

South Hams Executive



Title:	Agenda
Date:	Thursday, 1st December, 2022
Time:	10.00 am
Venue:	Council Chamber - Follaton House
Full Members:	<p style="text-align: center;">Chairman Cllr Pearce</p> <p style="text-align: center;">Vice Chairman Cllr Bastone</p> <p><i>Members:</i> Cllr Baldry Cllr Holway Cllr Hawkins Cllr Hopwood</p>
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
Committee administrator:	Democratic.Services@swdevon.gov.uk

1. Minutes	1 - 8
to approve as a correct record the minutes of the meeting of the Executive held on 13 October 2022;	
2. Urgent Business	
brought forward at the discretion of the Chairman;	
3. Division of Agenda	
to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information;	
4. Declarations of Interest	
In accordance with the Code of Conduct, Members are invited to declare any Disclosable Pecuniary Interests, Other Registerable Interests and Non-Registerable Interests including the nature and extent of such interests they may have in any items to be considered at this meeting;	
5. Public Question Time	9 - 10
a period of up to 15 minutes is available to deal with questions submitted to the Council in accordance with the Executive Procedure Rules;	
6. Executive Forward Plan	11 - 16
7. Revenue and Capital Budget Proposals 2023/24	17 - 50
8. Better Lives for All - Quarter 2 Integrated Performance Management Report	51 - 74
9. Customer Access Strategy & Contact Centre Update	75 - 86
10. Cost of Living Crisis: Plans for Household Support Allocation	87 - 92
11. Housing Crisis Update - Summary report of actions	93 - 116
12. Waste and Recycling Services Update	117 - 124
13. Motorhomes Policy Review	125 - 136
14. Devon Carbon Plan	137 - 144

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD IN THE COUNCIL CHAMBER ON THURSDAY 13 OCTOBER 2022**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr K J Baldry	*	Cllr T R Holway
*	Cllr H D Bastone (Vice Chairman)	*	Cllr N A Hopwood
∅	Cllr J D Hawkins	*	Cllr J A Pearce (Chairman)

<p>Non-Executive Members also present either in person or remotely for all or part of the meeting:</p> <p>Cllrs Abbott, Brazil, Foss, O’Callaghan, Reeve, Smerdon, Spencer, Sweett, Taylor and Thomas</p>
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Officers in attendance and participating:		
All items		Chief Executive: Director of Strategy & Governance; Director of Place & Enterprise; Section 151 Officer; Monitoring Officer; Democratic Services Manager; Head of Revenues and Benefits; Head of Housing; Deputy Section 151 Officer; Head of Strategy, Corporate Projects and Partnerships

E.40/22 MINUTES

The minutes of the Executive meeting held on 21 September 2022 were confirmed as a true and correct record.

E.41/22 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting, but there were none made.

E.42/22 PUBLIC QUESTION TIME

The Leader informed that no public questions had been received in accordance with the Executive Procedure Rules.

E.43/22 EXECUTIVE FORWARD PLAN

Members were presented with the most recently published version of the Executive Forward Plan that set out items on the agenda for Executive meetings for the next four months and duly noted its contents.

E.44/22 COST OF LIVING RESPONSE PLAN

The Executive considered a report that set out the Council's draft plan to respond to the Cost of Living crisis.

In the ensuing discussion, it was highlighted that the Council had a range of help and energy saving tips available to support families and it was recognised that these needed to be promoted as widely as was practically possible.

It was then:

RESOLVED

1. That the Cost-of-Living Response Plan (as set out in Appendix 1 of the presented agenda report) be endorsed;
2. That any minor amendments required to the Cost-of-Living Response Plan be delegated to the lead officer (the Head of Housing and Lead Officer for Cost of Living), in consultation with the lead Executive Member; and
3. That officers be instructed to take immediate steps to progress support payments to families in receipt of Council Tax reduction (as set out in paragraph 2.12 of the presented agenda report).

E.45/22 KEY PARTNERSHIPS FUNDING

Members were presented with a report that provided an update on the Partnerships currently receiving funding from the Council and were asked to consider the merits of extending funding for a further two years.

In the ensuing discussion, the following points were raised:

- a) In reply to a question, a local Ward Member was encouraged to instruct the Ivybridge Museum to sign up to the South West Museum Development Trust. In addition to providing guidance and support, a further benefit of the Trust was that it was able to source and draw down additional external funding;
- b) A Member specifically welcomed the proposal to continue to financially support the Ivybridge Ring and Ride organisation. In so doing, the Member felt that the organisation carried out a vital role to many constituents in the western part of the South Hams;

- c) A Member expressed his disappointment over the work of the South Devon Area of Outstanding Natural Beauty (AONB) Unit, particularly regarding the timing (and often lack) of written reports being submitted to the Council's Development Management (DM) Service on relevant planning applications. The Member proceeded to question the value for money that was being received by the Council for its annual funding contribution. In reply, some other Members felt this criticism to be harsh and it was acknowledged that the additional grant funding proposed would help to fund a post within the AONB Unit to support the DM function. At this point, an addition to recommendation 3 was **PROPOSED** and **SECONDED**. The addition sought to add that the proposed Service Level Agreement with the South Devon AONB should be agreed by the Executive prior to the approval of the funding extension. When put to the vote, this addition was declared **CARRIED**.

It was then:

RESOLVED

1. That the positive contribution of the Council's key funded partners in supporting our ambitions as set out in our Corporate Strategy, Better Lives for All, be noted;
2. That Council be **RECOMMENDED** to agree to extend the funding for the following key partners for a further two years as follows:
 - SW Museum Development Trust - £4,000;
 - Iybridge Ring and Ride - £5,710; and
 - South Hams CVS - £10,000;
3. That Council be **RECOMMENDED** to agree an increase in funding for each of the next two years in recognition of additional activities being delivered for the following partners:
 - Citizens Advice South Hams – £70,867 (an increase of £10,000 per annum funded from Covid-19 vulnerability grant underspend);
 - South Devon AONB - £28,749 (an increase of £8,000 per annum), *subject to* a Service Level Agreement (being prior agreed by the Executive) in respect of focused support to meet the demand of South Hams District Council Development Management Service; and
4. That officers be required to work with Newton Abbot Ring and Ride to request further information about the service provided within the district and, if appropriate, then consider an updated application.

E.46/22

PROPOSED CHANGES TO THE COUNCIL TAX REDUCTION SCHEME FOR 2023/24

Members were presented with a report that set out the annual requirement for Councils to revisit their existing council tax support scheme and decide whether to replace or revisit their scheme, the requirements for changing the scheme and the associated time constraints.

In discussion, Members were supportive of the planned changes to the Scheme. However, Members also recognised that this was a particularly complex area to grasp and, in recognition of their Community Leadership role coupled with the extreme difficulties being suffered by residents as a result of the cost of living crisis, it would be very useful to arrange an all Member Briefing session on this subject matter in the upcoming weeks.

Whilst all major precepting authorities (e.g. Devon County Council and the Fire and Police authorities) would be consulted on the proposed Scheme for 2023/24, the Section 151 Officer confirmed that she had already held informal discussions with colleagues at Devon County Council.

It was then:

RESOLVED

1. That the proposed public consultation on a Council Tax Reduction Scheme for 2023/24 (as detailed in section 3 of the presented agenda report), be approved; and
2. That the results of the public consultation be presented to the Executive prior to a Council Tax Reduction Scheme for 2023/24 being considered for approval by the Council.

E.47//22

COVID-19 ADDITIONAL RELIEF FUND (CARF)

The Executive was presented with a report that provided an update on the Council's Covid-19 Additional Relief Fund (CARF) following the closure of the Scheme on 30 September 2022. The report acknowledged that the Council had delegated the approval of the CARF Policy and its administration to the Members of the Council's Rate Relief Panel.

In discussion, whilst the data protection implications were recognised, a Member asked if he could be sent the list of businesses that had received rate relief through the CARF Scheme.

It was then:

RESOLVED

That the content of the presented agenda report be noted

E.48/22 MONTH 5 REVENUE BUDGET MONITORING 2022/2023

A report was considered that enabled Members to monitor income and expenditure variations against the approved budget for 2022/23 and that also provided a forecast for the year end position.

In the ensuing discussion, reference was made to

- (a) the impact on the revenue budget of the Waste Service being brought back into the Council's control. It was confirmed that this would be addressed as part of the update report that is to be presented to the Executive at its 1 December 2022 meeting;
- (b) the instances where car parking meters had needed to be repaired, which was resulting in a loss of car parking income. A Member cited a number of examples where meters were not working for a short period across the district. In reply, the Leader thanked the Member for raising this issue and gave a commitment to keep this matter under review. As a general point, the Section 151 Officer advised that she would provide a response to Members outside of the meeting regarding the proportion of transactions that were paid via the RingGo facility.

It was then:

RESOLVED

That the forecast income and expenditure variations for the 2022/23 financial year and the overall projected deficit of £54,000 (0.5% of the total Budget £10.464 million), be noted.

E.49/22 CAPITAL PROGRAMME MONITORING 2022/23

The Executive considered a report that advised of the progress made on individual schemes within the approved Capital Programme, including an assessment of their financial position.

In discussion, the addition of photographs and visuals to the published agenda report to illustrate the development of the Capital projects was commended.

It was then:

RESOLVED

That the content of the Capital Programme Monitoring Report be noted

E.50/22 **HOUSING CRISIS UPDATE**

The Executive was presented with a report that provided an update on two specific elements of the Council's work on the Housing Crisis, relating to progress made in relation to two council owned sites in Kingsbridge and also the recommendations of the now concluded Housing Task and Finish Group.

The Leader introduced this agenda item and, in referring to section 2.3.2 of the published agenda report, wished to put on record her apologies if this paragraph gave the wrong impression that Kingsbridge Town Council was the sole reason for the deferral of the previous planning application.

In discussion the following points were raised:

- (a) Whilst the challenges associated with the delivery of affordable housing continued (and were further exacerbated by the cost of living crisis), the proposed expressions of interest exercise that was set out in the published agenda report was welcomed as a potentially good way forward for these two Council owned sites. Furthermore, the ongoing commitment to dialogue with both the local Ward Members and Kingsbridge Town Council was also welcomed;
- (b) The Members of the Housing Task & Finish Group were thanked for the information that they had gathered and their hard work undertaken during the recent Review.

It was then:

RESOLVED

- 1. That to further understand the opportunities to bring forward affordable led housing schemes in Kingsbridge, the commencement of an Expressions of Interest exercise be approved; and
- 2. That the work of the Overview and Scrutiny Housing Task and Finish Group (and the recommendations set out in Section 4 of the presented agenda report) be noted

(Meeting commenced at 9.30 am and concluded at 10.30 am)

Chairman

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTES E.45/22 (PARTS 2 & 3) (WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 15 DECEMBER 2022) WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 24 OCTOBER 2022 UNLESS CALLED IN, IN ACCORDANCE WITH

SCRUTINY PROCEDURE RULES)

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PUBLIC QUESTIONS AT EXECUTIVE MEETINGS

There is a period of 15 minutes at meetings of the Executive during which members of the public can ask questions about items on the agenda.

Any member of the public who wants to ask a question should ensure that the question:

- a) is no more than 50 words in length;
- b) is not be broken down into multiple parts;
- c) relates to an item included on the agenda; and
- d) is suitable to be considered. A question will not be suitable if, for example, it is derogatory to the Council or any third party; relates to a confidential matter; it is about a specific planning matter; or it is substantially the same as a question asked in the past six months.

Questions should be sent to Democratic Services (Democratic.Services@swdevon.gov.uk) by **1.00pm** on the Monday before the meeting (the deadline will be brought forward by a working day if affected by a bank holiday). This will allow a detailed response to be given at the meeting. If advance notice of the question cannot be given the Chairman of the meeting has the discretion to allow questions on matters that are felt to be urgent;

For any further advice on questions to the Executive, or to request a copy of the full Public Questions Procedure Rules, please contact Democratic Services (Democratic.Services@swdevon.gov.uk)

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Executive Leader's Forward Plan

About the Forward Plan

This is the Leader of Council's provisional forward plan for the four months starting December 2022. It provides an indicative date for matters to be considered by the Executive. Where possible, the Executive will keep to the dates shown in the plan. However, it may be necessary for some items to be rescheduled and other items added.

The forward plan is published to publicise consultation dates and enable dialogue between the Executive and all councillors, the public, and other stakeholders. It will also assist the Council's Overview and Scrutiny Committee in planning their contribution to policy development and holding the Executive to account.

Local authorities are required to publish updated forward plans on a regular basis. The Plan is published on the Council's website (www.southhams.gov.uk)

About the Executive

The Executive consists of six Councillors. Each has responsibility for a particular area of the Council's work.

- Leader of the Council with specific responsibility for Improving Homes / Protecting, Conserving and Enhancing our Built and Natural Environment – Cllr Judy Pearce
- Deputy Leader of the Council with specific responsibility for Stimulating a Thriving Economy – Cllr Hilary Bastone
- Lead Executive Member for Environment – Cllr Keith Baldry
- Lead Executive Member for Health and Wellbeing – Cllr Jonathan Hawkins
- Lead Executive Member for Climate Change and Biodiversity – Cllr Tom Holway
- Lead Executive Member for Council Services – Cllr Nicky Hopwood

Further information on the workings of the Executive, including latest information on agenda items, can be obtained by contacting Democratic Services on 01803 861105 or by e-mail to democratic.services@swdevon.gov.uk

All items listed in this Forward Plan will be discussed in public at the relevant meeting, unless otherwise indicated with *



Forward Plan from December 2022

Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Deputy Leader	<p>Title: Write-off Reports Q1 and Q2 2022/23</p> <p>Purpose: The Council is responsible for the collection of: Housing Rents, Sundry Debts including Housing Benefit Overpayments, Council Tax and National Non-Domestic Rates. The report informs Members of the debt written off for these revenue streams.</p>	Cllr Bastone / Lisa Buckle	Report of Strategic Lead of Finance	1 December 2022	
Leader	<p>Title: Draft Revenue and Capital Budget Proposals 2023/24</p> <p>Purpose: To consider a report that presents for consultation a set of draft Revenue and Capital Budget proposals for 2023/24.</p>	Cllr Pearce / Lisa Buckle	Report of Strategic Lead of Finance	1 December 2022	
Leader	<p>Title: Quarter 2 Integrated Performance Management Report 2022/23</p> <p>Purpose: To consider a report that sets out the Integrated Performance Management report for Quarter 2 of 2022/23.</p>	Cllr Pearce / Neil Hawke	Report of the Head of Strategy and Projects	1 December 2022	
Council Services	<p>Title: Customer Access Strategy</p> <p>Purpose: To consider a report that presents the draft Customer Access Strategy for further consideration. In addition, the report will also present a six-month progress review on the Contact Centre Improvement Plan.</p>	Cllr Hopwood / Jim Davis	Report of Customer Service Improvement Manager	1 December 2022	



Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Council Services	<p>Title: Cost of Living Crisis: Plans for Household Support Fund Allocation</p> <p>Purpose: To consider a report that sets out the proposed plans for allocating the Household Support Fund</p>	Cllr Hopwood / Issy Blake	Report of Head of Housing	1 December 2022	
Leader	<p>Title: Housing Crisis – Standing Agenda Item (to include the proposed release of Section 106 Funds for an Affordable Housing Project at St Ann’s Chapel)</p>	Cllr Pearce/ Issy Blake	Report of Head of Housing	1 December 2022	
Environment	<p>Title: Waste Service Update</p> <p>Purpose: To consider a report that provides a service provision update following the decision of Full Council on 22 September 2022.</p>	Cllr Baldry / Steve Mullineaux	Report of the Deputy Chief Executive	1 December 2022	
Environment	<p>Title: Motorhomes Policy Review</p> <p>Purpose: To consider a report that presents a review into the pilot Motorhomes Policy.</p>	Cllr Baldry / Emma Widdicombe	Report of Senior Specialist - Parking	1 December 2022	
Climate Change	<p>Title: Devon Carbon Plan</p> <p>Purpose: To consider a report that presents the draft Devon Carbon Plan for formal consideration.</p>	Cllr Holway / Drew Powell	Report of Director of Strategy and Governance	1 December 2022	
Deputy Leader	<p>Title: Revenue Budget Monitoring Report to Month 7 2022/23</p> <p>Purpose: To consider a report that presents the Revenue Budget Monitoring Report to Month 7.</p>	Cllr Bastone / Lisa Buckle	Report of Section 151 Officer	26 January 2023	



Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Deputy Leader	<p>Title: Capital Programme Monitoring Report to Month 7 2022/23</p> <p>Purpose: To consider a report that presents the Capital Programme Monitoring Report to Month 7.</p>	Cllr Bastone / Pauline Henstock	Report of Head of Finance	26 January 2023	
	<p>Title: Housing Crisis – Standing Agenda Item</p>			26 January 2023	
Leader	<p>Title: Draft Revenue and Capital Budget Proposals</p> <p>Purpose: To consider a report that seeks to recommend to Council the draft Revenue and Capital Budget proposals.</p>	Cllr Pearce / Lisa Buckle	Report of the Section 151 Officer	26 January 2023	
Deputy Leader	<p>Title: UK Shared Prosperity Fund and Rural Fund Delivery</p> <p>Purpose: To consider a report that presents an update on the UK Shared Prosperity Fund.</p>	Cllr Bastone / Chris Shears	Report of the Senior Specialist – Economic Development	26 January 2023	
Leader	<p>Title: Quarter 3 Integrated Performance Management Report 2022/23</p> <p>Purpose: To consider a report that sets out the Integrated Performance Management report for Quarter 3 of 2022/23.</p>	Cllr Pearce / Neil Hawke	Report of the Head of Strategy and Projects	26 January 2023	
	<p>Title: Housing Crisis – Standing Agenda Item</p>			2 March 2023	
Deputy Leader	<p>Title: Revenue Budget Monitoring Report to Month 10 2022/23</p> <p>Purpose: To consider a report that presents the Revenue</p>	Cllr Bastone / Lisa Buckle	Report of Section 151 Officer	2 March 2023	



Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
	Budget Monitoring Report to Month 10.				
Deputy Leader	Title: Capital Programme Monitoring Report to Month 10 2022/23 Purpose: To consider a report that presents the Capital Programme Monitoring Report to Month 10.	Cllr Bastone / Pauline Henstock	Report of Head of Finance	2 March 2023	
Leader	Title: Draft Annual Report of Achievements Purpose: To consider a report that presents the Council's draft Annual Report of Achievements for 2022/23	Cllr Pearce / Neil Hawke	Report of the Head of Strategy and Projects	2 March 2023	
				13 April 2023	
Leader	Title: Planning Improvement Plan – Six Month Progress Review Purpose: In accordance with the Executive resolution, to consider a six month progress review into the Planning Improvement Plan.	Cllr Pearce / Drew Powell	Report of Director of Strategy and Governance	TBC (6 months following the start of the employ of the Assistant Director)	
Leader	Title: Annual Health and Policy Safety Statement Purpose: To consider a report that recommends approval of the draft Health and Policy Safety Statement.	Cllr Pearce / Ian Luscombe	Report of Head of Environmental Health	TBC	

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Report to: **Executive**

Date: **1 December 2022**

Title: **Revenue and Capital Budget Proposals for 2023/24 to 2025/26**

Portfolio Area: **Cllr J Pearce – Budget Setting Process**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: **Lisa Buckle** Role: **Corporate Director for Strategic Finance**

Contact: Email: lisa.buckle@swdevon.gov.uk

RECOMMENDATION:

It is RECOMMENDED that the Executive:

- i) Notes the forecast budget gap for 2023/24 of £195,616 (1.7% of the Projected Net Budget for 23/24 of £11.43million) and the position for future years.**
- ii) Notes the timescales for closing the budget gap in 23/24 and future years, to achieve long term financial sustainability.**
- iii) Notes the current level of Unearmarked and Earmarked Reserves set out in Appendix C, as well as the net contributions to Earmarked Reserves modelled for 2023/24 (set out in Appendix D)**
- iv) Notes the outline initial proposals for the Capital Programme for 2023/24 of £2.070 million as set out in Appendix E (with Full Business Cases to be presented to Members as part of the January 2023 budget cycle of meetings).**

RECOMMEND to Council:

- v) **To set up an advisory Committee comprising of all Non-Executive Members to meet in January 2023, to consider the 2023/24 Revenue and Capital Budget Proposals and make recommendations to the Executive on the Budget Proposals (meeting date proposed of Thursday 19th January 2023)**
- vi) **That South Hams District Council continues to be part of the Devon Business Rates Pool for 2023/24, subject to there being no announcements within the Finance Settlement (expected to be announced in mid December), which in the opinion of the S151 Officer (in consultation with the Leader of the Council and the Portfolio Holder for Finance), would change this recommendation.**

1. Executive summary

- 1.1 The Council's Medium Term Financial Strategy (MTFS) is based on a financial forecast over a rolling three year timeframe to 2025/26. The Council adopted a three year timeframe for its MTFS in 2021, as this dovetailed to the timescales of the Corporate Strategy, 'Better Lives for All'. This timeframe has been emulated with the 2022 MTFS as it gives a good balance between long term financial planning and having realistic assumptions to be able to work with. This is in light of the current volatility within local government financial planning, due to the lack of certainty from continued one-year financial settlements. The previous one year financial settlements announced by the Government have aimed to address short-term pressures rather than focus on long term sustainability.
- 1.2 The Council, along with other local authorities, has faced unprecedented reductions in Government funding. Between 2009/10 and 2020/21, the Council's Core Government funding has reduced by £4 million. The Council now receives **no main Government Grant (Revenue Support Grant)** – this has been reduced to zero.
- 1.3 The Council has continued to work in partnership with West Devon Borough Council which has allowed South Hams to achieve annual savings of £3.9 million and more importantly protect all statutory front line services. Between both Councils the annual shared services savings being achieved are over £6 million per annum. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending.

- 1.4 It is important to note that the Medium Term Financial Strategy (MTFS) sets out the budget strategy for the Council for the next three years, with regular reviews (at least annually) and updates when items are further known or are announced by the Government.
- 1.5 This is the starting point for developing a meaningful three year strategy that sets out the strategic intention for all of the different strands of funding available to the Council. The Council will then be able to rely on this to inform future decisions.
- 1.6 Prudent financial management in the past, has meant that the Council was in a relatively healthy position financially before the pandemic hit. When Councillors set the Budget for 2020/21 in February 2020, no-one could have foreseen how our future finances and everyday lives were about to be impacted. The pandemic has also changed the world we operate in. Across the Council, staff have been called upon to continue the efforts to help local communities against the impact of the pandemic.
- 1.7 The management of risk and promoting financial resilience is a key principle of our budget strategy and this has helped facilitate our response. Key to the authority's financial resilience are our reserves, which are at a prudent level.
- 1.8 The recent challenges presented by the war in Ukraine with its broader implications along with the current 'cost of living crisis' will have an impact on the Council's finances as well as the finances of the residents of the District. The Council's approach to delivering services remains steadfast.
- 1.9 The latest inflation figures show prices are rising at their fastest rate for 40 years with the headline CPI (Consumer Price Index) rate at 10.1% (September 2022). These increases have also impacted the MTFS and increased the cost pressures. At present, there is no indication from Government of any additional funding. The financial standing of the Council is secure in the immediate future, but there is still much work to do to ensure the long term financial sustainability of the Council.
- 1.10 It had been expected that a technical consultation paper on the local government finance settlement for 23/24 would happen before Parliament's summer recess. However, the political turmoil has meant that this hasn't happened.
- 1.11 In his speech to the Local Government Association (LGA) conference on 28 June 2022, the Secretary of State, Michael Gove MP, promised to give local authorities greater "financial certainty". It was confirmed that a 2-year financial settlement will be introduced. The proposal for a 2-year settlement suggests that there will be rollover settlements in both 2023/24 and 2024/25, meaning financial settlements that are broadly similar to 2022/23.

1.12 The Fair Funding Review, business rates baseline reset, and other funding reforms now look set to be pushed back to 2025/26 although this has not been confirmed by the Government so the MTFS assumes that these changes could happen in 2024/25 at the earliest.

1.13 The key assumptions within the Medium Term Financial Strategy are as below. Each of these is described in more detail in Section 4.

- The business rates baseline reset will be deferred until 2024/25 at the earliest (with no negative Revenue Support Grant in 2023/24)
- There will be a phasing in of negative Revenue Support Grant as part of the business rates baseline reset (predicted to be in 2024/25 at the earliest) with a transition period over three years, to avoid Local Authorities losing/gaining too much in one go. The modelling assumes negative RSG of £450,000 in 2024/25 and 2025/26. Some of the negative RSG could be offset by growth.
- A Council Tax limit at the higher of £5 or 1.99% has been modelled for 2023/24 in Appendix B.
- The awaited local government finance settlement could indicate whether Ministers are minded to allow a further year or two years of one-off allocations of New Homes Bonus (NHB), or the Government may implement some other changes. It is assumed that the roll over settlement for 2023/24 will give an amount of at least £400,000 of NHB funding (or a similar replacement housing incentive scheme) that could be used to fund the 23/24 revenue base budget, as well as £100,000 from previous years.
- A business rates pooling gain of £300,000 has been modelled for 2023/24 with no further gains for 2024/25 onwards.
- A council tax surplus of £332,000 for 23/24 has been assumed, with a council tax collection rate of 98.25% (98.34% was achieved in 2021/22)
- Rural Services Delivery Grant has been assumed to continue at the same level for 23/24 with uplifts for 24/25 and 25/26
- A 3% pay increase has been modelled from 2023/24 onwards (3% equates to £280,000 on total pay of £9.5m, prior to the waste service being brought back in-house. The waste service is shown separately.)

1.14 The following table illustrates the predicted budget gap from 2023/24 onwards for the Council **as shown in Appendix B**:

Budget Gaps	2023/24 £	2024/25 £	2025/26 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	195,616	144,133	392,134	731,883
*Cumulative Budget Gap	195,616	339,749	731,883	1,267,248

* (Cumulative Budget Gap assumes annual new budget gaps have not been addressed)

- 1.15 **The forecast budget gap for 2023/24 is £195,616. This is 1.7% of the Projected Net Budget for 23/24 of £11.43 million.** A cumulative budget gap of £339,749 is predicted for 2024/25 (the £339,749 assumes that the 23/24 budget gap of £195,616 has not been closed). The cumulative aggregated Budget Gap by 2025/26 is £1.27 million, if no action has been taken in each individual year to close the budget gap annually.
- 1.16 There is no indication yet of the detailed local government funding levels for 2023/24 and beyond. Therefore, there are many uncertainties in preparing for the challenges we know we will face in the near future. There is little Government appetite for full reform of Local Government finances in the short term.
- 1.17 The Medium Term Financial Strategy report (MTFS) in September 2022 identified a budget gap of £374,616 for 2023/24. The table below sets out the changes in this report from the previous report.

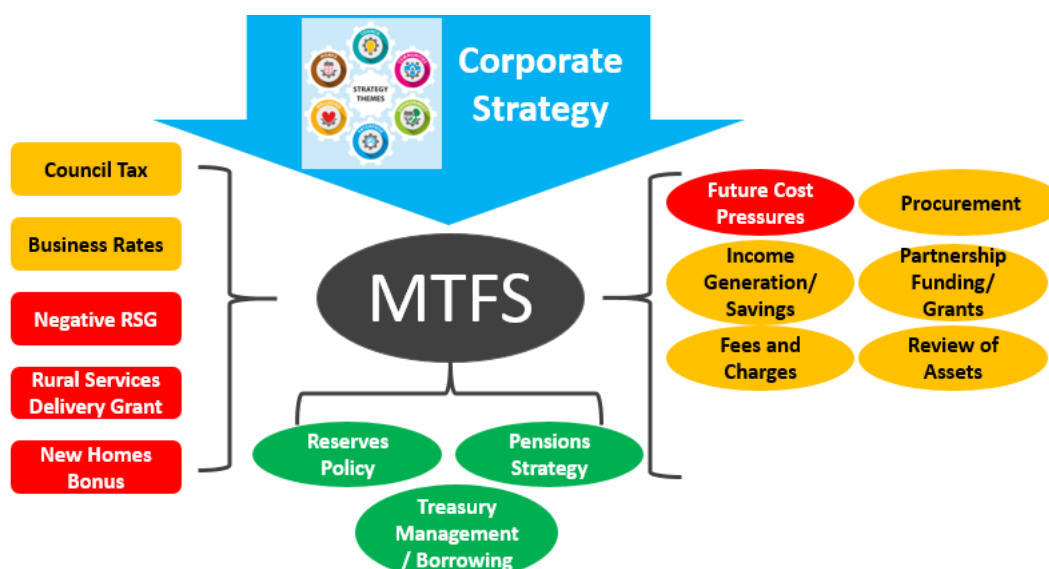
	£
<i>Budget gap for 23/24 reported in the MTFS Executive report in September 22</i>	374,616
Increase the cost pressure for inflation on goods and services (increase from £300,000 to £400,000 – this is mainly all utility price increases)	100,000
Cost pressure for additional audit fees for external audit	75,000
Reduce the extra income from car parking for 2023/24 from £350,000 to £250,000	100,000
Reduce the extra income from the Dartmouth Lower Ferry for 2023/23 from £355,000 to £250,000	105,000
Extra income/ financing of the Revenue Budget identified	
Extra treasury management income – this has been increased from £300,000 to £677,000	(377,000)
Extra rental income from employment estates – this has been increased from £100,000 to £150,000	(50,000)
Collection Fund Surplus predicted for 23/24 of £332,000 (the collection fund surplus which was previously forecast for 23/24 at £200,000)	(132,000)
<i>Budget gap for 23/24 reported in this Executive report in December 22 (Draft Revenue Budget Proposals for 2023/24)</i>	195,616

- 1.18 The Chancellor's Autumn Statement was announced on 17th November. A briefing note on the announcements within the Autumn Statement was emailed to all Members on the day. A Policy Statement is due to be published by the Government in early December which will give an indication of which grants (such as New Homes Bonus) will continue into 2023/24. The Local Government Finance Settlement will also be issued in December. The implications of these announcements will be presented to Members as part of the January budget cycle of meetings.

2 COMPONENTS OF THE MEDIUM TERM FINANCIAL STRATEGY

2.1 The Diagram below sets out all of the component parts which constitute the make-up of a Medium Term Financial Strategy. Items in Green denote those elements where the Council has a large degree of control over the setting of policies and strategies. Items in Amber denote those components of the MTFS where the Council has a degree of control. Red items signal components where the Council has hardly any control over funding allocations which are decided by the Government and future cost pressures which can largely be outside of the Council's control or influence.

2022/23 Net Budget £10.46 million



2.2 The key assumptions within the MTFS are set out in Section 3.

OVERALL POSITION – BUDGET GAP

2.3 Financial modelling has been undertaken for the next five years to predict the Council's financial situation for the short and medium term.

2.4 **Appendix A** to the Medium Term Financial Strategy sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast. **Appendix B** illustrates the overall financial forecast for the forthcoming five years. The Council's Net Budget is £10.46 million in 2022/23.

2.5 A Summary forecast is shown below of the potential budget situation if all of the budget pressures and the savings and income generation in Appendix A were approved. It also shows the situation if the Council Tax is increased by £5 per annum (shown in Appendix B).

- 2.6 The following table illustrates the predicted budget gap from 2023/24 onwards for the Council **as shown in Appendix B:**

Budget Gaps	2023/24 £	2024/25 £	2025/26 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	195,616	144,133	392,134	731,883
*Cumulative Budget Gap	195,616	339,749	731,883	1,267,248

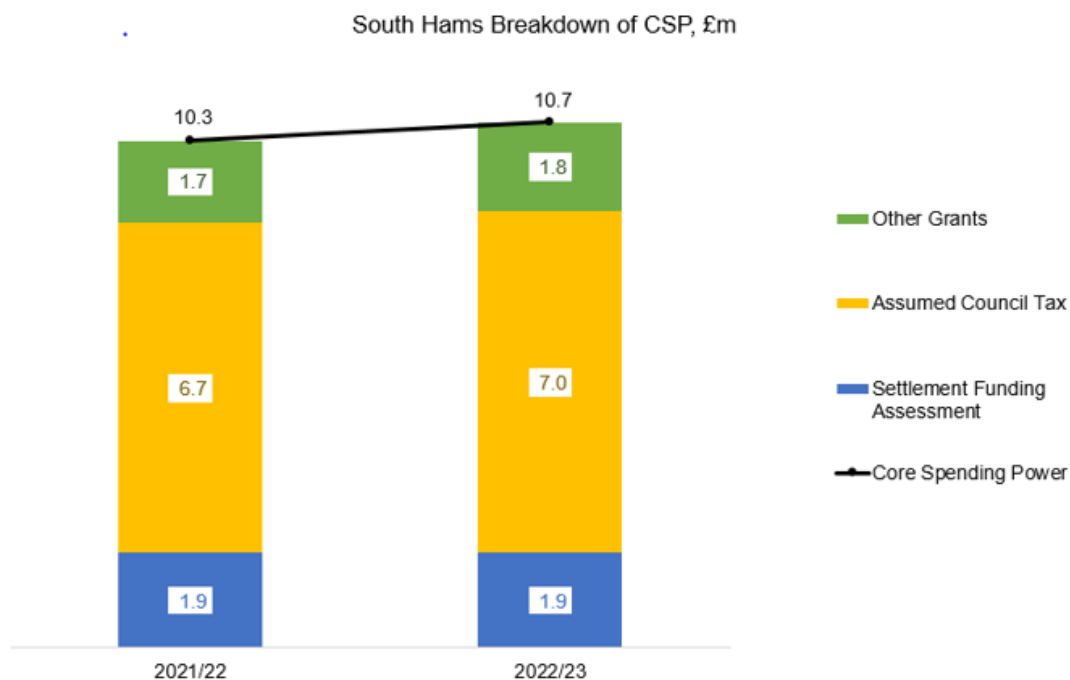
* (Cumulative Budget Gap assumes annual new budget gaps have not been addressed)

- 2.7 ***The forecast budget gap for 2023/24 is £195,616. This is 1.7% of the Projected Net Budget for 23/24 of £11.43 million.*** A cumulative budget gap of £339,749 is predicted for 2024/25 (the £339,749 assumes that the 23/24 budget gap of £195,616 has not been closed). The cumulative aggregated Budget Gap by 2025/26 is £1.27 million, if no action has been taken in each individual year to close the budget gap annually.
- 2.8 The Council awaits the details of the Local Government Finance Settlement. Further options for Members' considerations of how to close the predicted budget gap of £195,616 for 2023/24 will be presented as part of further budget reports.

3 ASSUMPTIONS FOR FINANCIAL MODELLING PURPOSES

- 3.1 The Settlement Funding Assessment (SFA) is essentially the business rates baseline and is the amount of money the Council retains from its share of the business rates income. The breakdown of the increase in SFA for 2022/23 is shown below.
- 3.2 The 'Core Spending Power' is a headline figure used by MHCLG to represent the key revenue resources available to local authorities, including an estimate of actual and potential council tax, as below. The Council now receives no main Government grant (Revenue Support Grant).
- 3.3 ***Core Spending Power for South Hams (which is a measure of how much extra funding a Council has received for next year) increased by 3.6% for 2022/23.*** Core Spending Power is the term the Government use to say how much money Councils have to run their services. On looking at the detail below, it can be seen that the extra funding of 3.6% is mainly coming from assumed Council Tax increases in 2022/23.

- 3.4 The calculation of Core Spending Power already assumes that a Council will increase its council tax up to the maximum allowed under the referendum limits for 2022/23 – so for SHDC a £5 council tax increase (less than 10pence per week) for 2022/23 was included within this 3.6% increase in funding. New Homes Bonus is also included in the measure of Core Spending Power in ‘Other Grants’.
- 3.5 Core Spending Power increased from £10.3m in 2021/22 to £10.7m in 2022/23 as shown below. Nationally, Core Spending Power increased by 4.4% (factoring in council tax increases).



Council Tax

- 3.6 The Council Tax Referendum limits for District Councils for 2022/23 was the higher of 1.99% or £5. An increase in council tax of £5 for the next three years has been modelled for council tax purposes. This would equate to a Band D council tax for the District Council of £185.42 in 2023/24 as shown in Appendix B (an increase of £5 for the year (10 pence per week) which equates to a 2.77% increase. The Council’s share of the council tax for 2023/24, will be set at the Council meeting on 16th February 2023. (A 1% increase in council tax generates £71,000 of extra council tax income).

- 3.7 The table below shows how an average Band D council bill is made up for South Hams District Council for 2022/23, compared to 2021/22. Of an average Band D Council Tax within the District of £2,155.30, an amount of £180.42 is the element of a council tax bill set by South Hams District Council. Therefore 8pence of every £1 paid (8%) in council tax is received by South Hams District Council to pay for our services. The rest of the council tax bill is set by Devon County Council, the Fire, the Police and Town and Parish Councils to fund the services they provide. In 2022/23, the council tax for an average Band D property in South Hams increased by £64.75 per annum, an annual increase of 3.1% as shown below.

Precepting Authority	Band D 2021/22	Band D 2022/23	£ Increase	% Increase
South Hams District Council	£175.42	£180.42	£5.00	2.85%
Devon County Council Precept	£1,342.44	£1,372.59	£30.15	2.99%
Adult Social Care Precept *	£168.84	£183.87	£15.03	
Devon & Cornwall Police & Crime Commissioner	£236.56	£246.56	£10.00	4.23%
Devon & Somerset Fire & Rescue	£90.00	£91.79	£1.79	1.99%
Average Parishes/Towns	£77.29	£80.07	£2.78	3.60%
TOTAL	£2,090.55	£2,155.30	£64.75	3.10%

Town and Parish Precepts for 2022/23 are shown in Appendix F. The largest Parish Precepts are Totnes (£186.57), Dartmouth (£182.95) and Iybridge (£134.91), with the smallest Precept being Woodleigh (£4.94) for a Band D property.

- 3.8 The District Council is responsible for collecting all the Council Tax debt of approximately £83m as South Hams DC is the Billing Authority. After keeping 8% of the council tax collected to run the Council's services, the rest is paid over to Devon County Council, the Police, the Fire and Town and Parish Councils. The collection rate for Council Tax for South Hams was 98.34% for 2021/22. This was 2.44% higher than the national average of 95.9%.
- 3.9 A council tax collection rate of 97.5% has been assumed for 2022/23.
- 3.10 It has been assumed that the number of properties within the District will increase by 400 per annum from 2023/24 onwards.

- 3.11 In 2022/23 the Government set no council tax referendum principles for Town and Parish Councils. It has not yet been announced by the Government whether any referendum principles will apply to Town and Parish Councils in 2023/24 onwards.

Business Rates and Negative Revenue Support Grant (RSG)

- 3.12 It has been assumed that the Business Rates Reset will be delayed to 2024/25 at the earliest.
- 3.13 Whilst this change is not confirmed by the Government, a reset based on the current taxbase would appear very unlikely.
- 3.14 The proposal for a one or two year settlement suggests that there will be rollover settlements in both 2023/24 and 2024/25, meaning financial settlements that are broadly similar to 2022/23 in cash terms.
- 3.15 The Fair Funding Review, business rates baseline reset, and other funding reforms now look set to be pushed back to 2025/26 although this has not been confirmed by the Government so the MTFs assumes that these changes could happen in 2024/25 at the earliest.
- 3.16 Pushing these major changes back to 2025/26 means that they can be aligned with the next spending review period (the current spending review runs to 2024/25). 2025/26 now looks like it is shaping up to be a very significant financial year for local government, incorporating a new spending review, the 2021 Census and funding reforms.
- 3.17 A one or two year settlement (with no negative Revenue Support Grant, RSG, in 2023/24) is the most likely scenario now. This means the Council wouldn't have to forego some of its business rates income (£450,000) by paying some of it back to Government in the form of 'negative government grant' in 2023/24. Negative RSG is effectively the Council's further predicted funding cuts.
- 3.18 It is anticipated there will be a phasing in of negative RSG as part of the business rates baseline reset (predicted to be in 2024/25 at the earliest), with a transition period over three years, to avoid Local Authorities losing/gaining too much in one go. The modelling assumes negative RSG of £450,000 in 2024/25 and 2025/26. Some of the negative RSG could be offset by growth.
- 3.19 Estimates have been made of the business rates baseline funding levels for 2023/24 onwards and the relative deductions for negative RSG. For example in 2023/24, the £2.55m is the amount the Council is projected to retain from its business rates income collected of around £24 million (this equates to around 10p in every £1 collected of business rates).

3.20 The 2021/22 collection rate for South Hams for business rates was 98.13%. This was 2.63% higher than the national average of 95.5% for 2021/22.

3.21 It is modelled to take £500,000 funding from the business rates retention reserve in 23/24, with a further £700,000 in 24/25 and 25/26. This would reduce the business rates retention reserve by £1.9m over the next 3 years to smooth the impact of the business rates baseline reset and the future loss of pooling gains. In addition, an amount of £3m has been approved to be utilised from the business rates retention reserve, to cover the transitional cost of the waste service coming back in-house in October 2022 onwards. A prudent view has been taken in this report and the Council may be able to reduce the amount of funding that is coming from this reserve to help fund the base budget once details of the Local Government Finance Settlement are announced. This reserve is predicted to have more business rates income being set aside into the reserve in 23/24, due to the way that business rates income flows through the collection fund over a period of years.

Business Rates Income	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)
		<i>Potential Baseline Reset</i>	
Business Rates Income	2.550	2.550	2.50
Less: Negative Revenue Support Grant (RSG)		(0.45)	(0.45)
Anticipated Pooling Gain	0.300	-	-
Funding proposed to be taken from the Business Rates Retention Reserve to smooth the volatility in business rates income	0.500	0.700	0.700
Total Business Rates Income	3.35	2.8	2.75

3.22 **Business Rates Revaluation** – There will be a business rates revaluation from 1 April 2023, based on the rental market as at 1 April 2021. The purpose of a business rates revaluation is to update rateable values and therefore, business rates bills, to reflect changes. Transitional arrangements will be in place to support businesses to adjust to their new bills.

Devon Business Rates Pool

3.23 South Hams District Council will continue to be part of a Devonwide Business Rates Pool for 2022/23 and it is recommended to continue to pool for 2023/24 (until the baseline reset happens in 2024/25 at the earliest). A business rates pooling gain of £300,000 has been modelled for 2023/24 with no further gains for 2024/25 onwards when the baseline reset could happen.

Rural Services Delivery Grant

3.24 Rural Services Delivery Grant has been modelled to continue for 2023/24 onwards at previous levels (£85m nationally – SHDC share of £437,000) and the methodology for distribution is assumed to remain unchanged from 2022/23. The Council will continue to lobby on the basis that the £85m should be increased. This is Government grant to recognise the additional cost of delivering services in rural areas.

New Homes Bonus (NHB)

3.25 The timing of the cessation of the current NHB scheme is not clear, but if it does continue, it will be smaller in value with no historic legacy payments. The final legacy payment was made in 2022-23 and in theory there is £750m of NHB funding to be re-distributed to local authorities from 2023-24.

3.26 In 2022/23 the NHB allocation for the Council was £1,007,557. It is assumed that the roll over settlement for 2023/24 will give an amount of at least £400,000 of NHB funding (or a similar replacement housing incentive scheme) that could be used to fund the 23/24 revenue base budget, as well as £100,000 from previous years.

3.27 It is estimated that the 23/24 NHB payment could be £421,000. There is a net property increase of 454 properties. When the baseline (0.4%) is deducted of 186 properties (0.4% of 46,551 overall Band D equivalent properties), this means that NHB could be payable at 80% of £1,965 (national average Band D council Tax) x 268 additional Band D properties over the baseline. So for the first 186 extra properties, SHDC receives no NHB. $(268 \times £1965.71 \times 80\% = £421,000)$

New Homes Bonus	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m	£m	£m
2017/18 allocation	0.195					
2018/19 allocation	0.200	0.200				
2019/20 allocation	0.446	0.446	0.446			
2020/21 allocation	0.359					
2021/22 allocation		0.423				
2022/23 allocation			0.562			
2023/24 Forecast				0.421		
2024/25 Forecast					0.400	
2025/26 Forecast						0.400
Total Allocation	1.199	1.068	1.008	0.421	0.400	0.400

Other assumptions within the Medium Term Financial Strategy (MTFS)

- 3.28 The last pay award offer for 2022/23 has recently been agreed. The pay award is an increase of £1,925 on all NJC pay points 1 and above with effect from 1 April 2022 and an extra day of annual leave entitlement with effect from 1 April 2023. All employees on a NJC pay spine receive a minimum 4.04% pay increase, with a minimum of £10.50 hourly rate of pay. (The estimate of the National Living Wage, set at two-thirds of medium earnings for those aged 21 and over in 2024 is £10.95). For example, for Level 8, this would equate to a pay increase of around 9%.
- 3.29 The amount agreed for 2022/23 (as set out above) is higher than the amount that was previously provided for of a 2% provision.
- 3.30 The budget report includes a total provision for the 2022/23 pay award of £630,000 in 23/24. This is the amount that will be needed for the £1,925 pay award, which is over and above the 2% that was provided for in the 22/23 budget. This needs to be built into the 23/24 budget as a 'catch up' for the pay award for 22/23, as the 22/23 budget has already been set.
- 3.31 The Medium Term Financial Strategy is not an expression of Council Policy on pay awards, but a means of ensuring an appropriate provision is made as part of the overall financial planning of the Council.
- 3.32 The Consumer Price Index (CPI) has reached 10.1% (September 2022 CPI), which is a 40 year high. Half of this increase can be attributed directly to gas/electricity price inflation.
- 3.33 An extra £400,000 cost pressure for inflation on goods and services has been included within the cost pressures in Appendix A. For electricity alone, a 280% increase has been factored in equating to over £200,000 additional cost.
- 3.34 Interest rates are increasing and the Bank Base rate is currently 3.0%. It is predicted that the Council's treasury management income will increase to £800,000 in 2023/24 and an extra £677,000 has been built into the MTFS for 2023/24 (the existing base budget is £123,000).

Better Lives for all – The Council’s 20 year vision

- 3.35 Better Lives for All sets out our 20-year vision for South Hams and its communities. It forms the strategy for both the Council as an organisation and the South Hams as a place. The six areas of focus are supported by detailed annual delivery plans.

<https://www.southhams.gov.uk/better-lives-for-all>

Achieving our Vision

To support us in achieving our vision, we have aligned our actions to a number of themes.

Each theme will be led by an Executive Member and supported by a senior officer.

In the following pages, we set out our Thematic Delivery Plans for each area.

 <p>Adapting & mitigating climate change and increasing biodiversity</p> <p>An environment where people and nature thrive together</p>	 <p>Improving homes</p> <p>Better homes enabling better lives for all</p>	 <p>Protecting, conserving & enhancing our built and natural environment</p> <p>Planning for our future, celebrating our past</p>
 <p>Stimulating a thriving economy</p> <p>A district that attracts high quality employment opportunities and space for business to grow</p>	 <p>Strengthening community wellbeing</p> <p>Strong and prosperous communities where residents live healthy lives and are empowered to make a positive impact</p>	 <p>Delivering quality Council services</p> <p>Delivering quality services to our residents and communities</p>

Climate Change

- 3.36 The Council’s annual delivery plan on ‘Adapting and mitigating climate change and increasing biodiversity’ sets out the Council’s action plan for addressing climate change and the carbon/biodiversity impact.

OTHER BUDGET ITEMS

- 3.37 Waste and Recycling service – There is a separate report on this Executive agenda on the waste and recycling service update.
- 3.38 The Levelling Up and Regeneration Bill is making its way through Parliament. The Government is aiming for Royal Assent in Spring 2023. There is a proposal within the bill to allow Billing Authorities the discretion to charge second home owners a council tax premium of 100% (so a second home dwelling would pay double the council tax charge). The Bill requires Billing Authorities to have a minimum period of 12 months between making its first determination and the financial year in which it takes effect. Billing Authorities might be able to charge the premium to second home owners in 2024-25, but the timing will be very tight if Authorities only get the powers in Spring 2023. A Member decision would need to be taken on this as part of the future budget setting process. Modelling shows that extra council tax income of £730,000 could be generated.

3.39 The Council will be reviewing core service delivery through on-going service reviews and will bring reports back to Members at the appropriate point, linking back to the corporate strategy.

4. Treasury Management and Borrowing Strategy

4.1 The Council has previously taken external treasury management advice on the Council's overall borrowing levels and debt levels. The Council set an Upper Limit on External Borrowing (for all Council services) as part of the Medium Term Financial Strategy of £75 million in 2019 and it is not proposed to change this limit at present.

4.2 In 2021/22 the long term borrowing of the Council decreased from £14,380,000 (20/21) to £14,284,000. Short term borrowing increased from £94,000 to £96,000 due to the maturity profile of borrowing. No further external borrowing took place during 2021/22.

5 FEES AND CHARGES

5.1 As part of the budget process, fees and charges will be reviewed. A delegation is in place to enable service managers to increase fees and charges by inflation where these are not material changes or increases.

6 FINANCIAL SUSTAINABILITY AND TIMESCALES

6.1 The Council will continue to assess various options for closing the budget gap for 2023/24 onwards, and in the longer term, to achieve long term financial sustainability and further options will be presented to Members in further budget reports. This will consider ways to reduce the Council's operating costs and generating further income and savings.

6.2 Making the best use of our resources and setting a balanced budget annually is within the 'Delivering Quality Services' Delivery Plan of the Council's long term strategic vision, 'Better Lives for All'.

7 Earmarked and Unearmarked Reserves Policy

7.1 Unearmarked Reserves total £2.056 million as at 31 March 2022 (the Balance Sheet date). This position is after £280,000 has been transferred from Unearmarked Reserves to a Financial Stability Earmarked Reserve (Council 10 February 2022). This is a new reserve set up in 2021/22 as part of the 2022/23 Budget process to be available for any future financial pressures from local government funding reforms and any other budget pressures.

7.2 Earmarked Reserves total £20.059 million as at 31 March 2022. A full list of Reserves is shown in Appendix C. The proposed contributions to/from Earmarked Reserves are shown in Appendix D.

- 7.3 Earmarked Reserves includes £4.260m held in the Business Rates s31 Compensation Grant Reserve. This is due to a technical accounting adjustment where Councils were compensated for the business rates holidays that were announced by the Government for the retail, hospitality and leisure sectors in 2020/21 and 2021/22 (this funding is in the S31 Compensation Grant Reserve). The funding in this reserve will reverse back out again in the 2022/23 Accounts, to fund the deficit on the Collection Fund. Therefore, this is not money which is available for the Council to spend and it is important that this is not misinterpreted in the Accounts, as this is a national issue.
- 7.4 Reserve levels will be kept under constant review and will be reviewed throughout the budget setting process to consider commitments against Earmarked Reserves, their unallocated balance and the contributions to/from Earmarked Reserves for 2023/24 and future years also. This can then be considered alongside details of the Local Government Finance Settlement.
- 7.5 At Council on 10th February 2022, Members set a minimum balance for Unearmarked Reserves of £1.5million, with an operating level of a minimum of £2million. This was based on a risk assessment basis and a sensitivity analysis. Therefore, the current level of £2.056million is still above these levels previously set.
- 7.6 Legislation does not prescribe how much the minimum level of reserves should be. The Section 151 Officer is tasked with recommending the minimum level of reserves required as part of the budget setting process having regard to elements of risk in the Council's finances (this was recommended at £1.5million being the minimum level in February 2022, with an operating level of £2million). Section 25 of the Local Government Act 2003 requires the Section 151 officer to report on the adequacy of the Council's financial resources on an annual basis.
- 7.7 The provision of an appropriate level of balances is a fundamental part of prudent financial management, enabling the Council to build up funds to meet known and potential financial commitments.
- 7.8 As highlighted above there is a high degree of uncertainty about future levels of funding for local government. However, the Section 151 Officer is keeping a close watch on developments and planning for this longer-term uncertainty. For example, the Council has a Financial Stability earmarked reserve to help secure financial stability for the longer term (see 7.1).

8 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING

- 8.1 The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing.
- 8.2 Capital projects will be scored on the following criteria:
- 1 - Health and Safety compliance
 - 2 - Essential to keep operational assets open
 - 3 - Fit with the Council's Delivery Plans for 'Better Lives for All'
 - 4 - To rationalise service delivery or service improvement
 - 5 - To generate income, capital value or to reduce revenue costs
- 8.3 It is important that future bids for capital are aligned with the review of the thematic delivery plans and aims within 'Better Lives for All'.
- 8.4 The outline capital bids (for information only) are set out in Appendix E alongside ways the Capital Programme could be financed for modelling purposes. They currently total £2.070 million. Full Business cases for each of the Capital Bids will be presented to Members as part of the January cycle of budget reports. The current proposals are currently in outline only and much fuller information will be presented to Members in the next cycle of budget reports. By early January, the Local Government Finance Settlement will be known and the Council will be clearer on the amount of funding that will be available to fund potential Capital Programme bids.
- 8.5 **Regeneration and Investment Strategy** – The Council has approved a Regeneration and Investment Strategy (Minute Reference CM 75/21, Council 31/3/2022). To date, Investment Properties have a value of £18.61 million in aggregate as at 31.3.2022.
- 8.6 Purchases made within the strategy are capital expenditure. An income projection of £667,000 from the net ancillary income from investments in Investment property has been included within the 2022/23 Base Budget onwards.
- 8.7 The Council's Asset Base is £102.7 million as at 31 March 2022. The Council will continually review and challenge its asset base in order to deliver the optimum value for money from the Council's Assets.

9 NEXT STEPS AND PROPOSED WAY FORWARD

- 9.1 The MTFs is the starting point for developing a meaningful three year strategy that sets out the strategic intention for different strands of funding available to the Council (Executive 15 September 2022).
- 9.2 The Council's budget is essentially fixed in cash terms and its ability to raise income is limited as there are national controls in place around council tax and business rates.

- 9.3 Officers will continue to work with the Executive and the results of this will be incorporated into future Budget reports. This will consider ways to reduce the Council's operating costs and generating further income and savings.
- 9.4 An all Member Budget Workshop took place on Thursday 10th November.
- 9.5 The Council awaits the details of the Government's Local Government Finance Settlement for 2023/24 and the announcement which will enable the Council to further firm up some of the assumptions within the Revenue Budget Proposals for 2023/24. A further update will be presented to the Executive in January 2023. Further options for Members' considerations of how to close the predicted budget gap of £195,616 will be presented as part of this report. The table below shows the budget timetable for the 2023/24 Budget process.

15 th September 2022	Executive – To consider the three year MTFS (Medium Term Financial Strategy) for 2023/24 to 2025/26
1st December 2022	Executive – To consider draft proposals for the Revenue and Capital Budget for 2023/24.
19 January 2023	As per Recommendation 5 of this report, it is recommended to set up an advisory Committee comprising of all Non-Executive Members to meet in January 2023, to consider the 2023/24 Revenue and Capital Budget Proposals and make recommendations to the Executive on the Budget Proposals (meeting date proposed of Thursday 19 th January 2023)
26th January 2023	Executive – To recommend Final Budget Proposals to Council for 2023/24
13th February 2023 (9am)	Date which Council Procedure Rule 16 applies
16th February 2023	Full Council – To approve Final Budget Proposals for 2023/24 and set the SHDC share of the Council Tax
22 February 2023	Council Tax Resolution Panel – to agree the Council Tax Resolution for 2023/24 (This is SHDC share plus all other precepting authorities share).

Note 1- Council Procedure Rule 16 states that ‘Where a member intends to move a motion or amendment in relation to the Budget, the text of that motion or amendment must be put in writing and submitted to the Head of Paid Service by 9am on the third working day before the meeting, in order that officers may have sufficient time to consider and advise the Council of the financial implications of any such motion or amendment’. As per the timetable above, this would need to be submitted by 9am on Monday 13th February 2023.

10. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Executive is responsible for recommending to Council the budgetary framework. It is the role of the Overview and Scrutiny Committee to scrutinise the Budget proposals being proposed by the Council on an annual basis. In accordance with the Financial Procedure Rules, Council must decide the general level of Reserves and the use of Earmarked Reserves.</p> <p>The preparation of the Budget report is evidence of whether the Council has considered and taken into account all relevant information and proper advice when determining its financial arrangements in accordance with statutory requirements, and in particular, that it will set a lawful budget.</p> <p>As per Recommendation 5 of this report, it is recommended to set up an advisory Committee comprising of all Non-Executive Members to meet in January 2023, to consider the 2023/24 Revenue and Capital Budget Proposals and make recommendations to the Executive on the Budget Proposals (meeting date proposed of Thursday 19th January 2023)</p>

<p>Financial implications to include reference to value for money</p>		<p>The forecast budget gap for 2023/24 is £195,616. This is 1.7% of the Projected Net Budget for 23/24 of £11.43 million. A cumulative budget gap of £339,749 is predicted for 2024/25 (the £339,749 assumes that the 23/24 budget gap of £195,616 has not been closed). The cumulative aggregated Budget Gap by 2025/26 is £1.27 million, if no action has been taken in each individual year to close the budget gap annually.</p> <p>The Council awaits the details of the Local Government Finance Settlement announcement in mid December, which will enable the Council to further firm up some of the assumptions within the Budget for 2023/24. Further options for Members' considerations of how to close the predicted budget gap of £195,616 will be presented as part of the January 2023 Budget report.</p> <p>There is no indication yet of the detailed local government funding levels for 2023/24 and beyond. Therefore, there are many uncertainties in preparing for the challenges we know we will face in the near future.</p> <p>As part of Grant Thornton's external audit of the Statement of Accounts for 2021/2022, they will assess the arrangements the Council has in place for:-</p> <ul style="list-style-type: none"> • Improving economy, efficiency and effectiveness • Financial Sustainability • Governance <p>The outcome of Grant Thornton's work in this area will be reported to Members at the Audit Committee meeting in March 2023.</p>
<p>Risk</p>		<p>Each of the budget options taken forward by Members will consider the risks of the option.</p>
<p>Supporting Corporate Strategy</p>		<p>The majority of activities set out in the Council's delivery plans can be delivered through refocusing and reprioritisation of existing resources however, in order to realise the ambition set out in the strategy, some of the activities will require additional resources.</p>
<p>Climate Change - Carbon / Biodiversity Impact</p>		<p>The Council declared a Climate Change and Biodiversity Emergency on 25 July 2019 and the potential for this to have significant financial implications for the Council was highlighted.</p>

		<p>A Climate Change Action Plan was presented to Council in December 2019. Following this report, a strategy is being implemented as to how the Council can finance the items within the Action Plan, whether that is from external grant sources or some funding from the Council's own resources.</p> <p>The Council has Earmarked £400,000 in a Climate Change Earmarked Reserve as part of the 2020/21 Budget, with a further £200,000 being agreed as part of the 2021/22 Budget Process.</p> <p>Further detail is set out in the Council's 'Better Lives for All' Thematic Delivery Plan.</p>
Comprehensive Impact Assessment Implications		
Consultation and Engagement Strategy		External consultation and engagement has not been undertaken with regard to this report.
Equality and Diversity		Equality Impact Assessments are completed for the budget proposals.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

Supporting Information

Appendices:

- Appendix A – Budget pressures and savings
- Appendix B – Modelling of the Budget Position
- Appendix C - Schedule of Reserves
- Appendix D – Contribution to/from Reserves
- Appendix E – Outline initial proposals for the Capital Programme for 2023/24 (subject to Full Business Cases being presented in January 2023)
- Appendix F – Town and Parish Precepts for 2022/23

Background Papers:

None

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SOUTH HAMS DISTRICT COUNCIL - BUDGET PROPOSALS 2023/24
(This shows the changes to the existing Base Budget)

APPENDIX A

	BASE 2022/23	Yr1 2023/24	Yr2 2024/25	Yr3 2025/26
	£	£	£	£
BUDGET PRESSURES				
Inflation and increases on goods and services	110,000	400,000	250,000	110,000
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)		100,000	100,000	75,000
Salaries - provision for pay award at 3% (£280,000) from 2023/24 onwards, total pay of £9.5m	185,000	280,000	280,000	280,000
Pay award 2022-23 - £1,925 per Scale Point (£630,000 is the amount over the current budget provision of £185,000 for 2022-23) - This will need to be built into the Base Budget in 2023-24	0	630,000	0	0
Increase in salaries - increments and pay and grading	0	200,000	0	0
Increase the staffing budget for four planning specialists and two legal specialists (shared with West Devon Borough Council), to be financed by extra planning income - Planning Improvement Plan (Executive 14.10.21). In addition, the Planning Improvement Plan, Executive 26.5.22, noted that the cost of the restructure, £98k per annum, will be funded for the first three years from the additional planning income held in the planning earmarked reserve.	164,000	98,000	0	0
Better Lives for All strategy - Council 23 September 2021 - £110,000 cost pressures for 22/23 and 23/24	110,000	0	(110,000)	
Waste collection, recycling and cleansing contract inflation (estimate of around 3%)	130,000			
Additional inflation for the waste service - 12.2% for 2022/23 (extra £360K) plus assume 5% for 2023/24 onwards (£205K)	0	565,000	205,000	205,000
Waste collection, recycling and cleansing service - Council 14 July 2022	0	1,250,000	0	0
National Living Wage and National Insurance (social care levy of 1.25% and NLW increases)	140,000	150,000	150,000	150,000
Dartmouth Lower Ferry - increase the R & M budget	0	80,000	0	0
Increased external audit fees (fees are increasing nationally)		75,000		
Head of Revenues and Benefits Executive 7th April 2022	0	45,000	0	0
Housing Delivery Team Executive 26th May 2022	0	44,700	0	0
IT Support contracts - increased number of users on the network, increase in remote working, Disability Access legislation and above inflationary increases on support contracts	75,000			
Reduce the income budget for treasury management investment income	80,000			
Rough sleeper outreach worker (SHDC share of the cost is 60%), to be funded from Government Homelessness grant	24,000			
Community composting groups	10,000			
Salcombe Harbour recharges to the Council for staff time	16,600			
TOTAL BUDGET PRESSURES	1,044,600	3,917,700	875,000	820,000
Changes to contributions to Earmarked Reserves				
Reduce the contribution from the New Homes Bonus Reserve to fund the Revenue Base Budget (assumes a contribution of £0.5m in 22/23 and 23/24 onwards)	246,000	0	0	0
Dartmouth Ferry - increase annual contribution to reserve		30,000	30,000	0
Contribution from Business Rates Retention reserve to smooth the volatility in business rates income from the baseline reset and the loss of a pooling gain (This would use £0.1m of the Reserve in 22/23, £0.5m in 23/24 and £0.7m in both 24/25 and 25/26)	(100,000)	(400,000)	(200,000)	0
Contribution from the Planning Reserve for the cost of the restructure within the planning service - Executive 26 May 2022 - to be funded for the first three years from the additional planning income held in the planning earmarked reserve		(98,000)		
Reduce contribution to Pension Reserve	0	(99,000)	0	0
Contribution to Joint Local Plan Earmarked Reserve	25,000	0	0	0
Contribution from Homelessness Reserve (to fund rough sleeper outreach worker)	(24,000)	0	0	0
Repairs and Maintenance Reserve - increase annual contribution in 2023-24	0	25,000	0	0
Total changes in contributions to Earmarked Reserves	147,000	(542,000)	(170,000)	

SAVINGS AND INCOME GENERATION IDENTIFIED

	BASE 2022/23	Yr 1 2023/24	Yr 2 2024/25	Yr 3 2025/26
Management fee income from external contracts such as leisure	0	0	(430,000)	0
IT FIT Project - software savings	(70,000)	(10,000)		
Establishment savings (salary savings) gained from IT and digital communications	(20,000)	(50,000)		
Employment Estates - additional rental income	(80,000)	(150,000)		
Extra recycling income - additional income has already been achieved in 2021-22	(70,000)	(90,000)		
Extra planning income (to fund four planning specialists and two legal specialists) - Planning Improvement plan - Executive 14.10.21	(164,000)			
Car parking income (from extra usage of the car parks particularly in the coastal areas)		(250,000)		
Dartmouth Lower Ferry (from extra usage of the Ferry and a review of charges for 2023)		(250,000)		
Extra treasury management income - to reflect increases in bank base rate		(677,000)		
Charged Garden Waste service		(575,000)		
Savings on Trade Waste tipping fees and extra income on recycling sacks, due to more trade waste being recycled. Extra income from Controlled Waste Regulations (CWR) properties . These savings were already achieved in 2021-22.		(190,000)		
Funding from Homelessness prevention government grant (this funds housing posts - funding to be reflected within the base budget)		(170,000)		
Discretion to charge up to an extra 100% extra council tax on Second Homes (timescale is that legislation maybe introduced for 24-25 but it also could be delayed to 25-26). A Member decision would need to be taken on this as part of the future budget setting process. The figure shown is for modelling purposes only.			(730,000)	
TOTAL SAVINGS AND INCOME GENERATION	(404,000)	(2,412,000)	(1,160,000)	0

Line	Appendix B - Assumes Council Tax is increased by the higher of £5 or 1.99% each year	BASE	Yr 1	Yr 2	Yr 3
No.	Modelling for the financial years 2023/24 onwards	2022/23 £	2023/24 £	2024/25 £	2025/26 £
1	Base budget brought forward	9,676,767	10,464,367	11,232,451	10,633,318
2	Budget pressures (as per Appendix A)	1,044,600	3,917,700	875,000	820,000
3	Savings already identified (as per Appendix A)	(404,000)	(2,412,000)	(1,160,000)	0
4	Changes in contributions to Earmarked Reserves (App A)	147,000	(542,000)	(170,000)	0
5	Projected Net Expenditure:	10,464,367	11,428,067	10,777,451	11,453,318
	Funded By:- (See Note 1 below regarding New Homes Bonus funding)				
6	Council Tax income - Modelling a £5 increase in 2022/23 onwards	7,061,585	7,331,451	7,605,318	7,883,184
7	Collection Fund Surplus	181,000	332,000	200,000	200,000
8	Localised Business Rates (estimate of business rates resources received in the year)	2,274,139	2,550,000	2,550,000	2,500,000
9	Negative Revenue Support Grant (RSG) Adjustment - Change to Baseline Need from 24/25 onwards	0	0	(450,000)	(450,000)
10	Business Rates Pooling Gain	300,000	300,000	0	200,000
11	Rural Services Delivery Grant	428,206	437,000	446,000	446,000
12	Lower Tier Services Grant	86,501	100,000	100,000	100,000
13	Services Grant	132,936	182,000	182,000	182,000
14	Total Projected Funding Sources	10,464,367	11,232,451	10,633,318	11,061,184
15	Budget Gap per year (Projected Expenditure line 5 - Projected Funding line 14)	0	195,616	144,133	392,134
	Actual Predicted Cumulative Budget Gap	0	195,616	339,749	731,883
	Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)	0	195,616	535,365	1,267,248
Modelling Assumptions:					
	Council Tax (Band D) (Modelling the higher of £5 or a 1.99% increase)	180.42	185.42	190.42	195.42
	Council Tax Base (Assumes an increase in Band D Equivalent properties of 400 per annum)	39,139.70	39,539.70	39,939.70	40,339.70

Note 1 - New Homes Bonus Funding

The modelling for 2023/24 onwards includes a contribution of £500,000 from New Homes Bonus to fund the Base Budget.

Although the NHB scheme is due to be replaced in 2023/24, it is assumed that a successor scheme will be implemented that will also be based on housing growth.

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RESERVES - PROJECTED BALANCES (EXCLUDES SALCOMBE HARBOUR)						APPENDIX C
EARMARKED RESERVES	Cost Centre	Opening balance	Additions to Reserve	Predicted Spend	Closing balance	Comments
		01.04.2022 £000s	2022/23 £000s	2022/23 £000s	31.03.2023 £000s	
Specific Reserves - General Fund						
Affordable Housing (Capital)	S0822	(544)		544	0	Actual spend relates mainly to Capital Programme expenditure including St Ann's Chapel
Affordable Housing (Revenue)		0	(408)	60	(348)	This is a new reserve set up as part of the 2022/23 Budget process and has been created from a one off contribution from the New Homes Bonus funding in 2022/23. Predicted spend in 2022/23 relates to the Step on Deposit Scheme pilot (Council Feb 2022).
Beach Safety	S0839	(14)			(14)	
Capital Programme	S0820	(249)	(182)	431	0	Predicted spend relates to Capital Programme commitments and a transfer of £80k to the Repairs & Maintenance earmarked reserve in respect of Follaton House roof refurbishment and replacement lift
Community Composting	S0933	(200)		200	0	Council 10/02/22 approved a one off amount of £200k to be transferred into a Community Composting Earmarked Reserve in 2021/22.
Community Parks and Open Spaces	S0826	(46)	(17)	9	(54)	
COVID-19	S0815	(209)		175	(34)	This reserve was set up in 2020/21 to protect against future COVID losses. In 2022/23 £174,632 will be used to fund the shortfall in the leisure management fee income (Executive 3/3/22).
Dartmouth Ferry Repairs & Renewals	S0830	(530)	(117)		(647)	
District Elections	S0838	(20)	(10)		(30)	
Economic Initiatives	S0831	(23)			(23)	
Economic Regeneration (Business Rates pilot gain 2018/19)	S0858	(24)			(24)	
Emergency Climate Change Projects	S0852	(553)		233	(320)	The set up of this reserve was approved by Executive on 6/2/2020 E74/19, funded originally by a £400k contribution from the New Homes Bonus Reserve. Predicted spend for 2022/23 includes the Climate Change & Biodiversity Locality Fund and 'Better Lives for All' commitments.
Environmental Health Initiatives	S0857	(20)			(20)	
Financial Stability	S0868	(280)			(280)	This is a new reserve set up in 2021/22. Council 10/02/22 approved for £280k to be transferred from unearmarked reserves to a Financial Stability Earmarked Reserve, to be available for any future financial pressures from future local government funding reforms and any other budget pressures.
Grounds Maintenance	S0901	(149)		75	(74)	A new reserve set up in 2020/21 to hold the Grounds Maintenance in year surpluses to be reinvested back into the service (Executive 18/6/20).
Homelessness Prevention	S0851	(234)		195	(39)	This reserve has been created following underspends on Homelessness Prevention Costs. The main commitment in 2022/23 relates to the Housing staffing costs (£151k) - Executive 26/5/22
Housing Capital Projects	S0854	(408)			(408)	
ICT Development	S0836	(89)	(50)	64	(75)	Predicted spend in 2022/23 includes Future IT project and hardware commitments
Joint Local Plan		0	(25)		(25)	
Land and Development	S0829	(72)	(7)	15	(64)	
Leisure Services	S0858	(41)		1	(40)	
Maintenance Fund	S0927	(78)			(78)	This is a new reserve set up in 2021/22 to hold service charge income.
Maintenance, Management and Risk Management Reserve (MMRM)	S0861	(66)	(29)		(95)	This reserve was set up in 2019/20 to manage the ongoing maintenance costs of the Council's Investment Property. The contributions to the reserve equate to 10% of the rental income
Marine Infrastructure	S0828	(184)	(58)	210	(32)	£200k has been committed towards the Harbour Depot, Batson Creek, Salcombe E.74/20
Members Sustainable Community Locality	S0846	(49)			(49)	This reserve holds the unspent balances.
New Homes Bonus	S0804	(1,917)	(1,008)	1,969	(956)	The NHB allocation for 22/23 is £1,008m. Projected spend in 2022/23 relates to £500k contribution to the base revenue budget, £100k contribution to the Capital Programme and £407,557 contribution to the Affordable Housing Earmarked Reserve. In addition there are commitments from previous years for the Capital Programme budget. The remaining balance includes £235,016 unallocated from the 2020/21 New Homes Bonus and £122,274 from the 2021/22 New Homes Bonus with its future use to be decided when more details are known about the Spending Review for 2022/23 onwards and a replacement scheme for NHB.
On-Street Parking	S0834	(44)			(44)	
Pay & Display Equipment Renewals	S0833	(186)	(21)		(207)	This reserve provides for the periodic replacement of Pay & Display machines.
Pension Fund Strain Payments	S0810	(208)	(99)		(307)	This reserve is used to fund pension strain costs
Planning Policy & Major Developments	S0840	(531)	(50)	98	(483)	This reserve is for all planning matters and is also required to meet appeal costs. The predicted spend for 2022/23 relates to the Planning restructure. The cost of the first three years of this restructure is to be met from additional planning income in the Planning earmarked reserve (Executive 26/5/22)
Play Area Renewals	S0867	0	(128)		(128)	This is a new reserve to be set up to hold the anticipated underspend on Play Parks to be used for replacement play area equipment (Executive 22/10/20)
Recovery and Renewal Plan	S0864	(500)		158	(342)	This is a new reserve set up as part of the 2021/22 Budget to support the costs of the Recovery and Renewal Plan. Projected spend in 2022/23 relates to 'Better Lives for All' commitments.
Repairs & Maintenance	S0827	(374)	(173)	21	(526)	The additions to the reserve in 2022/23 mainly relate to the budgeted annual contribution (£80k) and a contribution from the Capital Programme earmarked reserve (£80k) towards the Follaton House roof refurbishment and replacement lift. £390k of this reserve balance is earmarked for Follaton House roof refurbishment and replacement lift.

Revenue Grants	S0821	(1,725)		103	(1,622)	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. £120,000 of this reserve has been earmarked to fund the Council's share (60%) of a 2 year fixed term senior role to drive customer service and operational efficiency (Executive 15/9/22 - Waste & Recycling Services Update). An estimated £30k has been included for 2022/23 - six months of this 2 year senior role. The other commitment for 2022/23 of £73k relates to the funding of three housing posts which were made permanent in the 2020/21 budget process and are funded from the Flexible Homelessness Support Grant
Section 106 Deposits	S0842	(38)			(38)	This reserve comprises of deposits with no repayment conditions - created as a result of IFRS
Section 106 Monitoring	S0929	(158)		20	(138)	This reserve funds the cost of an officer to oversee the administration of S106 deposits and how they are spent
Section 106 Technical Support	S0862	(14)			(14)	To meet the salary costs of a S106 technical support officer.
Support Services Trading	S0856	(75)			(75)	This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme.
Sustainable Waste Management	S0837	(1,065)	(25)	300	(790)	This reserve was created for one-off waste management costs. This reserve contains the additional income from increased recycling credits and dry recycling income and it also holds the value of the 2021/22 contractual performance deductions. This will contribute to the anticipated set up costs of bringing the service back in house in October 2022 and capital outlay (some of which will be spent in 2023/24).
Tree Maintenance	S0934	(60)			(60)	A new reserve set up in 2021/22 to hold in year surpluses generated to reinvest back into the Tree maintenance service.
Vehicles & Plant Renewals	S0832	(276)	(550)	550	(276)	Earmarked for the Fleet Replacement Programme. An annual contribution of £550k is made to this reserve.
Sub Total excluding the Business Rates Reserves		(11,253)	(2,957)	5,431	(8,779)	
Business Rates Retention	S0824	(4,546)		2,206	(2,340)	This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve also deals with any volatility in Business Rate income. In 2022/23 £100,000 has been earmarked to smooth the volatility in business rates. At Council on 14 July 2022, Members approved the use of £3million of this reserve, to fund the additional costs during the transitional phase of bringing the waste service back in house.
S.31 Compensation Grant (Business Rates)	S0866	(4,260)	(674)	3,472	(1,462)	This is a new reserve set up to hold the business rates S31 grants received in 2020/21 and 2021/22 to offset the business rate reliefs given to businesses during lockdown. Under current Collection Fund accounting rules, the S31 grants received will not be discharged against the Collection Fund deficit until the following year, 2022/23 and partly 2023/24. This reserve is not money which is available for the Council to spend and it is important that this is not misinterpreted in the Accounts, as this is a national issue.
TOTAL EARMARKED RESERVES		(20,059)	(3,631)	11,109	(12,581)	
TOTAL UNEARMARKED RESERVES (General Fund Balance)		(2,056)	54		(2,002)	This Unearmarked Reserve has a minimum balance of £1.5million and an operating level of £2 million (set by Members as part of the budget process). The predicted deficit for 2022/23 of £54k has been debited to this reserve.
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)		(22,115)	(3,577)	11,109	(14,583)	

ANALYSIS OF CONTRIBUTIONS TO/(FROM) EARMARKED RESERVES

Budget 2022/23			Estimate 2023/24		Estimate 2024/25	
To £	(From) £		To £	(From) £	To £	(From) £
181,600		Capital Programme	181,600		181,600	
16,900		Community Parks & Open Spaces	16,900		16,900	
10,000		District Elections	10,000		10,000	
117,000		Ferry major repairs & renewals	147,000		177,000	
	(500,000)	New Homes Bonus (assumes a replacement scheme in 23/24 onwards)		(500,000)		(500,000)
	(72,700)	Flexible Homelessness Gov Grant		(72,700)		(72,700)
	(100,000)	Business Rates Retention Reserve		(500,000)		(700,000)
20,800		Pay & Display Equipment	20,800		20,800	
99,000		Pension Fund Strain Payments	0		0	
80,000		Repairs and maintenance	105,000		105,000	
550,000		Vehicles & Plant Renewals and additions	550,000		550,000	
7,000		Land and Development Reserve	7,000		7,000	
50,000		IT Development Reserve	50,000		50,000	
25,000		Sustainable Waste Management	25,000		25,000	
50,000		Planning Policy and Major Developments	50,000		50,000	
		Planning Policy and Major Developments (to fund salary costs)		(98,000)		(98,000)
25,000		Joint Local Plan (to part fund salaries of the JLP team)	25,000		25,000	
2,000		Interest from Reserves	2,000		2,000	
1,234,300	(672,700)	TOTALS	1,190,300	(1,170,700)	1,220,300	(1,370,700)
561,600		GRAND TOTAL	19,600		(150,400)	

The change in contributions to Earmarked Reserves is the difference between £561,600 in 22/23 and £19,600 in 23/24, being a change of £542,000 as shown in A

Appendix A.

Outline Capital Bids for 2023/24 for information only, with Full Business Cases to be presented to Members for consideration in January 2023					
Priority Criteria					
Statutory Obligations	1	Compliance, H&S, DDA			
	2	Essential to keep Operational Assets open			
Strategic Plan	3	Fit with the Council's Delivery Plans for 'Better Lives for all'			
Good Asset Management	4	Rationalise service delivery or service improvement			
	5	Generate income, capital value or reduce revenue costs			
Service	Site	Project	Lead officer	Outline Capital Bids for 2023/24 for information only, with Full Business Cases to be presented to Members for consideration in January 2023 £'000	Priority code
Assets		Kingsbridge Skate Park (replacement of existing skate park) - match fund contributions from the Lottery, local crowdfunding, Kingsbridge TC and S106 funding	RS	30	2,3,4
Grounds Maintenance		Purchase of new bio shredder - Existing bioshredder has come to the end of its useful life and needs significant repairs. Provides support to community groups.	DC	65	1,2,3,4,5
Assets		Undertaking decarbonisation studies of our principle assets and operational buildings so as to understand measures that can be implemented to reduce carbon emissions (Scope 2) from our buildings. The surveys will set out the measures needed, the costs of implementation and the ongoing operating and maintenance costs. This would enable us to apply for future Government capital grants to enable the works.	LW	150	1, 3, 4, 5
Assets		Improvements to Follaton House - to ensure Follaton House is fit for purpose, meeting the needs of the organisation and in order to continue to provide good quality rental accommodation to our tenants, upgrades are required in the communal areas, meeting rooms and Member areas.	LW	50	1,2,3,4, 5
IT		Provision of software robots - to be utilised by multiple service areas to automate tasks.	JD	25	3,4,5
Commercial Services		Waste Fleet Replacement/addition (already approved as part of Council Minute 41/18, Council 6.12.2018)	SM	550	1,2,3,4
Private Sector Renewals (inc Disabled Facility Grants) - funded by Government Grant funding from the Better Care Fund. This funding is passported from Devon County Council to South Hams DC to administer the scheme.		A similar allocation for 2023-24 to the 2022-23 allocation of £1.2m has been assumed	IL	1,200	1, 3
Total				2,070	

TO BE FINANCED BY:-		
Allocation from the Capital Programme Earmarked Reserve (allocation for 2023/24 of £181,600) and the remainder of £128,400 from NHB funding (from previous years' allocations).	320	
Revenue contribution from the Vehicles and Plant Earmarked Reserve (see Appendix D)	550	
Better Care funding (Government grant scheme) for private sector renewals and disabled facility grants. This funding is passported from Devon County Council to South Hams DC to administer the scheme.	1,200	
Total financing for the Capital Programme	2,070	

NOTE: These are outline capital bids (for information only). Full Business cases for each of these Capital Bids will be presented to Members as part of the January cycle of budget reports. The current proposals are currently in outline only and much fuller information will be presented to Members in the next cycle of budget reports. See 8.4 of the main report.

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COMPARISON OF PARISH/TOWN PRECEPTS IN 2021/22 AND 2022/23

APPENDIX F

Parish/Town	2021/22	2022/23	Increase/	Increase/	2021/22	2022/23	Increase/	Increase/
	Parish Precept £	Parish Precept £	(Decrease) in Precept £	(Decrease) in Precept %	Parish Band D £	Parish Band D £	(Decrease) in Band D £	(Decrease) in Band D %
Ashpington	10,186	10,186	0	0%	40.57	39.91	(0.66)	(2%)
Aveton Gifford	25,500	27,000	1,500	6%	66.10	69.89	3.79	6%
Berry Pomeroy	12,467	17,956	5,489	44%	30.58	42.90	12.32	40%
Bickleigh	87,775	98,500	10,725	12%	66.83	73.66	6.83	10%
Bigbury	18,500	19,795	1,295	7%	44.24	47.25	3.01	7%
Blackawton	16,500	17,500	1,000	6%	42.96	42.86	(0.10)	0%
Brixton	34,000	36,245	2,245	7%	40.76	38.28	(2.48)	(6%)
Buckfastleigh West	5,683	5,938	255	4%	49.70	51.85	2.15	4%
Buckland-Tout-Saints	4,841	5,170	329	7%	44.34	45.96	1.62	4%
Charleton	8,700	9,000	300	3%	31.33	32.00	0.67	2%
Chivelstone	5,750	5,750	0	0%	30.88	30.63	(0.25)	(1%)
Churchstow	10,780	11,427	647	6%	45.16	46.51	1.35	3%
Cornwood	21,015	27,320	6,305	30%	51.36	65.84	14.48	28%
Cornworthy	7,500	7,500	0	0%	40.18	39.82	(0.36)	(1%)
Dartington	30,200	30,850	650	2%	37.50	37.49	(0.01)	0%
Dartmouth	490,000	490,000	0	0%	183.53	182.95	(0.58)	0%
Dean Prior	4,500	5,250	750	17%	57.73	67.02	9.29	16%
Diptford	13,100	14,100	1,000	8%	50.19	51.75	1.56	3%
Dittisham	12,000	12,000	0	0%	35.76	34.87	(0.89)	(2%)
East Allington	19,000	20,000	1,000	5%	60.22	62.51	2.29	4%
East Portlemouth	7,900	8,058	158	2%	44.61	45.03	0.42	1%
Ermington	19,440	18,274	(1,166)	(6%)	51.14	47.00	(4.14)	(8%)
Frogmore & Sherford	8,500	9,000	500	6%	38.12	39.68	1.56	4%
Halwell & Moreleigh	9,400	10,000	600	6%	43.72	45.95	2.23	5%
Harberton	18,930	18,930	0	0%	36.69	36.09	(0.60)	(2%)
Harford	990	990	0	0%	27.18	26.86	(0.32)	(1%)
Holbeton	14,375	15,381	1,006	7%	46.67	48.59	1.92	4%
Holne	6,735	7,006	271	4%	50.59	52.10	1.51	3%
Ivybridge	502,412	530,215	27,803	6%	131.13	134.91	3.78	3%
Kingsbridge	175,000	193,920	18,920	11%	82.08	88.21	6.13	7%
Kingston	10,450	10,600	150	1%	52.05	52.62	0.57	1%
Kingswear	43,207	46,443	3,236	7%	56.39	59.90	3.51	6%
Littlehempston	3,457	3,543	86	2%	33.26	33.34	0.08	0%
Loddiswell	34,232	37,655	3,423	10%	74.36	80.26	5.90	8%
Malborough	31,780	34,958	3,178	10%	66.17	68.46	2.29	3%
Marldon	26,154	45,650	19,496	75%	30.22	52.12	21.90	72%
Modbury	47,000	50,765	3,765	8%	60.26	63.27	3.01	5%
Newton & Noss	66,806	73,650	6,844	10%	57.88	62.59	4.71	8%
North Huish	4,000	4,000	0	0%	18.83	18.81	(0.02)	0%
Rattery	7,000	8,000	1,000	14%	33.20	37.23	4.03	12%
Ringmore	6,350	7,500	1,150	18%	52.27	59.23	6.96	13%
Salcombe	92,550	77,050	(15,500)	(17%)	48.74	40.22	(8.52)	(17%)
Shaugh Prior	12,852	13,366	514	4%	44.66	45.65	0.99	2%
Slapton	14,713	23,044	8,331	57%	55.45	86.10	30.65	55%
South Brent	76,750	83,625	6,875	9%	78.41	85.20	6.79	9%
South Huish	17,698	20,353	2,655	15%	40.37	45.73	5.36	13%
South Milton	4,557	6,836	2,279	50%	18.37	27.47	9.10	50%
South Pool	6,120	6,650	530	9%	52.24	54.32	2.08	4%
Sparkwell	11,873	12,242	369	3%	25.11	25.63	0.52	2%
Staverton	19,025	20,434	1,409	7%	54.00	57.09	3.09	6%
Stoke Fleming	22,261	24,410	2,149	10%	37.50	39.95	2.45	7%
Stoke Gabriel	35,000	49,000	14,000	40%	48.16	64.01	15.85	33%

COMPARISON OF PARISH/TOWN PRECEPTS IN 2021/22 AND 2022/23

APPENDIX F

Parish/Town	2021/22 Parish Precept £	2022/23 Parish Precept £	Increase/ (Decrease) in Precept £	Increase/ (Decrease) in Precept %	2021/22 Parish Band D £	2022/23 Parish Band D £	Increase/ (Decrease) in Band D £	Increase/ (Decrease) in Band D %
Stokenham	44,650	43,680	(970)	(2%)	41.81	40.17	(1.64)	(4%)
Strete	13,130	14,000	870	7%	45.78	46.35	0.57	1%
Thurlestone	30,000	33,000	3,000	10%	39.80	42.30	2.50	6%
Totnes	545,986	545,986	0	0%	189.13	186.57	(2.56)	(1%)
Ugborough	26,570	28,300	1,730	7%	30.86	31.46	0.60	2%
Wembury	33,000	50,444	17,444	53%	22.67	34.34	11.67	51%
West Alvington	16,888	21,110	4,222	25%	63.48	79.28	15.80	25%
Woodleigh	528	554	26	5%	4.92	4.94	0.02	0%
Yealmpton	54,000	54,000	0	0%	57.26	56.65	(0.61)	(1%)
Total	2,960,266	3,134,109	173,843	6%				

Report to: **Executive**

Date: **1st December 2022**

Title: **Better Lives for All – Quarter 2 Integrated Performance Management Report**

Portfolio Area: **Councillor Judy Pearce
Leader of the Council**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Author: **Neil Hawke** Role: **Assistant Director Strategy and Organisational Development**

Contact: Neil.Hawke@swdevon.gov.uk

RECOMMENDATION:

That the Executive note the progress in delivery of the Better Lives for All thematic delivery plan and the overall strategic performance of the Council.

1. Executive Summary

- 1.1 The Council adopted its Better Lives for All Strategy in September 2021.
- 1.2 We are now in year two of the thematic delivery plan and this report provides an update on progress.
- 1.3 This report forms a quarterly update which also highlights the strategic risk profile of the Council, performance against key indicators and an overview of the capital programme.

2. Proposed way forward.

- 2.1. It is recommended that the Executive consider progress as set out in Appendix A to this report.

3. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	This report includes an overview of performance during the period and therefore contributes to transparency in Council operations and delivery
Financial implications to include reference to value for money	Y	The report includes a high-level overview of spend against our agreed strategy
Risk		
Supporting Corporate Strategy	Y	This report provides an update on progress against each Corporate Strategy theme.
Climate Change - Carbon / Biodiversity Impact	Y	None as a direct implication of this report
Comprehensive Impact Assessment Implications		
Equality and Diversity		None as a direct implication of this report
Safeguarding		None as a direct implication of this report
Community Safety, Crime and Disorder		None as a direct implication of this report
Health, Safety and Wellbeing		None as a direct implication of this report
Other implications		

Supporting Information

Appendices:

Appendix A – Quarter 2 Integrated Performance Management Report

Background Papers:

Quarter 1 Integrated Performance Management Report

<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CI=149&MI=1709&Ver=4>



South Hams
District Council

Integrated Performance Management Report

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Quarter 2
July 2022 – September 2022



Better lives for all

Integrated Performance Management Report (IPMR)

Page 3 – Introduction from Leader

Page 4 – Performance on a page

Page 5 – Our Performance by theme

Page 6 – Climate theme

Page 7 – Community theme

Page 8 – Homes theme

Page 9 – Economy theme

Page 10 – Built and Natural Environment theme

Page 11 – Council Services theme

Page 12 – Strategy Programme Expenditure

Page 13 – Key operational performance Indicators

Page 16 – Capital Programme overview

Page 19 - Strategic Risk Assessment

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In September we were pleased to award Climate Infrastructure Funding to the Share Shed (the worlds first travelling library of things). They can now start running a weekly service to Ivybridge and Kingsbridge – enabling residents to share things they only use occasionally rather than buying them!



In July we took steps to support the visitor economy in South Hams, agreeing (via a competitive process) a long term lease for The Caravan Club at Steamer Quay Totnes – who propose a £1m investment to enable them to stay open all year round

Visit www.southhams.gov.uk/better-lives-for-all to view the full strategy and delivery plans



South Hams
District Council



Better lives for all

Introduction

It has been an incredibly busy three months and significant progress has continued to be made against our corporate priorities.



I know that the Cost of Living impacts being experienced by us all continue to be of concern and during this period we acted quickly to put plans in to place to ensure we can support our residents as best we can. Much of our role will be limited to signposting to the various support available but I am keen that we ensure any direct support (such as emergency funding and grants) is progressed by our teams as soon as possible.

Of course while we respond to the immediate impacts to our District, it is important that we also plan for the future. I am pleased that during this reporting period we have developed proposals and submitted bids to Government which, if successful, will mean we can deliver on some key infrastructure projects such as £15m plans for the Mill Interchange and also a number of smaller active travel, marine economy support and regenerative farming schemes. We should find out if we're successful by the end of 2022.

Residents will also no doubt be aware that during this reporting period, and after many months of discussions, taken the decision to bring our Waste and Recycling Services back in to the Council so that we have direct control over them in the future. Our team of dedicated officers have worked hard to develop plans for this with the service scheduled to return to our control on 3rd October 2022.

Cllr Judy Pearce
Leader South Hams District Council

During this reporting period we have:-



Worked with Totnes Town Council to progress plans for improvements to playparks at Collapark and Westonfields

Launched a public consultation to encourage residents to have a say about their local areas



Developed a cost of living response plan setting out the steps we'll take to support our residents

Submitted applications to Government for funding under the Levelling Up and UK Shared Prosperity Funds



South Hams
District Council

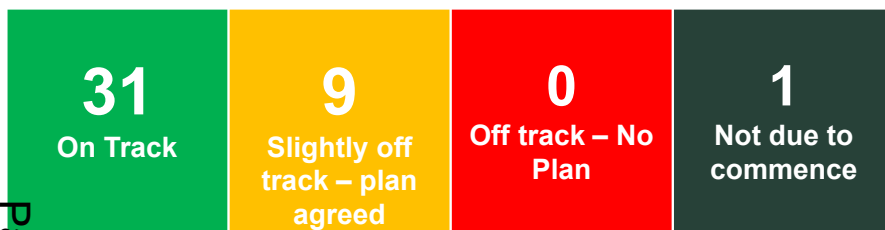


Better lives for all

Section 1 – Performance on a page

Corporate Strategy Actions

There are a total of 41 actions to be delivered within the 2022/23 delivery plan. Good progress has been made with the majority on track to deliver as planned.



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Spend against approved strategy budget 2022/23

Agreed Strategy Projects Funding 2022/23	£504,000
Spend to Date	£71,991
Forecast to year end	£497,500
Forecast Variance	£6,500 under

Overall we are on track with delivering our priorities within the agreed budget for the year, due to delays in recruitment to some staff posts, approx. £75,000 will be carried forward to 2022/23 (these posts were reserve funded so it does not impact the coming year Council financial position).

Performance against Key Performance Indicators – number of KPI's by status



We report a core set of Key Performance Indicators to Executive as part of these quarterly reports. Our performance measures are currently being reviewed with the proposal that a more in-depth service performance report is considered by Overview and Scrutiny twice a year.

Risk Management Profile – Average Risk Score across Strategic Risks

Average Strategic Risk Score <u>last</u> Period	Average Strategic Risk Score <u>this</u> period
15	16

The average risk score for our strategic risk register has increased slightly in light of the addition of two new risks and escalation of the risk surrounding staffing resource.



Section 2 – Performance against the Council’s Priorities

Delivering our ambitions for South Hams





This section of the report sets out the performance under each of the Council’s theme areas which underpin its ambitions of Better Lives for All.

Each year for the next three years, we have set out a number of specific deliverables in our Thematic Delivery Plan.

The table to the right sets out how many of those are currently on track, how many are slightly off track and how many are at risk of not being delivered as planned.

Activities can regularly change status based on new information becoming available or unexpected changes to plans.

More detail per theme can be seen on the following pages.

Overall Performance Against Actions			
Status		Total Actions Within Category	% of overall actions
	This action is on track with good progress being made. There are no significant risks which require action and we are on track to deliver as planned	41	91%
	There are some issues or risks which are requiring management but a plan is in place to bring back on track	3	7%
	There is a significant risk that we cannot deliver this activity as planned. Regular monitoring and support from Lead Member and Senior Leadership Team is required	-	-
	This activity is not yet due to start in the current year	1	2%
Totals		45	100%





Progress continues to be made on delivery of the specific actions within the year one delivery plan (in addition to all of the actions within our specific Climate and Biodiversity Action Plan). During this period we have:-

- Successfully bid to the LGA for support in developing a plan for encouraging greater uptake of retrofitting – making older properties more energy efficient, a trial design has been proceeding at pace with a trial in the field expected late 2022 early 2023
- £155,000 in grants issued through the Climate Engagement Fund and Climate Infrastructure Fund
- Received a review of our fleet following a commission to the Energy Saving Trust, this was done for free.
- Secured £233,000 through the Public Sector Low Carbon Skills Fund to produce a costed heat decarbonisation plan for our leisure centres with pre construction detail up to RIBA stage 4
- Obtained 4 new EV vehicles for our fleet
- EV Charge points at Mayors Avenue Dartmouth and Creek, Salcombe are complete and operational.



Cllr Tom Holway
 Lead Member for adapting and mitigating climate change and increasing biodiversity



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Focus Area	Total Actions 2022/23	On Track	Slightly off track but plan in place	Risk that unable to deliver	Not yet due to commence
Reducing our carbon footprint	2	1 (AM1.2)	1 (AM1.1)		
Working towards net zero	4	1 (AM 1.4)	2 (AM 1.5 & 1.6)		1 (AM1.3)

Key Risks / Issues

- AM1.1 based on the review of our fleet, its unlikely that a full EV fleet will occur by 2024 due to some vehicle types not yet having a suitable replacement with an unknown timescale on when suitable replacements will come to market
- AM1.3 not yet in a place to commission a review of renewables capacity in advance of a JLP review yet as the review timetable hasn't been set. The Devon Carbon Plan has an action to Develop an Energy Strategy to include an identification of locations informed by the Land Use Framework
- AM 1.1 upgrades to Depot and FH for both infrastructure and charging points wont be complete until Q2 2023 at the earliest
- AM1.1 Although the Fleet currently has 4 EV's, current infrastructure doesn't allow any further purchases right now.

Focus for next Quarter

- EV conversion of our fleet – Disseminate The energy savings trust's findings of our fleet and being to piece together a forward fleet plan for vehicle replacements and provide detail around revenue pressure to achieve this
- EV Strategy – Task and Finish Group meetings 2 and 3 to occur with a view to developing an draft strategy for consideration by Executive in February



South Hams District Council



Better lives for all



I am really pleased with the steps we have taken to support our communities during a period that continues, and is likely to continue to be challenging for some time as the cost of living increases. During this period we have:

- Progressed plans for a Rural Poverty Pilot
- Continued progress with the new Dartmouth Health and Wellbeing Hub (a scheme where the Council provided land and funding to help get it off the ground). In May the building reached it's highest point and will be completed in January 2023.
- Processed Council Tax Energy Support payments of £150 to over 20,000 households – supporting them at this time of increased cost of living and launched a discretionary scheme for anyone not eligible under the government scheme
- Developed an outline Cost of Living response plan – with the final plan being considered by Executive in October.
- Worked with the voluntary sector (via South Hams CVS) to develop a support package for Ukrainian guests arriving in the District



Cllr Jonathan Hawkins
Lead Member for strengthening community wellbeing



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Focus Area	Total Actions 2022/23	On Track	Slightly off track but plan in place	Risk that unable to deliver	Not yet due to commence
Reducing Health Inequalities & rural poverty	4	3	1 (CW1.2)		
Improving Open Space, Sport and Recreation	1	1			
Support the voluntary sector	1	1			

Key Risks / Issues

- CW1.2 – Completion date was scheduled for 25th November 2022 however in October we were notified that due to significant problems within the construction industry (supplies, manpower and lead times for goods and services) that the completion date is now estimated to be 30th January 2023.

Focus for next Quarter

- Move in to the scoping phase of the Rural Poverty, working with the community to shape the scheme
- Promote the support that is available to our residents as the cost of living continues to increase through an e-newsletter and continued update to online resource
- Consider extensions to funding for key partners, particularly those working to support residents through the Cost of Living impacts.



South Hams
District Council



Better lives for all



Work continues in tackling the South Hams Housing Crisis

- Purchased our second of 4 properties for Housing First – designed to accommodate former rough sleepers and support them to transition into longer term accommodation.
- Commenced work on bringing forward 2 Council owned sites in Kingsbridge for Affordable led housing
- Supported 195 guests who have arrived under the Homes for Ukraine Scheme and engaged with hosts through the delivery of an online webinar
- Concluded the Green Homes Grant Phase 1 approving 74 grants for Air Source Heat Pumps, solar panels, insulation and storage heating upgrades



Cllr Judy Pearce

Leader of the Council, Executive Chair



Lead Member for improving homes

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Focus Area	Total Actions 2022/23	 On Track	 Slightly off track but plan in place	 Risk that unable to deliver	 Not yet due to commence
Housing for Place	3	3			
Housing for People	4	4			

Key Risks / Issues

- While not a specific deliverable within our Better Lives for All delivery plan, there is a significant risk of pressure on the housing team and housing within South Hams in respect of placement breakdowns between Ukrainian guests and their hosts. We continue to work with Team Devon to ensure as many guests are rematched to other hosts to reduce the need for temporary accommodation

Focus for next Quarter

- Review temporary accommodation
- Annual Rough sleeper Count
- Cold weather temporary accommodation provision



South Hams District Council



Better lives for all



Our focus on supporting the economy across South Hams has continued in this quarter with good progress being made across all of the actions within our plan. During this period we have:

- The Council has submitted its UK Shared Prosperity Fund Investment Plan, worth over £1m, to Government
- The #MyPlace marketing campaign, has seen the Council working with our towns and parishes to promote events
- Local Government Association support, worth £15k, has been accessed to support our marine sector
- New funding is being applied for through the Rural England Prosperity Fund worth over £845k

During this period, we have stopped our plans for investment in Ivybridge as planning permission was not granted. As a result, this action is now closed in the delivery plan (Action TE1.5)



Cllr Hilary Bastone
Lead Member
for stimulating
a thriving
economy



Focus Area	Total Actions 2022/23	On Track	Slightly off track but plan in place	Risk that unable to deliver	Not yet due to commence
Promote South Hams Coastal and Visitor Economy	3	2 (TE1.1 & 1.2)	1 (TE1.3)		
Supporting Towns & Businesses	3	1 (TE1.4)	2 (TE1.6 & TE1.7)		
Strategic Employment & Infrastructure	3	3			

Key Risks / Issues

- TE1.3 – yet to deliver a pooled resource for the promotion of the visitor economy due to lack of appetite from partners. That said, we continue to work with partners including Town Councils on the #MyPlace campaign
- TE1.6 – There have been delays in commencing the support for Town Centre Plans – recruitment of an officer is now underway to take this work forward
- We are awaiting the outcome of our UK Shared Prosperity Fund proposals. If unsuccessful this would negatively impact our ability to deliver a large programme of business support activities. However, this is recognised as being a low risk.

Focus for next Quarter

- Continue to roll out our Christmas #MyPlace campaign to encourage people to shop local and support our towns, rural and coastal areas
- Gearing up for delivery of UKSPF, establishing partnership steering groups and setting partner delivery targets which will be regularly reported to members
- Submit our proposals for the Rural England Prosperity Fund, worth over £845k





A full update on progress against the Built and Natural Environment theme was considered by Overview and Scrutiny at its meeting on 29th September 2022. The key highlights for this quarter being:-

- Modbury Neighbourhood Plan was resubmitted and placed for consultation from 11th July – 12th September
- We have seen the total trees planted through the Urban Tree Challenge increase to 278 large trees at 17 sites in Dartmouth, Kingsbridge, Totnes and Ivybridge and planted a further 1,450 young unbranched trees at 5 SHDC sites
- Launched a pilot scheme called My Place My Views – run by the Joint Local Plan team the trial aims to make it easier for people to have a say about their local areas including facilities, services, open spaces and online services
- Continued with construction of the Harbour Depot and Commercial Units



Cllr Judy Pearce

Leader of the Council,
Executive Chair
Lead Member
for protecting,
conserving
and enhancing
our built
and natural
environment



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Focus Area	Total Actions 2022/23	On Track	Slightly off track but plan in place	Risk that unable to deliver	Not yet due to commence
Make best use of development land, green space and coastal places	5	4	1 (BN1.3)		
Celebrate and protect our heritage	2	2			

Key Risks / Issues

BN1.3 - Commercial Units and Harbour Depot projects remain in construction with completion due in December 2022. Despite significant delay both projects will be delivered within Approved Budgets

Focus for next Quarter

- Continue to deliver against the Planning Service Improvement Plan
- Continue works to deliver the new Harbour Depot and Commercial Units
- Conclude the 'My Place My Views' campaign



South Hams
District Council



Better lives for all



Work has continued on delivering our ambitions for enabling our residents to do as much as possible online and to ensure that all of our staff are supported to deliver the best possible service to our residents. During this quarter we have:

- Set a balanced budget
- Appointed a new Head of Revenues and Benefits who is leading on delivering an improvement plan
- 100+ live processes to provide more cost-effective, measurable services
- Work on the new website including its design and structure
- Improved equipment in our meeting rooms for live streaming





Cllr Keith Baldry
Lead Member for delivering quality Council services (Commissioned)



Cllr Nicky Hopwood
Lead Member for delivering quality Council services (Internal)



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Focus Area	Total Actions 2022/23	 On Track	 Slightly off track but plan in place	 Risk that unable to deliver	 Not yet due to commence
Being Digital First	2	1	1 (QS1.1)		
Being Inclusive & Accessible	2	1	1 (QS1.4)		
Making the best use of our resources	3	3			

Key Risks / Issues

- QS1.1 – We continue to work with our Planning Application software supplier to finalise the system before go live in the next few months. It is important that we take the time to iron out any issues prior to go live of this critical system.
- QS1.5: still awaiting our financial settlement for 2023/24 (expected just before Christmas) so continuing uncertainties around level of local government funding for 2023/24 and beyond

Focus for next Quarter

- Implement customer access strategy
- Develop our Organisational Development Strategy
- Finalise our Consultation & Engagement programme with Lead Member input
- Agree a plan for the Residents' Satisfaction survey with Lead Member



South Hams
District Council



Better lives for all

Section 3 – Programme Spend

Ensuring that we make the best use of the funding available to us

Alongside the adoption of our Better Lives for All, we have developed a Thematic Delivery Plan which includes resourcing requirements over and above our business as usual services. This section sets out the financial performance against agreed Strategy projects.

Theme	Agreed Budget 2022/23	Spend to Date	Forecast spend to year end	Notes
Climate	£243,500	£6,195	£243,500	£170,000 of this funding is for upgrading EV charging at Follaton Depots
Communities	£22,500	£0.00	£10,000	Rural Poverty Pilot – while work continues on developing this project, the current focus of the Council is on responding to the Cost of Living and therefore the majority of the pilot funding will be carried forward to year 3.
Homes	£43,000	£19,980	£39,000	£20k budget for admin for Green Homes grants 0 L7 Case Manager for 6 months April – September. Budget also includes £30k c/f from 21/22 for administration and resource for progressing Housing Needs Surveys
Economy	£117,000	£41,102	£117,000	Actual to date includes Salaries for economy and broadband officers (£37,852) and a further £3,250 Visit Devon partnership package.
Built & Natural Environment	£61,000	£4,714	£48,000	Delays to the recruitment of the Conservation Area Appraisal had led to a forecast underspend however the post has now been recruited to wef August 2022.
Council Services	£40,000	£0.00	£40,000	£30k of this is for a website – this will be implementation costs for the new platform with work due to commence in November.

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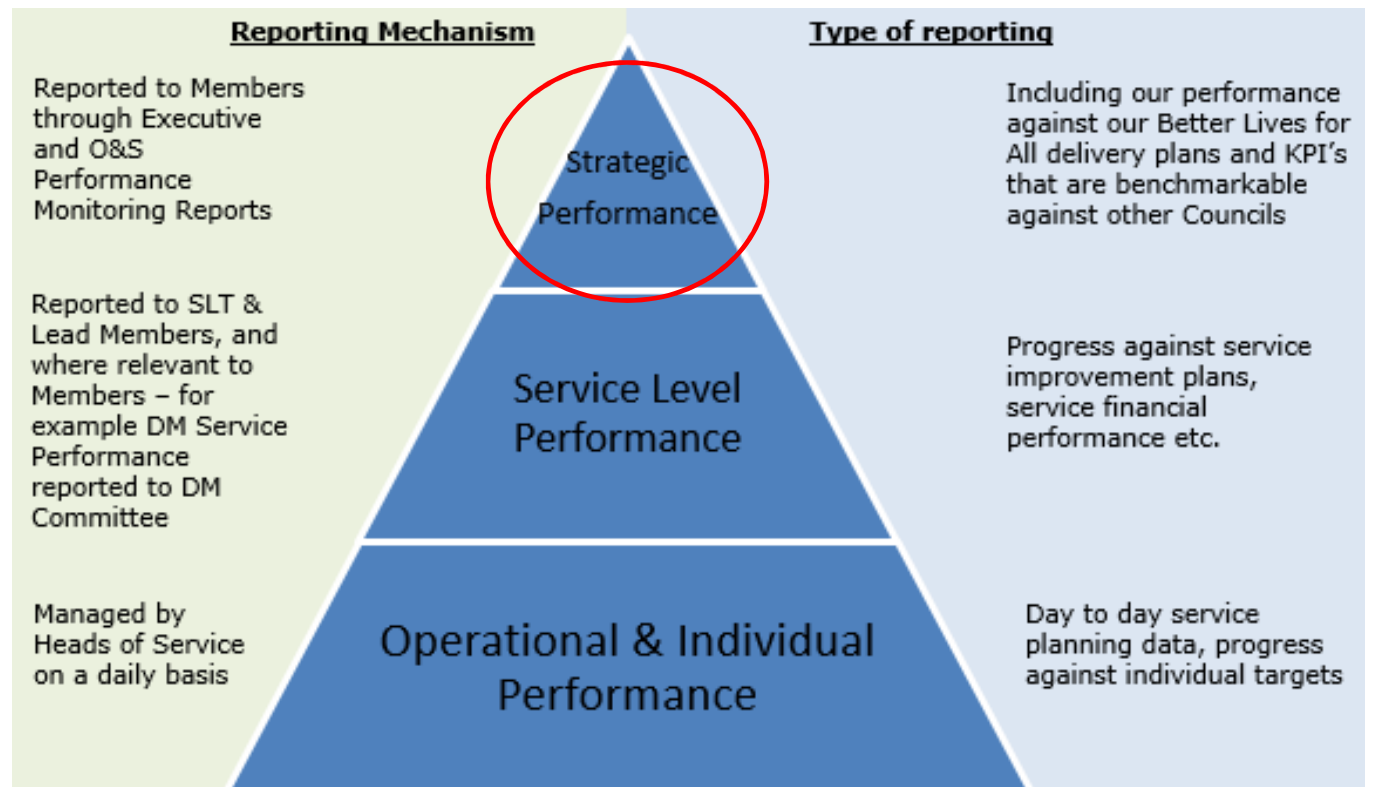
Section 4 – Key Service Performance

Ensuring that our services meet the needs of our residents and businesses





This section of the report will set out how we are performing in some of our key service areas. These measures are deemed to be important in supporting our delivery of key activities within Better Lives for All.

These KPI's are deemed to be at the 'Strategic Level' of our performance management framework.

The next two pages set out the high level overview of performance against the KPIs






Section 4 - KPI Performance

KPI Description	Good Looks Like	2022/23			How its measured	Narrative
		Target	This Period			
Processing speed housing Benefits (Average number of days to process new claims)	Lower than target	<17 days	15 days		Calculation of number of days from receipt of claim to finalising processing	This measure is within target.
Staff turnover rate	Lower than target	<10%	2.8%		Total number of leavers / total workforce in period *100 gives a score	Turnover for this period it much lower than target. 28 staff members left during the period, 23 of those being seasonal staff. Some turnover is healthy for the organisation and while on the low side, this is not cause for concern.
Average number of missed collections per 100,000 collections of household waste	Lower is better	<80	TBC	NA	Number of reported missed collections per 100,000 scheduled collections	While the Council hold the raw data, the focus of the team has understandably been on managing the transition of the service back to the Council and so this information will follow in future reports.
% of complaints responded to within timescales	Higher than target	90%	67%		59 Stage 1 complaints received and 8 Stage 2 complaints. 45 were completed within the required 20 working days	A number of complaints were received that required more in-depth investigation. 7 of the overdue complaints related to issues resolving waste and recycling collections.
Percentage of customers completing a process and reporting a positive satisfaction with the process	Higher than target	>80%	72.58%		Every web form submitted asks users to complete feedback forms. This is the % of customers scoring positively at 4 or 5 stars	Total of 744 ratings provided during the quarter with 540 being 4 or 5 star. We continue to monitor the feedback and make enhancements to processes.



Section 4 - KPI Performance

KPI Description	Good Looks Like	2022/23			How its calculated	Narrative
		Target	This Period			
Processing of Major Planning Applications - % determined in time	Higher than target	70%	69%		Total number of applications determined in the period on time including EOT	This measure is within acceptable limits of target
Processing of Minor Planning Applications % determined on time (with extensions)	Higher than target	80%	92%		Total number of applications determined in the period on time including EOT	This measure has exceeded target and demonstrates a positive performance.
Planning Enforcement Cases Outstanding	Down ward trend	<375	492		This is the number of cases at the start of the period plus any new cases and minus any closed cases	The number of planning enforcement cases has increased from the past quarter. Workload continues to be monitored.



Section 5 – Capital Delivery

Project Delivery: This table provides updates on the Better Lives for All for South Hams Thematic Delivery Plan. Please note this update is at end of Q2 (Sept 2022)



Action	Measures of Success	Within budget?	Current Position	
AM1.1	Converting our environmental management vehicles to electric	Upgrades complete by March 2022	TBC – awaiting costings	Work progresses
AM1.5	Adopting an electric vehicle (EV) charging strategy	9 EV installations delivered by 31 st March 2022	✓	2No. EV installations installed. These each serve 2 parking bays at both Mayors Avenue, Dartmouth and Creek, Salcombe
CW1.2	Delivery of £4m Dartmouth Integrated Health Hub	Construction commenced July 2021	✓	In construction with completion due by end of January 2023
11.1	Deliver local homes for local people that meet their needs	The right housing in the right areas to meet local need.	✓	In construction at St Ann's Chapel to deliver 13 homes (3 open market, 8 Affordable rent, 2 landowner).
TE1.5	Enhancing Ivybridge as a retail and social destination with a £9m Investment	NA – Project ceased	✓	The full planning application (1059/22/FUL) was refused at the South Hams District Council Development Management Meeting of 6th July 2022 At the Executive Meeting on 7th July it was agreed that all project work would cease.
TE1.7	Develop starter units to provide affordable employment space to marine facilities	Delivery of five new commercial units by April 2022	✓	Commercial Units and Harbour Depot projects remain in construction with completion due in December 2022. Despite significant delay both projects will be delivered within Approved Budgets
BN1.3	Support schemes that contribute to enhancing the marine environment including improving water quality	Harbour Depot built and occupied by April 2022	✓	

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South Hams District Council



Better lives for all



Batson Creek: Aerial taken 13th July 2022



Dartmouth Health Hub: image extracted from August 2022 Contractor Report



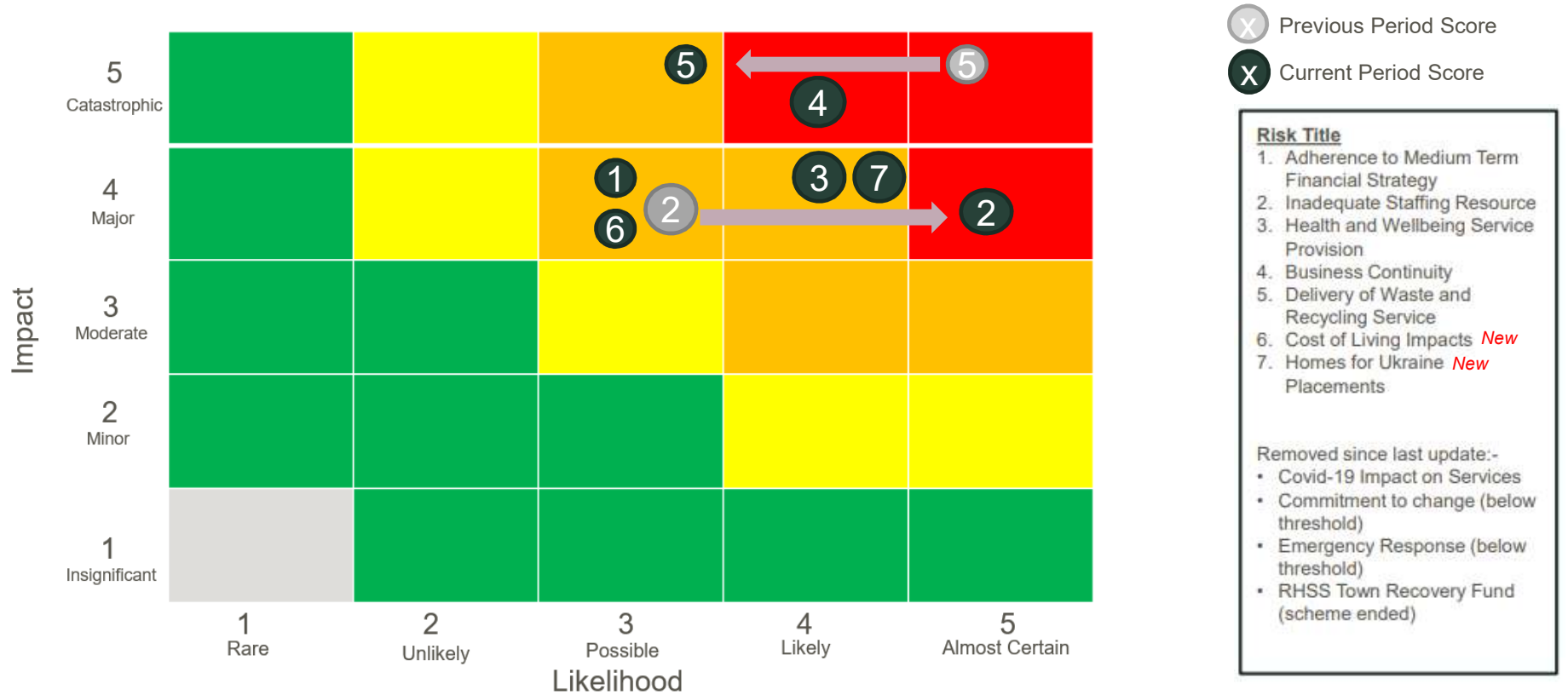
St Anns: Aerial taken 24th August 2022



Section 6 - Strategic Risks November 2022

The following section sets out an overview of the current strategic risks and on the following pages we provide detail for those that are within the 'Red' scoring. Each Council service area has their own risk register and where a risk reaches a level that it can no longer be managed by that service area alone, it escalates to the Strategic Risk Register. The strategic risk profile of the Council has increased since the last quarterly update report to Executive, with two new risks being added to the register.

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Risk Title:	Inadequate Staffing Resource
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What is the risk?	The risk is that the Council fails to have the right culture, organisational conditions or resources to deliver our priorities for our communities. Insufficient staffing arrangement resulting in a loss of staff morale, and inadequate resources for training and re-skilling in an ongoing period of change. Failure to engage staff resulting in uncertainty regarding changes in working practices and job security. Particular risk in relation to future terms and conditions. Cost and time of retraining/up-skilling staff. Unrealistic expectations in relation to staffing capacity.
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What could cause the risk to occur?	The last few years have seen Local Government stepping up to provide significant and varied support to our residents, communities and businesses in addition to maintaining our core service delivery, This has been a sustained period of the council delivering additional support and services and is only likely to continue in to the short-medium term.
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Page 71	Likelihood of risk occurring		5 (Almost Certain)	<p>What are we doing to reduce the risk?</p> <ul style="list-style-type: none"> • We are continuing with our programme of service reviews, implementing recommendations to make a positive impact on our ability to meet customer demands, this has included:- <ul style="list-style-type: none"> • Restructuring our Planning Service with a separate Head of DM for South Hams and now aligning specific team members to meet the needs of South Hams • Appointing a Head of Revenues and Benefits to drive forward our improvement plans for this service - Aligning our HR, Communications and Organisational Development programmes to ensure we develop a clear plan for addressing this risk. <p>•We are holding regular staff briefings and have recently held our first staff briefings since before the pandemic</p>
	Impact	Financial	4 (Major)	
		Service Quality	4 (Major)	
		Reputation	4 (Major)	
		Legal / Regulatory	4 (Major)	
		Health and Safety	4 (Major)	
		Morale / Staffing	4 (Major)	

Current Update (September 2022)	There have been a number of significant changes to our operating environment in recent months which has significantly increased the risk that we do not have sufficient staffing resource to meet the needs of our residents and communities. For South Hams these changes include responding to the Cost of Living crisis, supporting the Homes for Ukraine scheme and bringing our Waste, Recycling and Cleansing services back in house by October 3rd. We are also entering Autumn and there is the risk the Covid-19 (as well as other seasonal illnesses) reduces the availability of staff. Since April we have lost 281 working days to Covid-19 illness. Recruitment of staff has been a significant challenge with many posts that we attempt to recruit to not being filled – current notable challenges include planning, legal and finance posts. We are working with other Councils and private sector organisations to address this shortage in the short -term and have commenced a review of our recruitment approach and reward strategy. We continue to review our structures and resources to ensure we can best align to meeting the needs of our residents. In September we launched a staff survey and once analysed this information will inform our future plans for our workforce.
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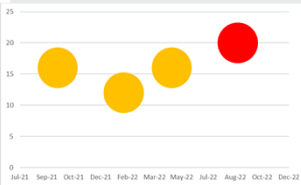
Overall Scoring

Risk Score (Current)



Likelihood 5 x Impact 4

Risk Score History



Risk Direction



Risk Title:	Business Continuity			
What is the risk?	The risk is that we do not develop and keep maintained robust processes to ensure business continuity in the event of a significant event occurring, e.g. Failure to ensure the continuous availability of critical IT systems leading to inability to deliver key council services.			
What is causing the risk?	Developing and maintaining robust Business Continuity Plans requires significant and sustained focus. During Covid 19 response, the Councils risk profile has changed as we have relied much heavier on working in different ways (for example more staff working from home the majority of time) and with significant pressures being placed on some of our key delivery partners/ contractors. Work is required to continually update our BCP 's to the changing environment that we are operating in. We are also entering a period where extreme weather events increase the risk of a business continuity event triggering.			
What is the level of risk?	Likelihood of risk occurring	4 (Almost Certain)	<p>What are we doing to reduce the risk?</p> <p>Having two HQ locations is main mitigating factor however an outage of power/ICT at either location would lead to a serious disruption of service.</p> <ul style="list-style-type: none"> • Agile working further reduces reliance on two office buildings. • Locality workers can be despatched more easily to ensure customer engagement can be maintained during any incident. • Business Continuity plans have been updated priority areas ICT Networking Payroll & Creditors Payments; other plans need to be made more robust further work underway for the new year 	
Page 72	Impact	Financial		4 (Major)
		Service Quality		5 (Catastrophic)
		Reputation		4 (Major)
		Legal / Regulatory		2 (Minor)
		Health and Safety		3 (Moderate)
		Morale / Staffing		3 (Moderate)
Current Update (Nov 2022)	We continue to update our business continuity plans to ensure that we are as prepared as we can be in the event of a business continuity incident. In October, the Head of the National Grid stated that they could not rule out a programme of energy blackouts in the event of further restrictions on the availability of energy supplies. This would clearly impact on the ability of the Council to deliver its services and therefore the existing business continuity plans are being updated to take this type of incident in to consideration. Until the BCP's have been updated, the risk score has increased.			

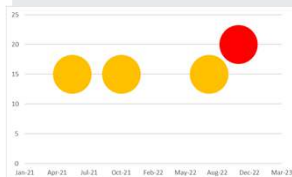
Overall Scoring

Risk Score (Current)



Likelihood 4 x Impact 5













Risk Score History



Risk Direction



Next Scheduled Updates

January	February	March	April	May	June
 <p>27th Jan Quarter 3 Integrated Performance Management Report (Oct/Nov/Dec)</p> <p>Exec</p>			 <p>7th April Quarter 4 Integrated Performance Management Report (Jan- March)</p> <p>Exec</p>		 <p>Annual Report of Achievements 2021/22</p> <p>Exec</p>
 <p>20th Jan Climate Thematic Update</p> <p>O&S</p>		 <p>17th March Community Thematic Update</p> <p>O&S</p>	 <p>22 April Homes Thematic Update</p> <p>O&S</p>		 <p>Council Services Thematic Update & KPI Performance</p> <p>O&S</p>
July	August	September	October	November	December
 <p>Quarter 1 Integrated Performance Management Report (Apr- Jun)</p> <p>Exec</p> <p>↑ Today</p>  <p>Economy Thematic Update</p> <p>O&S</p>	<p>Lead Member & Lead Officer- Refine 2022/23 Delivery Plans</p>				 <p>Quarter 2 Integrated Performance Management Report (Jul- Sept)</p> <p>Exec</p>
		<p>Audit Better Lives for All Strategic Risk Update</p>			 <p>Climate Thematic Update</p> <p>O&S</p>
		 <p>Built Env' Thematic Update</p> <p>O&S</p>		<p>KPI Performance 21/22 to O&S</p>	

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Report to: **Executive**

Date: **1 December 2022**

Title: **Customer Access Strategy & Contact Centre Update**

Portfolio Area: **Council Services - Cllr Hopwood**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y / N**

Date next steps can be taken:

Author: Jim Davis Role: **Head of Customer Service Improvement**

Steve Mullineaux **Director, Customer Service Delivery**

Contact: **Jim.davis@swdevon.gov.uk**

RECOMMENDATIONS

That the Executive:

- 1. Approves the Customer Access Strategy principles and approach set out in section 3;**
- 2. Endorses the approach and actions to implement the Customer Access Strategy set out in section 4; and**
- 3. Notes the actions taken to improve the Contact Centre performance in Appendix A.**

1. Executive summary

- 1.1 It is important that we make contacting our Council as easy as possible for all our residents, businesses and customers. The Council's ambition is that the majority of our residents will find it easier to contact the Council online. This will free up resources to support those who can't, either on the phone, face to face through an appointment-based system at the Council offices or even a home visit by our localities team.
- 1.2 Within the Council's Better Lives for All strategy "Delivering Quality Council Services" is a key theme. The strategy states that the Council will:

- i. Become a 'Digital First' Council
 - ii. Use new technologies to deliver tangible service improvements to residents and deliver efficiencies for the organisation
 - iii. Support those residents in most need to get access to the services they need
- 1.3 Action QS1.2 from the Better Lives for All delivery plan states that the Council will 'Develop a strategy setting out how our customers can access our services in the future, be that face to face, online or on the phone'
- 1.4 By the start of December, customer access options will include; Website/webforms, social media channels, email, telephone support, post, text (SMS) messages, and home visits for those with higher needs. Improving our support and the options to interact with customers.

2. Background

- 2.1 The Council has been working towards transforming and offering innovative digital services for a number of years. This has enabled the Council to maintain core services within the budgetary constraints whilst still dealing with unexpected workload demands. This approach enables flexibility by allowing work and capacity to be moved around strategically as opposed to just reacting to unforecastable demand.
- 2.2 Core service delivery was maintained throughout the Covid period as we were able to switch to fully remote working and manage the additional demand being received via digital channels. Many councils stopped services or blocked whole access routes or responses from departments to deal with demand, but our forward-thinking approach meant that all Covid secure access channels remained open throughout the pandemic and no services were stopped. It also ensured we were well-placed to take on a range of new tasks efficiently and effectively including administering a bewildering array of different business grant processes with speed and accuracy.
- 2.3 New technology offers new ways to interact, and as they become mainstream it is important that we take advantage of the opportunities presented whilst still supporting those who need it.
- 2.4 In the past customer access was based on opening times and reception spaces, physical documents were created and received. Each job required a level of admin and manual rework that would be unsustainable now. By taking advantage of new technology, new approaches and new ideas to automate, we can continue to improve the service for residents who wish to make service requests themselves 24/7 via web-based tools, ensuring we retain the capacity to support those people who need it. The

challenges the Council now face require joined up thinking to meet customer expectations and work toward strategic goals.

- 2.5 Being accessible isn't just about maximising the number and type of contact routes available but about being effective and responsive with the ones you have. Whichever access route is chosen by the customer, the information we need to process their requests and the responses we need to give should be the same.
- 2.6 Our Customer Access strategy is underpinned by three key pieces of software that all work together to benefit staff and customers:
 - **Liberty Create** is our Low Code software package. This means we can easily build whatever application, tool, or process the Council needs. It combines front and back office functions into a seamless package. We currently use it as our customer records database (CRM), for webforms, workflow and processes, and automation. The flexibility means we have wide ranging plans to continue developing better applications to reduce overall workload. It links together with the other two key pieces of technology **Liberty Converse** and **Liberty Connect**.
 - **Liberty Converse** powers the telephony in our Contact Centre. It integrates with **Liberty Create** to show customer records automatically. It combines calls, emails, social media, and webchats into a single managed queue and has just started bringing Liberty Create processes to increase Contact Centre productivity.
 - **Liberty Connect** powers our webchats and chat bots. It integrates with **Liberty Create** and **Liberty Converse** to pass conversations from one route to another. We have plans to develop the integration enable even more customer self-service in the future with live access to information that would normally result in a call to the Contact centre.

3. Customer Access Strategy

- 3.1 Digital is not just about technology, it encompasses our behaviours, people and our culture and needs to be fully embraced as 'the way we do things' in the Council. It is our challenge to effectively engage with, understand, collaborate and better serve our customers and communities in digital first environments. We must use digital to create more engagement, inclusion and opportunities into every corner of our community. Our definition of a customer is any residents, supplier, business or partner that interacts with our services.
- 3.2 Our customer experience will be effortless, and digital first. Customers' first thought will be to go to our website with a question in mind, and come away with the answer they need, and wherever possible apply for the service they need online. No

phone call or email required, with no confusion as to what happens next.

3.3 In the past our approach to digital was that it was a choice for those that can, now our approach to digital is that those who can, should (and the vast majority already do). The advantages / disadvantages are clear, choosing a different contact route is likely to be more onerous for customers and reduces our capacity to support those who can't go online or for complex cases that need additional support.

3.4 A **Digital First** approach offers significant benefits:

- It is *better* for those that can:
 - The Council is always open 24/7, customers can transact with the Council at their convenience
 - Faster response
 - Consistent help and support
 - No queueing
 - Fewer errors
- It is *better* for those that can't:
 - Digital First creates capacity to support those who can't interact online.
- It is *better* for the Council:
 - Improved Customer Service
 - Consistent Customer Service
 - Better work management, prioritisation, and resource allocation
 - Improved and better automation
 - Cleaner data
 - Greater efficiencies

3.5 The Council's **Digital First Principles** are:

- A consistent approach to transactions so the experience is the same irrespective of access route chosen.
- A customer centric design - consider all customer access channels when designing or changing services
- Focus the website on transactions and enabling self-service, 24/7
- Guide contact to the most efficient route to free up capacity
- Utilise the capacity to provide more tailored support to those that need it
- Use our data to adapt services based on actual usage and demand

3.6 The **Outcomes** we will achieve are:

- Our customers are satisfied with our online services and would recommend a friend to use them

- All customer facing forms are available on our website
- Our website and forms can be accessed on any device
- All digital services will look and feel consistent as one South Hams service to the customer
- Services are accessible digitally 24/7
- By the end of March 2024, 80% of interactions with residents are via our online channels

4 Progress made to date

- 4.1 The Council has already undertaken a review of the operation of the contact centre. This has already demonstrated improvements in terms of the number of calls answered, improved answering times and reduced call waiting times. Appendix A contains further details of the actions already undertaken, the benefits realised and the actions that are planned over the coming months
- 4.2 In addition to the contact centre, several other projects are underway that will improve access, consistency, and offer improved services across all Council services for our residents and customers. These include the following service areas:
- Council Tax, Business Rates and Housing Benefits
 - Environmental Health & Licencing
- 4.3 A new website is currently being developed based on the technology used by gov.UK. Go live is anticipated before the end Q2 of 2023/24. The new website will provide clearer content and as result enable customers to access the service information they need quickly, improving the customer experience overall.
- 4.4 The reception area at Follaton House has been closed since the Covid pandemic. The cost and management overheads of operating a full-blown reception service are significant for a service that has seen a vast reduced demand due to changes in customer behaviour. However, it recognised that for a very small number of customers there is a need to offer more than a telephone number to call. Scoping of work has begun and is expected to commence from Q4 2022/23
- 4.5 Officers are investigating a virtual reception area, which would allow those customers that do visit the Council offices on an adhoc basis, to enter and speak to someone that can help them over a video interface, offer computer access to our digital services. Likewise, work is ongoing to offer an appointment-based system (similar to the existing planning service) across key services such as Council Tax, Housing and Housing Benefits. This work should be completed by the end of Q3 2022/23.
- 4.6 As of the end of November 2022, the Council has implemented the ability to send text messages to any customer from our Netcall Liberty Create system. Anybody using the system to

manage work can now send a text message to a customer either from within a process, or against the customer account. This could be used to; let a customer know we tried to call but couldn't get through, answer a simple question, request more info or a reply to a time dependent email, or send a link to a customer on the phone to a webform for them to fill in rather than have us do it over the phone. This ability has now been extended to Liberty Converse, meaning if a customer is in our call waiting queue and they are calling from a mobile, the system can automatically send a link to fill in an online form or useful information/FAQs, before the contact centre even need to answer the call.

5 Recommendations

- 5.1 Approve the Customer Access Strategy principles set out in section 3.
- 5.2 Endorse the approach and actions to implement the Customer Access Strategy set out in section 4.
- 5.3 Note the actions taken to improve the Contact Centre performance in Appendix A.

6 Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	N/A
Financial implications to include reference to value for money	N	All improvements managed through existing budgets
Risk	N	
Supporting Corporate Strategy	Y	
Climate Change - Carbon / Biodiversity Impact	N	
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	

Safeguarding	N	
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	N	
Other implications	N	

Supporting Information

Appendices:

Appendix A – Contact Centre Improvement Actions

Background Papers:

None

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Customer Access Strategy Appendix A – Contact Centre improvement plan

South Hams Executive – 01 December 2022

Contact Centre Performance

1. The following charts show that call answering performance has improved significantly since August and conversely call waiting times have reduced.
 - a. Chart 1 shows the improvement in the percentage of calls answered within 5 minutes except Revenues & Benefits
 - b. Chart 2 shows the same data for the Revenues & Benefits Service

Chart 1

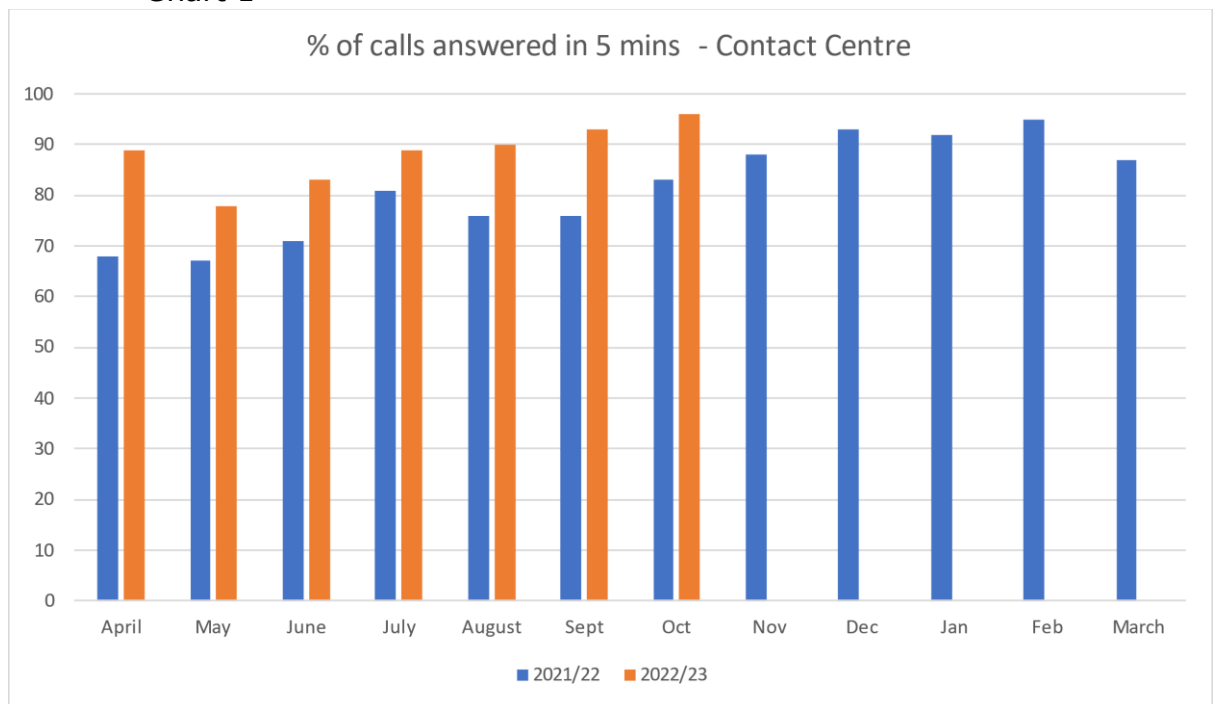
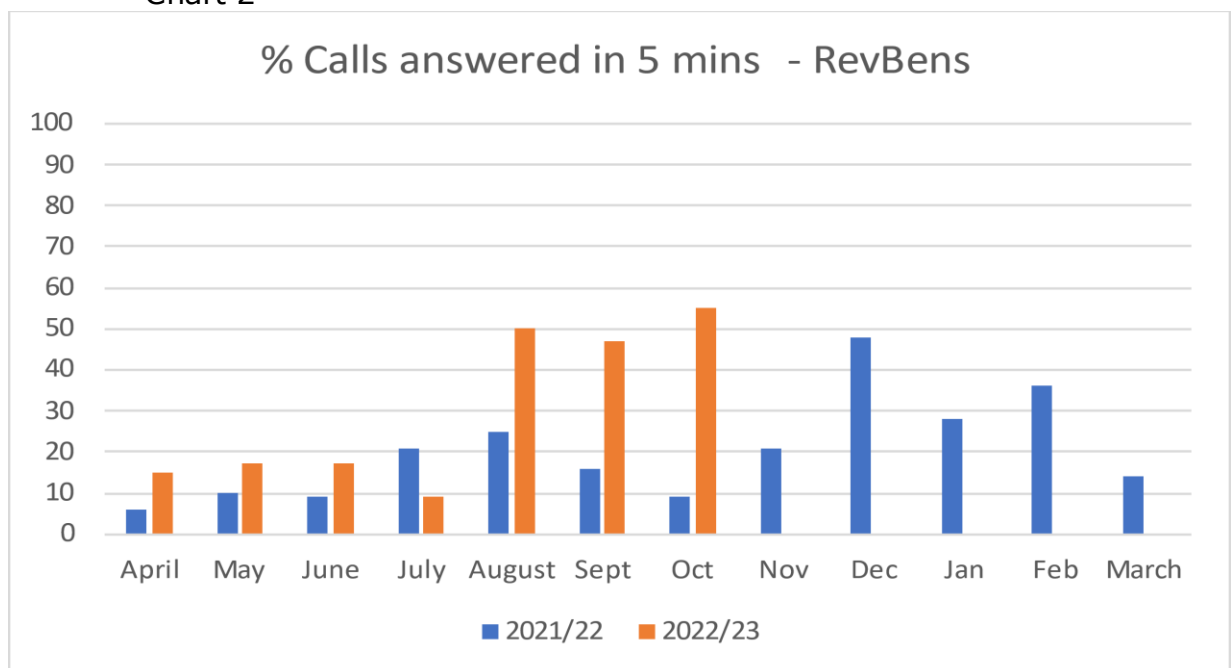


Chart 2

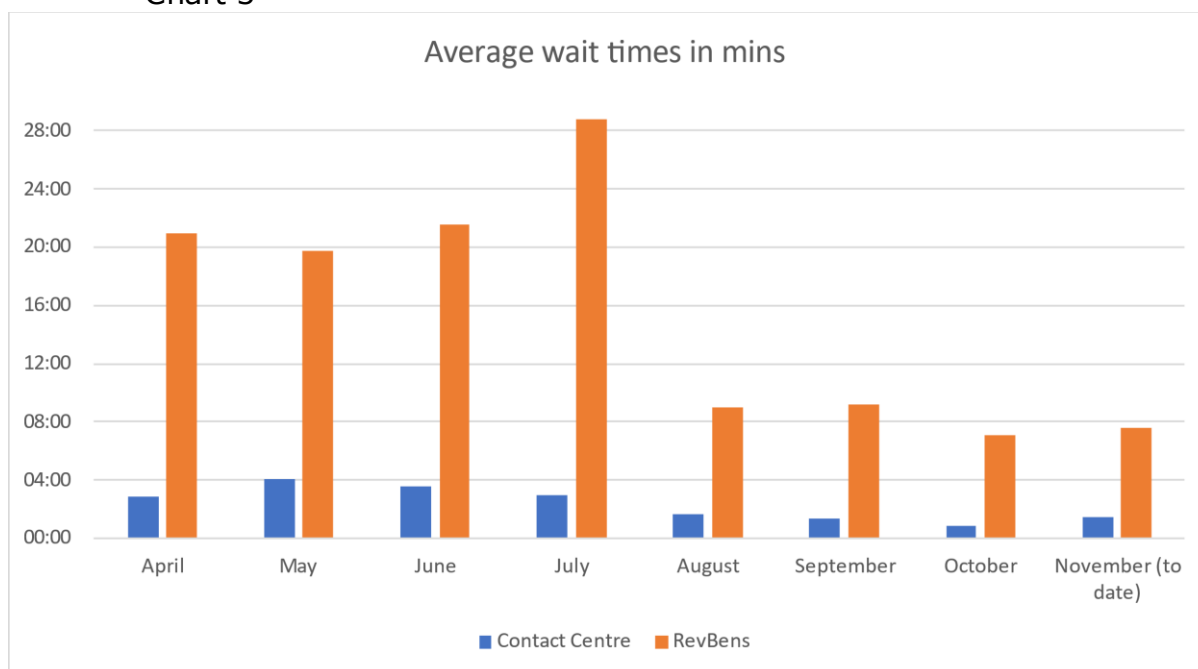


Customer Access Strategy Appendix A – Contact Centre improvement plan

South Hams Executive – 01 December 2022

c. Chart 3 shows the average call waiting time for all contact centre services including Revenues & Benefits.

Chart 3



2. The following table details the improvements implemented or planned to improve contact centre performance.

Action	Rationale / Benefits	Expected Timeframe
Email request managed through Liberty Converse	Emails are managed like phone calls whenever a customer service team member is available instead of removing people from the phones to deal with emails in batches. Faster response, more productivity and less management needed	Completed.
Additional Support from Rev/Bens on busiest days (Mon/Tues)	Rev/Bens calls peak at the start of the week. Resource from the back office to support the Contact Centre has significantly improved call answer time. The concept of managing work in Liberty Converse and Create (see above) will allow 'payback' of this extra support by the end of the year. Improving productivity, call answer time and reducing backlogs with no net cost to the Authority.	Completed.
Reduction in 'other' admin tasks for team	Focus on ensuring purpose is clear and team are insulated from any extraneous activities that don't deliver against their purpose.	Completed.
Increased training and support from the organisation	Additional training allows easier management of variation. Customer contact tends to clump so more multi-skilled staff mean peaks can be absorbed without significantly affecting wait times.	Ongoing.

Customer Access Strategy Appendix A – Contact Centre improvement plan

South Hams Executive – 01 December 2022

Review of 'Wrap' times and additional 'Extended Wrap' categories	Wrap time usage was showing characteristics of being used as an entitlement rather than a facility when needed. Wrap time was reduced to cover 70-80% of 'normal' usage, with extended wrap categories added to monitor usage. Total team wrap time has reduced from 19 hours/day to around 10 hrs/day (releasing around 1.25 FTEs of capacity). Extended wrap is better categorised for analysis and has marginally reduced since the change. Wrap times will be kept under review as training and demand changes.	Completed.
Moving email requests to Webforms	Webforms reduce indexing and basic admin and ensure that all necessary information is provided at the start of a transaction. Automation can be applied. Information is consistent and prevents additional contact and failure demand. Type of transaction and effort required is known straight away to aid management of demand. Email information is unstructured and effort required is unknown unless triaged.	Completed. RevBens processes live by end of March (awaiting integration work)
Contact centre wait times and busy times put online	Drive customers to other contact routes and smooth demand to quieter times	Completed.
Reallocation of call queues	The Contact centre are managed as two separate teams. One team has spare capacity (needed to deliver reasonable wait times), one team has virtually none (the bottleneck). Reallocating work (Devon Home Choice) from one team to another will free up over 0.4 FTE from the bottleneck to be absorbed in the spare capacity of the other team. This will improve call answer times for Devon Home Choice calls as well.	Completed.
Directed, focused support, where necessary	Booking appointments online. Locality Officers providing home visits when needed. Call-backs for complex cases to prevent multiple contacts.	Live by end of November.
Moving phone calls to webchats	Ability to manage more than one conversation and conversations being less time critical eases management of demand. Facebook Messenger functionality enabled	End of November for functionality to be implemented
Moving face to face to online or phone	The vast majority of face-to-face contact can be delivered as well or better online or over the phone with less cost and simpler management. Face to face contact in a fixed location only supports those local to that location and absorbs support from customers in other geographical locations.	Review of current reception offer in November. Toughened 'video' devices being investigated for both sites.
Phone messages changed to	Data quality improvements and standard call structure should improve call speeds by ensuring customers have necessary information to hand during call wait time	December

Customer Access Strategy Appendix A – Contact Centre improvement plan

South Hams Executive – 01 December 2022

improve call speed		
Social media direct messages managed through Liberty Converse	Same as above. More productivity from Contact Centre. Will enable one role to be absorbed back into the Contact Centre to support the phone lines	December
Moving more processes online	Around 80% of our highest volume processes are available 24/7 online but this varies per service area. Focus on moving the lower volume transactions across so virtually all Council transactions can be completed online. Automation applied where possible.	Ongoing
More dynamic allocation of resources to support customer contact	Service areas supporting peaks in customer demand to prevent duplication and failure demand in the Back Office. Customer service is everyone's responsibility, and good customer service is in everyone's best interest as it saves time down the line.	Proof of concept trialled. Phased approach as areas of work move in to Liberty Create. Beginning Q4 2022/23
Netcall infrastructure improvements – Automated switchboard, customer surveys, workforce management, screen recording	Automated switchboard releases around 0.7FTE to answer calls and delivers a shorter call/wait time to most customers. Fewer messages/options needed. Surveys and screen recording improve quality and training over time. Workforce management enables further development and support of other services.	Funded. Awaiting installation date. Go live during Q4 2022/23

Report to: **Executive**

Date: **1 December 2022**

Title: **Cost of Living Crisis: Plans for Household Support Fund Allocation**

Portfolio Area: **Cllr Nicky Hopwood**
Executive Lead: Cost of Living

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Author: **Geni Hotchkiss** Role: **Head of Revenues and Benefits**

Contact: **geni.hotchkiss@swdevon.gov.uk**

RECOMMENDATIONS:

That the Executive:

- 1. instructs officers to take immediate steps to progress support payments of £650 to working age households not receiving passported benefits on 1 December 2022;**
- 2. instructs officers to take immediate steps to progress support payments of £300 to households in receipt of council tax disabled band reduction on 1 December 2022;**
- 3. Instructs officers to work with partners to distribute slow cookers and cookbooks, electric blankets, warm clothing and sleeping bags to households based on need. It is recommended that £10,000 from the Fund is ring-fenced for this purpose; and**
- 4. Approves the use of the balance of the funding for an open application process from low income households most in need of support.**

1. Executive summary

- 1.1 The government has made more money available to local councils to support households with the increasing cost of living during the autumn/winter period. The Council has been allocated £187,311

by Devon County Council and the funding must be spent during the period 1 October 2022 to 31 March 2023.

- 1.2 The Council also received funding for two previous schemes; Household Support Fund 1 and Household Support Fund 2. Devon County Council allocated funding of £83,407 for HSF1 and we were able to support 291 residents. We received a larger allocation of £273,395 from HSF2 and were able to provide timely and effective support to 2,433 residents.
- 1.3 The latest fund must be used to support households in the most need; particularly those who may not be eligible for other support government has recently made available but who are never the less in need.
- 1.4 A variety of support options have been considered and the recommended options strike a balance between providing direct support to households who may not have received any other support and the option to apply for support through an application process.
- 1.5 The recommendation to provide support through the issue of slow cookers and electric blankets, will also deliver longer term and sustainable options to residents dealing with higher energy costs.

2. Background

- 2.1 £421m has been made available to County Councils and Unitary Authorities in England to support those most in need to help with global inflationary challenges and the significantly rising cost of living. This funding covers the period 1 October 2022 to 31 March 2023.
- 2.2 The Council has been allocated £187,331 and the expectation is that the Fund should be used to support households in most need; particularly those who may not be eligible for other support the government has recently made available, but who are nevertheless in need. There are no DWP funding targets in terms of supporting certain cohorts of the population, however at least part of the scheme must be on an application basis so there is an opportunity to ask for support
- 2.3 The Fund is intended to cover a wide range of low income households in need including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people.
- 2.4 Energy bills may be of particular concern to low income households during the period of the Fund and the Government guidance requires local authorities to prioritise supporting households with the cost of energy.
- 2.5 Authorities should also consider providing support to disabled people in their area as they may be facing acute challenges due to the disproportionate impact that rising costs bring for the additional services they need in order to manage their conditions, remain independent and avoid becoming socially isolated.
- 2.6 Authorities have flexibility to identify which vulnerable households are in most need of support and we can use our own discretion and datasets when identifying eligibility.

3. Outcomes/outputs

- 3.1 The expectation is that the Fund should be used to support households in most need; particularly those who may not be eligible for other support the government has recently made available, but who are nevertheless in need. There are no DWP funding targets in terms of supporting certain cohorts of the population, however at least part of the scheme must be on an application basis so there is an opportunity to ask for support.
- 3.2 The Council is proposing the following use of the Household Support Funding for the period 1 October 2022 to 31 March 2023.
- Making support payments of £650 to working age households not receiving passported benefits on 1 December 2022. It is estimated that 21 households will benefit as a result.
 - Making support payments of £300 to households receiving council tax disabled band reduction on 1 December 2022. It is estimated that we will be able to support 235 households as a result.
 - Providing funding of £10,000 to help partners provide slow cookers and cookbooks, electric blankets, warm clothing and sleeping bags to individuals and households identified as being in need.
 - Using the balance of the funding to offer an open application process to provide support to low income households and others in financial need.
- 3.3 Getting the funding out to residents as quickly as possible is a key measure of success and the Council has a proven track record in this area.
- 3.4 As part of the funding arrangements, the Council is required to provide management information to Devon County Council on the delivery of the Fund. This will in turn be used by DCC to inform the Department for Work and Pensions on the speed of delivery.

4. Options available and consideration of risk

- 4.1 In formulating the recommendations, a wide range of options have been considered and discounted. These are set out below:
- (a) Various options using existing benefits datasets including nil qualifiers for council tax reduction and those households only receiving housing benefit. Due to the level of work involved in identifying these cases, it was determined that the cost in officer time outweighs any benefits to households.
 - (b) LHA shared room rate. This was discounted as a viable option as there was no shortfall in rent and it mainly affects pensioners living with landlords.

- (c) Support for households in unaffordable housing or Devon Home Choice applicants who have indicated they need to move because their current home is in poor condition. This was discounted as a viable option as we do not have enough information to make a decision and most of the residents are likely to be receiving relevant benefits. This means they will have already received support through other channels.
 - (d) Households which have received a disabled facilities grant. Data protection restricts the Revenues and Benefits team accessing this information. Environmental Health would need to write to recipients inviting them to apply for a payment from the Household Support Fund. This is administratively complex and, as many will have already received support through other channels, we have again discounted this option.
 - (e) A payment for properties with an Energy Performance Certificate (EPC) rating of E to G, where G is the least efficient, through a simple application process. This option was discounted as not all properties are required to have a certificate and there would also not necessarily be any correlation with low income. Officers are recommending, however, that where applicants to the Household Support Fund can demonstrate they meet the low income criteria we will make a top-up payment if they can also demonstrate the property has an EPC rating of E to G.
- 4.2 In evaluating the options, engagement has taken place with service leads across the Council and other relevant officers and Members.
- 4.3 There is a risk that the Council does not fully spend its allocation by 31 March 2023. Due to the likely continuing impact of the Cost of Living Crisis, an underspend is not considered to be a significant risk. There will be regular monitoring of spend and take-up and if an individual element of the programme is likely to underspend, consideration will be given to reallocating to areas with greater demand.

5. Proposed Way Forward

- 5.1 The recommendations in this report will provide support in different ways to different households with particular focus on supporting those who may be just above income thresholds meaning they do not qualify for other support.
- 5.2 The proposals will help deliver our vision of Better Lives for All through providing a broad range of support including help with energy cost and essential living costs. They are also targeted at those most in need due to the cost of living crisis, including those with higher energy costs due to disabilities and those who may have missed out on other government support.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Department for Work and Pensions (DWP) has provided funding to County Councils and Unitary Authorities (including Metropolitan Councils and London Boroughs), under section 31 of the Local Government Act 2003, to administer The Fund and provide assistance to households most in need.</p> <p>The Household Support Fund (1 October 2022 to 31 March 2023): final guidance for county council and unitary authorities in England states that authorities must work together with district councils to ensure the funding meets its objectives by identifying those most in need.</p>
Financial implications to include reference to value for money		<p>The Council will receive £187,331 from Devon County Council to deliver the Household Support Fund.</p> <p>The fund must be spent/committed between 01/10/22 and 31/03/23, with any committed spend actually being spent in a reasonable timeframe thereafter, in line with the purpose for which it was initially committed.</p> <p>Partners will be required to complete MI returns within clear timeframes. Payment from DWP will be in arrears following receipt of satisfactory MI from DCC and its partners (via DCC). Reasonable administration costs will be covered by the fund.</p>
Risk		There is a reputational risk if the Council does not deliver support in a timely and responsive manner.
Supporting Corporate Strategy		Wellbeing
Consultation & Engagement Strategy		There is no requirement to consult however engagement has taken place with service leads and other relevant parties across the council.
Climate Change - Carbon / Biodiversity Impact		None as a direct result of this report.
Comprehensive Impact Assessment Implications		
Equality and Diversity		Equality impact assessments will be completed if required.

Safeguarding		None as a direct result of the report, however some actions will help keep vulnerable children and adults safe.
Community Safety, Crime and Disorder		None as a direct impact of this report, however some of the recommendations may help to reduce crimes such as domestic violence.
Health, Safety and Wellbeing		Financial wellbeing is crucial to the wellbeing of our residents and the recommendations in this report are designed to support this.
Other implications		None.

Supporting Information

Appendices:

None.

Background Papers:

None.

Report to: **Executive**

Date: **1 December 2022**

Title: **Housing Crisis Update – Summary report of actions**

Portfolio Area: **Homes – Cllr Judy Pearce**

Wards Affected: **all**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Author: **Isabel Blake** Role: **Head of Housing**

Contact: **01822 813551 /email: Isabel.blake@swdevon.gov.uk**

RECOMMENDATION:

That the Executive:

- 1. Notes the progress against the Housing Crisis Declaration**
- 2. Approves the recommendation for the allocation of Section 106 funding for affordable housing at St Anns Chapel**

1. Executive Summary

Housing Crisis

- 1.1 South Hams District Council declared a housing crisis in September 2021. Alongside this declaration were 12 specific points where the Council wished to take direct action. This report seeks to inform members of the progress to date.
- 1.2 Since the declaration of the crisis, the Head of Housing has prepared a report for every Executive meeting on various housing topics and action taken to address the parts of the housing crisis, that we as a council can influence. This has ranged from development, direct delivery, the Housing & Homeless Strategies, and energy efficiency. There have been new policies to consider the best use of existing stock and investment in accommodation for the Housing First scheme.

- 1.3 The declaration of the Housing Crisis has now been embedded into the Housing Strategy Better Homes, Better Lives which will shortly be refreshed for its year 3 action plan.
- 1.4 Whilst seeking to address the issue locally, the size and significance of the Housing Crisis has appeared to grow, and new challenges arise. The war in Ukraine and Homes for Ukraine scheme, the Cost-of-living crisis and the global increase in cost of materials and labour have all impacted on our ability to tackle the crisis and this will continue.

Section 106 Contribution Allocation

- 1.5 This report also recommends approval of a Section 106 offsite affordable housing contribution of £181,875.58, received in July for a development in St Anns Chapel to be allocated towards the Council's own affordable housing development in the same parish. This not only will ensure that an offsite contribution is spent in the Parish where it was received but also will reduce the amount the Council will need to borrow by this amount. Whilst the scheme is progressing on-time and on-budget, the opportunity to use funding locally using s106 funding, instead of through borrowing, represents best value for the use of public funding.
- 1.6 This proposal is aligned to recommendation 7 below.

2. Housing Crisis Declaration

- 2.1. The Council declared a housing crisis on 23rd September 2021. The motion that was carried included twelve points, set out in full below, alongside actions taken to date.
- 2.2. The actions are wide-ranging, encompassing the need to lobby for legislation change to address structural problems as well as direct actions that the Council can take to address acute problems on the ground.
- 2.3. *"In response to the almost complete lack of any rented accommodation available for six months or longer that local people and those working in the area can access, and the excessive rise in house prices locally due to second homeowners and those moving in from other areas since the pandemic, which has made house prices completely inaccessible for the great majority of local people, South Hams District Council resolves to declare a Housing Crisis. It is fortunate that we have a new Housing 5-year Housing Strategy and Housing Actions in Better Lives for All, but as an expansion of them South Hams District Council should:*

Recommendation 1

- 2.4. The District Council will lobby government, through MPs and the Local Government Association, to allow a Council Tax charge on housing plots with planning permission if they have not been built after a specified period. This would encourage developers to build their sites without delay.

Actions:

- 2.4.1. Following the meeting of the Executive on 14th October 2021, the Leader of the Council wrote to the then Secretary of State for Levelling Up, Housing & Communities.
- 2.4.2. A response was received on 28th February 2022 (**Appendix 1**) which stated that there were no plans to change Council Tax legislation which is based on a "dwelling" capable of occupation. This would lead to practical challenges for the Valuation Office Agency (VOA) in determining a council tax banding.
- 2.4.3 The Council has recently responded to a consultation from the Department for Digital, Culture, Media and Sport both individually and as part of Team Devon. (**Appendix 2** South Hams Response). As part of its response, the Council recommended a licensing scheme with physical checks, an extension of the Deregulation Act 2015 (maximum of 90 days per year) in high areas of second homes and holiday lets, a separate planning use class and the consideration of a sustainable tourist tax as so many countries around the world have introduced at no detriment to their tourist economy.

Recommendation 2

- 2.5. The Council should also immediately review all holiday letting in the district to ensure that the owners are paying the correct amount for the removal of waste and recycling. Businesses should not be on the normal domestic recycling and waste collection.

Actions:

- 2.5.1. From April the qualification for small business rate relief has changed. Not only will the property be required to be available for at least 140 days a year, evidence will need to be provided to prove it was let for 70 days. Currently there is no requirement to provide evidence and these changes are designed to target those who take advantage of the system to avoid paying their fair share towards local services. The Valuation Office has written to these properties to ask for this evidence to be provided.

- 2.5.2. Officers undertook a sample review of Kingsbridge & Newton & Noss which concluded that generally holiday lets were compliant with both legislation, taxation and waste requirements.
- 2.5.3. The pilot project involved approximately 100 locality man hours corroborating data on the ground at the two locations, the Environmental Health team and Housing team. The total man hours for the pilot were approximately 120. 169 properties were identified across both communities and the pilot scheme proved that the existing data sets and legislative framework around second homes make it challenging to analyse with any certainty.
- 2.5.4. The takeaway action from the pilot study, was to have regular reviews of waste arrangements to ensure that a paid for waste collection service was being used for second homes.
- 2.5.5. Other changes required are legislative and the business rates loophole will be the first indication of how useful these will be.

Recommendation 3

- 2.6. South Hams District Council will also ask the Joint Local Plan project team to review the amounts of affordable housing in the Joint Local Plan (JLP) and see if this can be increased, so that the percentage of "First Homes" on a development is in addition to the existing requirement for 30% affordable housing.

Actions:

- 2.6.1. The JLP is currently scheduled to be reviewed by 2024, and any review process will require new affordable housing evidence to support our proposed strategy for delivering affordable housing. This may include setting different AH thresholds for each policy area or increasing the threshold for developments of certain sizes and/or types.
- 2.6.2. Work to identify housing need that will feed into that process is ongoing through the appointment of Katie West This data set will be essential to any policy justification through the JLP adoption process.

Recommendation 4

- 2.7. The District Council already runs a letting agency to encourage landlords to make properties available for local families in need. There should be further promotion of this and regular landlord forums to encourage more properties to become available.

Actions:

- 2.7.1. A bespoke website has been developed to promote the SeaMoor Homes services. Work has commenced on the exploration of the preferred methods of landlord engagement with most respondents requesting an online or digital mode of communication rather than a forum in person. In recognition of this a blog has been implemented to provide support to landlords requiring advice on their legal responsibilities. Consultation with currently engaged landlords is being carried out to establish the preferred content and delivery methods of an online forum event for landlords.

Recommendation 5

- 2.8. The District Council works closely with registered providers on many housing projects across the district; they will now be working with them to ensure the best use of those properties, such as to encourage tenants to downsize where possible and make larger properties available for larger households.

Actions:

- 2.9. Working in cooperation with registered providers in our area communications have been sent to over 697 registered provider tenants; promoting the downsizing incentive scheme.
 - 2.9.1. Agreement has been sought and reached with the Devon Home Choice partnership for more flexible approach toward allocations of larger properties, allowing over occupation in cases where the wellbeing of a large family can be improved.

Recommendation 6

- 2.10. In addition to this, the District Council is proposing to use some of the affordable housing revenue to increase payments made to those tenants downsizing to make the move more attractable and affordable.

Actions:

- 2.10.1. In October 2021 Members agreed changes to the Tenants Incentive Scheme for downsizers which increased the size of the incentive payment up to a maximum of £5,000. This has had a real impact with 15 households have taken advantage of this with a further 4 accepted and awaiting a tenancy start date. People living in accommodation too large for their needs have downsized and their existing home made available to a family waiting on Devon Home Choice or in temporary accommodation.

Recommendation 7

2.11. The Council is committed to using Section 106 affordable housing contributions as soon as possible, to help fund developments anywhere in the District where the terms of the Section 106 agreements will allow.

Actions:

- 2.11.1. Section 106 contributions are regularly monitored to ensure that there is a commitment to spend the funding. The consequence of failing to do so is that the Developer can ask for the contribution to be returned if it is not spent within the time specified in the Section 106 agreement.
- 2.11.2. A Section 106 agreement dated 12th September 2017 for a development at St Anns Chapel (Planning ref: 4097/16/OP) secured an offsite affordable housing contribution of £181,875.58 which was transferred to the Council in July 2022.
- 2.11.3. The Council, in collaboration with the Parish Council is delivering an affordable led scheme in St Anns which is currently progressing on time and to budget.
- 2.11.4. At this time there are no further affordable housing led development sites in Bigbury Parish. The Council is also not aware of any other qualifying schemes within the Parish which will come forward within the required timeframes to allocate the funding.
- 2.11.5. If the money is not spent locally then the Council can spend it on District-wide, affordable-led schemes.
- 2.11.6. It is recommended that the £181,875.58 is allocated to the St Anns Council development. In doing so this would reduce the amount of borrowing on the project by this amount.
- 2.11.7. The project has previously been successful in applying for the allocation of section 106 monies amounting to £162,893 (£97,700.91 from the contribution from the former Old Chapel and £65,193.00 from the contributions from the Hollywell Stores developments).

Recommendation 8

2.12. The Council also wants to campaign for changes to the Broad Market Area, to better reflect the costs of rents in the South Hams.

Actions:

2.12.1. Despite our request for consideration of a review of the local housing allowance and broad market area, there has been no changes from Government on this issue. It is imperative that the Council continues its lobbying efforts to bring about change in this area. In September 2022 there were no 3-bedroom properties in the whole of the South Hams available at the local housing allowance for private rent.

Recommendation 10

2.13. The Council would encourage the development of an exemplar site of low carbon modular housing to show such developments can be both stylish and great to live in.

Actions:

2.13.1. The Council has engaged with a modular housing provider to work up options for two sites in Kingsbridge. That work has been very informative and will be tested from a value for money perspective, against the Expression of Interest process that members have approved and is currently being enacted for the two sites.

Recommendation 11

2.14. The Council also agreed to actively seek opportunities to invest in Council-owned social housing with highly sustainable specification.

Actions:

2.14.1. The Council's own directly delivered affordable housing scheme for a generation is on site and ahead of progress. Completion is due in the Summer of 2023. An Expressions of Interest in building affordable led housing on 2 Council-owned development sites in Kingsbridge is currently out to advert. 2 properties have been purchased with part grant funding from Government for a housing first scheme for rough sleepers.

Recommendation 12

- 2.15. To lobby Government to allow local councils to be able to charge 200% Council Tax on second/holiday homes, as they do in Wales.

Actions:

- 2.15.1. The Levelling up and Regeneration Bill (published May 2022) recognises the impact that high levels of second home ownership can have in some areas and will introduce a new discretionary council tax premium on second homes of up to 100%. It will also allow councils to apply a council tax premium of up to 100% on homes which have been empty for longer than one year (rather than two years as currently). This will encourage more empty homes into productive use, while enabling councils to raise and retain additional revenue to support local services and keep council tax down for residents.
- 2.15.2. On the 8th November Cllr Judy Pearce appeared at a parliamentary select committee to discuss the challenges around short-term lets and the impact that has in South Hams. This appearance was alongside a Councillor from Westminster City Council. Westminster has similar issues and provided a contrast between the city and coastal issues. As the Levelling Up Bill continues on its path through Parliament it will be important to lobby for clarity around the 200% Council Tax premium for second homes.
- 2.15.3.

3. The Proposed Way Forward

- 3.1. It is imperative that the Council continues to lobby Government to bring about legislative changes and continue to take opportunities to champion our causes. It is also important to continue to ask for changes to the broad market area and the local housing allowance – which has had no significant change since 2011. We will also request a further round table discussion as had originally been scheduled with the Secretary of State for DLUHC at the start of summer to inform them of the work of the Devon Task Force and the challenges in relation to housing throughout the County.
- 3.2. Collating evidence for the JLP review in 2024 particularly in relation to affordable housing need will also remain a focus as will delivery on the Housing Strategy, and the Year 3 action plan will be reported to members in the Spring.
- 3.3. Making best use of our existing stock and continuing to promote and deliver green energy and energy efficiency grants and

programmes also must remain a priority, not just to deliver on the Council's climate crisis declaration but also to support our residents with the cost of living and particularly the high price of energy.

- 3.4. The Council must also continue its work with housing delivery on its own sites, such as the 2 sites within Kingsbridge and also to complete the new homes at St Anns Chapel and ensure they are allocated to local people in housing need.

4. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Sec 106 Funds Allocation</p> <p>S106 agreements are secured under Section 106 of the Town and Country Planning Act 1990 to support projects that mitigate the impact of the development granted by planning permission. The Council has an obligation to spend the funds in accordance with the terms of the agreement. The Affordable Housing Supplementary Planning Document 2020 sets out the policy basis for collection of offsite financial contributions towards affordable housing.</p>
Financial implications to include reference to value for money		<p>Section 106 Funds Allocation</p> <p>The Council's Financial Procedure Rules require that where Section 106 funding over £30,000 is proposed to be allocated, that it needs to be agreed at Executive.</p>
Risk		<p>Section 106 Funds Allocation</p> <p>There is a risk of funds not being spent in accordance with the s106 agreement. To address this, where any s106 funds are passed to community groups to develop and deliver projects, offers of grants will be made with appropriate terms and conditions securing the interest of the Council and ensuring that the requirements of the s106 agreements are adhered to.</p> <p>Some s106 agreements have clauses allowing the developers to be re-paid the money if it is not spent within a certain timeframe. Thus there is a risk of communities losing out if money is not spent within the specific timeframes. Careful monitoring</p>

		by the Council's S106 Monitoring Case Manager, prevents this from happening. There is a risk that the requirements of the Council's Financial Procedure Rules will not be met. All payments will be made in accordance with the Rules and contracting/tendering procedures where relevant.
Supporting Corporate Strategy		Homes
Climate Change - Carbon / Biodiversity Impact		None as a direct implication of this report
Comprehensive Impact Assessment Implications		
Equality and Diversity		None as a direct implication of this report
Safeguarding		None as a direct implication of this report
Community Safety, Crime and Disorder		None as a direct implication of this report
Health, Safety and Wellbeing		None as a direct implication of this report
Other implications		

Supporting Information

Appendices:

Appendix 1 – Letter from RtHon Michael Gove MP – Minister for Department of Levelling Up, Housing & Communities February 2022

Appendix 2 – South Hams formal response to the Government consultation on a licensing scheme for holiday accommodation

Background Papers:

None



Department for Levelling Up, Housing & Communities

Cllr Judy Pearce
South Hams District Council
Follaton House
Plymouth Road
Devon
TQ9 5NE



Dear Cllr. Pearce

Rt Hon Stuart Andrew MP
Minister of State for Housing

**Department for Levelling Up, Housing and
Communities**

Fry Building
2 Marsham Street
London SW1P 4DF

Tel: 0303 444 3430
Email: stuart.andrew@communities.gov.uk

www.gov.uk/dluhc

Our Ref: 13262052

21 February 2022

Thank you for your letter of 7 November 2021 to Rt Hon Michael Gove MP regarding short term lets and second homes. I am replying as Minister of State for Housing. Please accept my apologies for the delay in replying.

The Department for Levelling Up, Housing and Communities has a fundamental role to play in delivering the Government's agenda. The change to the department is an important step as we strive to level up all parts of the country. Our team of ministers and officials will continue to drive forward the programme of tangible improvements in every part of the country.

With regard to concerns about providing accommodation at the right price and tenure to support the South Hams community, the Government is committed to increasing the supply of affordable housing for a variety of tenures so that we can support a range of people in different circumstances and stages in their lives. We are investing over £12 billion in affordable housing over 5 years, the largest investment in a decade. This includes the new £11.5 billion Affordable Homes Programme (AHP), which will provide up to 180,000 new homes across the country, should economic conditions allow. This builds upon the success of our £9 billion Shared Ownership and Affordable Homes Programme, running to 2023, which will deliver approximately 250,000 new affordable homes.

The new Affordable Homes Programme will deliver more than double the social rent than the current programme, with around 32,000 social rent homes due to be delivered. Approximately half of the homes delivered will be for affordable home ownership, supporting aspiring homeowners to take their first step on to the housing ladder. Since 2010, we have delivered over 561,600 new affordable homes, including over 395,300 affordable homes for rent, of which over 153,400 homes are for social rent.

I note your concern about second homes owners being able to avoid paying council tax and business rates by claiming that their property is available as a holiday let. The Government takes a positive approach to holiday lets, encouraging individuals to take an entrepreneurial approach (as long as it is safe and legal) and recognises the positive effects that holiday lets can have on rural economies. The Government therefore believes it is right that genuine holiday let businesses can access small business rate relief in the same way as other small businesses. To ensure that only genuine holiday lets are assessed for business rates, the Government announced on 23 March in the Tax Policies and Consultations: Spring Paper that it will legislate to change the assessment criteria to require that holiday lets meet an actual letting threshold before being assessed for business rates. The Department will

shortly publish further details of the change as part of its response to the consultation on the criteria, which will be available at gov.uk.

You also request the ability to charge a council tax premium on second homes. In 2013, the Government removed the requirement for local authorities to offer a Council Tax discount on second homes. 96% of second homes owners are now charged 100% council tax, despite only receiving services relating their second home on a part-time basis. The Government currently has no plans to allow councils to charge additional council tax on second homes.

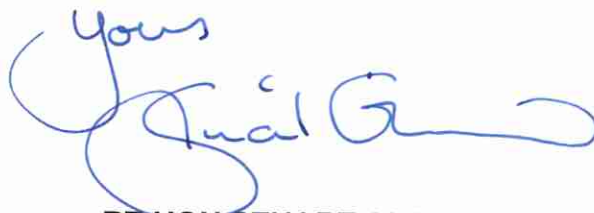
You raise that many homes that have received planning permission in South Hams have yet to be built, and that you would want council tax to be levied on consented homes that have not been constructed after two years. However, council tax legislation is based on the tax being levied on a "dwelling" which is capable of occupation (and which can be valued for council tax banding purposes). Levying council tax on un-built dwellings with therefore generate several significant practical challenges. For example, for outline planning permissions, it would not be possible to know how many, or what type of, dwellings were going to be built. This would create significant difficulties for the Valuation Office Agency in trying to come to a view on what might be an appropriate Council Tax band. There may also be an issue in trying to determine who might be liable for any such levy, since a planning application can be submitted by anyone, and a developer does not need to own the land. Given these considerations, the Government currently has no plans to charge council tax on un-built dwellings.

The Local Housing Allowance (LHA) is the maximum amount of housing support available in the private rented sector. LHA rates are set within broad rental market areas (BRMAs), which are determined by rent officers at the Valuation Office Agency for England and the Rent Services in Scotland and Wales. A BRMA is an area within which a person could reasonably be expected to live, having access to services for health, recreation, banking and shopping, and must contain a variety of property types and tenures. If rent officers decide that a BRMA needs reviewing, they must carry out a full review, consulting with affected local authorities among others, and submit a recommendation to the Secretary of State for Work and Pensions to decide. A local authority can also request a review of any BRMA that has an effect on its administrative area by writing to the VOA and the rent officer will decide whether to accept it.

LHA rates are not intended to meet all rents in all areas. As with the benefit system as a whole the LHA rates strike a balance between providing support in times of need and making work pay, so that people claiming benefits face the same considerations and choices as those not in receipt of benefits.

Discretionary Housing Payments (DHPs) are available through local authorities for people in need of extra support with housing costs who are in receipt of housing support. Over £1 billion in DHPs has been provided to local authorities since 2011 to help the most vulnerable claimants. For 2021/22 the Government has made a further £140 million available in DHP funding for local authorities to help support vulnerable people with housing costs.

Thank you again for your letter. I hope you find this information helpful.

Yours


RT HON STUART ANDREW MP

Developing a tourist accommodation registration scheme in England: call for evidence

<https://www.gov.uk/government/consultations/developing-a-tourist-accommodation-registration-scheme-in-england/developing-a-tourist-accommodation-registration-scheme-in-england-call-for-evidence#background>

Survey: https://dcms.eu.qualtrics.com/jfe/form/SV_6PtIKXkMQK513M

Email: tourism-accommodation-registration-scheme@dcms.gov.uk

Notes:

- Seek to limit responses to no more than 6 pages. If go beyond 6 pages, provide executive summary.
- No strict word limit – suggested keep to under 500 words.
- Make clear where any data used is market sensitive.
- Detailed, quantitative evidence is encouraged to provide robust estimates of the costs and benefits of any policy.
- Closes 21 September

Questions:

1. Are you responding as an individual or on behalf of an organisation?
South Hams District Council We have also contributed to the Devon wide response to this consultation.
2. What category of responded are you?
Local Authority
3. Do you want the evidence you provide to be published when the government publishes a summary of the evidence collected through this process?
Yes
4. Are you able to provide us with evidence illustrating the size and nature of the short-term and holiday letting market in England and/or its regions, and how that has changed over time?
Tourism remains a significant industry in the South Hams accounting for approximately 22% of the local economy. We wish to continue to welcome visitors to our beautiful part of the world as much as possible, however the challenges of homes for people who live and work in the area has never been more acute. Appended to this questionnaire is a list of the Parishes in the South Hams and the number of properties in each, which make up both second homes and self-catering holiday properties. (Appendix 1) In places such as Salcombe this accounts for 30%. The data source of this information is the Council Tax Base, which is the Authority's only evidential measure of second homes and holiday lets. However we also know through Salcombe Neighbourhood plan that the real number is ~57%, clearly demonstrating the lack of accurate data sets available to Councils. Another example of this is Thurlestone, where door to door evidence collected for the neighbourhood pan, demonstrated there were at least 39% holiday accommodation (2017) yet the council tax data does not reflect that.

Additionally as the data is only available on a parish basis, with a number of villages and hamlets classed under the same parish, this data does not show the granularity of the issue. For example the challenge of Hope Cove a hamlet in the parish of South Huish where it is believed the second home and holiday let markets makes up 69% of properties is hidden under the wider parish figure – which it is also believed is an underestimate. (Source South Huish Neighbourhood plan)

The table below illustrates the change in NDR (Business rated property) between Aug 19 and Aug 22 Whilst the overall number has risen by 10.1%, 27.1% of this was in the holiday lets (NDR self-catering) category and now make up 30.2% of the NNDR properties in the South Hams

Date	NDR Property	NDR Self Catering Assessments	Percentage
Aug-19	5,766	1,507	26.1%
Aug-22	6,351	1,916	30.2%
<i>Increase (Number)</i>	<i>585</i>	<i>409</i>	
<i>Increase (Percentage)</i>	<i>10.1%</i>	<i>27.1%</i>	

5. What do you consider to be the main benefits of short-term and holiday letting for:

- a) Homeowners
- b) Consumers
- c) Businesses and the wider economy

Homeowners

When the Government introduced changes in the tax system for Landlords, short term lets were seen as a lucrative alternative by a number of Landlords, largely because the reforms did not consider the short-term market. The rise of the staycation has made short-term letting very profitable for homeowners.

The covid business support grant schemes also provided a major benefit to homeowners renting out holiday accommodation. In the South Hams we estimate over a third of the £85.9m spending on the various schemes went to owners of holiday accommodation. Whilst it is not in doubt that Easter trade was lost, the South Hams, then saw one of its busiest Summer's ever with nearly every available accommodation fully booked

Consumers

Certainly having a wide choice of accommodation options is beneficial for consumers, looking for a different type of holiday experience.

Business and the wider economy

The visitor economy makes up 22% of the district's economy. The sector employs many seasonal workers in the restaurants, bars and visitor attractions; however many have struggled with staffing this past season, with a number having to restrict their opening hours as they simply did not have enough staff.

6. How do you assess levels of compliance with regulations on:

- a) Fire safety
- b) Gas safety

c) Health and safety

d) Food and drink

within the short-term and holiday letting market in England?

- **Option 1 - Compliance is very good**
- **Option 2 - Compliance is good**
- **Option 3 - Compliance is fair**
- **Option 4 - Compliance is poor**
- **Option 5 - Compliance is very poor**

None of the above

There is little evidence the Council holds regarding this issue, as complaints are not routinely reported to us as they frequently are with longer term private rented property. If homes are let through the agencies, we understand there are health and safety inspections, however when letting through an online platform such as Airbnb there is no way of knowing whether a property meets minimum standards. One of the challenges with Airbnb is the anonymity of the property. This lack of oversight of these properties means that the fire service will also struggle to ensure fire safety standards are being complied with.

The biggest single issue is that there is no regulatory framework in which these properties operate. A registration system would allow better insight into the health and safety of these properties.

7. Do you consider there to be a problem with breach of contractual agreements in the short-term and holiday letting market in England? If so, why?

- **Option 1 - Yes, this is a major problem**
- **Option 2 - Yes, but this is only a minor problem**
- **Option 3 - No, there is no problem**

Option 1 – Yes this is a major problem

Whilst not perhaps the intention of the question, we believe the biggest contractual breach is around whether a property operates as a holiday let or is actually a second home, taking advantage of the small business rate relief and paying no business rates and no council tax.

We welcome the closure of the loophole and a move to evidence led approach to prove it is available for 140 nights and actually let for 70 nights or more. We are concerned with the lack of information from the Valuation Office as to how this will work in practice.

Locally we believe there might be a small issue with previous social housing (lost through the RTB) being used as short-term letting accommodation. This is a breach of the Devon covenant and We would like to do more around this to understand the extent of the problem, but it is resource intensive.

8. Do you consider there to be other legal provisions concerning the supply of short-term and holiday letting to paying guests which are not covered elsewhere in this call for evidence but where there are issues with awareness, compliance and/or enforcement?

- **Option 1 – Yes**
- **Option 2 – No**

Option 1 – Yes

We suspect there is an issue with a number of properties where planning permissions were granted for ancillary buildings (use for the main dwelling only), such as a studio over a garage or a large shed in a garden that are being let out as holiday accommodation. It is almost impossible to police due to the anonymity of Airbnb bookings and would require significant resource in planning enforcement teams to even understand the extent of the problem.

Waste services are also affected by people not paying their fair share for a proper commercial collection, or to pay the correct additional fee for us to collect on a domestic round. We regularly review this but again because of the anonymity of these properties it is difficult to identify them.

We also have evidence, where guests have left properties and taken their holiday household waste to the nearest public litter bin, and when challenged they explain these are the instructions for them on vacating. This has a significant impact, filling them up unnecessarily and causing litter problems.

9. Do you consider the increase in short-term and holiday letting in England to have had adverse consequences on the housing market?

- **Option 1 - Yes, this is a major problem**
- **Option 2 - Yes, but this is only a minor problem**
- **Option 3 - No, there is no problem**

Option 1 Yes this is a major problem.

South Hams declared a housing crisis in September 2021 and a number of our actions concern lobbying the Government around reforms around the short term housing market. A copy of this declaration is attached at Appendix 2.

Our overall expenditure on temporary accommodation is estimated to double what was spent in 21/22 with stays in temporary accommodation significantly longer and the reliance we have on holiday accommodation and B&B mean we have competed with tourists and have paid more in nightly rents. We are increasingly seeing 2 income families, who do not have the money available to rent privately, nor the ability to find somewhere presenting to the council for advice and assistance.

A search on right move for 3 bed houses to rent in the South Hams in September 2022 found 17 properties.

- None were available at the local housing allowance of £728 per calendar month.
- 1 property was available at £750pcm
- 11 properties were available between £995 - £1550
- 5 properties were available between £1650pcm and £2500

Local wages – 19.6% below the English national average salary (ONS) cannot afford these prices.

The average house price to earnings for people who are buying is 11.3 times their wage.

What this has meant is migration to the more urban areas in neighbouring areas such as Torbay and Plymouth as people are unable to afford to live locally in the South

Hams. Whilst this has a knock-on effect on recruitment for most industries, where it is felt most keenly is in the care sector. Across Devon there are 1600 vacancies in care jobs. People cannot be discharged from hospital because there are inadequate care packages available. The cost of living and in particular fuel prices mean that carers are reluctant to travel to very rural areas and the lack of sustainable transport means that care home workers are unable to work the shifts needed as there is no way to return home. The lack of affordable housing locally in both the private and social housing sector contribute significantly to this crisis.

Whilst it is unfair to suggest the only reason for the South Hams housing crisis is the rise in holiday accommodation and second homes, it is a significant part of the problem and there is ill feeling locally between people who have lived here all their lives and have been priced out entirely, and second home and Airbnb hosts whose properties can be unoccupied for a large proportion of the year.

The ability to work from home since the pandemic has further exacerbated the issue with people relocating completely to the South Hams. The Council does not hold data on this, however anecdotally we believe it is a significant issue – pushing up demand for housing in general and reducing availability.

10. Do you consider noise, anti-social or other nuisance behaviour in short-term and holiday lets in England to be a problem? If so, why?

- **Option 1 - Yes, this is a major problem**
- **Option 2 - Yes, but this is only a minor problem**
- **Option 3 - No, there is no problem**

Option 1 – yes this is a major problem

Whilst the complaints regarding anti-social behaviour rarely are presented to the Council's Environmental Health Team, it is obvious that living next door to holiday accommodation – particularly large houses designed for large numbers of guests will have disruption. Often the permitted number of guests will be the same as a hotel, but without the onsite management and supervision.

These houses often have outdoor entertaining spaces which can mean late night rowdy behaviour which can be disruptive to other residents trying to go about their daily lives.

Local authorities have asked for new powers to control holiday lets through the planning process, specifically a requirement to apply for planning consent to change from permanent residential use to holiday use. That would allow the LPA to assess issues such as detriment to the amenity of neighbours etc as material planning considerations. As an alternative or addition, a licensing scheme that allows the council to assess the risk of noise etc and allows a council to review a licence if issues are being caused would be useful. That would be similar to the regime for licensed premises.

11. Aside from the impacts on housing and incidents of anti-social/nuisance behaviour, do you consider the increase in short-term and holiday letting in England to have had other adverse impacts on local communities and residents?

- **Option 1 - Yes**
- **Option 2 – No**

One of the challenges for South Hams is the issue of fairness, and the belief that people using facilities should pay their fair share. Whilst the Government has gone some way to close the council tax/business rates loophole, we believe more could be done.

We will be considering charging 200% Council Tax for the owners of second homes if the levelling up and regeneration bill is enacted, so that the Council can be reimbursed for some of its additional expenditure supporting homeless households.

As part of the answer to Q 9 – The care crisis across the County, is contributing to prolonged stays in hospital for people who could otherwise go home. Our care workers are some of the lowest paid in the Country and the lack of affordable accommodation options because of the demand for holiday accommodation and second homes is surely a contributing factor to the challenges in care.

12. Which of the following do you consider to be the most appropriate form of response in the short-term letting market?

- **1 - Do nothing**
- **2 - Provide more information to the sector**
- **3 - Develop a self-certification registration scheme**
- **4 - Develop a registration scheme with light-touch checks**
- **5 - Develop a licencing scheme with physical checks of the premises**
- **6 - Regulatory alternative to a registration system, such as extension of the Deregulation Act 2015**

Please give reasons for your answer, including why you consider other options to be inappropriate.

Are there other options that should be considered?

In South Hams we would like to see developed a licencing scheme with physical checks of the premises, (option 5) however in high areas of second homes and holiday lets we would go as far as suggesting an extension to the deregulation act, and short term lets only being available for 90 days might be enough of a deterrent to short term landlords. (Option 6)

However, what is clear is the lack of a consistent data source held by local authorities or other regulatory bodies on the numbers of holiday lets. Whilst a registration scheme, either self-certification or light touch, will provide better data in the long run, it will do nothing to control either the number of holiday lets where they threaten to saturate a community or to control how holiday lets are used.

A licencing scheme based on the schemes successfully delivered by local authorities in respect of gambling establishments and pubs etc would ensure that not only holiday lets are brought into the awareness of regulatory bodies, but it would give councils, who have the knowledge of their local communities, the power to license appropriate premises and, more importantly, the power to review a license where an operator is not managing it appropriately.

That scheme should however be supplemented by other measures such as the requirement to apply for planning consent for change of use where residential premises are converted to holiday lets. This would give Councils control over the number of holiday lets and prevent areas becoming saturated.

What we have seen in our local housing markets is the problem of volatility across the wider system in which there is no local control. Whilst the Pandemic significantly increased demand for holiday accommodation there is a lag in demand in supply due to the illiquidity of the housing markets. We are now seeing that demand has shifted down as supply has increased. We face another shock in terms of the cost of living crisis and we believe this will cause a slight correction in the margins as more property comes back on to the short-term emergency accommodation market or long term private rent but the illiquidity remains.

We are undertaking some work with our Devon colleagues to look at the whole housing market through a Housing Commission to consider the demographic pressures we will continue to face and the short-term and holiday letting market will be part of this debate.

13. What do you consider to be the costs and associated burdens of these options, who would bear the costs and how might they be mitigated?

We believe that the cost of a licensing scheme should be borne by the industry in the same way as other licensing schemes operated by the council. Given the wide variation in numbers of holiday lets across the country, licensing fees should be set locally on a cost's recovery basis similarly to hackney carriage fees.

14. Do you have any insight or evidence on the impact of schemes that are already running, or approaches taken elsewhere in the world?

The Government should also look at the measures taken by many of our European neighbours and examples such as the Mallorca sustainable tourism tax to help areas such as the South Hams, be able to cope with the high influx of seasonal visitors, and the increased call on public resources and conserving our natural environment.

There is no evidence to suggest that this tax has not worked as a deterrent and an additional 120million euros are raised each year as a result of this initiative in Mallorca alone.

If a tourism tax of just 50p per visitor per night was levied in the South Hams it could raise an additional £1,190,500 based on the level of overnight visitors in 2019 (2,381,000 – Source Visit Devon The Economic Impact of Devon's Visitor Economy 2019) This money could be spent in the local area making improvements for visitors, as well as helping address the Housing Crisis and other rural challenges.

15. What has been the impact of the Deregulation Act 2015, specifically changes made by section 44 to the Greater London Council (General Powers) Act 1973?

South Hams has considered the deregulation act and has called for its extension to areas such as ours to attempt to make long-term renting more attractive to landlords.

We believe that it has not been successfully managed in London, as it is not enforced, and the penalties aren't sufficient enough. Airbnb has played its part in trying to address the issue, but landlords attempting to evade the rules, can move to an alternative platform to continue to let their property for longer than 90 days.

We would like to see a licensing scheme, extension to the deregulation and a sustainable tourist tax to address the local challenges.

Please also consider the potential use and impact such stipulations may have in other areas of the country.

APPENDIX 1 COUNCIL TAX BASE SOUTH HAMS JULY 22

Parish Name	CT Banded Property	CT 2nd Homes	NDR Self Catering Assessments	% Total 2nd Homes	% Total Self Caterin Assessments
Ashprington	235	23	9	9.43%	3.49%
Aveton Gifford	439	40	15	8.81%	3.13%
Berry Pomeroy	558	13	4	2.31%	0.70%
Bickleigh	1,675	14	4	0.83%	0.24%
Bigbury	380	108	73	23.84%	14.96%
Blackawton	442	29	23	6.24%	4.88%
Brixton	1,220	12	2	0.98%	0.16%
Buckfastleigh	121	11	3	8.87%	2.27%
Buckland Tout Saints	103	10	4	9.35%	3.54%
Charleton	298	20	5	6.60%	1.57%
Chivelstone	210	75	22	32.33%	7.72%
Churchstowe	272	18	5	6.50%	1.72%
Cornwood	483	9	1	1.86%	0.20%
Cornworthy	185	20	8	10.36%	3.90%
Dartington	974	10	4	1.02%	0.41%
Dartmouth	3,328	519	454	13.72%	11.80%
Dean Prior	93	6	1	6.38%	1.01%
Diptford	266	12	9	4.36%	3.24%
Dittisham	286	76	39	23.38%	10.77%
East Allington	367	33	13	8.68%	3.25%
East Portlemouth	151	64	30	35.36%	13.95%
Ermington	410	12	5	2.89%	1.18%
Frogmore & Sherford	253	23	24	8.30%	8.70%
Halwell & Moreleigh	243	16	8	6.37%	3.09%
Harberton	655	33	7	4.98%	1.02%
Harford	38	3	3	7.32%	7.32%
Holbeton	315	18	12	5.50%	3.60%
Holne	145	6	5	4.00%	3.31%
Ivybridge	5,179	28	1	0.54%	0.02%
Kingsbridge	3,086	160	58	5.09%	1.79%
Kingston	196	23	13	11.00%	5.94%
Kingswear	796	180	88	20.36%	9.02%
Littlehempston	106	4	2	3.70%	1.82%
Loddiswell	575	27	9	4.62%	1.50%
Malborough	652	92	58	12.96%	7.80%
Marldon	1,034	19	6	1.83%	0.57%
Modbury	952	41	4	4.29%	0.40%

Newton Ferrers	1,052	122	50	11.07%	4.26%
North Huish	217	9	21	3.78%	9.29%
Rattery	222	6	2	2.68%	0.88%
Ringmore	122	23	8	17.69%	5.52%
Salcombe	1,707	613	282	30.82%	12.16%
Shaugh Prior	370	4	1	1.08%	0.27%
Slapton	284	42	39	13.00%	11.96%
South Brent	1,349	28	12	2.06%	0.87%
South Huish	398	155	129	29.41%	23.33%
South Milton	232	58	14	23.58%	4.83%
South Pool	106	30	6	26.79%	4.41%
Sparkwell	657	13	0	1.98%	0.00%
Staverton	362	10	6	2.72%	1.61%
Stoke Fleming	690	101	58	13.50%	7.33%
Stoke Gabriel	759	45	22	5.76%	2.74%
Stokenham	1,199	173	88	13.44%	6.41%
Strete	291	38	6	12.79%	1.82%
Thurlestone	651	189	57	26.69%	6.79%
Totnes	4,352	119	22	2.72%	0.49%
Ugborough	1,116	19	12	1.68%	1.06%
Wembury	1,559	198	26	12.49%	1.48%
West Alvington	299	21	11	6.77%	3.44%
Woodleigh	100	10	6	9.43%	5.45%
Yealmpton	1,065	20	7	1.87%	0.65%
TOTAL	45,880	3,853	1,916	8.06%	3.85%

APPENDIX 2 DECLARATION OF THE HOUSING CRISIS

In response to the almost complete lack of any rented accommodation available for six months or longer that local people and those working in the area can access, and the excessive rise in house prices locally due to second home-owners and those moving in from other areas since the pandemic, which has made house prices completely inaccessible for the great majority of local people, South Hams District Council resolves to declare a Housing Crisis.

It is fortunate that we have a new Housing 5 year Housing Strategy and Housing Actions in Better Lives for All, but as an expansion of them South Hams District Council should:

1. Lobby government through our MPs and the LGA to allow council tax to be charged on plots with planning permission after a determined period, even if they haven't been built out, so that developers are encouraged to build out sites without delay.
2. Lobby government through our MPs and the LGA to review the regulation of holiday accommodation, to ensure all holiday accommodation is suitably regulated and made subject to local planning policies and taxes. We should appeal to Airbnb for a 90-day rule as applicable in London and lobby DLUHC for a separate planning class for short term lets and a proper licensing system to cater for them.
3. Institute an immediate thorough review by the council of all holiday lettings in the District, including, but not restricted to, whether they have planning permission, whether they are paying council tax or business rates, as appropriate, for the accommodation, whether they comply with safety regulations, and to ensure they are paying appropriately for waste disposal.
4. Ask the JLP Team to review the thresholds and percentages of affordable housing on sites, and whether it would be appropriate at the Plan Revision to increase these so that the percentage of First Homes imposed by the government becomes in addition to the present 30% affordable homes rather than part of it.
5. Promote regular Landlord Forums and run a further campaign to publicise the advantages to landlords of Seamoor Lettings.
6. Work closely with our main Registered Providers to ensure best occupancy of stock, so that where tenants are prepared to downsize, not only are they given a priority banding to be able to access a smaller property but support to help them move available.
7. Use some of the affordable housing reserve to increase payments made to anyone downsizing to help make moving more attractive and affordable.
8. Use any Section 106 affordable housing contributions as soon as possible to help fund developments anywhere in the District where the terms of the Section 106 Agreement permit this.
9. Campaign for changes to the Broad Market Area to better reflect the costs of rents in the South Hams.
9. Promote the development of an exemplar site of low carbon modular housing such as ZEDpods, to show that developments like this can be both stylish and great to live in. They can offer many advantages over traditional build and could help, amongst other things, to alleviate the shortage of one bedroomed accommodation in the District."

10. To actively seek opportunities to invest in Council owned social housing with high sustainability specification, to support those on a low income who are unable to afford 'affordable' rental housing;
and
11. To lobby Government to allow local councils to be able to charge up to 200% Council Tax on second / holiday homes as they do in Wales

Report to: **Executive**

Date: **1st December 2022**

Title: **Waste and Recycling Services Update**

Portfolio Area: **Lead Member for waste and recycling services – Cllr Baldry**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **10 December 2022**

Author: **Steve Mullineaux** Role: **Director, Customer Service Delivery**

Sarah Moody **Assistant Director Waste, Recycling & Operations**

Contact: **Email: Steve.mullineaux@swdevon.gov.uk**

RECOMMENDATIONS:

That the Executive:

- 1. Notes the successful transfer of the service, the improvement in service performance and the key operational risks that the service is operating under.**
- 2. Endorses the approach to improving the service throughout the transitional period set out in Section 4 of the report.**
- 3. Notes the work underway to build a comprehensive budget forecast for the current operating phase and prepare financial projections of the service beyond the transition phase.**

1. Executive summary

- 1.1** This report follows the recommendations and decisions taken by the Executive on 21 September 2022 (minute E.33/22 refers). The minute stated that a further report be brought back to the Executive at its 1 December 2022 Meeting on the progress of the transition period and the costs incurred to date on the service transfer.

- 1.2 Section 3 of the report details how the service has been successfully transferred to the Council and the subsequent improvement in performance, whilst detailing some of the day-to-day challenges.
- 1.3 Due to the significant number of known risks and the likelihood of considerable unknown risks, the Council's ambition was that that within the first few months of the service transfer, service performance would be comparable with that of the previous contractor. Section 3 of the report demonstrates that the performance of the service has been significantly better than anticipated.
- 1.4 Section 4 explains the approach the Council is taking to deliver service through the transition phase and the key risks.
- 1.5 Section 5 notes that the budgetary position currently remains within the cost envelope agreed by Council on 14 July 2022.

2. Background

- 2.1. At its meeting on 14 July 2022, Council agreed to terminate the contract by mutual agreement, resulting in the transfer of all services currently provided under the contract back to the Council with effect from 3 October 2022 (Minute 24/22 refers).
- 2.2. At its meeting on 21 September 2022, the Executive recommended to Council (Minute E.33/22 refers) and on 22 September 2022 Council approved (Minute 35/22 refers), the approach to the transfer of the service set out below and the next steps to improving the service. The key priorities being:
 - a. The safe transfer from FCC to the Council on day one.
 - b. A period of stabilisation to ensure that residents receive a reliable service. (Known as the transitional period of up to 9 months)
 - c. To improve recycling collections within the District. (Known as the improvement phase which will last up to 18 months).
- 2.3. The Executive agreed with the Cross-Party Waste Working Group that in considering options for the service that the service provided to residents:
 - i. Does not deteriorate further
 - ii. That any service change results in minimum disruption to residents
 - iii. That the existing workforce is reassured over the change in management and control.
 - iv. Enables the Council to deliver a consistent collection service following transfer as soon as possible.
 - v. Improve the service and increase recycling rates in the South Hams.

3. Service Transfer

- 3.1 The service successfully transferred on Monday 03 October 2022 and all actions outlined in the Executive report of 21 September completed on target.
- 3.2 By 05 October several operational inefficiencies were identified and resolved. As a result, the Council has:
 - a. Completed all rounds as scheduled including the garden waste service.
 - b. Reduced the number of reported missed collections
 - c. Recovered customer reported missed collections
 - d. Maintained toilet cleaning as scheduled
 - e. Collected fly-tips quicker than the previous contractor
 - f. Begun to deploy the street cleaning sweepers
- 3.3 Comparing the customer reported missed collection data across all waste streams between September and October demonstrates the dramatic improvement in service performance.



- 3.4 At the end of September all residents were advised (by Royal Mail delivered letter) that the garden waste collection service would cease on 31 October and that a subscription garden waste collection service would operate from March 2023. Residents were advised how to sign up for the new service from 01 November.
- 3.5 Whilst the performance of the service has exceeded all expectations, Members and indeed the public need to recognise that there will be no overnight fix of all the service problems. As well as the challenge of maintaining the day-to-day operation there are a number of significant issues to be resolved, these include:

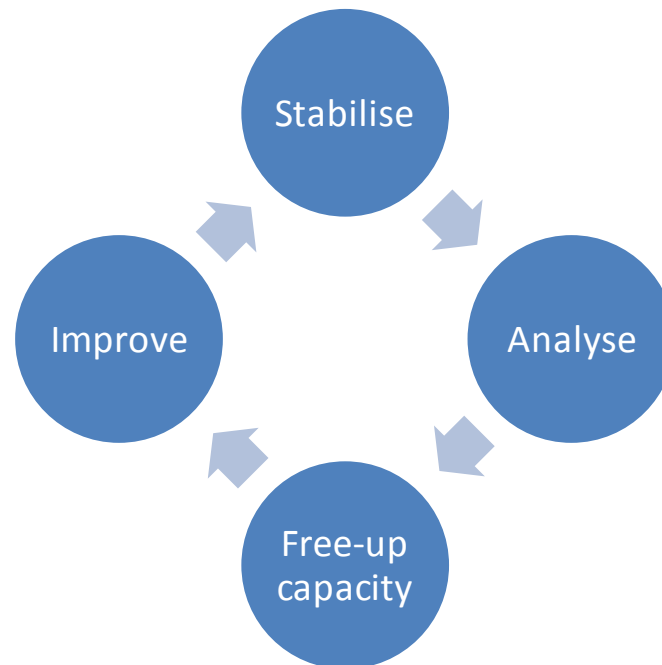
- a. The round data is incorrect and does not reflect the day-to-day operation
- b. The round design is fundamentally flawed
- c. The service is reliant on over 25% agency staff and a significant number of hired vehicles
- d. Staff pay and other terms and conditions are varied across the workforce

4. Delivering the Transition plan

4.1. The key goals of the transition phase are to:

- Improve the consistency of the service
- Improve the efficiency of the service
- Reduce the operating costs of the service
- Improve the overall resilience of the service

4.2. The short-term approach adopted by the team is illustrated below



4.3. The key priorities are:

1. Continuing to run the service and optimise the rota (vehicle and staffing)
2. Reviewing and resolving data issues
3. Designing the rounds and rolling out the Garden waste service
4. Christmas readiness and winter working
5. Undertaking round optimisation for go live in June
6. Negotiating on new Terms & Conditions
7. Training and development and Health & Safety at depots
8. Other service improvements i.e. bottle bank schedules
9. Performance management

4.4. Round Review progress

4.4.1. The original plan outlined in the 21 September report to the Executive was to deliver a smaller scale round review ahead of Christmas and then a complete round review in late spring / early summer.

4.4.2. It was anticipated that the first review would deliver some 'quick wins' reducing the number of co-mingled rounds, improving the recycling service to those properties and reducing costs. However due to the data issues and complexity of the existing rounds, Officers have concluded that risks of such a change would outweigh the benefits.

4.4.3. This is because:

- The benefits to the Council in terms of cost reduction would be negligible.
- The disruption to residents would be considerable but more importantly these residents would experience more change when the full-scale review is implemented.
- Changes would distract the current operation and could disrupt the Christmas collection schedule (the busiest time of year)
- Focus needs to be maintained on the full-scale review.

4.4.4. Despite the above the team believe that they can implement individual small-scale change on specific rounds which will deliver minimum disruption to residents and the full service but will enable improvements to be made. It is estimated that by adopting this approach that between 500-1,000 additional properties will start to receive a food waste collection before the end of March 2023.

4.4.5. Progress on the full-scale review continues at pace, with the following actions underway:

- The Council is reviewing the existing data and has commissioned a round review through a specialist provider, Integrated Skills.
- Co-mingled and Kerbside crews have been interviewed and feedback collated.
- Member, Towns and Parish feedback is also being considered in round improvements.
- A provisional date of 12 June 2023 for new round design go-live. This allows for a significant testing phase window i.e. driving all the new routes.
- A robust project and comms plan is being devised to assist with the round implementation to include education for residents.

4.5. Officers are also working on a whole range of other options to improve the overall service, including:

- Joined up working with existing Council operations team i.e. Localities etc..
- Vehicles review and procurement
- Depot set-up
- Trade/Commercial
- Environment Act & Devon waste strategy adoption
- Materials options
- Partnership working
- Robust education and communications campaign
- Policy review
- alternatives for the Devon Aligned Service (DAS) where it is operationally effective to do so and/or the costs of the DAS are excessive
- 3-weekly collections

4.6. The Council will be reviewing its policies in relation to the service. It is important that the service should operate under the following guiding principles:

For the Resident that means

- Clear and consistent
- Equitable and fair

For the Council that means

- Affordable and efficient

5. Costs

- 5.1. Considerable work is now underway to understand all the costs of the current service and a Finance Officer has been seconded into the team to help build the current operating budgets and then prepare financial projections of the service beyond the transition phase.
- 5.2. As of 01 November, initial estimates based on current costs are the service will remain within the budget anticipated for the transition phase. The costs and budget are detailed in the previous report to the Executive on 21 September 2022.

6. Recommendations

- 6.1. That the Executive notes the successful transfer of the service, the improvement in service performance and the key operational risks that the service is operating under.
- 6.2. Endorses the approach to improving the service through the transitional period set out in Section 4 of the report.
- 6.3. Notes the work underway to build a comprehensive budget forecast for the current operating phase and prepare financial projections of the service beyond the transition phase.

7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	
Financial implications to include reference to value for money	Y	As of 01 November, initial estimates based on current costs are the service will remain within the budget anticipated for the transition phase. The costs and budget are detailed in the previous report to the Executive on 21 September 2022.
Risk	Y	
Supporting Corporate Strategy	Y	Quality Council Services Natural Environment
Climate Change - Carbon / Biodiversity Impact	N	
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	
Safeguarding	N	
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	N	
Other implications	N	

Supporting Information

Appendices:

None

Background Papers:

None

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Report to: **Executive**

Date: **1st December 2022**

Title: **Motorhome Policy Review**

Portfolio Area: **Assets (Cllr Keith Baldry)**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: implement immediately

Author: **Emma Widdicombe** Role: **Principal Assets Officer**

Contact: Emma.Widdicombe@swdevon.gov.uk

RECOMMENDATIONS:

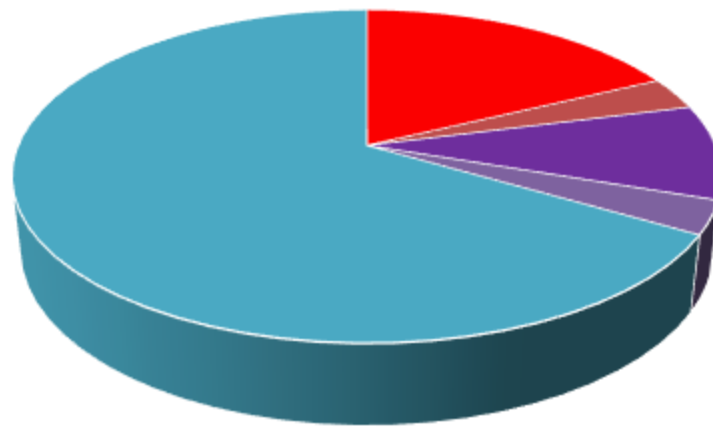
The Executive is RECOMMENDED to approve the permanent adoption of the Motorhome Policy in the following car parks only:

- **Longmarsh Car Park, Totnes;**
- **Leonards Road Car Park, Ivybridge;**
- **Poundwell Meadow Car Park, Modbury;**
- **Park & Ride Car Park, Dartmouth; and**
- **Cattlemarket Car Park, Kingsbridge.**

1. Executive summary

- 1.1 Following the Recommendations of the Executive Report made on the 27th May 2021, a pilot scheme commenced which permitted overnight sleeping within the designated car parks from June 2021.
- 1.2 Since the commencement of the pilot scheme, regular monitoring of ticket sales and the scheme impacts for example any anti-social behaviour or waste issues, has been ongoing.
- 1.3 The number of overnight stays per car park is indicated in the pie chart below.

Number of Overnight Stays Per Car Park June 2021 to September 2022



■ Park & Ride ■ Leonards Road ■ Cattlemarket ■ Poundwell Meadow ■ Longmarsh

- 1.4 The majority of issues reported during the pilot period related to anti-social behaviour in Longmarsh car park, Totnes.
- 1.5 The pilot is therefore considered successful across most of the car parks included within the pilot scheme.

2. Background

- 2.1 Recognising the growing segment of the visitor economy represented by Motorhome users, at the meeting on 27th May 2021, the Executive (minutes E.6/21) approved the variation of the Off-Street Parking Order to allow motorhome parking overnight in the following car parks only:
 - Longmarsh car park, Totnes
 - Leonards Road car park, Ivybridge
 - Poundwell Meadow car park, Modbury
 - Park & Ride car park, Dartmouth
 - Cattlemarket car park, Kingsbridge
- 2.2 The pilot scheme has been in operation for over twelve months within the nominated car parks and commenced on the 1st June 2021.

- 2.3 The motorhome policy permits self-contained motorhomes to park for a maximum stay of two consecutive nights with no return within 48 hours with a tariff of £10.00 per night in operation between 6pm until 9am.
- 2.4 Following the implementation of the policy, alphanumeric keypads were installed on pay & display machines to manage the maximum stay of two consecutive night restriction and signage was erected stating the terms and conditions of overnight sleeping, including the maximum permitted stay and encouraging users to be respectful of their surroundings.

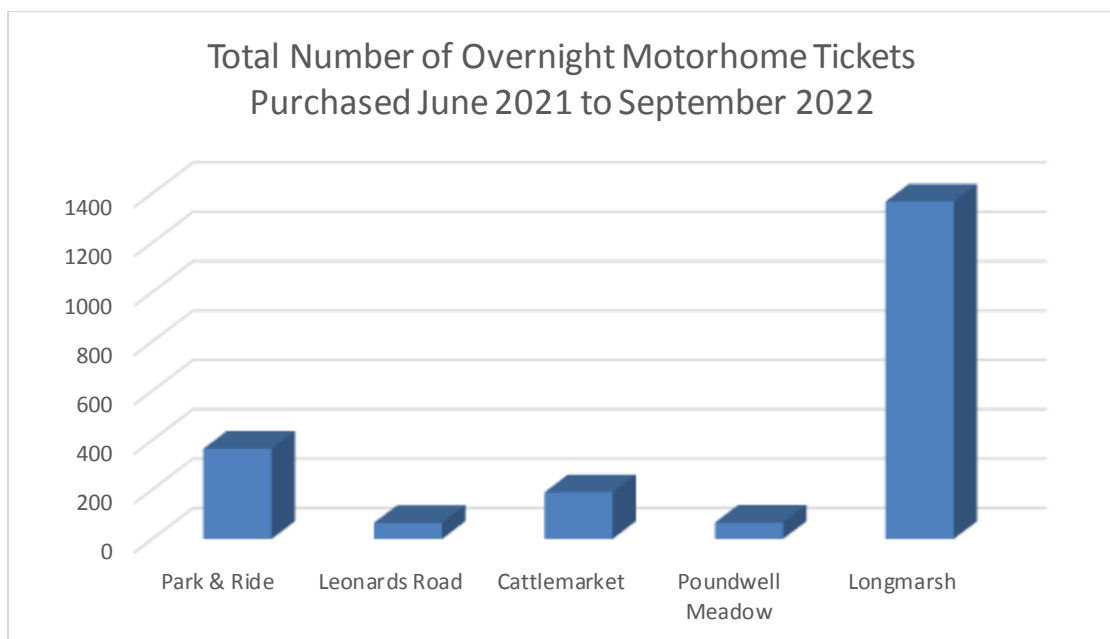


- 2.5 Enforcement visits have been carried out throughout the trial period which has included early morning and evening visits by the Civil Enforcement Officers and penalty charge notices have been issued for non-compliance.
- 2.6 Over 468 enforcement visits across all the car parks have been carried out outside of the normal enforcement times with 204 penalty charge notices issued.
- 2.7 The introduction of the policy has meant we have been able to manage overnight sleeping more effectively in our car parks and ensures we can regulate the parking of motorhomes more consistently throughout the district. It has also meant we have been able to minimise motorhomes parking in areas where access or parking may cause congestion.

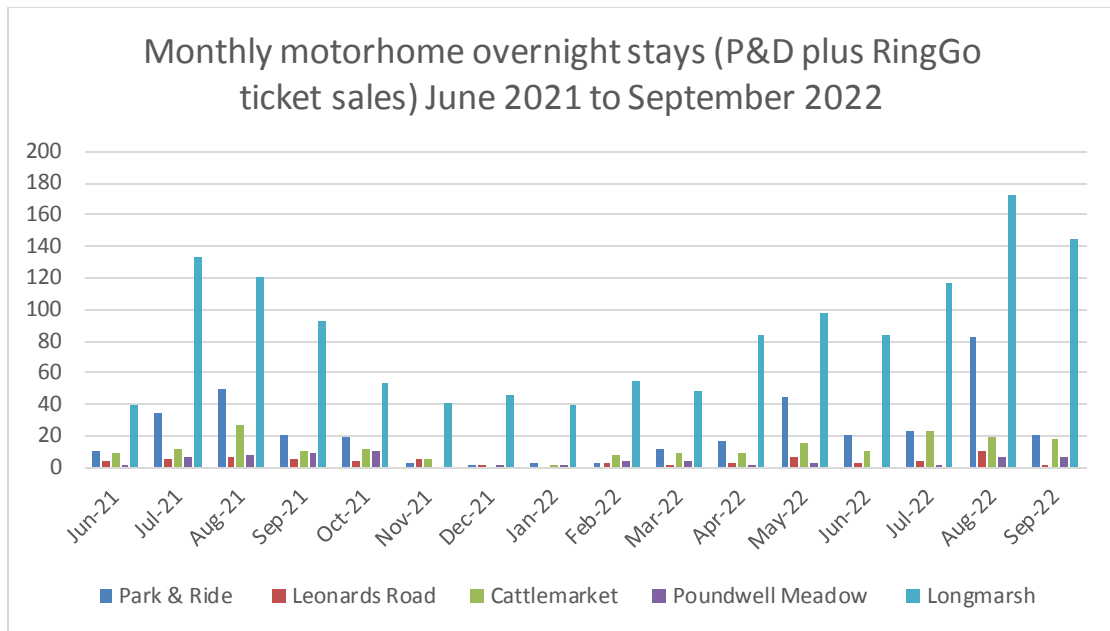
3. Outcomes/outputs

3.1 Since the pilot commenced there has been 2053 (June 2021-September 2022) overnight stays within the nominated car parks. The locations were ranked in popularity as follows:

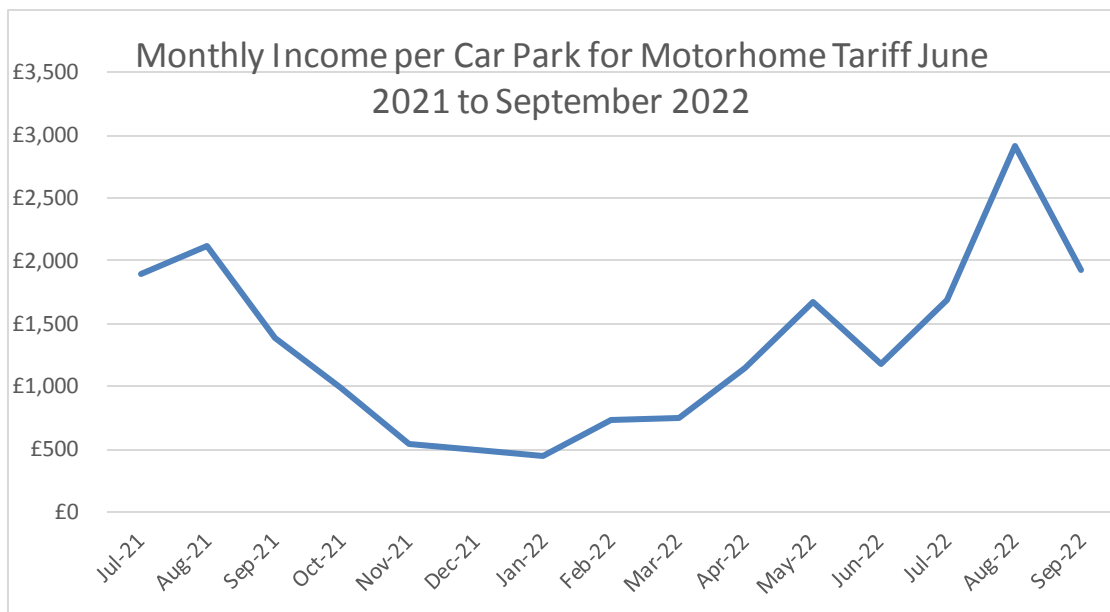
- Longmarsh car park, Totnes (1367 overnight stays)
- Park & Ride, Dartmouth (366 overnight stays)
- Cattlemarket car park, Kingsbridge (189 overnight stays)
- Poundwell Meadow car park, Modbury (66 overnight stays)
- Leonards Road car park, Ivybridge (65 overnight stays)



3.2 The pilot demonstrated that high season (June –September) saw peak usage with August 2021 seeing the maximum number of overnight stays of 291.



3.3 The monthly income generated from the policy is demonstrated in the graph below:



3.4 Throughout the pilot scheme the Civil Enforcement Officers have regularly conducted on site reports (over 1075 reports) recording the number of motorhomes parked, any waste issues, antisocial behaviour and compliance.

3.5 Officers have kept a log of all public feedback received. 51 contacts from members of the public have been received during the trial period. A summary of the feedback was as follows:

COMPLIMENTS	6
SUGGESTION POSITIVE	6
SUGGESTION NEGATIVE	19
COMPLAINTS	17
OTHER	3
TOTAL	51

3.6 Some of the advantages of the policy have been:

- Increased income for the wider visitor economy eg spending in shops, restaurants.
- Positive for tourism
- Effective management of motorhomes
- Positive news story for towns
- One user of Longmarsh stated 'they stayed 2 nights, did a litter pick around the car park, and had evening meals out as well as spending in your shops and café. I expect we spent between £150-£180 in total which your town would not have received had it not been for parking'

3.7 Some of the disadvantages of the policy have been:

- Increased antisocial behaviour and these have been predominantly at Longmarsh car park, Totnes
- Motorhomes not abiding by the terms and conditions of parking
- Some complaints from local residents regarding antisocial behaviour
- 'The idea that people with camper vans with toilets are going to use them is extremely naïve'

3.8 Longmarsh car park, Totnes has been the most popular car park for motorhome users. However, the most feedback and complaints received during the pilot has related to this location.

3.9 Throughout the pilot, Longmarsh has also been used by van dwellers as well as those legitimately utilising the car park in line with the motorhome policy. It is unclear how many of the complaints largely relating to anti-social behaviour are attributable to each group.

3.10 Work is ongoing with the Housing Team to address these issues and eviction notices have been served on those believed to be occupying the car park outside of the maximum two-night consecutive stay allowed under the Motorhome Policy.

- 3.11 Feedback from CAMpRA (Campaign for Real Aires) who has visited some of the locations has been as follows:

Longmarsh – reviews were generally positive but a few said it was expensive. Nobody mentioned that there were no waste facilities.

- 'Basic car park next to some really nice walks along the river. Toilets up the road and only a short walk into town. Very busy in the morning but it is a car park after all'.

Cattlemarket – Mostly positive responses although some people got tickets for not displaying them properly

- Stayed here 1 night just before Christmas and had no problem parking up. Toilets were not available but self-contained so no real issue. There is a bit of a hill but we parked at the bottom where its level. We'll definitely use it again (especially out of season).

Park & Ride – generally positive

- We would have stayed a 2nd night if the daytime charges did not make it expensive. We visited the castle and had cream tea in town plus spent in local shops. We topped up groceries from local store. There was noise overnight from engines being started and running, not sure if this was from the adjacent bus park or just a one off.

- 3.12 Feedback has been sought from affected Town and Parish Councils and comments received are as follows:

Dartmouth Town Council – Councillors supported the proposed recommendation to allow motorhome parking to continue permanently in the Park & Ride at Dartmouth.

Kingsbridge Town Council – Councillors reported that the trial encourage motorhomes to park along the Embankment and Quay car park and they felt we were not regularly enforcing the Quay car park which meant motorhome users arrive late in the evening and left early in the morning filling up the litter bins etc. They would prefer that the District Council supported local licence campsites in Kingsbridge rather than offering a cheaper alternative with a lack of facilities that encouraged abuse of the car parks and there was no direct economic benefit to the town from the income generated through the policy.

In response to Kingsbridge Town Councils comments, we have carried out regular enforcement of the Quay car park in conjunction with enforcing the motorhome policy at Cattlemarket. Parking of motorhomes along the Embankment is an on street enforcement function. However, by allowing permitted parking at Cattlemarket for motorhomes an active solution is provided for motorhome parking.

Modbury Parish Council – Councillors supported the proposed recommendation to allow motorhomes to continue permanently at Poundwell Meadow car park but, did express concern that if knowledge of the initiative grew there might be a possibility of unsociable behaviour.

Ivybridge Town Council – The Town Council supported the proposed recommendation and felt it was to become permanent they could actively promote it due to the lack of campsites within the area.

Totnes Town Council – The Town Council supports the continuation of overnight parking at Longmarsh car park on the basis that South Hams District Council makes longer term provision for water, toilets, showers and chemical toilet emptying at the site. This is to mitigate motorhome users emptying toilets into the hedges and river and defeciation in the area.

4. Options Available and Consideration of Risk

There are a number of options that can be consider with regards to the Motorhome Policy:

4.1 Withdraw the policy

As the policy has been considered broadly successful, is largely supported by affected Town/Parish Councils, this option is not recommended.

4.2 Continue the pilot period

The risks associated with the policy will continue to be monitored regardless. The parking order has already been implemented in order for the pilot scheme to commence and a formal process must be followed if the order is to be revoked in any event.

4.3 Permanently implement the existing policy and continue to manage the risks associated with the policy as follows:

- The enhanced team of seasonal locality officers as well as, the team of Civil Enforcement Officers will provide enforcement through penalty charge notices to those not complying with the rules and regulations. This will include out of hours visits.
- Monitor waste and any issues relating to full waste bins be reported for clearance. Litters picks will also be carried out.
- Regular monitoring to take place and be recorded for any issues reported at these car parks in relation to motorhome parking overnight.
- Signage will be reviewed and enhanced specifically at Longmarsh to emphasise the terms and conditions and code of conduct when using the car park. Additional signage will be placed at Longmarsh to enforce the rules.

4.4 **Extend the Scheme to additional car parks**

Consultation with Town Councils has not identified any sites where there is currently an appetite to include additional car parks within the policy. This will remain under review and further sites can be brought forward as appropriate in the future.

5. Proposed Way Forward

- 5.1 Having reviewed the pilot, it is proposed to permanently permit overnight sleeping in the nominated car parks with no additional facilities provided.
- 5.2 The overnight tariff will be subject to review and linked with any future parking tariff reviews. The designation of motorhome car parks would also be reviewed during this process.
- 5.3 The policy will continue to be reviewed in terms of its success and designations of car parks. It should be noted if we wish to remove permission for overnight sleeping within any of the nominated car parks a further variation to the Off-Street Parking Places Order would be required, which would require further consultation and reports to the potential for further reports to Executive.
- 5.4 For daytime parking of motorhomes the existing restrictions will remain in place whereby motorhomes are permitted to park in Longmarsh, Cattlemarket, Leonards Road, Park & Ride and Poundwell Meadow overflow car park provided they purchase a pay & display ticket for each bay in which they are parked. Charges during the day apply from 8am-6pm.
- 5.5 With regards to the installation of additional facilities within our car parks, the scheme was introduced for stopover stays on route to existing campsites in the district. This policy is not intended to compete with those sites which provide services to facilitate long term stays.

Notwithstanding this, the installation of chemical waste disposal points is being investigated and this work will be ongoing. This will be limited to those sites where there is existing infrastructure due to the costs and disturbance which necessary drainage infrastructure would require.

This proposal fits with the following priorities: Council, Communities, Environment.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>The Council's powers to provide car parks and to impose charges for their use derives from the Road Traffic Regulation Act 1984. As a matter of general principle, the Council must exercise a statutory power for the purpose for which the power was conferred by Parliament and not for any unauthorised purpose. The statutory purpose of providing car parks is relieving or preventing congestion of traffic. The Courts have recognised that authorities have "a discretion to set charges to reflect its parking policies...[and are] not restricted to levying a charge only to cover the base cost of running the scheme".</p>
Financial implications to include reference to value for money	Y	<p>It is anticipated that allowing overnight sleeping within the nominated car parks could generate an additional £15500 per annum income</p> <p>The difference between the income and expenditure on off-street car parking is used to support costs associated with the operation and maintenance of parking services, its infrastructure and the maintenance of off-street car parks. It is also used to support and provide other Council services such as street cleansing, toilets, parks and open spaces and other lawfully incurred identified expenditure.</p>
risks		<p>Without a structured policy, the Council could risk the potential for maintaining and improving parking provisions, which could jeopardise town centre vitality.</p> <p>Risks of the policy include:</p> <ul style="list-style-type: none"> • Increase waste generated within the car parks and not disposed of correctly. • With toilets with limited operational hours those that do not have self-contained units may choose to toilet outside • Chemical toilets may be disposed of through the public toilets blocking systems • Increased antisocial behaviour eg noise • Excessive number of motorhomes may create blind spots and fire hazards

		These risks will be monitored in all car parks throughout the pilot period.
Supporting Corporate Strategy		Council Communities Environment
Climate Change - Carbon / Biodiversity Impact	Y	Potential of increased emissions, waste and impact on flora and fauna
Comprehensive Impact Assessment Implications		
Equality and Diversity		No implications.
Safeguarding		No implications.
Community Safety, Crime and Disorder		No implications.
Health, Safety and Wellbeing		No implications.
Other implications		None at this stage.

Supporting Information

Appendices:

None

Background Papers:

None

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Report to: **Executive**

Date: **1 December 2022**

Title: **Devon Carbon Plan**

Portfolio Area: **Climate Change – Cllr Tom Holway**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Author: **Adam Williams** Role: **Climate Change Specialist**

RECOMMENDATIONS:

That Council is RECOMMENDED to:

- 1. endorse the ambition and objectives set out within the Devon Carbon Plan, and**
- 2. revise its Climate Change Strategy and Action Plan to show how it will contribute to delivering the Devon Carbon Plan.**

1. Executive summary

- 1.1 On the 25th July 2019 the Council Declared a Climate Change and Biodiversity Emergency and at the same time committed to collaborating with Devon County Council, all the Devon District Councils, Plymouth City Council and other agencies to address the Emergencies.
- 1.2 The Devon Climate Emergency Declaration was prepared by a consortium of public, private and voluntary organisations collaborating through the Devon Climate Emergency Response Group. It set out an ambition to tackle climate change that covers all of Devon, including those people who live, work in and visit our county, and those businesses who are based or operate here.
- 1.3 The Devon Climate Emergency Partnership was formed which includes public, private and voluntary organisations. Following an expert, evidence led process, the Devon Carbon Plan was developed which included public consultation and a Citizens Assembly.

2. Devon Carbon Climate Emergency Background

- 2.1 A range of public, private and voluntary organisations from across Devon came together on 22nd May 2019 to form the Devon Climate Emergency Response Group, to declare a climate and ecological emergency and to endorse the principles of the Devon Climate Declaration.
- 2.2 These organisations have collaborated since 2019 to develop a carbon action plan for the county, the Devon Carbon Plan. It sets out an ambition to tackle climate change that covers all of Devon, including those people who live, work in and visit our county, and those businesses who are based or operate here.
- 2.3 As part of this an independent Net-Zero Task Force was formed to help inform this plan. The Net-Zero Task Force is a collection of specialists from various fields who have expertise in topics relevant to carbon reduction and are drawn from economic, environmental, health and academic organisations, and was chaired by a leading climate expert from Exeter University. Minutes of all Net Zero Task Force meetings are published online for the purposes of transparency.

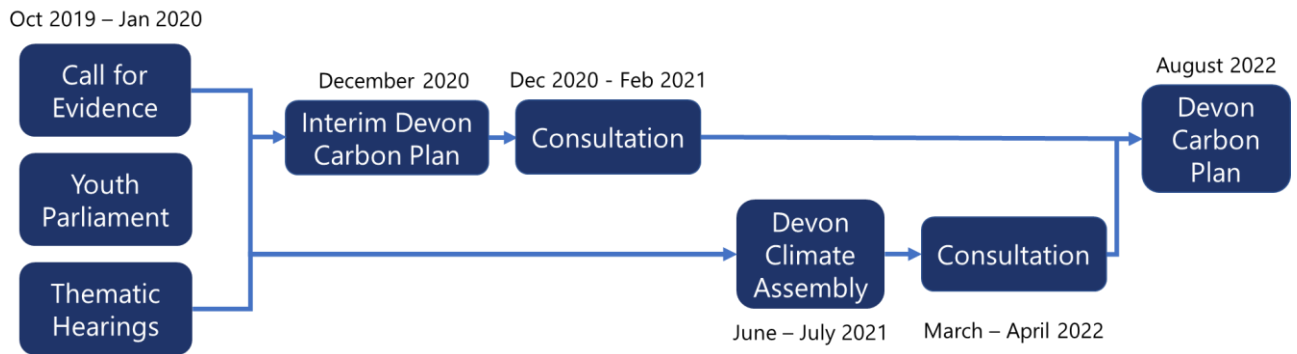
3. Devon Carbon Plan Summary and Process

- 3.1 The Devon Carbon Plan is the roadmap for how Devon will reach net-zero emissions by 2050 (at the latest). It has been built on detailed, ongoing assessments of Devon's greenhouse gas emissions.
- 3.2 It divides action to reduce Devon's emissions into five sectors: economy and resources; energy supply; food, land and sea; transport; and the built environment.
- 3.3 Creating the Devon Carbon Plan involved five main phases;
 - During the first phase, the Net Zero Task Force took a robust, evidence-led approach, with an open call for evidence from the public and organisations wishing to contribute which received 893 submissions from the public
 - Six Thematic Hearings (meetings) gathered expert input about barriers to reaching net-zero; and a Youth Parliament Climate Summit with 75 students from 15 primary and secondary schools across Devon was convened
 - Next, the Interim Devon Carbon Plan was developed. The Devon Climate Emergency Partnership asked for public feedback during a consultation which received 1322 responses.
 - The more controversial climate topics and action areas were set aside to be deliberated through a representative Citizens

Assembly which was organised and chaired by a third party in the summer of 2021.

- Following the successful completion of the Citizens' Assembly, a further public consultation took place on the actions developed in response to the assembly's recommendations in spring 2022.

3.4 A visual representation of the process is shown below



4. Citizens Assembly Summary and Background

- 4.1 Through the initial consultations on the Interim Devon Carbon Plan, communities identified some challenges which required further discussion. These were transport, wind energy and building retrofit which prior public consultation said needed further discussion.
- 4.2 A citizens' assembly was put together to put the views of the general public at the centre of Devon's action on climate change. A representative sample of 70 Devon citizens, including young people over the age of 16, were invited to take part in the Devon Climate Assembly.
- 4.3 The Sortition Foundation recruited assembly members using a process known as a 'civic lottery.' This is recognised internationally as the gold standard method for recruiting citizens' assembly members.
- 4.4 Recruitment began with inviting people from across Devon, Plymouth and Torbay to apply. 14,000 letters inviting people to register their interest in taking part were sent to randomly selected households.
- 4.5 This method of recruitment does typically tend to attract more expressions of interest from people from professional backgrounds and with higher levels of education. To help address this skewing, the Index of Multiple Deprivation was used to identify postcode areas with higher levels of deprivation and proportionately more addresses were selected in these areas.
- 4.6 Any person aged 16 or over living in a household that received an invitation were able to register their interest in participating by

telephone or online. Respondents then completed a form asking a number of questions that helped us select members so that the whole assembly was demographically representative of Devon.

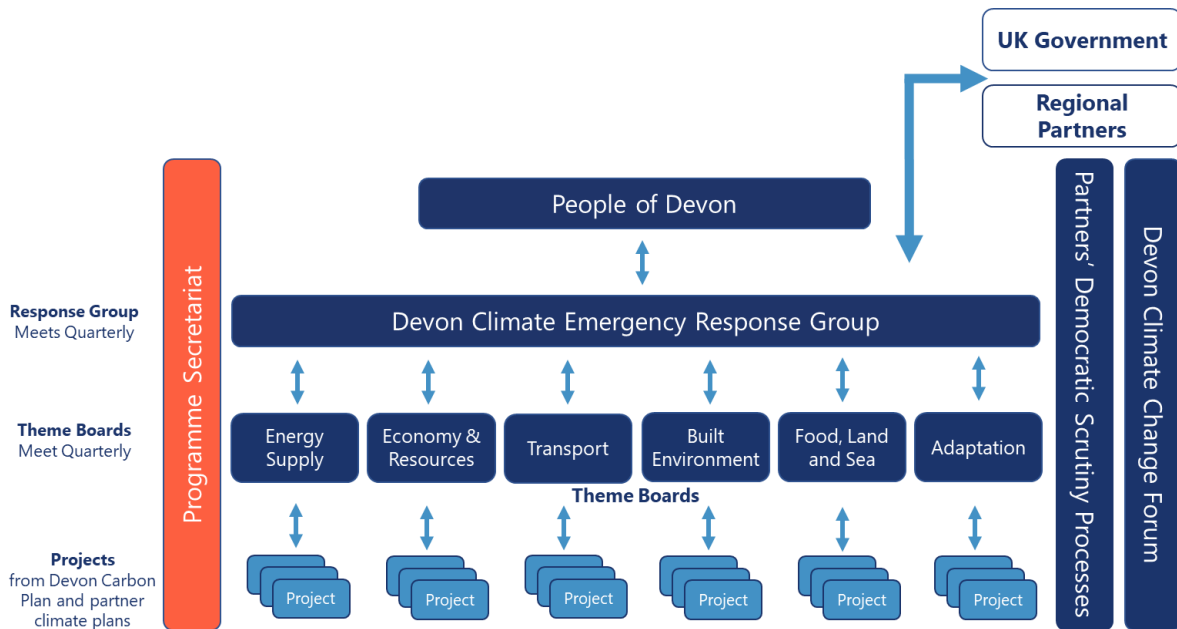
- 4.7 The Devon Climate Assembly produced 14 Resolutions across the three categories. Each resolution is attended by specific conditions, which can be found in appendix 2, the Devon Climate Assembly Report.

5. Endorsement and Impact upon the Council

- 5.1 The Devon Carbon Plan has followed a robust science led process involving thematic experts as well as including public consultation and a representative Citizens Assembly.
- 5.2 The Devon Carbon Plan action tables include columns which indicates who an action is most relevant to. Very rarely is an action relevant to a single organisation. The Devon Carbon Plan is a County carbon plan for all, where collaboration and working together is at the core of the Devon Climate Emergency Partnership.
- 5.3 The Devon Carbon Plan doesn't propose to supersede existing democratic scrutiny processes, it instead is an evidence led plan which forms a roadmap for how Devon can achieve net-zero carbon by 2050 at the latest, with an interim target of 50% reduction by 2030 below 2010 levels, and how each partner organisation can help to achieve this.
- 5.4 The Plan outlines how everyone in Devon can work together to reduce our emissions to net-zero. It highlights the barriers that need to be overcome, the resources required (whether they are existing or required) and where collaboration with national government is needed to do so.
- 5.5 Many of the actions have a degree of flexibility in their language, such as 'where possible', 'explore', 'investigate'. This isn't there to downplay the critical nature of reducing carbon emissions, rather setting out key areas of focus for each partner organisation to contribute to the 2050 net-zero target.
- 5.6 Now would be an ideal opportunity to revise this Authority's climate strategy and action plan to more closely align with the Devon Carbon Plan to set out our own areas of focus. This is explored further in section 7 of this report.
- 5.7 In terms of the governance arrangements for the plan, this is explained in section 6 below.

6. Devon Carbon Plan Governance Arrangements

- 6.1 Day-to-day implementation of projects will be managed by the organisation leading or contributing to each individual project. i.e, it is down to organisations to lead on their chosen priorities.
- 6.2 It is expected that partner organisations formal democratic scrutiny processes and climate change working groups will continue to provide challenge to the implementation and to the execution of individual projects their organisations may be leading.
- 6.3 Devon Climate Change Forum will be established to provide independent, impartial, expert oversight and advice on behalf of the people of Devon to all tiers of the governance structure. People will be invited to apply, rather than selecting participants from a known pool of people. This will help bring robustness to the processes by avoiding an 'echo chamber' and introduce a layer of balance to the process. An analogue for this is the Climate Change Committee who provide independent and impartial advice to the UK government on its responsibilities under the Climate Change Act.
- 6.4 A Governance Structure is illustrated below. However, since the publication of the plan, there has been concern that this appears too complex and bureaucratic which could slow progress, a review of this is taking place at the moment, reduce the time demand so that everyone can focus on delivery of the priorities, and to find something that enables collaborative conversations to happen between the right people and the people of Devon.



7. South Hams District Council Climate Change Strategy and Action Plan

- 7.1 Our own Climate Change Strategy predated the publication of the Interim Devon Carbon Plan as it was an ambition of this Council to establish a framework for achieving net zero soon after our declaration of a climate emergency
- 7.2 After a year and a half since adoption, the Council has made progress on some of the actions in the action plan, and some actions have been investigated and deemed unlikely to be achievable in the short to medium term. The existing Climate Change Strategy and Action Plan is also not aligned with the Devon Carbon Plan themes and contains actions that have been developed in collaboration which are missing from our own action plan
- 7.3 It is proposed that the Climate Change Strategy and Action Plan is revised and aligned with the Devon Carbon Plan with the action plan itself streamlined to defined areas of a focus for a two year period upon which another review will take place. This will ensure our focus is directed to those areas where we can have the biggest influence whilst also being able to reflect and respond to changes in national and local contexts.

8. Proposed Way Forward

- 8.1 Since declaring a Climate Change and Biodiversity Emergency, the global outlook remains poor with the Intergovernmental Panel on Climate Change (IPCC) publishing its Sixth Assessment Report showing that the vast majority of future scenarios show temperatures are on track to shoot well above 1.5 degrees (over the limit set by the 2015 Paris Agreement) but it also highlights that some of the risks associated with Climate Change can still be prevented or lessened (such as the July 2022 heatwaves and wildfires across UK and Europe) with prompt action. The cost of action still outweighs the cost of inaction.
- 8.2 The latest science from the IPCC and the UK Governments Climate Change Committee as well as real world extreme weather events have demonstrated how critical joined up action is at reducing the very worst of future climate change scenarios. The Devon Carbon Plan is a landmark piece of work for the County to help realise and achieve our aims of becoming net-zero by 2050 at the latest.
- 8.3 It is recommended that the Council endorses the Devon Carbon Plan and in doing so, it commences a review of the Council's Climate Change Strategy and Action Plan to align with the Devon Carbon Plan and set out areas of focus for this Council for the next two years.

Appendix 1 Devon Carbon Plan

Devon Carbon Plan [<https://devonclimateemergency.org.uk/view-devon-carbon-plan-full/>]

Devon Carbon Plan Quick Read Summaries [
<https://devonclimateemergency.org.uk/view-devon-carbon-plan/>]

Appendix 2 Devon Climate Assembly Report

<https://www.devonclimateemergency.org.uk/devon-climate-assembly/devon-climate-assembly-report/>

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