<td></td>
</tr>
<tr>
<td>Localised adjustment and repairs to pavings, ramps, landscaping etc</td>
<td>1 Item</td>
<td>20,000</td>
<td>20,000</td>
<td>2.59</td>
</tr>
<tr>
<td>Drainage - partial replacement and connection to existing externally</td>
<td>1 Item</td>
<td>20,000</td>
<td>20,000</td>
<td>2.59</td>
</tr>
</tbody>
</table>

**Total Construction Cost at Q4 2016 SAY £15,901,800 £2,059**
EDDC ACCOMMODATION PROJECT

COST MODEL FOR REFURBISHMENT OF EXISTING 1970 OFFICE BUILDING & COMPLIMENTARY NEW BUILDING, KNOWLE, SIDMOUTH - BREEAM Very Good and Excellent Options Review
For East Devon District Council

Revision F- 21 November 2014
BASIS OF ESTIMATE

Cost Basis
This cost model has been produced to provide an indication as to the order of cost for refurbishment of the existing 1970's purpose built concrete framed office building based on an overall gross internal area of 1,938 m2. In addition due allowance has been included for a new office / facilities to provide the overall required 2,776 m2 of floor area for 170 desks.

The extent of refurbishment can vary greatly but in this case the scope of works has been assumed as follows (without any specific detailed design knowledge of the existing buildings) :-

- Full strip out of existing building services, fittings and internal partitions to provide modern open plan accommodation
- Essential repairs to the existing building fabric including replacement of existing roof finishes
- Replacement / upgrade of windows and external doors
- Alterations to provide a DDA compliant building
- Upgrade to the thermal performance and carbon efficiency of the building and achievement of BREEAM excellent or BREEAM very good rating.
- Full replacement of all building services installations
- Resolution of levels issues within existing space (particularly Reception). Provision of linking facilities between buildings.

Tender Price Inflation
The base cost estimate is at Fourth Quarter 2014 prices and an adjustment for inflation has been included separately, based upon the BCIS Tender Price Index for the proposed tender being received during the Q4 2016. This allowance is 9.8%, based upon available indices as at 10 November 2014.

Exclusions
- Surveys and any preliminary opening up works, site investigations etc.
- FF&E
- VAT
- Unknown abnormalities within the existing building structure and fabric including any abnormal ground conditions or contamination issues
- Archaeological and ecological issues
- Offsite Roadworks and transport systems beyond the immediate access to the Development - e.g. upgrades to existing road junctions (Section 278 Works) etc.
- CIL / Section 106 contributions
- Any offsite reinforcement of utilities - electrical supplies, sewage treatment, links to offsite sustainable energy systems, water infrastructure, gas and telecoms
- Site specific additional external works and car parking including any alterations.

Notes
This cost model has been provided as an approximate indicative cost subject to further scoping, detailing and design. These costs have been based on Aecom’s standard Cost Model for office refurbishment for the use of EDDC only and are not intended for the use or manipulation by a third party without Aecom’s prior consent.
<table>
<thead>
<tr>
<th>Demolitions and Alterations</th>
<th>GIA</th>
<th>1,938 + 838</th>
<th>2776 m²</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>General internal soft strip out / demolition of internal walls, doors, stairs, timber floors, fittings etc</td>
<td>1,938 m²</td>
<td>31</td>
<td>60,078</td>
<td>Subject to extent of re-configuration and proportion of open plan space</td>
</tr>
<tr>
<td>Allowance for repairs to internal floors etc. where retained / allowance for timber boarding replacement or latex levelling screed etc. subject to construction type</td>
<td>1 Item</td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>Resolution of issues associated with differing levels within buildings (particularly Reception Area)</td>
<td>1 Item</td>
<td></td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>Removal of existing plasterwork, ceilings etc.</td>
<td>1,938 m²</td>
<td>8</td>
<td>15,504</td>
<td></td>
</tr>
<tr>
<td>Strip out of existing sanitary fittings, redundant heating systems, boiler, electrical installations etc.</td>
<td>1,938 m²</td>
<td>6</td>
<td>11,628</td>
<td></td>
</tr>
<tr>
<td>Allowance for removal of asbestos</td>
<td>1 Item</td>
<td>40,000</td>
<td>40,000</td>
<td>Subject to Survey</td>
</tr>
</tbody>
</table>

**Roof**

| | | | | |
| Replacement of flat roof finish and replace | 1,938 m² | 35 | 67,830 | |
| Allowance for sport repair and structural enhancements to the roof | 1 Item | 25,000 | 25,000 | |

**Stairs**

| | | | | |
| Repairs to existing stairs including replacement of handrails / balustrades, sundry steps and ramps | 1,938 m² | 10 | 19,380 | |

**External Walls, Windows and Doors**

| | | | | |
| Allowance for cleaning brickwork facades as necessary and repointing brickwork joints | 1 Item | | 25,000 | |
| Replacement of existing doors and windows | 1,938 m² | 80 | 155,040 | |

| Carried Forward | 509,460 |
## INDICATIVE COST MODEL

<table>
<thead>
<tr>
<th>Structural Alterations</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowance for structural alterations to existing for new layout, openings etc.</td>
<td>1 Item</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td>EO for linking existing Office space</td>
<td>1 Item</td>
<td>80,000</td>
<td></td>
</tr>
<tr>
<td>Allowance for main contractor building surveys, remedial works</td>
<td>1 Item</td>
<td>10,000</td>
<td></td>
</tr>
</tbody>
</table>

**Office Fit Out**

<table>
<thead>
<tr>
<th>Description</th>
<th>Qty</th>
<th>Unit</th>
<th>Rate</th>
<th>£</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>New internal walls and doors - metal stud partitions, mdf skirtings, flush doorsets, glazed screens to meeting rooms etc.</td>
<td>1,938 m2</td>
<td>95</td>
<td>184,110</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wall finishes - plasterboard linings to inner face of external walls, painting generally</td>
<td>1,938 m2</td>
<td>16</td>
<td>31,008</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Floor finishes - replacement screeds, raised floor to 70% of floor area, carpet finish, ceramic tiling to toilets and kitchen areas, reconstituted stone tiling to reception &amp; floor paint to plant rooms</td>
<td>1,938 m2</td>
<td>75</td>
<td>145,350</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ceiling finishes - suspended ceilings - plasterboard on MF system including bulkheads, repairs and re-decoration of existing ceilings</td>
<td>1,938 m2</td>
<td>35</td>
<td>67,830</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fittings &amp; Furniture including general joinery, kitchenette fit-out, no canteen fit-out</td>
<td>1,938 m2</td>
<td>45</td>
<td>87,210</td>
<td></td>
<td></td>
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<tr>
<td>Sanitary Installations - toilet core fit-out, WC's, urinals, wash hand basins, vanity units, hand dryers, mirrors, shower cabinets</td>
<td>1,938 m2</td>
<td>34</td>
<td>65,892</td>
<td></td>
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<tr>
<td>Disposal Installations - soil, waste, rainwater disposal</td>
<td>1,938 m2</td>
<td>15</td>
<td>29,070</td>
<td></td>
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</tr>
<tr>
<td>Water Installations - hot &amp; cold water service, storage and</td>
<td>1,938 m2</td>
<td>20</td>
<td>38,760</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heat source - gas fired boilers, flue, pumps, heat exchanger etc.</td>
<td>1,938 m2</td>
<td>12</td>
<td>23,256</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for renewable energy source - Photo Voltaics</td>
<td>1 Item</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Space heating &amp; air treatment - LTHW installation, hot &amp; cold water supply to plant, dedicated localised cooling systems, toilet &amp; kitchen extract</td>
<td>1,938 m2</td>
<td>135</td>
<td>261,630</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Carried Forward** 1,673,576
<table>
<thead>
<tr>
<th>Description</th>
<th>GIA</th>
<th>Unit</th>
<th>Rate</th>
<th>£</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Electrical installations - LV switchgear, panels and distribution boards, power to main plant &amp; lifts, small power, containment to security &amp; power, office high level exposed luminaires, emergency lighting, PIR sensors etc</strong></td>
<td>1,938 m²</td>
<td>185</td>
<td>358,530</td>
<td>358,530</td>
<td>Brought Forward</td>
</tr>
<tr>
<td><strong>Gas installation - renewal of gas distribution</strong></td>
<td>1,938 m²</td>
<td>3</td>
<td>5,814</td>
<td>5,814</td>
<td></td>
</tr>
<tr>
<td><strong>Lift installations</strong></td>
<td>1,938 m²</td>
<td>35</td>
<td>67,830</td>
<td>67,830</td>
<td></td>
</tr>
<tr>
<td><strong>Protective installations - earthing &amp; bonding and lightning protection</strong></td>
<td>1,938 m²</td>
<td>2</td>
<td>3,876</td>
<td>3,876</td>
<td></td>
</tr>
<tr>
<td><strong>Communication installations - fire &amp; smoke detection, security installation, disabled refuge alarms, induction loops &amp; ICT cat 6 data cabling</strong></td>
<td>1,938 m²</td>
<td>41</td>
<td>79,458</td>
<td>79,458</td>
<td></td>
</tr>
<tr>
<td><strong>CAT 6A Data &amp; AV installation to meeting areas</strong></td>
<td>1,938 m²</td>
<td>50</td>
<td>96,900</td>
<td>96,900</td>
<td></td>
</tr>
<tr>
<td><strong>Building management system</strong></td>
<td>1,938 m²</td>
<td>17</td>
<td>32,946</td>
<td>32,946</td>
<td></td>
</tr>
<tr>
<td><strong>Builder's work in connection with services</strong></td>
<td></td>
<td>5%</td>
<td>58,198</td>
<td>58,198</td>
<td></td>
</tr>
<tr>
<td><strong>Localised adjustment and repairs to pavings, ramps, landscaping</strong></td>
<td>1 Item</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td><strong>Drainage - partial replacement and connection to existing externally</strong></td>
<td>1 Item</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td><strong>Temporary Offices for 80 desks, based upon Portakabin indicative cost advice - includes civil / building works</strong></td>
<td></td>
<td></td>
<td>578,009</td>
<td>578,009</td>
<td></td>
</tr>
<tr>
<td><strong>Rotating Decanting Costs</strong></td>
<td>Say</td>
<td></td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td><strong>Rotating Moving in Costs</strong></td>
<td>Say</td>
<td></td>
<td>40,000</td>
<td>40,000</td>
<td></td>
</tr>
<tr>
<td><strong>Carried Forward</strong></td>
<td></td>
<td></td>
<td>3,075,137</td>
<td>3,075,137</td>
<td></td>
</tr>
<tr>
<td></td>
<td>GIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>-----</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Quantity</strong></td>
<td>Qty</td>
<td>Unit</td>
<td>Rate</td>
<td>£</td>
<td></td>
</tr>
<tr>
<td><strong>Comments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Refurbishment costs - Brought Forward</strong></td>
<td></td>
<td></td>
<td></td>
<td>3,075,137</td>
<td></td>
</tr>
<tr>
<td><strong>BREEAM Excellent for the Refurbishment and New Build</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance for New Build Offices to make up balance of Desks (250 Total)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to EDDC requiring space for 170 desks, the overall floor area requirement is 2,776 m². Thus there is a need for an additional building of 2,776 - 1,938 = 838 m²</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Build to accommodate additional area requirement</td>
<td>838 m²</td>
<td>1,454</td>
<td>1,218,662</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Rate extracted from Initial Order of Cost Estimate for 170 desks Rev A 29 October 2014+5% for reduced build scale efficiency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub total</strong></td>
<td></td>
<td></td>
<td></td>
<td>4,293,799</td>
<td></td>
</tr>
<tr>
<td>Contractors Preliminaries, OH&amp;P</td>
<td>15%</td>
<td></td>
<td></td>
<td>644,070</td>
<td></td>
</tr>
<tr>
<td>Add for Inflation based upon BCIS TPI 4Q 2014 - 4Q 2016 (based on update indices available 10 November 2014)</td>
<td>9.8%</td>
<td></td>
<td></td>
<td>483,911</td>
<td></td>
</tr>
<tr>
<td>Uplift to achieve BREEAM Excellent</td>
<td>6%</td>
<td></td>
<td></td>
<td>325,307</td>
<td></td>
</tr>
<tr>
<td><strong>Total Construction Cost at Q4 2016 SAY £7,930,979</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design &amp; Construction Risk</td>
<td>20%</td>
<td></td>
<td></td>
<td>1,149,417</td>
<td></td>
</tr>
<tr>
<td>Professional design fees, Planning and Building Regulation fees,</td>
<td>15%</td>
<td></td>
<td></td>
<td>1,034,476</td>
<td></td>
</tr>
<tr>
<td><strong>BREEAM Excellent for the Refurbishment and New Build</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**INDICATIVE COST MODEL**

<table>
<thead>
<tr>
<th><strong>GIATotal</strong></th>
<th><strong>GIA</strong></th>
<th><strong>Qty</strong></th>
<th><strong>Unit</strong></th>
<th><strong>Rate</strong></th>
<th><strong>£</strong></th>
<th><strong>Comments</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2776 m²</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Alternatively**

**BREEAM VG for both the Refurbishment and BREEAM**

Excellent for the New Build

*Baseline Refurbishment costs*  
\[
\text{Contractors Preliminaries, OH&P}\text{ 15%} \quad 461,271 \\
\text{Add for Inflation based upon BCIS TPI 4Q 2014 - 4Q 2016 (based on update indices available 10 November 2014)}\text{ 9.8%} \quad 346,568 \\
\text{Uplift to achieve Very Good for the Refurbishment}\text{ 2.5%} \quad 97,074 \\
\text{Refurbishment Total (brought forward)}\quad 3,980,050
\]

Refurbishment Sub Total (brought forward)  
\[
3,980,050
\]

**New Build to accommodate additional area requirement**  
\[
838 \text{ m²} \quad 1,218,662
\]

Due to EDDC requiring space for 170 desks, the overall floor area requirement is 2,776 m². Thus there is a need for an additional building of 2,776 - 1,938 = 838 m²

Contractors Preliminaries, OH&P\text{ 15%} \quad 182,799

Add for Inflation based upon BCIS TPI 4Q 2014 - 4Q 2016 (based on update indices available 10 November 2014)\text{ 9.8%} \quad 137,343

Uplift to achieve Excellent for the New Build\text{ 6%} \quad 92,328

New Build Sub Total (brought forward)\quad 1,631,132

**Design & Construction Risk**\text{ 20%} \quad 1,122,236

**Professional design fees, Planning and Building Regulation fees,**  
\[
15% \quad 1,010,013
\]

**Total Construction Cost at Q4 2016 SAY**  
\[
\text{BREEAM VG for the Refurbishment and BREEAM Excellent for the New Build} \quad 7,743,431
\]
Purpose of report:

This report gives a summary of the Council's overall financial position for 2014/15 at the end of month seven (31 October 2014).

Current monitoring indicates that:

- The General Fund Balance is being maintained at or above the adopted level.
- The Housing Revenue Account Balance will be maintained at or above the adopted level.
- There is a sufficient Capital Reserve to balance this year’s capital programme.

Recommendation:

1. The variances identified as part of the Revenue and Capital Monitoring process up to Month Seven be acknowledged.

2. To consider a £400,000 increase to the LED loan facility as detailed in Section 6 of this Report, subject legal advice.

Reason for recommendation:

The report updates Members on the overall financial position of the Authority following the end of each month and includes recommendations where corrective action is required for the remainder of the financial year.

Officer:

Laurelie Gifford lgifford@eastdevon.gov.uk
Mandy White awhite@eastdevon.gov.uk

Financial implications:

Contained within the report

Legal implications:

Previous advice to members has indicated that some of the loans proposed require further financial and legal assessment, particularly in the area of potential State Aid, which is complex and fact specific. Due to the time available, this work has not yet been completed.

Equalities impact:

Low Impact

Risk:

Low Risk
The loan agreement to LED has been agreed at £1.45m and a request has been made to increase this by a further £400,000; legal consideration needs to be given to this loan agreement in particular to ensure that the Council complies with State Aid rules.

Links to background information:

| Link to Council Plan: | Funding this outstanding place |

1. **Report in full Introduction**

   1.1 The purpose of this monitoring report is to update members of the Cabinet on the overall financial position of the Authority following the end of month seven.

2. **Investment Income**

   Rates available in the market have fluctuated in recent months because of speculation over the timing of a rise in the base rate. Capita Asset Services EDDC’s Treasury Advisors do not expect the base rate to rise until at least the second quarter of 2015 now, and possibly as late as June 2015.

   Our average return on investments at 0.48% for the year to date is better than the October 2014 average LIBID rates of 0.36% for 7 Days and 0.43% for 3 Months.

<table>
<thead>
<tr>
<th>Investments</th>
<th>Annual Budget £000</th>
<th>Variation as at Month 7 £000</th>
<th>Predicted Outturn Variation £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>External investments</td>
<td>(309)</td>
<td>15</td>
<td>7</td>
</tr>
<tr>
<td>Internal investments</td>
<td>(43)</td>
<td>(2)</td>
<td>(4)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(352)</strong></td>
<td><strong>13</strong></td>
<td><strong>3</strong></td>
</tr>
</tbody>
</table>

3. **General Fund Position as at Month Seven.**

   3.1 The following table shows the original budget set for the year and a total of the Supplementary estimates approved to date. In year variances identified which are likely to affect the outturn for the year are detailed below:

<table>
<thead>
<tr>
<th>Original Budget Requirement (set 26/02/14)</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplementary estimates to date</td>
<td>1,439</td>
</tr>
<tr>
<td>THG Consultant removal (Transformation funded)</td>
<td>(20)</td>
</tr>
<tr>
<td>KEL Valuation Software (Asset Management Plan)</td>
<td>6</td>
</tr>
<tr>
<td>Month 7 predicted net over/(under) spend to Year End detailed below</td>
<td>208</td>
</tr>
<tr>
<td><strong>Predicted Budget Outturn</strong></td>
<td><strong>13,065</strong></td>
</tr>
</tbody>
</table>

In compiling this report we have looked at all large, high risk and volatile budget areas. Predicted spending patterns have been linked to operational activity and all material budgets have been subject to thorough risk assessments by operational managers and finance staff. Any continuing variances in spending patterns will then be considered as part of the medium term financial strategy.
A summary of the predicted over and under spends to the year end are shown below:

<table>
<thead>
<tr>
<th>Predicted over / (under) spends</th>
<th>Variation as at Month 7 £000</th>
<th>Predicted Outturn Variation £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal services additional income due to higher volume S.106 agreements</td>
<td>(25)</td>
<td>(30)</td>
</tr>
<tr>
<td><strong>Economy Portfolio</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exmouth Town Hall rental income reduction due to vacancies</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Car park income (£35k previously reported) due to annual permit budget profiling and increased customer compliance</td>
<td>113</td>
<td>60</td>
</tr>
<tr>
<td>NB: Revenue increase to date increase on 2013/14 actuals</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Strategic Development &amp; Partnership Portfolio</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planning application fee income reduction</td>
<td>170</td>
<td>100</td>
</tr>
<tr>
<td><strong>Sustainable Homes &amp; Communities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Homelessness service underspend due to preventative strategy</td>
<td>(25)</td>
<td>(30)</td>
</tr>
<tr>
<td>Outturn variation reported as at Month 6</td>
<td>(22)</td>
<td>119</td>
</tr>
<tr>
<td>Investment Income variations (£39k previously reported included in above)</td>
<td>(13)</td>
<td>(36)</td>
</tr>
<tr>
<td><strong>Predicted Outturn Total Variations</strong></td>
<td>223</td>
<td>208</td>
</tr>
</tbody>
</table>

It should be noted that the Recycling and Waste Manager has been working with SITA to improve the presentation and transparency of the billing arrangements, this has however meant a significant delay in billing and determining recycling income levels resulting in the Finance Team not being able to assess with the manager the budget monitoring position. The market on recyclables has reduced and the Strategic Lead for Finance has requested that a monitored position is reached as a matter of urgency and any variation against budget will be reported in the next monitoring report.
3.2 These variations will have the following overall effect on the Council's General Fund Balance:

<table>
<thead>
<tr>
<th>Description</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Balance 01/04/14</td>
<td>(3,925)</td>
</tr>
<tr>
<td>Less: Planned use/contribution to General Fund balance</td>
<td>(75)</td>
</tr>
<tr>
<td>New Homes Bonus Volatility Fund</td>
<td>400</td>
</tr>
<tr>
<td>Available General Fund balance 2014/15</td>
<td>(3,600)</td>
</tr>
<tr>
<td>Supplementary Estimates to date</td>
<td>19</td>
</tr>
<tr>
<td>Predicted net over / (under) spend to year end net of Year end transfers to Earmarked Reserves (from above)</td>
<td>208</td>
</tr>
<tr>
<td>Predicted General Fund Balance 31/03/15</td>
<td>(3,373)</td>
</tr>
</tbody>
</table>

The Council has an accepted adopted range for the General Fund Balance to be within the range of £2,800k to £3,600k. Therefore the predicted balance of £3,373k falls within this range.

3.3 An analysis of the main income streams is shown below:

<table>
<thead>
<tr>
<th>Income Stream</th>
<th>Annual Budget £000</th>
<th>Variation at Month 7 £000</th>
<th>Predicted Outturn Variation £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car Park income</td>
<td>(3,320)</td>
<td>148</td>
<td>100</td>
</tr>
<tr>
<td>Planning fees Income</td>
<td>(1,715)</td>
<td>170</td>
<td>100</td>
</tr>
<tr>
<td>Building Control fees</td>
<td>(531)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Local Land Charges</td>
<td>(239)</td>
<td>(13)</td>
<td>(13)</td>
</tr>
</tbody>
</table>

3.4 Summary of Other Reserves:

<table>
<thead>
<tr>
<th>Reserve</th>
<th>Balance B/f 2014/15 £000</th>
<th>Spend to date £000</th>
<th>Estimated additional Spend/ (Income) £000</th>
<th>Predicted Balance C/f to 2015/16 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Maintenance Reserve</td>
<td>(1,182)</td>
<td>64</td>
<td>105</td>
<td>(1,013)</td>
</tr>
<tr>
<td>Asset Management Plan Reserve</td>
<td>(87)</td>
<td>6</td>
<td>34</td>
<td>(47)</td>
</tr>
<tr>
<td>New Homes Bonus Volatility Reserve</td>
<td>(273)</td>
<td>0</td>
<td>(400)</td>
<td>(673)</td>
</tr>
<tr>
<td>Business Rates Volatility Reserve</td>
<td>(774)</td>
<td>0</td>
<td>325</td>
<td>(449)</td>
</tr>
<tr>
<td>Transformation Reserve</td>
<td>(1,238)</td>
<td>190</td>
<td>451</td>
<td>(597)</td>
</tr>
<tr>
<td>LABGI</td>
<td>(244)</td>
<td>0</td>
<td>71</td>
<td>(173)</td>
</tr>
</tbody>
</table>
4. **Housing Revenue Account Position up to Month 7.**

4.1 A summary of the predicted over and under spends to the year end is shown below. There are no further variations to report.

<table>
<thead>
<tr>
<th>Variations as at Month 5</th>
<th>Variation at Month 7 £000</th>
<th>Predicted Outturn Variation £000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>100</td>
</tr>
</tbody>
</table>

The following table shows the original budget surplus for the year and the total variations as identified above, which are likely to affect the budget to give a revised budget surplus for the year.

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Original Budget surplus</strong></td>
<td>(1,065)</td>
</tr>
<tr>
<td>Supplementary estimates:</td>
<td></td>
</tr>
<tr>
<td>Dray Court fire risk works</td>
<td>120</td>
</tr>
<tr>
<td>New posts – Building Surveyor &amp; Estate Management Officer</td>
<td>28</td>
</tr>
<tr>
<td>(for 6 months in 2014/15)</td>
<td></td>
</tr>
<tr>
<td>Estate Management work (6 months in 2014/15)</td>
<td>5</td>
</tr>
<tr>
<td>Month 7 predicted net (under)/overspend to year end</td>
<td>100</td>
</tr>
</tbody>
</table>

**Predicted Budget Surplus**

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(812)</td>
</tr>
</tbody>
</table>

4.2 The variations identified above will have the following effect on the Housing Revenue Account Balance:

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Revenue Account Balance (01/04/13)</strong></td>
<td>(3,891)</td>
</tr>
<tr>
<td>Predicted budget requirement as above</td>
<td>(812)</td>
</tr>
<tr>
<td><strong>Predicted HRA Balance (31/03/14)</strong></td>
<td>(4,703)</td>
</tr>
</tbody>
</table>

The recommended level for the HRA balance has been agreed at £2,100k (£500 per property). The current balance is well above the recommended level and will be used for further investment in the housing stock including buying or building new stock, to offset any adverse effects of Welfare Reform and to ensure sufficient funds are available to service the self financing loans – the first principal repayment is due at the end of this financial year. In addition £2.9m is held in a volatility reserve.

5. **Capital Programme Position up to Month 7**

5.1 The following tables currently estimate the total required from the Capital Reserve is £1,524k.

<table>
<thead>
<tr>
<th>Capital Reserve</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brought forward balance 1 April 2014</td>
<td>(2,509)</td>
</tr>
<tr>
<td>Requirement as at Month 7</td>
<td>1,524</td>
</tr>
<tr>
<td><strong>Balance carried forward to 2015/16</strong></td>
<td>(985)</td>
</tr>
</tbody>
</table>
5.2 Capital Programme and financing:

<table>
<thead>
<tr>
<th>Net Capital Programme Budget (Council 20/02/14)</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14 scheme costs slipped into 2014/15 (as agreed by Cabinet 23/07/14)</td>
<td>8,542</td>
<td>19,476</td>
</tr>
</tbody>
</table>

**Revised 2014/15 budget**

- Budget variations reported previously Months 1-5
- Beer Community Land Trust loan adj (CAB 4/9/13)
- Mamhead slipway slippage to 2015/16
- Enabling investment Estuary side Exmouth timing
- The Strand slipped to 2015/16
- Growth Point slipped to 2015/16
- Street Scene beach cleaner replacement slipped to 2015/16
- Cranbrook Community Play area slipped to 2015/16
- Honiton Skateboard Park savings
- Purchase 28 Mountain Close Exmouth CAB 1/10/14
- STRATA Setup CAB 2/7/14

Total Revised Budget = £28,018

**Predicted Capital Budget Requirement**

- From £1.45k (agreed by Council) to £1.85k

<table>
<thead>
<tr>
<th>Capita Programme financed by</th>
<th>£000</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Year Usable Capital Receipts</td>
<td>(2,733)</td>
<td></td>
</tr>
<tr>
<td>PWLB Loan – Seaton workshops</td>
<td>(770)</td>
<td></td>
</tr>
<tr>
<td>PWLB Loan – Beer Community Land Trust Loan</td>
<td>(755)</td>
<td></td>
</tr>
<tr>
<td>PWLB Loan – LED Loan</td>
<td>(1,450)</td>
<td></td>
</tr>
<tr>
<td>PWLB Loan – Exeter Science Park loan</td>
<td>(1,000)</td>
<td></td>
</tr>
<tr>
<td>S.106 funding</td>
<td>(281)</td>
<td></td>
</tr>
<tr>
<td>DCLLG Grant - Growth Point</td>
<td>(190)</td>
<td></td>
</tr>
<tr>
<td>DCLLG Grant – Regional Growth Fund</td>
<td>(5,905)</td>
<td></td>
</tr>
<tr>
<td>DCLLG Grant - Heat &amp; Light</td>
<td>(2,301)</td>
<td></td>
</tr>
<tr>
<td>Other Capital Grants</td>
<td>(75)</td>
<td></td>
</tr>
<tr>
<td>General Fund Revenue contribution</td>
<td>(264)</td>
<td></td>
</tr>
<tr>
<td>HRA Contribution</td>
<td>(5,128)</td>
<td></td>
</tr>
<tr>
<td>New Homes Bonus</td>
<td>(371)</td>
<td></td>
</tr>
<tr>
<td>Transformation reserve</td>
<td>(643)</td>
<td></td>
</tr>
<tr>
<td>Tesco receipt reserve</td>
<td>(1,741)</td>
<td></td>
</tr>
<tr>
<td>Predicted Capital Reserve (Requirement) / Contribution</td>
<td>(1,524)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funding</strong></td>
<td><strong>(25,131)</strong></td>
<td></td>
</tr>
</tbody>
</table>
6. **Extension of Facility Borrowing Agreement (LED) – from £1,450,000 to £1,850,000**

6.1 LED Leisure Management Ltd has requested additional funding of £400,000 to support its capital investment in Exmouth Leisure Centre, including the provision of indoor climbing, increased gym and studio facilities.

6.2 Members will recall that Council in February 2014 agreed a loan of £1.45m for LED recognising the business potential and community benefit this Exmouth development secures. Whilst LED had secured private finance and lottery funding, the facilitation of replacement borrowing by EDDC was recognised as supporting both EDDC and LED in their combined endeavours to reduce the cost of leisure provision to the Council. The Council will fund the loan by borrowing from the PWLB with the loan repayment terms for LED mirroring the loan from the PWLB.

6.3 The request for an additional £400,000 support has been brought to assist LED during a phase of major investment in East Devon facilities including the Exmouth Leisure Centre redevelopment (£2m enhancements). The Council’s LED Monitoring Group has been afforded full access to LED’s business plans, financial plan and strategy for leisure development and is satisfied that these are both viable and offer a significant benefit to the Council. Approval of the additional £400,000 will assist LED by reducing the pressure on cash.

6.4 A Facility Borrowing Agreement with LED is still being drafted and there is a need to ensure that State Aid rules are complied with which is currently under consideration.
Report to: Cabinet  
Date: 03 December 2014  
Public Document: Yes  
Exemption: None  
Review date for release: None  
Agenda item: 13  

Subject: Treasury Management Performance 2014/15 – 1 April 2014 to 30 September 2014  

Purpose of report: This report details the overall position and performance of the Council’s investment portfolio for the first six months of 2014/15.  

Recommendation: Cabinet is requested to note the investment values and performance for the period to 30 September 2014.  

Reason for recommendation: The Council is required by regulations issued under the Local Government Act 2003 and the Code of Practice on Treasury Management in Public Services published by the Chartered Institute of Public Finance & Accounting (CIPFA) to produce a half yearly review of its treasury management activities and performance.  

Officer: Claire Mitchell – Accountant  
clmitchell@eastdevon.gov.uk  
Extension 2033  

Financial implications: Contained within the report.  

Legal implications: As is indicated in the report, financial management of this type is subject to a range of regulatory controls and accounting conventions, which the finance team manage on a day to day basis. Otherwise the Council has discretion in terms of its financial strategies, acting reasonably.  

Equalities impact: Low Impact  

The report is for information only.  

Risk: Low Risk  

Any depositing of surplus funds exposes the Council to a certain degree of risk relating to the security of deposits and investment return. However, through the Council's Treasury Management Strategy, the level of risk is proactively managed to an acceptable level.  

Links to background information: None.
1. **Introduction**

1.1 This report is submitted in accordance with the Chartered Institute of Public Finance & Accounting’s (CIPFA) “Code for Treasury Management in Public Services”. It covers the period 1 April 2014 to 30 September 2014.

1.2 For 2014/15, the General Fund was budgeted to generate £309,440 from its investments and pay out a total of £132,060 in relation to borrowings giving a net return of £177,380.

1.3 The Housing Revenue Account (HRA) was budgeted to receive £33,360 on investments and pay out £3,140,450 in relation to borrowings, resulting in a net payment of £3,107,090.

1.4 The average 7-day rate used in the report is the London Interbank Bid (LIBID) rate. This rate was 0.35% for the period and is referred to as a benchmark for comparison purposes.

2. **Valuation and Performance**

The following table shows the value of investments held.

<table>
<thead>
<tr>
<th>Fund</th>
<th>30 Sept 2013 £000</th>
<th>30 March 2014 £000</th>
<th>30 Sept 2014 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>External Investments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payden and Rygel</td>
<td>15,459</td>
<td>15,459</td>
<td>15,459</td>
</tr>
<tr>
<td>Royal London Asset Management</td>
<td>15,459</td>
<td>15,459</td>
<td>15,459</td>
</tr>
<tr>
<td><strong>Total External Investments</strong></td>
<td>34,868</td>
<td>32,693</td>
<td>40,018</td>
</tr>
<tr>
<td><strong>Internal Investments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank of Scotland</td>
<td>2,000</td>
<td>1,750</td>
<td>2,000</td>
</tr>
<tr>
<td>CCLA Money Market Fund</td>
<td>650</td>
<td>25</td>
<td>2,100</td>
</tr>
<tr>
<td>Fixed Deposits</td>
<td>1,300</td>
<td>0</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Total Internal Investments</strong></td>
<td><strong>34,868</strong></td>
<td><strong>32,693</strong></td>
<td><strong>40,018</strong></td>
</tr>
</tbody>
</table>

2.1 The internal investments are held to meet internal short term cash flow requirements and therefore fluctuate on that basis. Note the above does not include as investments those loans obtained from PWLB which are recharged to third parties.

2.2 Below is a table of the half yearly rate of return on investments. The LIBID rates were obtained from Capita Asset Services.

<table>
<thead>
<tr>
<th>Half Year Rate of Return</th>
<th>2013/14</th>
<th>2014/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Investment Fund</td>
<td>0.49%</td>
<td>0.49% (0.98% annualised)</td>
</tr>
<tr>
<td>In House Investment</td>
<td>0.48%</td>
<td>0.44%</td>
</tr>
<tr>
<td>7 Day LIBID</td>
<td>0.36%</td>
<td>0.35%</td>
</tr>
<tr>
<td>1 Month LIBID</td>
<td>- **</td>
<td>0.44%</td>
</tr>
<tr>
<td>12 Month LIBID</td>
<td>- **</td>
<td>0.93%</td>
</tr>
</tbody>
</table>

** Comparable data not available
2.3 The 2014/15 budget estimated a net return on all investment activities of £177,380. The actual return for the first half of 2014/15 is £101,820. The table below shows the return breakdown:

<table>
<thead>
<tr>
<th>General Fund (GF)</th>
<th>Actual 2013/14 Mths 1-6 £000</th>
<th>Budget 2014/15 £000</th>
<th>Budget 2014/15 Mths 1-6 £000</th>
<th>Actual 2014/15 Mths 1-6 £000</th>
<th>Variance 2014/15 Mths 1-6 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Market Investments</td>
<td>(16)</td>
<td>(36)</td>
<td>(19)</td>
<td>(22)</td>
<td>(3)</td>
</tr>
<tr>
<td>Other Investment interest</td>
<td>13</td>
<td>(5)</td>
<td>7</td>
<td>12</td>
<td>5</td>
</tr>
<tr>
<td>Return on Internal Investments</td>
<td>(3)</td>
<td>(41)</td>
<td>(12)</td>
<td>(10)</td>
<td>2</td>
</tr>
<tr>
<td>Externally Managed Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Received net of fees</td>
<td>(130)</td>
<td>(268)</td>
<td>(134)</td>
<td>(131)</td>
<td>3</td>
</tr>
<tr>
<td>Fair Value (Gains)/Losses*</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Return on External Investments</td>
<td>(130)</td>
<td>(268)</td>
<td>(134)</td>
<td>(131)</td>
<td>3</td>
</tr>
<tr>
<td>Return on Investments</td>
<td>(133)</td>
<td>(309)</td>
<td>(146)</td>
<td>(141)</td>
<td>5</td>
</tr>
<tr>
<td>Borrowing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Borrowing</td>
<td>0</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>(2)</td>
</tr>
<tr>
<td>Long Term borrowing - PWLB</td>
<td>36</td>
<td>129</td>
<td>30</td>
<td>39</td>
<td>9</td>
</tr>
<tr>
<td>Payable on Borrowings</td>
<td>36</td>
<td>132</td>
<td>32</td>
<td>39</td>
<td>7</td>
</tr>
<tr>
<td>Net Return on Treasury Activities</td>
<td>(97)</td>
<td>(177)</td>
<td>(114)</td>
<td>(102)</td>
<td>12</td>
</tr>
</tbody>
</table>

*This is the gain or loss in value from selling an investment before maturity
2.4 The 2014/15 budget estimated a net payment of £3,107,010 for the HRA. The actual payment for the first half of 2014/15 is £1,265,826. The table below shows the payment breakdown:

<table>
<thead>
<tr>
<th>Housing Revenue Account (HRA)</th>
<th>Actual 2013/14 Mths1-6 £000</th>
<th>Budget 2014/15 £000</th>
<th>Budget 2014/15 Mths 1-6 £000</th>
<th>Actual 2014/15 Mths 1-6 £000</th>
<th>Variance 2014-15 Mths 1-6 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Receivable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Investment interest</td>
<td>(14)</td>
<td>(33)</td>
<td>(17)</td>
<td>(17)</td>
<td>(0)</td>
</tr>
<tr>
<td>Return on Investments</td>
<td>(14)</td>
<td>(33)</td>
<td>(17)</td>
<td>(17)</td>
<td>(0)</td>
</tr>
<tr>
<td>Long Term Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PWLB</td>
<td>20</td>
<td>39</td>
<td>20</td>
<td>20</td>
<td>0</td>
</tr>
<tr>
<td>PWLB Self Financing Loans</td>
<td>1,237</td>
<td>3,101</td>
<td>1,261</td>
<td>1,263</td>
<td>2</td>
</tr>
<tr>
<td>Payable on Borrowings</td>
<td>1,257</td>
<td>3,140</td>
<td>1,281</td>
<td>1,283</td>
<td>2</td>
</tr>
<tr>
<td>Net Payment for Treasury Activities</td>
<td>1,243</td>
<td>3,107</td>
<td>1,264</td>
<td>1,266</td>
<td>2</td>
</tr>
</tbody>
</table>

3. **External Investments**

3.1 The amount receivable in relation to external investments with Royal London Asset Management’s Cash Plus Fund and the Payden and Rygel Sterling Reserve Fund during the period is £151,306. This is a return on investment of 0.49% for the first 6 months of the year, annualised to 0.98% gross of fees.

4. **Internal Investments**

4.1 Up to 30 September 2014 internal investments have generated an income of £21,878 compared to £15,906 at the same point in 2013/14. This is due to the amounts available for investment in the current year rather than an increase in the rate of return.

4.2 The repayment terms varied from call (instantly repayable), to fixed periods of up to 49 days (43 days in 2013/14). The interest rate on these investments averaged 0.44% compared to 0.48% in 2013/14.

4.3 The average rate of return achieved via cash flow management, is 0.44%. This is 0.09% above the 7 Day LIBID rate for the half year of 0.35%. This is despite market rates being historically low and the duration and amount of funds available being dependent on the timing of precept payments, receipt of grants and expenditure on the Capital Programme.
5. **Borrowing**

5.1 So far this year EDDC has not had to borrow to cover cash flow, and based on current cash flow forecasts there is no indication that it will need to borrow during the remainder of the current financial year in order to meet its short-term cash requirements.

5.2 A summary of the capital programme is included in the monthly Financial Monitoring Report. This includes a detailed breakdown of the capital financing requirements which have therefore not been reiterated here.

6. **Treasury Management Strategy**

6.1 In line with the CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management in Public Services local authorities are required to have a Treasury Management Strategy and they are required to formally review that strategy on an annual basis.

6.2 The EDDC Strategy is due to be presented to Cabinet in February 2015 at the latest in order to meet this requirement, and research is currently being undertaken to ascertain whether the EDDC Treasury Management Strategy continues to be fit for purpose in the current financial environment.

6.3 Initial indications are that there is some opportunity to develop the strategy in order to allow increased operational flexibility in managing the funds without creating a negative impact on the current levels of security, liquidity and yield. The current counter party limits, which underpin the strategy, have been in place for several years and these limits form a fundamental element of the present research. In particular, the treasury management team is investigating the levels of assurance that can be obtained to support an increase in those counter party limits where appropriate.

6.4 The EDDC treasury management team has recently joined the South West Treasury Management Benchmarking Group hosted by Capita Asset Services. This group currently has members from 14 authorities and provides a forum for interpreting Treasury Management data across the area and sharing best practice. The group also allows the opportunity to consider any potential forthcoming treasury management risks, the early identification of which can aid proactive investment management. In addition, the EDDC treasury management team is undertaking a review of the Treasury Management Strategies of a sample of other comparable district councils, again with the aim of benchmarking the EDDC strategy in comparison.

6.5 The results of this research will be presented in appendices to the forthcoming Treasury Management Strategy Report.
7. Outlook

7.1 During the last month there has been a growing accumulation of negative news which has resulted in cash flowing into the safe haven of government bonds. This has resulted in their prices increasing with a correlating sharp decline in yield. During the same period the threat of deflation has become a major risk, particularly in the Eurozone where some key countries are experiencing slow or negative growth. The European Central Bank has attempted to stimulate growth via monetary policy, but having cut the central interest rate to near zero, it has made minor attempts to buy back commercial debt, although Germany remains reluctant to allow it to embark on a full programme of quantitative easing. As a result, investor confidence in Europe has been undermined. Similarly the growth prospects of other large world economies, including China, Japan, Brazil and Russia are rather bleak. However on the flip side both the USA and UK have seen some growth during the period, despite inflation falling to remarkably low levels (in the UK inflation was 1.2% in September). In order to protect UK growth the Monetary Policy Committee (MPC) has exercised caution in relation to the UK base rate. The financial market has now revised its view in relation to an anticipated date for a rate rise, with indications that this may not come until the end of the second quarter in 2015.

7.2 The Council’s treasury advisor, Capita Asset Services, has provided the following forward looking view:

Economic forecasting remains difficult with so many external influences weighing on the UK. Forecasts for average earnings beyond the three year horizon will be heavily dependent on economic and political developments. Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, or the safe haven of bonds.

As there are significant potential risks from the Eurozone and from financial flows from emerging markets in particular, caution must be exercised in respect of all interest rate forecasts at the current time. The general expectation for an eventual trend of gently rising gilt yields and PWLB rates is expected to remain unchanged. Negative (or positive) developments in the EZ sovereign debt crisis could significantly impact safe-haven flows of investor money into UK, US and German bonds and produce shorter term movements away from our central forecasts.

**Downside risks to UK gilt yields and PWLB rates include:**

1. The situation over Ukraine poses a major threat to EZ and world growth if it was to deteriorate into economic warfare between the West and Russia where Russia resorted to using its control over gas supplies to Europe.

2. Fears generated by the potential impact of Ebola around the world.

3. UK strong economic growth is currently mainly dependent on consumer spending and the potentially unsustainable boom in the housing market. The boost from these sources is likely to fade after 2014.

4. A weak rebalancing of UK growth to exporting and business investment causing a weakening of overall economic growth beyond 2014.

5. Weak growth or recession in the UK’s main trading partner - the EU, inhibiting economic recovery in the UK.
6. A return to weak economic growth in the US, UK and China causing major disappointment in investor and market expectations.

7. A resurgence of the Eurozone sovereign debt crisis caused by ongoing deterioration in government debt to GDP ratios to the point where financial markets lose confidence in the financial viability of one or more countries and in the ability of the ECB and Eurozone governments to deal with the potential size of the crisis.

8. Recapitalisation of European banks requiring more government financial support.

9. Lack of support by populaces in Eurozone countries for austerity programmes, especially in countries with very high unemployment rates e.g. Greece and Spain, which face huge challenges in engineering economic growth to correct their budget deficits on a sustainable basis.

10. Italy: the political situation has improved but it remains to be seen whether the new government is able to deliver the austerity programme required and a programme of overdue reforms. Italy has the third highest government debt mountain in the world.

11. France: after being elected on an anti austerity platform, President Hollande has embraced a €50bn programme of public sector cuts over the next three years. However, there could be major obstacles in implementing this programme. Major overdue reforms of employment practices and an increase in competiveness are also urgently required to lift the economy out of stagnation.

12. Monetary policy action failing to stimulate sustainable growth in western economies, especially the Eurozone and Japan.

13. Heightened political risks in the Middle East and East Asia could trigger safe haven flows back into bonds.

14. There are also increasing concerns at the reluctance of western central banks to raise interest rates significantly for some years, plus the huge QE measures which remain in place (and may be added to by the ECB in the near future). This has created potentially unstable flows of liquidity searching for yield and, therefore, heightened the potential for an increase in risks in order to get higher returns. This is a return to a similar environment to the one which led to the 2008 financial crisis.

**Upside risks to UK gilt yields and PWLB rates, especially for longer term PWLB rates include:**

1. A further surge in investor confidence that robust world economic growth is firmly expected, causing a flow of funds out of bonds into equities.

2. UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.
The following table compares the current bank borrowing and PWLB lending rates to the forecast.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>BANK RATE</td>
<td>0.50</td>
<td>0.50</td>
<td>0.50</td>
<td>0.75</td>
<td>0.75</td>
<td>1.00</td>
<td>1.00</td>
<td>1.25</td>
<td>1.25</td>
<td>1.50</td>
<td>1.50</td>
<td>1.75</td>
<td>2.00</td>
<td>2.25</td>
<td>2.50</td>
</tr>
<tr>
<td>3 month LIBID</td>
<td>0.50</td>
<td>0.50</td>
<td>0.60</td>
<td>0.80</td>
<td>0.90</td>
<td>1.10</td>
<td>1.30</td>
<td>1.40</td>
<td>1.60</td>
<td>1.90</td>
<td>2.10</td>
<td>2.10</td>
<td>2.30</td>
<td>2.40</td>
<td>2.60</td>
</tr>
<tr>
<td>6 month LIBID</td>
<td>0.65</td>
<td>0.70</td>
<td>0.80</td>
<td>1.00</td>
<td>1.10</td>
<td>1.20</td>
<td>1.40</td>
<td>1.50</td>
<td>1.80</td>
<td>2.00</td>
<td>2.20</td>
<td>2.30</td>
<td>2.50</td>
<td>2.70</td>
<td>2.80</td>
</tr>
<tr>
<td>12 month LIBID</td>
<td>0.93</td>
<td>0.90</td>
<td>1.00</td>
<td>1.20</td>
<td>1.30</td>
<td>1.40</td>
<td>1.70</td>
<td>1.80</td>
<td>2.10</td>
<td>2.20</td>
<td>2.30</td>
<td>2.40</td>
<td>2.60</td>
<td>2.80</td>
<td>3.00</td>
</tr>
<tr>
<td>5 yr PWLB</td>
<td>2.40</td>
<td>2.50</td>
<td>2.70</td>
<td>2.70</td>
<td>2.80</td>
<td>2.90</td>
<td>3.00</td>
<td>3.10</td>
<td>3.20</td>
<td>3.30</td>
<td>3.40</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
</tr>
<tr>
<td>10 yr PWLB</td>
<td>3.60</td>
<td>3.20</td>
<td>3.40</td>
<td>3.50</td>
<td>3.60</td>
<td>3.70</td>
<td>3.80</td>
<td>3.90</td>
<td>4.00</td>
<td>4.10</td>
<td>4.10</td>
<td>4.20</td>
<td>4.20</td>
<td>4.30</td>
<td>4.30</td>
</tr>
<tr>
<td>25 yr PWLB</td>
<td>3.70</td>
<td>3.90</td>
<td>4.00</td>
<td>4.10</td>
<td>4.30</td>
<td>4.40</td>
<td>4.50</td>
<td>4.60</td>
<td>4.70</td>
<td>4.80</td>
<td>4.90</td>
<td>4.90</td>
<td>4.90</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td>50 yr PWLB</td>
<td>3.70</td>
<td>3.90</td>
<td>4.00</td>
<td>4.10</td>
<td>4.30</td>
<td>4.40</td>
<td>4.50</td>
<td>4.60</td>
<td>4.70</td>
<td>4.80</td>
<td>4.90</td>
<td>4.90</td>
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</table>

(The Capita Assets Services forecasts above where applicable are for PWLB certainty rates.)
This report introduces a new policy, bringing together the Council Tax Discretionary Discount Policy and Exceptional Hardship Fund Policy. It does not alter the objectives of these policies, but in bringing them together means that the application process can be aligned and a common assessment framework introduced for cases of financial hardship. This ensures that council taxpayers are treated fairly and consistently and mitigates the risk of potential legal challenge.

Within Council Tax legislation there are two ways in which East Devon District Council can use its discretionary powers to give a reduction in council tax:

- S13a1c of the Local Government Finance Act 1992 (as amended) allows the Billing Authority to reduce the amount a person is liable to pay in council tax by any amount. This is referred to in our policy as a Section 13a1c discretionary council tax discount. This is wholly funded by EDDC except when Central Government has used this provision to provide grant funding for specific issues, for example this year’s flooding.

- In addition to our Council Tax Reduction Scheme Policy (Section 13A1a of the Local Government Finance Act 1992, as amended), EDDC has an Exceptional Hardship Fund (EHF). This was introduced as a safety net to our council tax support scheme when the Government abolished council tax benefit. The EHF is available to cover the shortfall between Council Tax liability and payments of Council Tax Support. The funding of EHF is through the collection fund and is paid for by all preceptors in proportion to their share of council tax.

This report and attached policy (appendix 1) explains these discretionary powers in further detail.

Recommendation: The policy be approved

Reason for recommendation: This policy brings together two separate policies and in doing so ensures we are treating customers fairly and consistently.

In bringing the two policies together it allows for applications to be considered using one framework, and removes the previous requirement for customers to apply under each discretionary provision.

Officer: Libby Jarrett, Revenues & Benefits Service Lead jarrett@eastdevon.gov.uk Direct dial 01395 517450

Financial implications: This Policy brings together two existing policies and the associated budget provision, there is no overall financial implication.
Legal implications:  The legal team was consulted during the preparation of the report – the report reflects the advice given.

Equalities impact:  Low Impact

A full Equality Impact Assessment has been undertaken and is attached see appendix 2.

Risk:  Low Risk

The risk has been classified as low because it is bringing together two existing policies into one.

Links to background information:
- Valuation Tribunal Practice Statement: Council Tax Reduction Appeals
  http://www.valuationtribunal.gov.uk/Libraries/Publications/Practice_Statement_-_A11_CTR_Appeals.sflb.ashx

Link to Council Plan:  Living in this outstanding place

1.0 Background

1.1 Under Section 13A of the Local Government Finance Act 1992 (as inserted by Section 76 of the Local Government Act 2003), EDDC has the power to reduce liability for council tax in relation to individual cases or classes of cases that it may determine where national exemptions and discounts cannot be applied. Any discount or reduction given under this provision is fully funded by the Billing Authority except where the Government provide reimbursement for a particular issue. This happened with this year’s flooding where the Government used this discretionary provision within our regulations to provide council tax discounts to properties affected by the 2014 flooding, subject to certain criteria. This is then reimbursed by the Government to the local authority in the form of a grant payment. Our policy now reflects that where the Government provide funding using this provision that we will exercise our discretion in accordance with the criteria issued within that framework.

1.2 Since the introduction of Council Tax Support in April 2013, EDDC has an Exceptional Hardship Fund (EHF) to sit alongside our Council Tax Support scheme to provide a safety net to those customers where there are exceptional financial circumstances. The EHF is available to cover the shortfall between Council Tax liability and payments of Council Tax Support. Any help given under this provision is fully funded by the major precepting authorities in proportion to their share of council tax.

1.3 Following a recent legal challenge that was considered by the Valuation Tribunal concerning the discretionary policy of East Riding of Yorkshire Council, additional guidance has now been issued by the Valuation Tribunal concerning procedure on appeals. This guidance has been reflected in this new policy which is available by following the link under background papers.

1.4 This policy which combines the previous two policies still supports the corporate objectives by delivering the following outcomes:

  o A safety net to protect our most vulnerable customers who need additional financial assistance who are already in receipt of Council Tax Support
  o To enable support to be given to customers who are in financial or other crisis where no other legislative discounts or reliefs exist.

2.0 Applying the policy

2.1 This area sits within the Revenues and Benefits Service and Officers applying this policy will consider whether alternative actions should be undertaken before applying this policy. They will ensure that all other statutory discounts or reliefs have been applied. This policy will only consider exceptional circumstances, due to financial need or crisis, where it is appropriate and fair to provide a discretionary discount or reduction. In some cases council taxpayers will be
referred for independent money and budgeting advice, this will ensure that Council Tax is
treated as a priority bill, next to rent and/or mortgage payments in household priorities.

2.2 The Council will exercise its discretionary power to reduce council tax by considering
applications on an individual case level. All applications will be considered in line with the
criteria set out within the policy and a consistent approach will be taken to ensure fairness.

3.0 Consultation
3.1 There is no requirement to consult on this matter.

4.0 Implication for local people and service users
4.1 The proposal could affect any council tax payer and consideration has been given to the
implications and risks associated with this.

5.0 Financial Implications
5.1 Discretionary Council Tax Discounts are wholly funded by EDDC, except when Central
Government has used this provision to provide grant funding for specific issues.
5.2 Exceptional Hardship Fund awards funded through the Collection Fund, and is paid for by all
preceptors in proportion to their share of the council tax.
East Devon District Council

Council Tax Discretionary Discount and Reduction Policy

<table>
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<tr>
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</tr>
<tr>
<td>Version number</td>
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<tr>
<td>Officer responsible:</td>
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<tr>
<td>Authorisation by:</td>
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<tr>
<td>Authorisation date:</td>
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</tbody>
</table>

1 Previous Policies/Strategies

1.1 This policy brings together the Council Tax Discretionary Discount Policy and Exceptional Hardship Fund Policy.

2 Why has the council introduced this policy?

2.1 This policy sets out the criteria that needs to be met and the type of information to be provided when a Council Taxpayer applies for a reduction in their Council Tax under East Devon District Council’s (EDDC) discretionary powers.

2.2 There are two ways by which EDDC can use its discretionary powers to give a reduction in Council Tax:

2.2.1 S13a1c of the Local Government Finance Act 1992 (as amended) provides the billing authority with additional discretionary powers to reduce the council tax liability where national discounts and exemptions cannot be applied:

   a. Where a person is liable to pay council tax in respect of any chargeable dwelling and day, the billing authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.
   b. The power under subsection 1) above includes the power to reduce an amount to nil.
   c. The power under subsection 1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.

This is referred to in our policy as a Section 13a1c discretionary Council Tax reduction. This is wholly funded by EDDC, except when Central Government has used this provision to provide grant funding for specific issues, for example the winter 2013/14 flooding.
2.2.2 In addition to our Council Tax Reduction Scheme Policy (Section 13a1a of the Local Government Finance Act 1992, as amended), EDDC has an Exceptional Hardship Fund (EHF). The EHF is available to cover the shortfall between Council Tax liability and payments of Council Tax Support. The funding of EHF is through the collection fund and is paid for by all preceptors in proportion to their share of Council Tax.

2.3 The purpose of bringing the two discretionary schemes under the one policy allows for applications to be considered under the one framework and therefore removes the requirement for the Council Taxpayer having to apply under both discretionary provisions. It also means that EDDC has one financial assessment criteria ensuring that applicants are treated fairly and consistently.

3 What is EDDC’s policy?

3.1 This policy meets the corporate priorities of living in this outstanding place by looking after our residents’ health and wellbeing. It supports these priorities by delivering the following outcomes:

- A safety net to protect our most vulnerable Council Taxpayers who need additional financial assistance.
- Enables support to be given to Council Taxpayers who are in financial or other crisis where no other legislative discounts or reliefs exist.
- Helps Council Taxpayers through personal crisis, difficult events or where there are exceptional circumstances which impacts on their ability to pay.
- Prevents exceptional hardship
- Alleviates poverty
- Helps those who are trying to help themselves
- Sustains tenancies and prevention of homelessness
- Keeps families together
- Encourages and supports people to obtain and remain in employment

3.2 Officers applying this policy will consider whether all other statutory discounts or reliefs have been applied. This policy will normally only consider exceptional circumstances, due to financial need or crisis, where it is appropriate and fair to give a discretionary discount or reduction.

3.3 An application for financial hardship will only need to be made once. Where the Council Taxpayer is in receipt of Council Tax support this will be dealt with under the EHF provision. The same assessment criteria used under the EHF will also be used for all non Council Tax support customers who are applying for a reduction under Section 13a1c on the grounds of financial hardship.

3.4 When considering an application on financial grounds, the Council Taxpayer will be required to provide details of household income and expenditure, savings, capital, debts, etc. The assessment we will make for determining
financial hardship will take account of only reasonable priority expenditure * against income but will not take account of any non essential expenditure, as Council Tax is a priority bill. Part of the assessment may include referral to an independent money advice and budgeting advice service.

* Priority expenditure is based upon Citizens Advice Bureau guidance.

3.5 Where funding has been provided by Central Government any discretionary discounts that are made will be based upon the guidance and criteria that the Government issues, subject to EDDC agreeing to adopt this.

3.6 Section 13a 1c Discretionary Council Tax reduction

3.6.1 Every Council Taxpayer is entitled to make an application for a discretionary Council Tax reduction. It is anticipated that a discretionary reduction will only be granted to Council Taxpayers in exceptional circumstances and will normally be for a short term period. An application for a further award can be made and there will be a review of the application and what actions have been taken since the last award.

3.6.2 When considering an application the following factors will be taken into account:

- There must be evidence of financial hardship or unforeseen, exceptional circumstances to justify any reduction.
- Whether changing payment methods, reprofiling Council Tax instalments or setting alternative payment arrangements in order to make them more affordable.
- An award may not be made until the Council Taxpayer has accepted assistance either through EDDC or a third party, such as; Citizens Advice Bureau or similar organisations, to enable them to manage their finances more effectively, including termination of non-essential expenditure.
- The Council Taxpayer has experienced a crisis or event that has made their property uninhabitable eg due to fire or flooding, where they remain liable to pay Council Tax and for which they have no recourse for compensation.
- The Council Taxpayer must satisfy EDDC that all reasonable steps have been taken to resolve their situation prior to an application.
- If the Council Taxpayer is on a low income, whether they have applied for a Council Tax Reduction (EDDC’s scheme is called Council Tax Support). The Council Tax Support scheme exists to ensure that those on low incomes receive financial assistance with their Council Tax.
- All other eligible discounts/reliefs have been explored prior to an application being made.
- The Council Taxpayer does not have access to other funds/assets that could be used to pay Council Tax.
• All other legitimate means of resolving the situation have been investigated and exhausted by the applicant. If they have not been, it is unlikely that an award will be made.
• The payment record history of the Council Taxpayer.
• The amount outstanding must not be the result of wilful refusal to pay or culpable neglect.
• Relief will only apply to council taxpayer’s primary home.

3.6.3 Discretionary reductions will be withdrawn if:

• The conditions or circumstances on which the reduction was granted change or fail to materialise,
• the information submitted as part of the application proves to be misleading.
• The applicant ceases to be the Council Taxpayer.

3.6.4 Where the reduction is cancelled this will normally take effect from the actual date of change. However, in certain circumstances this may be withdrawn in full. A revised Council Tax bill will be issued for payment.

3.6.5 Administering the scheme

3.6.6 Discretionary Council Tax reductions must be applied for in writing from the Council Taxpayer, their advocate/appointee or a recognised third party acting on their behalf. Where the application is on the grounds of financial hardship a standard form is available which can be obtained via the telephone, in person at one of EDDC’s offices or on EDDC’s website.

3.6.7 The application should normally relate to the current Council Tax year, unless the Council Taxpayer has only recently received a bill following a retrospective change to a previous year.

3.6.8 It is expected that the Council Taxpayer will need to provide:

• The period and amount of reduction being sought.
• Reasons why a discretionary reduction should be given, and how this meets our policy.
• What action(s) the applicant has taken to alleviate the situation

3.6.9 EDDC may request any reasonable evidence in support of an application.

3.6.10 The Revenues and Benefits Service Lead will normally determine Discretionary Discount applications and in their absence this will be passed to the Finance Strategic Lead.
3.6.11 Successful applicants will be notified in writing of the amount and period a Discretionary Council Tax reduction has been awarded for. Any entitlement is applied to the Council Tax account and a revised bill is sent. Awards are limited to the end of the financial year in which the application is made.

3.6.12 If a reduction has been made as a result of a false or fraudulent claim EDDC reserves the right to withdraw the award. EDDC will consider prosecuting any applicant who makes a false statement or provides fraudulent evidence in support of an application.

3.5.13 Unsuccessful applicants will be notified in writing together with the reason for the decision.

3.5.14 EDDC will aim to make a decision within 14 days of receiving all the information required.

3.5.15 Applicants who are receiving a Council Tax discretionary reduction must report changes in their circumstances within 21 days of the change occurring.

### 3.6 Exceptional Hardship Fund (EHF) Awards

3.6.1 Every Council Taxpayer who is entitled to Council Tax Support and who has a shortfall is entitled to make a claim for help from EHF. It is normally a short-term emergency fund, whilst the Council Taxpayer seeks alternative solutions.

3.6.2 The main features of the Fund are that:

- EHF awards are discretionary
- Council Taxpayers do not have a statutory right to an award
- EHF awards are not a payment of Council Tax Support
- Council Tax Support must be in payment in the week in which an EHF award is made.
- EDDC may decide that a backdated EHF award is appropriate; which could then settle Council Tax arrears. This would be the only circumstance where the EHF could be used to facilitate payment of Council Tax arrears.
- EHF awards cannot be made to settle arrears of Council Tax unless due to an award of backdated EHF as set out above.

3.6.3 EHF cannot be awarded for the following circumstances:

- Where full Council Tax liability is being met by Council Tax Support.
- For any other reason, other than to reduce Council Tax liability.
- Where EDDC considers that there are unnecessary expenses/debts etc and that the Council Taxpayer has not taken reasonable steps to reduce these.
- To reduce any Council Tax Support recoverable overpayment.
- To cover previous years Council Tax arrears.
- A shortfall caused by a Department for Work and Pensions sanction or suspension has been applied because the Council Taxpayer has turned down work/interview/training opportunities.

3.6.4 The Revenues and Benefits Service will determine whether or not to make an EHF award, and how much any award might be.

When making this decision the Revenues and Benefits Service will consider the following before making an award:

- The shortfall between Council Tax Support and Council Tax liability.
- The steps taken by the Council Taxpayer to reduce their Council Tax liability.
- Changing payment methods, reprofiling Council Tax instalments or setting alternative payment arrangements in order to make them affordable.
- Ensure that all appropriate discounts, exemptions and reductions are granted.
- Steps taken by the Council Taxpayer to establish whether they are entitled to other welfare benefits.
- Steps taken by the Council Taxpayer in considering and identifying where possible the most economical tariffs for supply of utilities.
- If a Discretionary Housing Payment has already been awarded to meet a shortfall in rent.
- The personal circumstances, age and medical circumstances (including ill health and disabilities) of the Council Taxpayer, their partner and any dependants and any other occupants of the Council Taxpayer’s home.
- The difficulty experienced by the Council Taxpayer, which prohibits them from being able to meet their Council Tax liability, and the likely length of time this difficulty will exist.
- Shortfalls due to non-dependant deductions.
- The income and expenditure of the Council Taxpayer, their partner and any dependants or other occupants of the Council Taxpayer’s home.
- How deemed reasonable expenditure exceeds income.
- All income may be taken into account, including those which are disregarded when awarding Council Tax Support.
- Any savings or capital that might be held by the Council Taxpayer or their partner.
- Other debts outstanding for the Council Taxpayer and their partner.
- Whether the Council Taxpayer has already accessed or is engaging for assistance with budgeting and financial/debt management advice. An EHF award may not be made until the Council Taxpayer has accepted assistance either from EDDC or third party, such as the Citizens Advice Bureau or similar organisations, to enable them to manage their finances more effectively, including the termination of non essential expenditure.
- The exceptional nature of the Council Taxpayer and/or their family’s circumstances that impact on finances.
- The length of time they have lived in the property.
The list is not exhaustive and other relevant factors and special circumstances will be considered.

3.6.5 An application for a further EHF award can be made and there will be a review of the application and what actions have been taken since the last award.

3.6.6 An EHF award may be less than the difference between the Council Tax liability and the amount of Council Tax Support paid.

3.6.8 Administering EHF

3.6.8.1 The Council Taxpayer must make a claim for an EHF award by submitting an application to EDDC. The application form can be obtained via the telephone, in person at one of EDDC’s offices and EDDC’s website. A copy of the application form is at Appendix A of this policy. Council Taxpayers can get assistance with the completion of the form from the Revenues and Benefits Service or Housing Services at EDDC.

3.6.8.2 The application form must be fully completed and supporting information or evidence provided, as reasonably requested by EDDC.

3.6.8.3 In most cases the person who claims the EHF award will be the person entitled to Council Tax Support. However, a claim can be accepted from someone acting on another’s behalf, such as an appointee, if it is considered reasonable.

3.6.8.4 The Revenues and Benefits Service may revise an award from the EHF where the Council Taxpayer’s circumstances have changed, which either increases or reduces their Council Tax Support entitlement.

3.6.8.5 A person claiming an EHF Payment is required to:

- Give EDDC such information as it may require to make a decision.
- Tell EDDC of any changes in circumstances that may be relevant to their ongoing claim.
- Give EDDC such other information, as it may require, in connection with their claim.

3.6.8.6 Both the amount and the duration of the award are determined at the discretion of EDDC, and will be done so on the basis of the evidence supplied and the circumstances of the claim

- The start date will usually be the Monday after the written claim for an EHF award is received by the Revenues and Benefits Service, although in some cases it may be possible to backdate this award, based upon individual circumstances of each case.
• The EHF will normally be awarded for a minimum of one week

• The maximum length of the award will not exceed the end of the financial year in which the award is given.

3.6.8.7 Any EHF award will be made directly to the Council Tax account, thus reducing the amount of Council Tax payable.

3.6.8.8 Overpaid EHF awards will generally be recovered directly from the Council Taxpayers Council Tax account, increasing the amount of Council Tax due and payable.

3.6.8.9 EDDC will notify the outcome of each application in writing. The notification will include the reason for the decision and advise the Council Taxpayer of their appeal rights.

3.7 Publicity of discretionary reductions and discounts

3.7.1 The Revenues and Benefits Service will publicise this policy and will work with interested parties to achieve the stated outcomes. A copy of this policy will be made available for inspection and will be published on EDDC’s website.

3.8 Right to appeal

3.8.1 Decisions about discretionary discounts and reductions are subject to the statutory appeal process.

3.8.2 If the Council Taxpayer is not satisfied with a decision in respect of:
• an application for a discretionary reduction
• a decision not grant a discretionary reduction
• a decision to award a reduced amount of discretionary reduction
• a decision not to backdate a discretionary reduction
they may request a review in writing. In these cases EDDC will look at the decision again.

3.8.3 An officer, other than the original decision maker, will consider the dispute by reviewing the original application and any additional information and/or representation made and will make a decision within 14 days of referral or as soon as practicable thereafter.

3.8.4 Any request for a review must be made in writing, within two months of the date of the notification letter confirming the original decision.

3.8.5 The outcome of the review will be given in writing by the Council, detailing the reasons for changing or upholding the original decision.

3.8.6 If EDDC does not respond within two months to the Council Taxpayer’s request for a review or the Council Taxpayer considers that EDDC’s decision is wrong, they can appeal directly to the Valuation Tribunal.
4 **Equality impact considerations** – the policy is high relevance to equality if it has a big impact on residents and users of the service

Low

4.1 This Equality Impact Assessment considers the impact of this policy on the relevant protected characteristics, as defined by the Equality Duty, which are:
- Age (including children and young people)
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Marriage or civil partnership status (in respect of the requirement to have due regard to eliminate discrimination)
- An additional EDDC local factor of community considerations such as socio-economic factors, criminal convictions, rural living or Human Rights

4.2 This policy has a positive or neutral impact on all protected characteristics.

4.3 The protected characteristics which are positively impacted are age, disability and EDDC local factors. This is because the policy, when considering EHF awards, considers household composition and disability related expenditure when looking at expenditure calculations.

4.4 The positive impact on local factors is high as the EH awards support vulnerable Council Taxpayers who may not otherwise be able to pay their Council Tax. Also the discretionary discounts help to support local areas which may be affected by natural disasters which affect the households.

5 **Appendices and other relevant information**

None

6 **Who authorised the policy/strategy and date of authorisation.**

Click here to enter who authorised the policy/strategy and when.

7 **Related Policies/Strategies, Procedures and Legislation**

7.1 **Related policies**
- Corporate debt policy
- Discretionary Housing Payments policy
- Non Domestic Rates local discretionary rate relief policy

7.2 **Legislation**
- Local Government Finance Act 1992, as amended
8 Policy date for review and responsible officer

8.1 This policy will be reviewed by the Revenues and Benefits Service Lead periodically but no later than 2017.
Appendix 2

Equality analysis/impact assessment form

Stage 1 – Screening for equality relevance

<table>
<thead>
<tr>
<th>Name of service, policy or process</th>
<th>Revenues and Benefits - Council Tax Discretionary Discount and Reduction Policy</th>
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<tr>
<td>Responsible officer</td>
<td>Revenues and Benefits Service Lead</td>
</tr>
<tr>
<td>Date</td>
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Background and description

The Council Tax Discretionary Discount and Reduction Policy brings the Exceptional Hardship Fund Policy and Council Tax Discretionary Discount Policy together and updates the policy in light of recent Valuation Tribunal guidance issued. The key drivers for an updated policy were to prevent customers applying twice for assistance under the two separate policies and to update our policy in light of the new guidance.

Discretionary Discounts and Exceptional Hardship Fund awards are in addition to the statutory exemptions and discounts available. Before an application is considered under the policy officers will always consider alternative discounts or help available.

The policy explains the procedure for applying for discretionary discounts towards a Council Tax bill for someone who is in financial or other crisis. It also explains how these applications will be processed.

Stakeholders for the policy are Citizens Advice Bureau, Homemaker Southwest, Town and Parish Councils (who may come into contact with customers who may be eligible to make a claim). Partners of the policy are EDDCs main preceptors (as a financial implication exists for any Exceptional Hardship Fund awarded.

Service users

All Council Taxpayers are potential service users of this policy – however the numbers of applicants will be limited to those in severe or exceptional hardship or crisis.

Under the previous separate policies the following applications have been processed:

Exceptional Hardship Fund applications

The table below shows a comparison of the Exceptional Hardship Fund awards as at 31st March 2014 to those in payment as at 2nd October 2014 by postcode area. These show a similar distribution pattern, apart from a reduction in applicants for EX13 (Axminster) between March and October. This could be due to the number of jobseekers finding employment following their redundancy from Axminster Carpets.
### Table 1. Breakdown by postcode of EHF applicants

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[Graph showing data distribution]
Table 2 Breakdown by equality group of EHF applicants for 2013/14

The information in Table 2 and 3 below show the distribution of successful applications for EHF.

During 2013/14 153 EHF awards were made. 65 were made to working age customers not in receipt of a passported benefit (Jobseekers Allowance, Income Support or Employment and Support Allowance).
Table 3 Breakdown by equality group of EHF applicants from 1/4/14 - 2/10/2014

For the period 1/4/14 – 2/10/14 82 awards of EHF have been made, this is in proportion with the number of awards for the whole of 2013/14.

Table 2 and 3 show that the highest number of applicants are those who are working age and in receipt of a passported benefit (Income Support, Jobseekers Allowance, Incapacity Benefit or Employment and Support Allowance). Passported customers have been the most affected equality group following the changes from Council Tax Benefit to Council Tax Support.

**Council Tax Discretionary Discounts**

As at 30 September 2014 we had approved 9 applications for flood relief. In 2013/14 we had awarded 6 discretionary discounts.
Reasons for change and intended aims and benefits

The policy intention is to provide a safety net to protect our most vulnerable customers who need additional financial assistance who are already in receipt of Council Tax Support and to enable support to be given to all of our customers who are in financial or other crisis where no other legislative discounts or reliefs exist.

Options appraisal

*You can use this section to explore different delivery models/policy options*

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Equality relevance – see guidance document

<table>
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<tr>
<th>Equality relevance – see guidance document</th>
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</table>

Stage 2 – Reviewing the evidence

✓ Please indicate existing sources of information available:

- Customer feedback/complaints
- Results from consultations
- Information from equality monitoring of service users
- Information about the local community
- Comparable information from other departments or other authorities
- Recommendations from inspections or audits

What other information is required and who needs to be involved?

<table>
<thead>
<tr>
<th>Who</th>
<th>How are they going to be involved?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>Communicating discount and exemption and discretionary discount options effectively. Ensuring accurate assessments of liability.</td>
</tr>
<tr>
<td>Service users/customers</td>
<td>Each application for council tax discretionary discounts will be considered on an individual basis.</td>
</tr>
</tbody>
</table>
Stage 3 – Giving due regard to Equality and Human Rights

The local authority must consider how people will be affected by the service, policy or practice. In doing so, we must give due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity and
- Foster good relations

The Equality Act 2010 and other relevant legislation does not prevent the Council from taking difficult decisions which result in service reductions or closures for example, it does however require the Council to ensure that such decisions are:

- Informed and properly considered with a rigorous, conscious approach and open mind, taking due regard of the effects on the protected characteristics and the general duty to eliminate discrimination, advance equality and foster good relations.
- Proportionate (negative impacts are proportionate to the aims of the policy decision.
- Fair.
- Necessary.
- Reasonable and that those affected have been adequately consulted.

<table>
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<tr>
<th>Characteristic</th>
<th>In what way is this characteristic relevant or not relevant to the service, policy or practice?</th>
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<tbody>
<tr>
<td>Age</td>
<td>Not relevant</td>
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<tr>
<td>Disability</td>
<td>Relevant to the policy/positive impact</td>
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<td>Gender/Sex (men and women)</td>
<td>Not relevant</td>
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<td>Marriage and civil partnership</td>
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<td>Pregnancy and maternity</td>
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<td>Race/ethnicity</td>
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<td>Religion and belief</td>
<td>Not relevant</td>
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<td>Sexual orientation</td>
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Appendix 2

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<th>Trans-gender/gender identity</th>
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<td>Community considerations such as socio-economic factors, criminal convictions, rural living or Human Rights</td>
<td>Relevant to the policy/positive impact</td>
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<tr>
<td>Children and Vulnerable Adults</td>
<td>Relevant to the policy/positive impact</td>
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**Positive impacts**

The policy has a positive impact on disability, community considerations and children and vulnerable adults in that it provides a safety net to protect our most vulnerable council taxpayers. This policy benefits the local community by financially supporting customers with their Council Tax payments, who are affected by a crisis which is outside of their control.

**Negative impacts and mitigations or justification**

There are no negative impacts on any protected group.

**Neutral impacts**

There are neutral impacts on age, gender, marriage and civil partnership, pregnancy and maternity, race/ethnicity, religion and belief, sexual orientation and trans-gender equality groups.

**Stage 4 – Outcome of this Equality analysis/impact assessment?**

The outcomes should be evaluated against the following framework from the Equality and Human Rights Commission’s guidance on ‘Making fair financial decisions’.

**Outcome 1**: No major change required. The assessment has not identified any potential for discrimination or adverse impact and all opportunities to advance equality have been taken.

**Outcome 2**: Adjustments to remove barriers identified by the assessment or to better advance equality.

**Outcome 3**: Continue despite having identified some potential adverse impacts or missed opportunities to advance equality. In this case, the justification will be included in the assessment and will be in line with the duty to have ‘due regard’.
This will include sufficient detail on how the impacts are being reduced and how this will be monitored.

**Outcome 4**: Stop and rethink. If you have concluded that there is an adverse impact and discrimination which could be illegal, seek further advice from your Head of Service, Legal team or Corporate Organisational Development Manager. Please outline the action that you will be taking and include it in your improvement plan.

If you have identified that the service/function is having or might have an adverse impact, is it justifiable or legitimate? Please give details of this.

<table>
<thead>
<tr>
<th>Outcome 1- no major changes required.</th>
<th>Justifiable/legitimate Yes/No</th>
<th>Comments</th>
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If you have concluded that the adverse impact or the discrimination is justifiable or legitimate, you will need to explain your actions and reasons to people. This is because we have a statutory duty to promote equality of access, opportunity and treatment of people. You will need to think what action could be taken to mitigate the adverse impact on people and detail this in the Action/Improvement Plan.

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<tr>
<th>Action/Improvement Plan (include actions for unmet needs)</th>
<th>Implementation date</th>
<th>Owner</th>
<th>Review date</th>
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Assessor
Signature:

Line Manager
Signature:
Subject: Christmas 2014 parking concessions

Purpose of report: To inform Members of our continuing work with our local Chambers of Commerce and to note the car parking concession we have been able to offer for Christmas 2014.

Recommendation: To approve a special offer of all day parking for £2 (after 10am) in all East Devon’s car parks during December and anyone buying a £2 ticket after 10am is entitled to use the same ticket to park in any other EDDC car park for the remainder of that day.

Reason for recommendation: During the run-up to Christmas 2013 following a short trial, we found that we were able to offer a special offer of all day parking for £2 (after 10am) in all East Devon’s car parks during December. The 10am start time prevented car parks becoming blocked by workers and (in the case of Honiton, Axminster and Exmouth) by rail commuters. In addition anyone buying a £2 ticket after 10am was entitled to use the same ticket to park in any other EDDC car park for the remainder of that day.

Although we clearly lost revenue from the more expensive transactions that would otherwise have taken place, these are relatively few at this time of year and we found that this was offset by an increase in the purchase of £2 tickets by customers who recognised the value of the offer and who we can see statistically would previously have chosen a 50p or £1 ticket in previous years.

We also offered our so-called “golden ticket” prize draw with a winning pay and display ticket available each day during the pre-Christmas offer. Winning ticket holders were entitled to a free of charge all-East Devon parking permit for the rest of the winter (1 January to 31 March).

The offers were popular with our customers and met with the approval of Chambers of Commerce. We are therefore offering the same concession for Christmas 2014.

Officer: Andrew Ennis, 01395 517452 aennis@eastdevon.gov.uk

Financial implications: Financial information is contained within the report.

Legal implications: Licensing Services should be consulted in connection with any requirements associated with the proposed golden ticket prize draw (which may involve the draw’s registration with the Gambling Commission).

Equalities impact: Low Impact
Risk: Low Risk

Lost revenue from the more expensive transactions that would otherwise have taken place would be relatively few at this time of year. From previous years we have found that this has been offset by an increase in the purchase of £2 tickets by customers who recognise the value of the offer and who we can see statistically would previously have chosen a 50p or £1 ticket.

Links to background information:
- 

Link to Council Plan: Living in, working in, enjoying and funding this outstanding place.
Report to: Cabinet
Date of Meeting: 3 December 2014
Public Document: Yes
Exemption: None
Review date for release: None
Agenda item: 16
Subject: Environmental Health Team – Code of Practice for the Control of Construction Site Nuisance

Purpose of report: To inform Cabinet of the joint concerns of Environmental Health and Development Management in relation to the control of nuisance from construction sites, and to recommend a way forward that will achieve consistency of approach throughout East Devon.

Recommendation: That Cabinet adopt the attached document as an approved EDDC Code of Practice.

Reason for recommendation: In order to achieve a consistent and transparent approach to the way in which Construction Site nuisance is controlled across East Devon.

Officer: Janet Wallace, PEHO, jwallace@eastdevon.gov.uk

Financial implications: There are no identifiable financial implications.

Legal implications: The statutory framework and regulations are set out within the code of practice and require no further comment.

Equalities impact: Low Impact

Risk: Low Risk

Links to background information: • Constructions Site Code of Practice

Link to Council Plan: Living in/Working in/Enjoying/Funding this outstanding place

Report in full
1. The Environmental Protection team within Environmental Health frequently responds to complaints about construction site noise, dust and smoke. Residents living close to construction sites are largely tolerant of the temporary inconvenience caused by building, but the team work hard to ensure that any impacts are kept to a minimum.

2. The most common complaints are early morning and weekend noisy working, high frequency audible reversing alarms, fugitive dust and smoke from bonfires.

3. The team have put together a guidance note which is largely based on the nationwide Considerate Contractors scheme. Most major building companies sign up to this alongside their environmental and safety obligations, and the purpose of the East Devon guide is to encourage smaller local companies to meet the same standards. The secondary purpose is to ensure consistency across the District so that contractors, sub-contractors and residents are informed of the standards that are considered reasonable in East Devon.
4. Environmental Health Officers are consultees for some planning applications involving larger construction sites. They usually request a planning condition which will require contractors to comply with standard working hours and other reasonable environmental controls. They will always recommend a Construction and Environment Management Plan for larger developments and will list the potential environmental impacts which must be managed. However there is potential for smaller and single plot sites to be missed out, and it is often these which cause most concern to local residents living close by. Planning guidance and enforcement on this subject is limited.

5. A meeting has taken place involving Development Management, Environmental Health, the Strategic Lead for Housing, Health and Environment and the Portfolio Holder for Economy. At the meeting it was agreed that the best way forward is for the Construction Sites Guide to be applied across the board to all developers, by way of an adopted EDDC Code of Practice, rather than relying on the imposition and enforcement of planning conditions. The planning team have agreed to reference the Code of Practice as an informative on all relevant approvals. The draft wording for the informative is:

*Your attention is drawn to the Council’s adopted Code of Practice for the Control of Construction Site Nuisance which is available on the EDDC website. The Code of Practice details the measures that the Council expects all works on construction sites to comply with to avoid excessive nuisance to residents. You should therefore ensure that all contractors on site are provided with a copy of this document and told to comply with it. Failure to comply with the code may lead to action under the Environmental Protection Act 1990 or the Control of Pollution Act 1974.*

6. The purpose of this report is to request that Cabinet consider the Guide and its contents and agree to adopt this as a Code of Practice, thus giving the document weight and enforceability. Any complaints regarding construction site nuisance will be followed up by Environmental Health and appropriate action taken. Our experience is that almost all construction companies do not wish to be the cause of complaint and are willing to comply once our standards are drawn to their attention.
Report to: Cabinet
Date of Meeting: 3 December 2014
Public Document: Yes
Exemption: None
Agenda item: 17

Subject: Viewpoint Surveys 2014

Purpose of report: This report outlines the feedback from our 2014 Viewpoint Surveys. These surveys are vital to our aim to provide opportunities for people to give the council feedback so that we can continue to transform, develop and improve our services. We have used the Viewpoint Survey approach to gain feedback from our residents, towns and parishes and our equalities groups which includes children and young people.

Note – the report was referred to the meeting of the Overview and Scrutiny Committee on 13 November 2014 for consideration and comment. At the meeting, Members flagged up the satisfaction rate with the planning service and debate took place over the difference between satisfaction with the service and satisfaction with the outcome of a planning application. The recommendations in the report as set out below were supported.

Recommendation: That members note the contents of the report and agree that the actions and responses are delegated to the Chief Executive and SMT in conjunction with their portfolio holders.

That members note that the results of the residents’ survey are very similar to last year. On that basis, we have identified where responses show a 5% difference or more compared to last year. We would expect some fluctuations year on year.

That members agree that due to the similar nature of the feedback to the 2013 Viewpoint Surveys these will next be carried out in 2016. It is envisaged that we will have many more customer email addresses at this time due to various system implementations and this will facilitate a largely electronic survey.

Reason for recommendation: Our Viewpoint Surveys form a fundamental part of the commitment made in Communications Plan. The first residents’ survey was carried out in 2013 and provided us with vital feedback to help us evaluate and plan our services. Every participant received individual feedback regarding the actions we took in relation to the 2013 survey and this will be replicated for the 2014 surveys.

Officer: Karen Jenkins Strategic Lead – Organisational Development and Transformation kjenkins@eastdevon.gov.uk

Financial implications: In total we have spent £5530 to gain this feedback from a total of just under 1000 individuals and 38 Town and Parish councils. This was agreed as part of the 2013/14 budget process.
Legal implications: This survey work supports the discharge of Council functions by providing customer feedback. It is the responsibility of Cabinet to submit an annual Performance Plan to monitor its effectiveness and to establish the Performance Assessment Framework within which the Council will operate.

Equalities impact: Low Impact

The views of equalities groups have been specifically sought through a Viewpoint Equalities Survey, a focus group and the Viewpoint Children and Young People Survey. Following our commitment to our Equalities Partner Group to specifically gain the views of residents with protected characteristics, we used this group to help us carry out these surveys.

Risk: Medium Risk

There is a risk to council reputation if we do not seek feedback from our customers and stakeholders. Additionally, there is a risk to our reputation if we ask for feedback and do not take action or provide feedback as a result of what people tell us in the survey. We have mitigated this risk by making sure that every participant received individual feedback regarding the actions we took in relation to the 2013 survey and this will be replicated for the 2014 surveys. Additionally we widely published the results of the 2013 survey and detailed the action we are taking using our Annual Performance Report, electronic magazine, press releases and social media. This will be repeated for the 2014 surveys.

Links to background information:

Link to Council Plan: Links to all our values, ambitions and priorities outlined in the Council Plan.

1 Introduction

1.1 The Corporate Organisational Development Management developed the current Communications Plan in 2012 following a review of the communications function. This plan introduced our commitment to using surveys to improve the quality of two way communications between East Devon and various residents, customers and stakeholders in our community.

1.2 East Devon’s Strategic Management Team determined the questions in the surveys for our residents, town and parish councils and equalities groups (including children and young people). The surveys were co-ordinated by Jamie Buckley, our Funding and Engagement Officer.

1.3 This report seeks to outline the key messages for East Devon District Council and the actions that we will take to respond to this feedback and improve our services.

2 Resident’s Viewpoint Survey summary

2.1 As in 2013, this was sent out in May 2014 to 3,000 randomly selected households through East Devon and we received 774 responses. This is considered to be a good response rate and enough to be statistically reliable. (Ipsos MORI the leading UK research company uses polls just over 1000 to infer the opinions for the UK population as a whole).

2.2 Key outcomes from our residents’ Viewpoint Survey are as follows; please note scores may not add up to 100% as sometimes people do not express a view either way.
The council overall:

- 71% satisfied overall with the way EDDC runs things (13% dissatisfied)
- 79% feel that they are kept informed (21% did not). There has been a negative change since 2013; 5% fewer people now feel they are kept informed and 6% more people don’t feel informed.
- 66% feel that the Council provides value for money (14% do not). 7% more people said this time that they feel the Council does not provide value for money.
- 53% say the Council acts on what residents’ say (47% disagree)
- 56% that the Council acts quickly (12% disagree). There has been a positive change in the percentage of people that agree we respond quickly when asked for help (+7%)
- 44% would speak about the Council (17% negatively)

Council priorities:

- 68% agreed the council were capitalising on the districts natural landscape and countryside to attract visitors.
- 49% agree that the Council is doing well on town regeneration. The percentage of people that agree the council is doing well on town regeneration has fallen 9% since 2013.
- 47% agree the Council is doing well in delivering jobs in the west of the district.
- As in 2013, concerns were around the need to retain the distinctiveness of the district’s towns and improve the quality of retail on offer, to try to deliver more jobs across the whole district and to protect the AONB and Greenfield sites from development. The main concern around planning is the same as in 2013 which is that people feel more weight should be given to local views.

Safety

- 96% of people feel safe in the daytime and 77% after dark (although this is a fall from 84% in 2013). Those who don’t say they would feel safer with a greater police presence and if there were more street lights.
- When asked how much of a problem levels of pollution were – for example traffic fumes, noise, bathing water 19% say it is a very or fairly big problem, compared to 13% in 2013.
- When asked how much of a problem litter, rubbish, vandalism or graffiti are 23% say it’s a very or fairly big problem, compared to 11% in 2013.

Services

- 88% satisfied with their household waste and blue food caddy collections
- 84% happy with green box recycling.
- 79% of people are satisfied with parks, public gardens, play areas and open spaces.
- 87% are satisfied with the food hygiene service feeling confident about eating in cafes and restaurants.
- 55% satisfied with off street car parking.
- 50% satisfied with housing services.
- 53% satisfied with housing benefit and council tax services. Satisfaction has risen 7% since 2013 and dissatisfaction has fallen the same amount.
• 42% satisfied with planning (25% dissatisfied).
• As in 2013, comments show that residents are keen to be able to recycle more with many expressing that they want to be able to recycle cardboard and mixed plastics earlier than the 2016 date. As in 2013, people also want a garden waste service.
• In car parking, key issues are around the cost of parking and the need for more parking spaces.
• There were few comments about the housing, benefit or council tax services.

3 Towns and Parishes Viewpoint Survey summary
3.1 This survey was sent to all 66 Town and Parish Councils in East Devon and 38 responded (58%).

3.2 Key outcomes from our Towns and Parishes’ Viewpoint Survey are as follows; please note scores may not add up to 100% as sometimes people do not express a view either way.

• 54% satisfied overall with the way EDDC runs things (16% dissatisfied with 30% neither satisfied nor dissatisfied.

Keeping East Devon an outstanding place
• 80% are satisfied with the refuse and recycling service, 12% are not. Of those the majority want us to collect cardboard and all plastics.
• 43% are satisfied with off street council car parks, 35% are not mainly because they want more off street car parking for residents and more free car parking.
• 37% are satisfied with planning services and 42% are not, mainly because they want us to act on what they say about planning applications and planning issues.
• 64% are satisfied with parks, public gardens, play areas and open spaces, 7% are dissatisfied.
• 11% feel litter, rubbish, vandalism and graffiti is a big problem, 89% feel it is not a big problem or not a problem at all.
• 57% agree we are using East Devon’s natural landscape and countryside to encourage more visitors and tourists to come here, 15% disagreed.
• 35% agreed we are increasing job opportunities in the west of the district by encouraging new businesses to base themselves near the new town of Cranbrook, 24% disagree.
• 41% agree we are making towns better places to live by regenerating them, 12% disagree.

Wellbeing and safety
• 91% feel levels of pollution are not a very big problem or not a problem at all - for example traffic fumes, noise, bathing water, contaminated land is a big problem.
• 53% say we are good at helping to improve general housing conditions, 6% feel we are poor.
• 27% say we are good at meeting local housing needs by enabling new affordable housing, 33% feel we are poor at this as more affordable housing is needed for local people.
• 84% say we are good at managing and maintaining Council homes, 15% say we are poor at this.
• 45% say we are good at dealing with homelessness, and none think we are poor at this.
East Devon District Council overall

- 65% agree that we respond quickly when asked for help, 9% disagree.
- 75% feel that we do not act on what they say about planning matters (either not much or not at all); they feel their local knowledge and input is ignored.
- 13% say we act on what they say about issues other than planning a great deal, 71% feel we act on what they say about issues other than planning a fair amount and 17% say we do this either not very much or not at all.
- 65% say we provide value for money, 8% say we don’t.

Parishes Together Fund and Section 106

- 62% say the Parishes Together Funding has been effective and 82% agree we should keep contributing to it.
- Of those that had been involved in spending Section 106 money on sport and play 69% are satisfied with the way it is done.

Communication with East Devon District Council

- 84% say we keep their Town and Parish Council well informed.
- 64% say the website is good, 17% that it is poor.

You as a Town or Parish Council

- 81% are confident in using their powers, 3% are not.
- 89% know what powers their Town or Parish Council has, 3% don’t.

4 Equalities partners’ Viewpoint Survey summaries

4.1 As many people with ‘protected equalities characteristics’ (such as disability, age, race, sex, transgender etc.) are difficult to reach and have particular needs we conducted this consultation in a variety of ways:

- a questionnaire for general distribution to equalities groups
- a workshop group with people with protected equalities characteristics
- a questionnaire sent out to children and young people

4.2 A questionnaire was sent out to the 26 equalities organisations we are aware of within the district representing the equalities characteristics we wanted to target. These were: Lesbian, gay, bisexual and transgender; minority ethnic groups; disability groups including people with physical disabilities.

4.3 The questionnaire was also sent to EDDC Elected Members and Town and Parish Councils for them to send onto equalities groups in their areas. It was also sent to EDVSA who have a list of community and voluntary groups in the district and they advertised this opportunity to their members. We received 48 completed questionnaires back.
Key outcomes from our equalities survey are as follows:

- 89% are happy with the landfill waste collection.
- 86% are happy with the green recycling box collection and 90% were happy with the blue food caddy collection.
- 81% are satisfied with parks, public gardens, play areas and open spaces.
- 43% are satisfied with off street council car parks.

Your wellbeing and safety

- 54% are satisfied with housing advice and housing services, 15% are dissatisfied.
- 56% are satisfied with housing benefit and council tax benefit, 25% are dissatisfied.
- 68% are satisfied with the Homesafeguard service, 21% are dissatisfied.
- 93% feel safe outside in their local area during the day.
- 74% feel safe outside in their local area after dark, 14% feel unsafe.
- 18% feel noisy neighbours or loud parties are a very or fairly big problem in their local area. 82% feel this isn't really a problem.
- 30% feel people being rowdy or drunk in public places is a very or fairly big problem. 69% feel this isn’t really a problem.

East Devon District Council overall

- 63% are satisfied with the way we run things. 15% are dissatisfied; most who are dissatisfied mentioned planning issues.
- 68% feel we treat them fairly, 9% feel we do not treat them fairly.
- 66% feel we respond quickly when they ask us for help, 13% disagreed.
- 34% feel we act on what local residents say either a great deal or a fair amount, 66% feel that we don’t act on what local residents say. This is mainly due to planning matters.

Communication with East Devon District Council

- 62% feel we keep them very or fairly well informed, 38% feel we don’t keep them well informed.
- 51% agree that information they need from us is easy to understand, 23% disagree.
- 53% agree that information they need from us is easy to get hold of, 11% disagree.
- The majority of respondents would rather deal with us by phone, in person or by letter.

Services we support

- 60% are satisfied with Leisure East Devon, 20% are dissatisfied.
- 64% are satisfied with the Pavilion Theatre in Exmouth, 21% are dissatisfied.
- 36% are satisfied with the Thelma Hulbert gallery in Honiton, 36% are dissatisfied.
- 60% are satisfied with the Manor Pavilion Theatre in Sidmouth, 13% are dissatisfied.

4.4 We commissioned an organisation that regularly works with people with protected equalities characteristics to carry out a face to face consultation with us. There were seven people with a range of physical, sensory and learning disabilities from throughout East Devon, and one resident from East Devon’s deaf community.
Key outcomes from this workshop are as follows:

Overall users were generally positive about the services EDDC provides and welcomed the chance to voice their views.

- On the whole service users feel they were treated fairly by EDDC. They feel EDDC does its best.
- Generally they feel they were helped quickly and that Council staff were polite.
- There is mixed opinion with the question ‘is information from EDDC easy to find and understand’ with a feeling that they didn’t always know how to access the information, or they couldn’t access online information.

Safety - The majority feel safe in their communities. Generally the group didn’t think anti social behaviour to be much of a problem. When they did experience anti social behaviour it is mainly related to noise and intimidating behaviour from neighbours. On the whole they agreed EDDC deals well with these complaints.

Access to services

- The majority found that contacting EDDC on a variety of issues is easy to do.
- Online access to services is seen as good. However, they feel that information should be available in other ways as some did not have access to a computer.
- Some concerns were raised that to access some services face to face they had to travel to Sidmouth. They suggested outreach services should be available across East Devon.
- There were concerns raised about the limited availability of face to face meetings for the deaf community with a BSL interpreter present. They said this is the most effective way to communicate with the deaf community.
- There were requests for more equalities awareness training for EDDC staff to help them better understands what access issues are and how to resolve them.
- They agreed postal communication has greatly improved over the last decade.

Influencing decisions - Generally they did not feel as if they had any influence on major decisions made by EDDC. They feel that when EDDC asked for residents opinions they had already made the decisions.

Housing Advice - Generally they feel there is limited housing advice and information. There were requests for written information to be in bigger font sizes. The deaf community would prefer more face to face meetings with a BSL interpreter to reduce the amount of misunderstandings. More use of BSL would be seen a positive move.

Housing and Council Tax Benefit - Most of the group were confused about the new rules for Council Tax Support. They feel the literature is not particularly clear and most were confused by the rules for people who have savings.

Home Safeguard - There were suggestions about better training for staff to show them what to do if they come across an alarm call and also training on what to do if service users ask for information or assistance due to their particular equalities need, particularly if they are a member of the deaf community.

Waste and recycling – Assisted collections were seen as a very good service and the EDDC staff linked to them are always helpful. There were some comments that people had asked for assisted collections and needed them but they were turned down by EDDC.
Car parking – Car parks in East Devon are seen to be very expensive, there are not enough disabled parking bays and the bays are not wide enough.

Sports and leisure – LED are seen as giving a good amount of disabled sports opportunities in the district but there were comments that these should be more widely publicised.

Arts and culture – The hearing loop in Exmouth Pavilion is not very good and it isn’t near a bus stop if you have mobility issues. The Thelma Hulbert Gallery is good.

Public toilets – Some have closed in East Devon which creates issues for some people with equalities needs.

4.5 A questionnaire sent out to children and young people via all schools in the District. A paper copy was sent out to each school with an accompanying letter, and a link to the questionnaire online. Reminder letters and a further copy of the questionnaire was sent out towards the closing date. Schools that completed the questionnaire were given the opportunity to enter a prize draw. We received 110 completed questionnaires back.

Key outcomes from this survey are as follows:

Outdoor activities
- 79% feel playgrounds and play areas are good, 22% feel they are poor. Those who feel they are poor mostly wanted new and improved equipment.
- 68% feel skate parks are good, 32% feel they are poor. Those who feel they are poor mostly live in Axminster and Colyton where we do not run the skate parks.
- 85% feel playing fields are good, 15% feel they are poor
- 88% feel country parks, countryside and wildlife are good, 12% feel they are poor.
- 96% feel it is important to look after the environment. The most common suggestions on improving it are picking up litter, stopping people littering, stopping building houses and putting more litterbins on the streets.
- 24% feel there is a problem with vandalism and graffiti (mainly in Exmouth and Axminster), and 34% feel there is a problem with litter and rubbish.

Wellbeing, safety and services
- 74% say the weekly recycling service we provide is good, 25% say it is poor. Of those that say it is poor most want to be able to recycle cardboard, and want the bin operatives to stop dropping rubbish on the floor and if they do drop it to pick it up.
- 93% feel safe during the day, and 45% feel safe after dark with 32% feeling unsafe after dark. When asked what would make them feel safer most say they want more street lights or some street lights. They also want fewer drunk people.
- 83% feel levels of pollution are not really a problem, 84% say noisy neighbours or loud parties are not really a problem. 77% say people being drunk or rowdy in public places is not really a problem, 24% feel it is.

Planning for the future
- 54% feel there is not enough to do in the town/ village where they live. They mostly want more parks, youth clubs/ after school clubs, a skate park and nicer parks.
- 61% would not live in their town/ village when they grew up. Mainly because they want to explore the world and want to go to University. Some also said they would have to move to get a good job, it’s too noisy where they live and there is nothing to do.
Agenda item: 18

Subject: Monthly Performance Report October 2014

Purpose of report: Performance information for the 2014/15 financial year for October 2014 is supplied to allow the Cabinet to monitor progress with selected performance measures and identify any service areas where improvement is necessary.

Recommendation: That the Cabinet considers the progress and proposed improvement action for performance measures for the 2014/15 financial year for October 2014.

Reason for recommendation: This performance report highlights progress using a monthly snapshot report; SPAR report on monthly performance indicators and system thinking measures in key service areas including Streetscene, Housing, Development Management and Revenues and Benefits.

Officer: Karen Jenkins, Corporate Organisational Development Manager

Financial implications: There are no direct financial implications.

Legal implications: There are none arising from the recommendations in this report.

Equalities impact: Low Impact

Risk: Low Risk

A failure to monitor performance may result in customer complaints, poor service delivery and may compromise the Council’s reputation.

Links to background information:
- Appendix A – Monthly performance snapshot for October 2014
- Appendix B - The performance indicator monitoring report for the 2013/14 financial year up to October 2014
- Appendix C – System Thinking Reports for Housing, Development Control and Revenues and Benefits for October 2014
- Appendix D - Explanations and definitions.

Link to Council Plan: Living, working, enjoying and outstanding Council
Report in full

1. Performance information is provided on a monthly basis. In summary most of the measures are showing acceptable performance.

2. There are 4 indicators that are showing excellent performance,
   - Percentage of planning appeal decisions where the planning inspector has disagreed with the Council’s decision
   - Percentage of Council Tax collected
   - Days taken to process Housing Benefit / Council Tax Benefit new claims and change events
   - % of invoices paid within 10 days

3. There is one performance indicator showing as concern.
   - Working days lost due to sickness absence – We are monitoring several long term cases very closely and will provide a full breakdown for the next quarter if this indicator remains in the red.

4. Monthly Performance Snapshot for October is attached for information in Appendix A.

5. A full report showing more detail for all the performance indicators mentioned above appears in Appendix B.

6. Rolling reports/charts for Housing, Streetscene and Revenues and Benefits appear in Appendix C.

7. An explanation and definitions of these measures can be found in Appendix D.
Monthly Performance Snapshot – October 2014

This monthly performance snapshot shows our performance over the last month:

- **99.63%** of rent due on council owned homes collected
- **6 days** to process your Housing or Council Tax Benefit claims
- **95%** of invoices received by us are paid within 10 days
- Less than **3.5 days** on average to clear fly tipping cases, dealing with 46 cases this month, down from 67 cases last month
- **44%** of all waste collected was recycled in October

Latest headlines:

- Revenues and Benefits team have received national recognition with two awards from the Institute of Revenues, Rating & Valuation (IRRV). The team was awarded: Silver award for Benefits Team of the Year and Bronze award for Revenues Team of the Year.
- The Manor Pavilion Theatre, Sidmouth has been celebrating a number of Sold Out shows; they include a return visit of the New Jersey Boys which has now sold out two year’s running and an Evening with James Pellow.
- Top touring Ballet Company, Ballet Theatre UK return to the Manor Pavilion Theatre with a brand new production of Tchaikovsky's Swan Lake. Due to huge demand they are now doing 4 performances, through November.
- Our Countryside Volunteers put in 337 hours of work to help the Countryside team in October, as always we thank them for their hard work.
- 152 people booked in for Countryside events during October. On feedback forms 97% of participants on October events rated the event 5/5.
- This month we visited 20 sheltered housing schemes, consulting with tenants on which of two options they would prefer to deliver their support and Home Safeguard services from next April onwards. So far 419 tenants have cast their preference.
- Our Housing Team supported tenants at Manor Close, Seaton, in setting up a new Tenants Association
- THG’s latest Devon Open Studios exhibition (6 Sept-25 Oct) achieved total sales of £2,837.17. The sales were up +23% on last year’s Sept/Oct exhibition. A total of 970 visitors attended.
- Bearnes Hampton & Littlewood auctioneers hold antique valuations at THG every Thursday (10.00-12.30) bringing new visitors to the gallery – total room hire revenue for the year = £2,500