

South Hams Executive



Title:	Agenda						
Date:	Thursday, 25th January, 2024						
Time:	10.00 am						
Venue:	Council Chamber - Follaton House						
Full Members:	<p style="text-align: center;">Chairman Cllr Brazil</p> <p style="text-align: center;">Vice Chairman Cllr Thomas</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Abbott</td> <td style="width: 33%;">Cllr Hopwood</td> </tr> <tr> <td>Cllr Birch</td> <td>Cllr McKay</td> </tr> <tr> <td>Cllr Hodgson</td> <td>Cllr O'Callaghan</td> </tr> </table>	Cllr Abbott	Cllr Hopwood	Cllr Birch	Cllr McKay	Cllr Hodgson	Cllr O'Callaghan
Cllr Abbott	Cllr Hopwood						
Cllr Birch	Cllr McKay						
Cllr Hodgson	Cllr O'Callaghan						
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 - 20
to approve as a correct record the minutes of the meeting of the Executive held on 30 November 2023;	
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	21 - 22
a period of up to 15 minutes is available to deal with questions submitted to the Council in accordance with the Executive Procedure Rules;	
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**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD IN THE COUNCIL CHAMBER ON THURSDAY 30 NOVEMBER 2023**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr V Abbott	*	Cllr N A Hopwood
*	Cllr J P Birch	*	Cllr J McKay
*	Cllr J Brazil (Chairman) (am only)	*	Cllr D M O'Callaghan
*	Cllr J M Hodgson	*	Cllr D Thomas (Vice Chairman)

Non-Executive Members also present either in person or remotely for all or part of the meeting:
Cllrs Allen (via Teams), Bonham, Carson (via Teams), Dennis, Dommett, Long, Nix (via Teams), Oram, Pannell (via Teams), Penfold, Presswell (via Teams) Steele (via Teams) and Taylor

Officers in attendance and participating:		
All items		Senior Leadership Team; Monitoring Officer; Head of Democratic Services; Assistant Director – Strategy; Head of Communications; Principal Climate Change Officer; Head of Housing; Head of Economy & Place; Community Digital Connectivity Officer; Head of Revenues and Benefits; Assistant Director – Planning; Senior Strategic Planning Officer; South Devon AONB Partnership Manager; Principal Natural Resources and Greenspaces Officer and Plymouth & South Devon Freeport representative (via Teams)

E.31/23 MINUTES

The minutes of the Executive meeting held on 21 September 2023 were confirmed as a true and correct record.

E.32/23 URGENT BUSINESS

The Chairman informed that he had agreed that one item of urgent business could be considered at this meeting that related to an exempt report (that had been circulated to Members in advance of this meeting) titled 'Woodland Creation'. This item had been deemed urgent in light of the associated time constraints and the Chairman proceeded to advise that it was his intention for this matter to be considered at the end of this agenda (Minute E.52/23 below refers).

E.33/23 **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 and these were recorded as follows:

With regard to agenda item 7 ('Plymouth And South Devon Freeport: Report Of Task & Finish Group' (Minute E.36/23 below refers)), Cllr J Birch advised that, in his capacity as the Council's appointed representative on the Plymouth & South Devon Freeport Board, he had been granted a dispensation from the Monitoring Officer to be able to take part in the debate and vote on all matters related to the Freeport. At the invitation of the meeting, the Monitoring Officer confirmed that this statement was correct; and

Whilst a non-Executive Member, Cllr G Pannell declared a personal interest in Item 2 ('Urgent Business: Woodland Creation' (Minute E.52/23 below refers)) by virtue of his membership of organisations referenced in the exempt report. Cllr Pannell proceeded to remain in the meeting and take part in the debate thereon.

E.34/23 **PUBLIC QUESTION TIME**

It was noted that the one public question had been received in accordance with the Executive Procedure Rules for consideration at this meeting.

Prior to this question being formally asked, the Chairman exercised his discretion to enable for a resident to raise a question in relation to the adherence to planning conditions. Since this question did not comply with the adopted Executive Procedure Rules, the Chairman advised that a response would be provided to the resident outside of this meeting.

At this point, the meeting was advised that the compliant public question had been received from Mr Jim Funnell and was as follows:

"In September 2022, CPO was approved for Langage land because it was 'integral to success of the Freeport, could not be replicated anywhere else, and was policy compliant.' In the Task/Finish report this land is now optional, whilst financial projections still include Langage. What is the explanation for this discrepancy?"

In reply, Cllr Birch (the lead Executive Member for Economic Development, Commercial Strategy and Governance) stated that:

'The land, which is the subject of the question, forms part of the Language Tax site and, in September 2022 its availability for incorporation within the tax site was in doubt. This is no longer the case and thus there is no requirement for a Compulsory Purchase Order (CPO). The reference to policy compliant is in respect of the said land being zoned for employment purposes in the Joint Local Plan.'

Whilst the adopted Procedure Rules did not include the provision for Mr Funnell to ask a supplementary question, the Chairman exercised his discretion and permitted Mr Funnell to ask the following supplementary question:

'The financial projections for Langage are still included whilst the land is still optional, why is that?'

In reply, Cllr Birch committed to providing a written response to Mr Funnell on his supplementary question outside of this meeting.

E.35/23 **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 the contents were duly noted.

E.36/23 **PLYMOUTH AND SOUTH DEVON FREEPORT: REPORT OF TASK & FINISH GROUP**

The Executive considered a report that set out the recommendations of the Plymouth and South Devon Freeport Task and Finish Group that had been established by the Audit and Governance Committee.

As part of his introduction, the lead Executive Member paid tribute to the excellent work that had been carried out by the Members of the Task and Finish Group. In addition, the Member advised that, at the appropriate time, it was his intention to **PROPOSE** an alternative part 2 to the report recommendation that read as follows:

*'2. That the Executive **RECOMMEND** to Council to support the 17 recommendations set out by the Task and Finish Group in Section 2 of the published agenda report and **RECOMMEND** their acceptance by Full Council.'*

During the ensuing debate, the following points were raised:

- (a) A number of Members echoed the comments of the lead Member in respect of wishing to record their thanks to the extensive review that had been undertaken by the Task and Finish Group. Members felt that the detailed report had addressed each of the key issues and summarised that the review had concluded that, whilst there were significant risks associated with the Freeport initiative, these were outweighed by the extent of the economic benefits that were likely to be realised;

- (b) In the event of the report recommendations being approved at this Executive meeting, it was recognised that it would then be considered further at the Full Council meeting to be held on 14 December 2023, with all Members having the opportunity to debate (and vote) on the matter at that time;
- (c) Some Members raised their concerns over the Freeport concept that included:
- both the lack of public consultation on the initiative when original approval was given and the fact that the public consultation on the Council's draft Corporate Strategy only closed on the day of this Executive meeting (30 November 2023);
 - the relevance of the issues raised in the Public Question (and Supplementary) that had been raised by Mr Funnell earlier in this meeting (Minute E.34/23 above refers);
 - their feeling that the Council's investment in the project could be better spent towards the declared Climate Change and Biodiversity Emergency and Housing Crisis;
 - the Task and Finish Group conclusion that a dedicated (i.e. just for this Council) Risk Register was currently lacking;
 - the financial challenges facing all tiers of local government; and
 - the lack of all Member access to the contractual details. In reply to the request for interested Members to be in receipt of the contractual details prior to the Council meeting on 14 December, the lead Member committed to discussing this matter with the Council's Monitoring Officer outside of this meeting.

In responding to these concerns, the lead Member attempted to counter them and expressed his deep frustrations over the content of a party political leaflet that he considered to have been, at best, misleading to the general public;

- (d) Some Members highlighted the importance of the Council now looking to the future as opposed to reflecting on what had happened to date. In addition, a number of Members expressed the view that, since the Freeport project would continue irrespective of the views of this District Council, then it was preferential to remain as a fully participating partner who was able to play an influencing and shaping role rather than being on the outside.

It was then:

RESOLVED

1. That the Task and Finish Group be thanked for their considerable and in-depth work reviewing the risks and opportunities of the Freeport; and

That Council be **RECOMMENDED** to:

2. support the 17 recommendations set out by the Task and Finish Group in section 2 of the published agenda report and **RECOMMEND** their acceptance by Full Council; and
3. consider the Executive's recommendations on the report at its meeting due to take place on 14 December 2023.

E.37/23

CORPORATE STRATEGY (THE COUNCIL PLAN) & OUTLINE DELIVERY PRIORITIES

The Executive was presented with a report that provided an update on the progress made in the preparation of the draft Corporate Strategy ('The Council Plan') which included information on the public consultation response to date, recommendations on any amendments to the draft strategy, outline delivery plans and the next steps.

During the ensuing debate, reference was made to:

- (a) the re-titling of the Strategy. Members welcomed the fact that the Strategy would now be known as 'The Council Plan';
- (b) the levels of responses to the public consultation exercise. Whilst recognising the continual challenges of public consultation and engagement, Members nonetheless felt that the number of responses were particularly disappointing given the ten-week opportunity to respond which had included: a dedicated web page, social media campaign, residents e-bulletin and face-to-face promotion. In addition, if any Members had any innovative thoughts or ideas about how to improve future public engagement, then they were encouraged to let officers know;
- (c) the consultation feedback received in relation to greater clarity and the need for SMART targets to be set. Members supported these feedback strands and recognised that it had always been the intention for the detailed actions to form part of the Annual Delivery Plans that would underpin the Council Plan when it was re-presented to the next Executive meeting and Full Council on 15 February 2024;
- (d) the differing roles and responsibilities in a three-tier local government area. A Member referred to the consultation responses that had misunderstood the roles and responsibilities of a three-tier local government area and asked that a previously produced leaflet that set this out clearly be included with the annual billing letters received by residents early next year. In reply, the Leader confirmed his support for this suggestion and requested that it be explored.

It was then:

RESOLVED

1. That the consultation responses (set out at Appendix A of the presented agenda report) be noted;
2. That the updated draft Corporate Strategy (now 'The Council Plan') (as set out in Appendix B of the presented agenda report) be approved;
3. That a further meeting of each Advisory Group (and an initial meeting of the Economy Advisory Group) be held to inform the final delivery plans alongside the budget for 2024/25 and the Medium Term Financial Strategy; and
4. That a further report be brought to the next Executive meeting seeking to make a recommendation to Full Council for the adoption of The Council Plan at its meeting due to be held on 15 February 2024.

E.38/23

DRAFT REVENUE AND CAPITAL BUDGET PROPOSALS FOR 2024-25

The Executive was presented with a report that outlined a series of draft revenue and capital budget proposals for 2024/25.

In discussion, the following points were raised:-

- (a) For the benefit of recently elected Members, it was noted that this report very much sought to kick-start the draft Budget Setting process. Also, it was proposed that all non-Executive Members would have an opportunity to give detailed formal consideration to the draft 2024/25 Revenue and Capital Budget Proposals at a Budget Advisory Committee meeting in January 2024 prior to further consideration at the next Executive meeting to be held on 25 January 2024;
- (b) The budgetary pressures resulting from Homelessness and Temporary Accommodation provision were highlighted. Specifically in respect of provision for Gypsy and Traveller sites, it was confirmed that officers would continue to work with their Devon County Council colleagues and that, at a point when potential site(s) could come forward, these would be fully costed prior to being formally considered by Members;

- (c) With regard to spending requirements generated from the emerging Delivery Plans that would underpin the Council Plan, it was intended that these would be considered in conjunction with both the draft Budget Proposals at the 25 January 2024 Executive meeting. This would enable for a holistic set of recommendations to be presented to the Council meeting to be held on 15 February 2024.

It was then:

RESOLVED

1. That the forecast budget gap for 2024/25 of £146,185 (1.1% of the projected Net Budget of £13.3million) and the position for future years be noted;
2. That the Senior Leadership Team work with Executive Members to provide further options on how to close the predicted budget gap for 2024/25, for Members' consideration as part of future budget reports in early 2024 (once more detail of the Local Government Finance settlement is known);

That Council be **RECOMMENDED**:

3. to fund the one-off cost of £450,000 of the roll out of the Devon Aligned Service for kerbside waste collection on 20 November 2023, from the Business Rates Retention Earmarked Reserve in 2023/24 (NB. further details are set out in sections 3.26 to 3.29 of the published agenda report);
4. to set up an Advisory Committee comprising of all Non-Executive Members to meet in January 2024, to consider the 2024/25 Revenue and Capital Budget Proposals and make recommendations to the Executive on the Budget Proposals (NB. meeting date proposed of Thursday 11 January 2024 at 1.00pm); and
5. that South Hams District Council continues to be part of the Devon Business Rates Pool for 2024/25, subject to there being no announcements within the Finance Settlement (expected to be announced in mid-December), which in the opinion of the Section 151 Officer (in consultation with the Leader of the Council), would change this recommendation.

E.39/23

ELECTRIC VEHICLE (EV) STRATEGY UPDATE

A report was considered that recommended the adoption by Council of an updated Electric Vehicle (EV) Strategy 2023-2025.

During debate, the following points were raised:

- (a) When questioned, officers confirmed their willingness to look at the scope for installing EV charging points at community centres and parish halls. In such instances, Members felt that such arrangements would only work if the Council was able to work in partnership with local parish councils and/or village hall committees;
- (b) Whilst recognising the cost differentials, Members advised that there was now greater demand for rapid charging points and there was a consequent risk (and budget implication) that parking spaces containing 'ordinary' charging points were being left unused.

It was then:

RESOLVED

1. That Council be **RECOMMENDED** to adopt the South Hams District Council Electric Vehicle Strategy 2023-2025 (as set out at Appendix B of the published agenda report); and
2. That officers be authorised to enter into a collaboration agreement with the Devon County Council Local Electric Vehicle Infrastructure Scheme for the installation of Electric Vehicle Charging Points and to enter into a lease with the appointed supplier for a 20-year period.

E.40/23

CLIMATE CHANGE AND BIODIVERSITY UPDATE

Members considered a report which provided an update on a range of actions currently in progress to assist the Council with delivery against its Climate Change and Biodiversity commitments. The report also contained proposals to support community energy initiatives.

In the ensuing debate, reference was made to:

- a) an amendment being tabled to the meeting. By way of an amendment, an additional recommendation was **PROPOSED** and **SECONDED** as follows:

'2. That, at the end of twelve months, the success of this Fund be formally reviewed by Members before any decision is taken to extend it.'

In introducing her amendment, the Member wished to stress that she was in no way suggesting that Members could not be trusted to spend their monies appropriately nor was she wishing to create an additional onerous task on already busy officers. However, the purpose of the amendment was to enable for best practice and good ideas to be shared amongst the wider membership.

In reply to a request, it was agreed that officers would produce a summary document setting out projects that had been previously supported via the previously established Member Climate Change Fund. It was stated that this document would be particularly useful for recently elected Members.

When put to the vote, the amendment was declared **CARRIED**;

- b) the ability to generate income through Climate Change and Biodiversity initiatives. As a general point, the lead Executive Member highlighted that there were income generation opportunities for the Council that were directly attributed to Climate Change and Biodiversity initiatives;
- c) the work of the Bioregional Learning Centre. Some Members described the excellent work being conducted by the Centre and encouraged all Members to attempt to attend their exhibitions and events in the local community.

It was then:

RESOLVED

1. That £62,000 per year be allocated to establish a new Members 'Green Fund' to support community-based climate and biodiversity projects for 2023/24 and 2024/25. (NB. this is to be funded from the Climate Change and Biodiversity Earmarked Reserve);
2. That, at the end of twelve months, the success of this Fund be formally reviewed by Members before any decision is taken to extend it;
3. That it be noted that the Bioregional Learning Centre has been commissioned as a partner to conduct learning and capacity building for local climate adaptation; and
4. That the Audit and Governance Committee be requested to review the merits of awarding Yealm Community Energy a grant in the order of £100,000 to further the Council's strategic ambitions around climate change and biodiversity.

E.41/23 HOUSING POLICY UPDATE

A report was considered that provided an update on a range of initiatives being considered by the Council to help address the current Housing crisis.

The lead Executive Member introduced the report and, in so doing, stated that funding associated with the proposed 'South Hams Housing Offer' was not without risk.

In the ensuing discussion, the following points were made:-

- (a) Officers and the lead Member were thanked for the great progress that was being made towards the delivery of affordable housing provision;
- (b) A Member hoped that a mechanism could be found to ensure that public monies could be protected in the event of a Community Land Trust (CLT) ultimately being unsuccessful. For clarity, the lead Member confirmed that the proposed Housing Offer would extend to providing support to those existing CLTs.

It was then:

RESOLVED

1. That the 'South Hams Housing Offer' be launched to communities to support affordable housing delivery;
2. That an initial budget of £100,000 per year be agreed to fund the South Hams Housing Offer, to be financed from the funding identified from the review of the Capital Programme and the review of Earmarked Reserves (Council Minute 30/23 refers);
3. That the Housing Management policies (as set out at Appendix A to the presented agenda report) be agreed and that authority be delegated to the Head of Housing to make any necessary minor amendments;
4. That the Housing Management policies be reviewed every 3 years, or sooner if major changes are required; and
5. That the update and progress on the two Council-owned sites in Kingsbridge be noted.

(At this point (1.05pm), the meeting was adjourned and was reconvened at 1.30pm, with Cllr Thomas chairing the remainder of the meeting).

E.42/23 INVESTING IN OUR LOCAL ECONOMY

The Executive considered a report that provided an update on the projects that had so far benefitted from the UK Shared Prosperity and Rural England Prosperity Funds

In discussion, the following points were raised:

- (a) The importance of supporting Active Travel initiatives was noted. Also, dual-hatted Members emphasised the importance of them continuing to lobby Devon County Council with regard to the need to improve district wide bus services. Officers also informed that discussions were taking place with colleagues at Plymouth City Council and it was intended that a suite of options would be presented back to Members to increase e-bike provision and capability for residents living in the western part of the South Hams;
- (b) In respect of the cascade of information, a Member highlighted the recent communications campaign that had begun and felt it would have been helpful for Members to have been made aware of the key messages prior to this campaign being started.

It was then:

RESOLVED

1. That an all Member Briefing session be arranged at the earliest opportunity so that Members can further explore the work being delivered through the UK Shared Prosperity Fund (UKSPF) programme;
2. That the work of the UKSPF programme be disseminated and promoted to the local communities; and
3. That the Rural England Prosperity Fund Grant Policies be supported.

E.43/23 WORKING WITH OUR COMMUNITIES – OUR FRAMEWORK FOR COMMUNITY DEVELOPMENT

Members considered a report that set out how the Council intended to support community development across the South Hams.

In discussion, reference was made to:

- (a) the cross-cutting nature of community development and engagement. Members were of the view that the published agenda report represented a good starting point in what was an important subject area that was linked to every service area of the Council;

- (b) the lack of emphasis being given to investing in communities. The point was made that Members were increasingly being approached for funding support by their local communities and the need to invest had been given very little reference in the proposals. In accepting the point, officers gave an assurance that one of the key next steps that they would be working on would be developing the Capacity Building area of this project. Nonetheless, the lead Executive Member also stressed that, as a Council, Members would soon need to determine how much funding they wished to allocate towards community investment;
- (c) widespread support was expressed over the aim to improve Youth Engagement initiatives;
- (d) the proposal relating to Community Action Awards. Members welcomed this proposal and were given assurances of the intention for a similar scheme to be rolled out for local businesses;
- (e) the proposed re-allocation of locality service resource. Officers confirmed that the proposed re-allocation of duties would not have any impact upon the excellent work that was undertaken by the Council's Mobile Locality Officers.

It was then:

RESOLVED

1. That the Community Development Framework (as set out in Appendix A of the presented agenda report) be endorsed;
2. That the establishment of a new Community Development Team be endorsed; and
3. That a cost pressure of £15,000 be added to the draft budget proposals for 2024/25 onwards.

E.44/23 CAR PARKING CHARGES – UPDATE

The Executive was presented with a report that provided an update on the Council's car parking charges.

During debate, particular reference was made to:

- (a) an amendment to part 2 of the recommendation. Given the current unknowns regarding the ability (or not) to implement a two-tier pricing structure for Council car parks, an amendment was **PROPOSED** and **SECONDED** as follows:

*'That, **in principle**, a charge to car parking tariffs be implemented at such time as it can be done under a two-tier pricing structure that reduces the burden of the change for local residents.'*

When put to the vote, the amendment was declared **CARRIED**;

- (b) any impact on the existing parking permits scheme. When questioned, officers confirmed that there were no proposed changes to the existing parking permits scheme;
- (c) the principal behind a two-tier pricing structure. Whilst car parking charges had remained fixed since 2021, it was now considered appropriate to revisit them and, if possible to implement, the intention of the two-tier system would be for resident charges to be at a lower level than the equivalent charges for visitors. A number of Members stated their support for what they considered to be a fairer system of charging;
- (d) the decision-making process. Officers confirmed that any proposed increases in car parking charges would require the ultimate determination of Full Council.

It was then:

RESOLVED

1. That car parking charges be held at their current level, as set in 2021; and
2. That, in principle, a change to car parking tariffs be implemented at such time as it can be done under a two-tier pricing structure that reduces the burden of the change for local residents.

E.45/23 PLANNING ENFORCEMENT: TASK AND FINISH GROUP REVIEW

Members considered a report that provided the recommendations of the Planning Enforcement Task and Finish Group

In discussion, the following points were raised:

- (a) Especially in light of the tight time constraints assigned for the review, Members extended their thanks to their colleagues who had served on the Task and Finish Group for completing such an excellent piece of work. In the event that the Executive approved the report recommendations, it was then intended that the draft Enforcement Plan would be subject to design work and a final proof check before being published and circulated to all Members and town and parish councils;
- (b) An amendment to recommendation part 3 was **PROPOSED** and **SECONDED** as follows:

- ‘3. *That authority be delegated to the Assistant Director of Planning, in consultation with the Lead Member for Planning and the Chair of the Task and Finish Group, to update the draft Enforcement Plan (as set out in Appendix A of the presented agenda report), to include relevant powers introduced by the Levelling-up and Regeneration Act 2023.*’

When put to the vote, the amendment was declared **CARRIED**;

- (c) Officers advised that, whilst the new planning system had only recently gone live, work was ongoing to explore how it could be best exploited to ensure that Members were kept informed of cases within their local Wards. In particular, a plea was made for Members to be able to see the current stage of the process for each Enforcement case and the importance of all Members being fully engaged in the enforcement process was emphasised;
- (d) It was noted that an additional range of Enforcement related powers had been introduced via the Levelling-Up and Regeneration Act 2003. Regardless of the range of powers available, officers reiterated that the Council was always required to take a proportionate approach to enforcement action;
- (e) Whilst often a cause of great concern, Members acknowledged that time delays in enforcement cases were often attributed to legal constraints.

It was then:

RESOLVED

1. That the Task and Finish Group be thanked for their considerable and in-depth work reviewing and developing the new approach to planning enforcement;
2. That the recommendations set out by the Task and Finish Group in section 2 of the presented agenda report be noted; and
3. That authority be delegated to the Assistant Director of Planning, in consultation with the Lead Member for Planning and the Chair of the Task and Finish Group, to update the draft Enforcement Plan (as set out in Appendix A of the presented agenda report), to include relevant powers introduced by the Levelling-up and Regeneration Act 2023.

E.46/23 **SOUTH DEVON AREA OF OUTSTANDING NATURAL BEAUTY (NATIONAL LANDSCAPE) PARTNERSHIP**

Consideration was given to a report that provided an update on key aligned projects being delivered by the South Devon AONB (Area of Outstanding Natural Beauty) (now the National Landscape Partnership). The report also contained recommendations regarding the funding position for the Council as a core funding partner and host organisation.

In discussion, particular reference was made to:

- (a) the recruitment challenges in employing an additional planning resource to join the AONB. Whilst previous recruitment attempts had proven to be unsuccessful, officers had worked closely with neighbouring colleagues in re-advertising the role and it was hoped that this would lead to a more successful outcome in the upcoming months;
- (b) the service provided by the AONB Unit. A number of Members stressed that the AONB Unit provided a fantastic resource for the Council and the published report highlighted just how many different roles the team were involved in;
- (c) financial contributions from the Council to the AONB Unit. Since the Unit received a core grant allocation from the Council of £20,700 per annum and would be required to pay rent on an office space wherever it was located, a Member felt it to be slightly disingenuous for the published agenda report to state that *'as such, SHDC does not in real financial terms contribute to the core costs of the AONB'*.

It was then:

RESOLVED

1. That the scope of core and project work being undertaken by the South Devon AONB Partnership and the alignment with Council priorities be noted;
2. That an update report on these programmes be considered by the Executive in a further six months' time;
3. That the underwriting of the Life on the Edge project, to maximum financial value of £96,000, (£18,000 per year over 5 years) against the £4.2m project programme be approved; and
4. That authority be delegated to the Director of Place and Enterprise to review and amend the hosting agreement to reflect this principle and agree the partnership status of the AONB for a further 5 years in order to provide surety of funding.

E.47/23 Q3 AND Q4 WRITE-OFF REPORT 2022/23

A report was considered that informed Members of the proposal to write-off a series of debts with a value of more than £5,000 for the period from 1 October 2022 to 31 March 2023.

In discussion, a Member felt that the proposed write-offs were comparatively high when reviewed against previous reporting periods. When responding, officers agreed that the figures were comparatively high and, since the main reason for write-off was insolvency, this did suggest that the impact of the cost of living crisis was being realised.

It was then:

RESOLVED

1. That, in accordance with Financial Regulations, it be noted that the Section 151 Officer has authorised the write-off of individual debts totalling £152,139.70 (as detailed in paragraph 3 of the presented agenda report); and
2. That the write-off of the individual debts totalling £83,564.08 (as shown in Appendix A of the presented agenda report) be approved.

E.48/23 TOTNES NEIGHBOURHOOD PLAN

The Executive considered a report that sought approval for the making (adoption) of the Totnes Neighbourhood Plan.

In discussion, the following points were raised:

- (a) Congratulations were extended to every individual who had been involved in the incredibly time consuming process of reaching this point;
- (b) A Member highlighted the particularly low turnout of Neighbourhood Plan Referendums in the market towns of the South Hams and questioned whether town clerks were incorrectly advising their town councillors that they were subject to pre-election ('purdah') constraints. The Member asked if this point could be followed up with clerks outside of this meeting;
- (c) Since a number of adopted Neighbourhood Plans were soon to be required to be subject to review, officers were tasked with considering how they could best support local Groups in this process.

It was then:

RESOLVED

That the Totnes Neighbourhood Development Plan be made (adopted).

E.49/23 SOUTH MILTON NEIGHBOURHOOD PLAN MODIFICATION

Consideration was given to a report that contained proposals to modify the South Milton Neighbourhood Plan.

In discussion, the benefits of a lead officer being based full-time in the South Hams area were highlighted and the officer support that had been provided to South Milton Parish Councillors had been both invaluable and very well received.

It was then:

RESOLVED

1. That the Examiner's report for the South Milton Neighbourhood Plan Modification (as set out at Appendix A of the presented agenda report) be received and noted;
2. That each of the recommendations made by the Examiner's report and the reasons for them has been considered;
3. That the South Milton Neighbourhood Plan as proposed to be modified meets the Basic Conditions and is compatible with the Convention Rights, subject to the amendments recommended by the Examiner;
4. That the South Milton Neighbourhood Plan modifications be made (adopted) as recommended by the Examiner (as set out in the full plan and attached at Appendix B of the presented agenda report); and
5. That the Assistant Director Planning be authorised to publish the Decision Statement (as set out at Appendix C of the presented agenda report).

E.50/23 REPORTS OF OTHER BODIES

That the minutes and recommendations of the undermentioned bodies be received and approved subject to any amendments listed below:-

(a) Salcombe Harbour Board Meeting – 18 September 2023

SH.10/23 2024/25 BUDGET

RESOLVED

That Council be **RECOMMENDED** that:

1. the proposed 2024/25 Budget (as set out within the agenda report presented to the Board meeting) be approved, with it being noted that the detailed means of closing the Budget deficit (identified as being £77,000) will be considered by the Board at its next meeting (to be held on 13 November 2023); and
2. £150,000 be transferred from the Harbour's General (Revenue Account) Reserve to the Renewals Reserve as part of closing the 2023/24 Accounts, with this funding being earmarked to support the cost of replacing the moorings barge.

(b) Salcombe Harbour Board Meeting – 13 November 2023

SH.22/23 FEES AND CHARGES 2024/25

RESOLVED

That Council be **RECOMMENDED** that the proposed fees and charges (as set out at Appendix 1 of the agenda report presented to the Board meeting) be approved for implementation from 1 April 2024 in order to meet the 2024/25 Budget gap of £77,000.

E.51/23 EXCLUSION OF PUBLIC AND PRESS

RESOLVED

That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.

E.52/23 URGENT BUSINESS: EXEMPT REPORT-WOODLAND CREATION

As highlighted earlier in the meeting (Minute 32/23 above refers), consideration was given to an exempt (and urgent) report that provided an update on opportunities in connection with delivery against the Council's emerging Corporate Plan, with regard to net zero and the declared Climate Change and Biodiversity Emergency.

In debate, since the Leader of Council was no longer in attendance, it was felt appropriate for part 4 of the report recommendation to be deferred at this time.

Members proceeded to express their support for the proposals that were contained within parts 1, 2 and 3 of the report recommendations and it was then:

RESOLVED

1. That land be acquired (as set out in exempt Appendices B and C of the published exempt agenda report) for woodland creation through the Plymouth and South Devon Community Forest programme;
2. That the proposed expenditure (as set out in Section 6.2 of the published exempt agenda report) be financed from the resources released from the review of the Capital Programme (Council Minute 30/23 refers); and
3. That a long lease be granted in accordance with Section 1.7 of the presented exempt agenda report.

(Meeting commenced at 10.00 am and concluded at 4.15 pm)

Chairman

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTES E.36/23 (Parts 2 & 3), E.38/23 (Parts c to e), E.39/23 (Part 1) AND E.50/23 (Parts (a)1& 2 and (b)) WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 14 DECEMBER 2023, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 11 DECEMBER 2023 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 January 2024. 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 eight Councillors. Each has responsibility for a particular area of the Council's work.

- Leader of the Council with specific responsibility for Waste and Recycling; Strategic Planning; Finance and Communications – Cllr Julian Brazil
- Deputy Leader of the Council with specific responsibility for Planning; Corporate Performance Oversight; Organisational and Community Development – Cllr Dan Thomas
- Lead Executive Member for Climate Change & Biodiversity – Cllr John McKay
- Lead Executive Member for Economic Development; Commercial Strategy; and Governance – Cllr John Birch
- Lead Executive Member for Housing; Environmental Health & Licensing – Cllr Denise O'Callaghan
- Lead Executive Member for Community Services & Operations – Cllr Victor Abbott
- Lead Executive Member for Waste & Community Composting – Cllr Jacqi Hodgson
- Lead Executive Member for Service Quality – 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 January 2024

Portfolio Area	Report Title and Summary	Lead Member / SLT Lead / Report Author	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Leader	<p>Title: Council Plan 2024/28</p> <p>Purpose: To recommend to Full Council the adoption of the Plan and supporting annual delivery plans.</p>	Cllr Brazil / Andy Bates / Neil Hawke	Report of the Assistant Director – Strategy & Organisational Development	25 January 2024	
Leader	<p>Title: Draft Revenue and Capital Budget Proposals 2024/25</p> <p>Purpose: To consider a report that sets out a draft set of Revenue and Capital Budget proposals for 2024/25.</p>	Cllr Brazil / Lisa Buckle	Report of the Section 151 Officer	25 January 2024	
Housing, Environmental Health & Licensing	<p>Title: Housing and Homeless Strategy – Action Plan</p> <p>Purpose: To enable the Committee to receive an update from the lead member for Housing.</p>	Cllr O’Callaghan / Chris Brook / Issy Blake	Report of the Head of Housing	25 January 2024	
Climate Change & Biodiversity	<p>Title: Climate Change & Biodiversity Emergency Verbal Update – Standing Agenda Item</p> <p>Purpose: To enable the Committee to receive a verbal update from the lead Member for Climate Change & Biodiversity.</p>	Cllr McKay / Drew Powell / Adam Williams	Report of the Director for Strategy & Governance	25 January 2024	
Leader	<p>Title: Support for Care Leavers</p> <p>Purpose: To consider a report that sets out a range of measures to support Care</p>	Cllr Brazil / Andy Bates / Andy Wilson	Report of the Chief Executive and Head of Human Resources	25 January 2024	



Portfolio Area	Report Title and Summary	Lead Member / SLT Lead / Report Author	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
	Leavers, including into employment with the Council.				
Leader	<p>Title: Council Tax Discounts and Council Tax Reduction Scheme 2024/25</p> <p>Purpose: To consider a report that seeks to recommend to Council a series of Council Tax Discounts and a revised Council Tax Reduction Scheme for 2024/25</p>	<p>CLlr Brazil / Steve Mullineaux / Geni Hotchkiss</p>	<p>Report of the Head of Revenues & Benefits</p>	<p>25 January 2024</p>	
Leader	<p>Title: Discretionary Rate Relief and Corporate Debt Policies</p> <p>Purpose: To consider a report that presents updated Discretionary Rate Relief and Corporate Debt Policies for approval.</p>	<p>CLlr Brazil / Steve Mullineaux / Geni Hotchkiss</p>	<p>Report of the Head of Revenues and Benefits</p>	<p>25 January 2024</p>	
Leader	<p>Title: Revenue Budget Monitoring Report to Month 7</p> <p>Purpose: To consider a report that presents the Council's Revenue Budget Monitoring position to Month 7.</p>	<p>CLlr Brazil / Lisa Buckle / Pauline Henstock</p>	<p>Report of the Section 151 Officer</p>	<p>25 January 2024</p>	
Leader	<p>Title: Capital Programme Monitoring Report to Month 7</p> <p>Purpose: To consider a report that presents the Council's Capital Programme Monitoring position to Month 7.</p>	<p>CLlr Brazil / Lisa Buckle / Pauline Henstock</p>	<p>Report of the Section 151 Officer</p>	<p>25 January 2024</p>	



Portfolio Area	Report Title and Summary	Lead Member / SLT Lead / Report Author	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Leader	Title: Quarter 1 and Quarter 2 Write-off Report 2023/24 Purpose: To consider a report that seeks to write-off a number of debts that are deemed to be irrecoverable from Quarters 1 and 2 in 2023/24	Cllr Brazil / Lisa Buckle / Geni Hotchkiss	Report of the Head of Revenues and Benefits	25 January 2024	
Waste and Community Composting	Title: Waste Services Update Purpose: To consider a report that provides a service update on Waste.	Cllr Hodgson / Steve Mullineaux / Sarah Moody	Report of the Deputy Chief Executive	7 March 2024	
Leader	Title: Joint Local Plan Review Purpose: To consider a report that provides an update on the Joint Local Plan.	Cllr Brazil / Chris Brook	Report of the Strategic Planning Manager (Joint Local Plan)	7 March 2024	
Leader	Title: Revenue Budget Monitoring Report to Month 10 Purpose: To consider a report that presents the Council's Revenue Budget Monitoring position to Month 10.	Cllr Brazil / Lisa Buckle / Pauline Henstock	Report of the Section 151 Officer	7 March 2024	
Leader	Title: Capital Programme Monitoring Report to Month 10 Purpose: To consider a report that presents the Council's Capital Programme Monitoring position to Month 10.	Cllr Brazil / Lisa Buckle / Pauline Henstock	Report of the Section 151 Officer	7 March 2024	



Portfolio Area	Report Title and Summary	Lead Member / SLT Lead / Report Author	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Leader	<p>Title: Discretionary Housing Payments Policy</p> <p>Purpose: To consider a report that seeks approval of a revised Discretionary Housing Payments Policy.</p>	<p>Cllr Brazil / Steve Mullineaux / Pauline Henstock</p>	<p>Report of the Head of Revenues and Benefits</p>	<p>7 March 2024</p>	
Deputy Leader	<p>Title: Conservation Area Appraisal – Dartmouth</p> <p>Purpose: To consider a report that seeks to adopt the proposed new Conservation Area Appraisal for Dartmouth.</p>	<p>Cllr Thomas / Drew Powell / Ali Wagstaff</p>	<p>Report of the Assistant Director: Planning</p>	<p>7 March 2024</p>	
Community Services & Operations	<p>Title: Dartmouth Health Hub Off-Street Parking Order Amendment and Park and Ride Contract Award</p> <p>Purpose: To consider a report that presents the results of a six-month review into the Dartmouth Health Hub Off-Street Parking Order amendment and that seeks to award the Park and Ride Contract</p>	<p>Cllr Abbott / Chris Brook / Emma Widdicombe</p>	<p>Report of the Principal Assets Officer – Buildings, Parking and Public Conveniences</p>	<p>7 March 2024</p>	
Climate Change & Biodiversity	<p>Title: Climate Change & Biodiversity Emergency Update – Standing Agenda Item</p> <p>Purpose: To enable the Committee to receive an update from the Lead Member for Climate Change & Biodiversity that will include consideration of the draft Climate Adaptation Strategy.</p>	<p>Cllr McKay / Drew Powell / Adam Williams</p>	<p>Report of the Director for Strategy & Governance</p>	<p>7 March 2024</p>	



Portfolio Area	Report Title and Summary	Lead Member / SLT Lead / Report Author	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Housing, Environmental Health & Licensing	<p>Title: Progress Update on Housing Projects</p> <p>Purpose: To enable the Committee to receive an update from the lead member for Housing.</p>	CLlr O’Callaghan / Chris Brook / Issy Blake	Report of the Head of Housing	7 March 2024	
Leader	<p>Title: Brixton Neighbourhood Plan</p> <p>Purpose: To consider a report that provides a progress update on the Brixton Neighbourhood Plan.</p>	CLlr Brazil / Drew Powell / Graham Swiss	Report of the Senior Strategic Planning Officer	7 March 2024	
Leader	<p>Title: Staverton Neighbourhood Plan</p> <p>Purpose: To consider a report that provides a progress update on the Staverton Neighbourhood Plan.</p>	CLlr Brazil / Drew Powell / Graham Swiss	Report of the Senior Strategic Planning Officer	7 March 2024	
Economic Development; Commercial Strategy; and Governance	<p>Title: Freeport: Progress Update</p> <p>Purpose: In accordance with the Council resolution, to consider a quarterly progress update on the Freeport project.</p>	CLlr Birch / Chris Brook	Report of the Director of Place & Enterprise	18 April 2024	
Climate Change & Biodiversity	<p>Title: Climate Change & Biodiversity Emergency Update – Standing Agenda Item</p> <p>Purpose: To enable the Committee to receive an update from the lead Member for Climate Change & Biodiversity.</p>	CLlr McKay / Drew Powell / Adam Williams	Report of the Director for Strategy & Governance	18 April 2024	



Portfolio Area	Report Title and Summary	Lead Member / SLT Lead / Report Author	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Housing, Environmental Health & Licensing	Title: Progress Update on Housing Projects Purpose: To enable the Committee to receive an update from the lead member for Housing.	Cllr O'Callaghan / Chris Brook / Issy Blake	Report of the Head of Housing	18 April 2024	
Economic Development; Commercial Strategy; and Governance	Title: UK Shared Prosperity Fund Updates Purpose: To consider a report the provides a progress update on the UK Shared Prosperity Fund	Cllr Birch / Chris Brook / Chris Shears	Report of the Head of Economy and Place	TBC (Summer)	
Climate Change & Biodiversity	Title: National Landscapes Purpose:	Cllr McKay / Chris Brook / Roger English	Report of the National Landscapes Manager	TBC (Summer)	

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Report to: **Executive**

Date: **25 January 2024**

Title: **The Council Plan 2024 –28 and Annual Delivery Plan for Year 1**

Portfolio Area: **Councillor Julian Brazil
Leader of the Council**

Wards Affected: **All**

Author: **Andy Bates** Role: **Chief Executive**
Neil Hawke **Assistant Director Strategy**

Contact: Directors@swdevon.gov.uk

RECOMMENDATIONS:**That the Executive:**

- 1. CONSIDER The Council Plan 2024-2028 as set out in Appendix A and Year 1 (2024/25) delivery plan in Appendix B;**
- 2. RECOMMEND that Council adopt 'The Council Plan' and delivery plan at its meeting on 15 February 2024; and**
- 3. RECOMMEND to Council to approve the funding for the 2024-25 delivery plan (as set out in section 4.2 of this report).**

1. Executive summary

- 1.1 The Executive considered an updated draft of The Council Plan at its meeting on 30 November 2023 and agreed to hold a further meeting of Advisory Groups to inform the delivery plan for the 2024/25 financial year.
- 1.2 Following meetings of the Advisory Groups, work has continued with Executive Lead Members to refine actions in the delivery plan.
- 1.3 A final version of The Council Plan and delivery plan for 2024/25 are set out in Appendix A and Appendix B to this report.

2. Background

- 2.1 The Council Plan sets out our longer-term ambitions for the district. To support the ambitions, we have developed thematic delivery plans for each of the key priority areas, which together form the delivery plan, covering the period from 1 April 2024 to 31 March 2025.

- 2.2 The thematic action plans have been developed by Executive Lead Members in consultation with officers and have been informed by Advisory Groups open to all Members of the Council.
- 2.3 The delivery plan ensures that our resources are aligned to supporting Members' priorities and that our residents are clear about what we will do on their behalf. Wherever possible SMART (Specific, Measurable, Achievable, Relevant, Time-bound) targets have been developed to enable the Council to monitor progress against the plan.
- 2.4 Once adopted by Council, the delivery plan will be subject to regular monitoring, annual updates and reporting through the Executive and the Overview and Scrutiny Committee.

3. The Council Plan implementation and Performance Management

- 3.1 To ensure that the Council remains on track with delivering its plans, the final delivery plan considered by Council will include an outline of the performance management framework for the Council.
- 3.2 The performance management framework sets out how the Council plans and organises its resources to achieve its vision and priorities.
- 3.3 Now that the Executive have developed delivery plans, managers are ensuring that their service plans for the coming year align to those aims and ambitions. In turn, service plans will inform individual employee's objectives for the coming year which will ensure the whole organisation is aligned with the plan.
- 3.4 The framework will also set out how we will monitor progress against delivering the plans and ensures that there is clear accountability and clarity on corporate performance reporting.
- 3.5 In summary, the performance management framework sets out that monitoring will be through a broad bundle of processes including:
 - a) A formal review process of Quarterly Integrated Performance Management reports to Executive;
 - b) An updated suite of service key performance indicators (KPI's) which will be reported to Overview and Scrutiny
 - c) Thematic action plan reports to Overview & Scrutiny Committee.

4. Resource Implications

4.1 At its meeting on 21 September 2023, the Executive considered the outcome of a review of Earmarked Reserves and the Capital Programme. This report identified £1.541m of Earmarked Reserves which are potentially available to support the delivery of the emerging Council Plan and £1.013m of capital resources. These are one-off amounts, so £2.554million in total. This was subsequently approved at Council on 28 September 2023 (Minute CM 30).

4.2 The delivery of The Council Plan represents an overall financial commitment of £4,591,789 for 2024/25, with £3,591,789 financed from existing resources and £1,000,000 of new monies allocated from the £2.554million set out in 4.1 above. The allocation against each theme area for the 2024/25 financial year is as follows:

Theme	24/25 Financial Year	
	<i>To be financed from £2.554m identified in 4.1 above (£)</i>	<i>To be financed from existing core budgets and grants (£)</i>
Climate and Biodiversity	500,000	168,000
Housing	100,000	2,308,789
Community Services	120,000	200,000
Economy and Jobs	75,000	598,000
Core Services	100,000	302,000
Community Development	55,000	15,000
Contingency	50,000	
TOTAL (£4,591,789)	£1,000,000	£3,591,789

The analysis between Revenue and Capital expenditure is as below:

Revenue expenditure	£650,000	£899,362 (of which £551,362 is UKSPF revenue funding)
Capital expenditure	£350,000	£2,692,427 (of which £1.99m is Government grant funding and £0.7m is S106 funding)
TOTAL (£4,591,789)	£1,000,000	£3,591,789

It is recommended that the £650,000 of revenue expenditure is funded from the £1.541m of Earmarked Reserves (as per the Executive report of 21 September) which were identified as being available to support the delivery of the emerging Council Plan. In addition, it is recommended that the £350,000 of capital expenditure is funded from the Capital Receipts Reserve (this is the £1.013m of capital resources identified for The Council Plan).

4.3 The resourcing set out above delivers on the Council Administration's commitment of allocating £500,000 a year on responding to the Climate and Biodiversity crisis. During the current financial year (2023/24), £330,000 of pre-identified funding has been available to support climate and biodiversity projects. Any balance of this funding remaining at the end of the financial year will be carried forward to support future activities.

5. Proposed next steps

5.1 That the Executive consider The Council Plan at Appendix A and Annual Delivery Plan at Appendix B; making any amendments prior to recommending it for adoption by full Council at its meeting on 15 February 2024 alongside the revenue and capital budget for 2024/25.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council Plan is one of the plans and policies that comprise the Council's Policy Framework. Consequently, decisions to approve, adopt or amend the final Council Plan and themes will be decisions of the Full Council.
Financial implications to include reference to value for money	Y	<p>The report recommends an overall financial envelope for each theme based on the actions set out within the delivery plan.</p> <p>The delivery of The Council Plan represents an overall financial commitment of £4,591,789 for 2024/25, with £3,591,789 financed from existing resources and £1,000,000 of new monies allocated from the £2.554million set out in 4.1 and 4.2 above.</p> <p>This has been referenced in the draft Revenue Budget for 2024/25 being considered by Executive today.</p>

Risk	Y	Having an agreed corporate plan ensures that Council resources are aligned to delivering on agreed priorities and plans. There is a risk that the plan is not agreed when finally considered by Council however this is mitigated through our consultation and engagement activity and by forming cross-political party Advisory Groups to shape The Council Plan and delivery plans.
Supporting Corporate Strategy	Y	This report sets out the progress in developing the four-year strategy for the Council.
Consultation & Engagement Strategy	Y	The Council Plan and delivery plans have been refined following a ten-week consultation and engagement period with the public and partners.
Climate Change - Carbon / Biodiversity Impact	Y	The Council Plan sets out our primary commitments to tackling climate change and increasing biodiversity. The investment in the Climate and Biodiversity Theme is shown in 4.2 of this report. Further detail is in 4.3 of this report.
Comprehensive Impact Assessment Implications		
Equality and Diversity		Equality and Diversity Implications have been considered for The Council Plan and overall contribute to a positive impact for our residents. Equality Impact Assessments will be carried out for specific projects within the delivery plan as they commence delivery.
Safeguarding		No direct implications – specific implications will be considered alongside the delivery of specific projects within the plan
Community Safety, Crime and Disorder		No direct implications – specific implications will be considered alongside the delivery of specific projects within the plan
Health, Safety and Wellbeing		No direct implications – specific implications will be considered alongside the delivery of specific projects within the plan
Other implications		None at this stage

Supporting Information

Appendices:

- Appendix A – The Council Plan
- Appendix B – Annual Delivery Plan 2024-25

Background Papers:

- Executive -Corporate Strategy (The Council Plan) & Outline Delivery Priorities – E37/23

<https://democracy.swdevon.gov.uk/documents/s31071/Corporate%20Strategy%20The%20Council%20Plan%20Outline%20Delivery%20Priorities.pdf>

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The Council Plan 2024-2028

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South Hams
District Council

Introduction from the Leader

The South Hams is a unique and glorious place to live. It has a landscape second to none and vibrant towns and local communities that make it very special.

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However, dig below the surface and there are worrying underlying trends and sources of concern. The serious lack of affordable housing and soaring rents are causing real hardship as well as damaging the local economy.

We have an ageing population with all the care and support needs that implies. There are pockets of real deprivation as well as issues of rural isolation and loneliness.

Our local infrastructure is inadequate and not serving the needs of communities or the local economy. The effects of climate change and biodiversity loss are already knocking at our door.



Cllr Julian Brazil

Leader
South Hams District Council

I am pleased to be able to set out our plan for how we intend to deal with these fundamental issues and urgently work toward a realistic vision of the South Hams as a place with the best environment for people and for nature and which is resilient in the face of an increasingly uncertain future.

To deliver on our ambition, we have developed four key policy areas. These policy areas are not independent but, are designed to form part of a coherent programme and each policy will contribute to our climate change and biodiversity loss agenda. They will aid the building of sustainable, resilient communities across the South Hams.

We must be ambitious and driven. Rather than settle for being part of the pack, we should lead the pack; developing positive and ambitious policies that others can follow.

Of course, none of this can be achieved on our own. At the heart of The Council Plan, is the need to work in partnership with communities and to involve them in all aspects of the work of the Council and the journey ahead.



Our priorities



We have four key focus areas for the next four years, with our ambitions around Climate and Biodiversity being a consideration through everything we do.

We also know that we cannot achieve these aims alone. Working with our communities, and where possible, supporting them to achieve their own local ambitions will also be an important consideration for the Council.



Working together to support the best environment for people, business and nature.



Cllr John McKay
Executive Member
for Climate & Biodiversity

Why Act?

July 2023 – highest global air temperature since records began.

2020 Greenhouse Gas Emissions across South Hams – 745 ktCO₂e.

15% of species are threatened with extinction from Great Britain.



Climate & Biodiversity

Our Ambition

There is a Climate Emergency and while the South Hams contributes an insignificant amount to global warming, and the diffuse nature of local biodiversity loss will mean it has a very small overall effect, we have a duty to contribute to the huge challenge of Global Climate Change and to take real action now. There is an opportunity to show what can be done and have a much wider effect. The South Hams can, and should, strive to become an exemplar for what can be achieved.

Beyond doing what we can to drive down emissions, we must accept that climate change is already happening and we need to have in place a quantified strategy for adapting to changing conditions.

The Council is already starting to do a great deal with the funding it has received through the UK Shared Prosperity Fund and the Rural England Prosperity Fund, including supporting agricultural diversification and schemes to adapt the marine economy and we need to build on this. There is however a desperate need for further help from central government in terms of both funding and legislation. We will use our influence to lobby central government directly, working with other Local Authorities and organisations such as the Local Government Association to address this.

Where possible, aligning objectives with other organisations, such as the South Devon AONB, the Devon Local Nature Recovery Strategy, the Devon Carbon Emergency Response team and others, we will be able to amplify the effectiveness of the funding available.

Our Key Partners and networks

Sustainable South Hams

Climate Experts Panel

Community energy groups

South Devon AONB

Businesses



Our Primary Aims

1. Striving to achieve the necessary 12% per year reduction in eCO2 emissions across the South Hams with a 40% reduction in 4 years.
2. Target a 5.5% per year increase in biodiversity in the South Hams with a 20% increase in 4 years.
3. To form an adaption plan for the South Hams so there is a pathway to deal with the consequences of climate change.
4. To make the South Hams an exemplar for other local authority areas by showing what can be achieved.

Our Initial Actions

- Form a Climate & Biodiversity Experts' Advisory Panel.
- Implement Project Assessment tool to consider environmental and social impacts.
- Continue to fund Sustainable South Hams.
- Launch a thermal imaging camera lending scheme.
- Hold a Climate & Biodiversity Assembly.
- Promote the action taken across the South Hams to tackle the climate emergency – tell the story.
- Carry out feasibility studies on viable council car parks for solar canopies.
- Increase tree planting in urban areas, extend and improve our woodland and protect wildlife habitats.
- Set up a Councillor Environmental Fund to support community action.
- Work with a community energy group to increase availability of community owned energy within the District.
- Deliver schemes to reduce the impact of our ferry and harbour operations.



Cllr Denise O'Callaghan

Executive Member
for Housing

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Why Act?

**Average House Price
12.8 x Average Income.**

3,895 second homes.

**1,585 applicants on
housing waiting list.**



Housing

Our Ambition

Providing good quality, genuinely affordable housing is a top priority for the Council. We understand the challenges for our residents languishing on housing waiting lists because of high demand and high prices. There are plenty of houses being built across the District, but not enough of them that locals can afford.

We'll be looking to make the best use of existing housing. Through grants, we have already begun upgrading the energy efficiency in homes for people on low incomes, and helped long-term landlords improve insulation and draught proofing – but we can, and will, do more. In one of the richest countries in the world, people should have a basic right to damp and mould-free homes, in reasonable repair, and the right to redress if they don't.

In the private rental market, prices are soaring, exacerbated by rising mortgage rates, with this shortage made worse by landlords switching to more lucrative short term holiday lets.

There are already 3,895 second homes in the District and only 3,450 units of social housing – this in itself tells a story of the challenges being faced.

We will work with our Registered Provider partners and communities to get genuinely affordable housing built while supporting our most vulnerable residents find a home they can call their own, and wherever possible prevent homelessness.



Our Key Partners and networks

Registered Providers
i.e. LiveWest etc.

Private Landlords

Devon County Council

Our Primary Aims

1. Take action to ensure a good mix of the right houses, in the right places to meet the needs of residents, with a focus on affordable social housing.
2. Tackle damp and disrepair in rented properties.
3. Make sure that all new housing developments are carbon neutral as far as possible.
4. Support the housing needs of our most vulnerable residents

Our Initial Actions

- Support communities, and encourage Town and Parish Councils and landowners (such as farmers) to bring forward affordable housing schemes through Community Land Trusts and partnerships with other providers or charities.
- Review existing capital programme to make sure construction of council-owned and the existing Housing Association (HA) homes is a key part of capital spending.
- Invest in suitable property in our towns and villages to provide affordable and social rented accommodation.
- Mandate affordable and social housing as a high proportion of all new developments (Joint Local Plan (JLP) review process) and for all new homes to be primary residence only.
- Delivery of specialist accommodation and adaptations for older / or disabled residents to remain in their communities.
- Explore options for all new developments to be connected to nearest town or village by cycle routes or other means of carbon efficient transport.
- Implement holiday and second home double Council Tax as soon as we can.
- Deliver good quality temporary accommodation by accessing opportunities for grant funding (such as Local Authority Housing Fund).



Cllr John Birch
Executive Member
for Economy & Jobs

Why Act?

Supporting our 8,000 local businesses to flourish will help our residents to meet their career aspirations.

Our innovative businesses can lead the UK on crucial developments in decarbonisation, food resilience and the future of eco-tourism.

Economy and Jobs

Our Ambition

We are fortunate to have five vibrant towns in the South Hams along with a number of smaller but equally important community centres such as Modbury and South Brent.

Our ambition is to transform the South Hams economy into one which leads the way in business decarbonisation, the development of future green energy solutions, and where clean business growth is nurtured and supported. Our business community will play a significant role in meeting future food resilience in the UK, and growth within key sectors including marine, hospitality and agriculture will have a positive impact on local ecosystems, biodiversity and climate change.

We will work with the existing Plymouth and South Devon Freeport to ensure that it delivers inward investment, business growth and high-quality job opportunities to the benefit of South Hams' residents.

We will create a collaborative environment with our business community, empowering them to shape local economic policies, and Council activities including business grants and support programmes.

The Council is delivering a number of projects that directly support the economy; our UK Shared Prosperity Programme will provide targeted support for a number of important sectors including agricultural schemes such as regenerative farming, local food and drink distribution projects and a greener marine economy.

We aim, with businesses and partner organisations, to support a thriving, resilient economy that will lead on innovative solutions to national issues and provide residents with the opportunities to meet their aspirations.

Our Key Partners and networks



Devon County, Plymouth City and the Town and Parish Councils

Local Chambers of Commerce and other business led groups

Specialist business support providers

Our Primary Aims

1. Support our high streets and businesses to adapt for future demands.
2. Create an environment in which businesses in all sectors can innovate.
3. Champion for local infrastructure (including broadband) to support economic growth.
4. Further develop our active travel network to sustainably connect our communities.
5. Leverage the strength of partner organisations to develop the skills of our residents.
6. Maximise the opportunities of the Freeport and the business it brings to our area.

Our Initial Actions

- Help to transform the South Hams into an exemplar green sustainable economy.
- Develop a South Hams business forum, and support local business partnerships to strengthen the Council's understanding of local business needs through continued engagement.
- Ensure that the Council's capital programme and investment strategies focus on investment in local community projects and business opportunities.
- Bring additional funding into the area to increase support and deliver crucial infrastructure.
- Provide bespoke support to business start-ups, growing businesses and inward investors.
- Continue to operate and increase our portfolio of business units.
- Deliver our programme of UK Shared Prosperity activities including -
 - Regenerative Farming Project;
 - Decarbonisation Plans;
 - Agri-Tech Adoption Project;
 - Food and Drink Distribution Projects;
 - Marine Economy schemes.



Cllr Victor Abbott
Executive Member
for Community Services

What we deliver

Community Services include:-

- Public Spaces
- Waste and Recycling
- Grounds Maintenance
- Tree inspections
- Leisure Centres
- Car Parks
- Public Toilets

and many more!

Community Services

Our Ambition

There are many frontline council services which improve the lives of our residents and enhance public spaces. We will make sure we have the right staff, with the right tools and skills to deliver frontline services that our residents will value.

We will directly support our communities by carrying out playground checks, taking steps to discourage littering and fly-tips and carrying out environmental health checks. Our Grounds Maintenance and Property Services Teams will make sure that the parks, open spaces and buildings we own or look after, are maintained to a high standard. We'll also offer our services to our town and parish councils to do the same. At the same time, we will inspect, manage and protect more trees.

Our car parks are important for residents and visitors, from shopping in our town centres, to leisure visits to the coast. We'll work with town and parish councils to make sure we strike the right balance of cost to park while ensuring we can invest in improvements.

We know that our residents are concerned about the environment. Through our own frontline services we will make sure we do all we can to respond to these concerns including taking action to protect trees in our area. We'll also contribute to our efforts on mitigating climate change by exploring from above-car park solar panels and working with our leisure facilities provider (Fusion) to address energy use while also forming a part of our multi-faceted approach to better living.

By delivering effective frontline services, we will take steps to address our climate impact while also enhancing the wellbeing of communities across the District.



Our Key Partners and networks

Town and Parish Councils

Fusion Leisure

Voluntary sector organisations

Our Primary Aims

1. Provide good quality responsive frontline services that represent good value for money for our communities.
2. Take steps to safeguard community assets for the people of South Hams.
3. Support local leisure and community facilities and promote the development of cycle routes and open spaces.

Our Initial Actions

- Review our resident-facing frontline services to make sure they are aligned to our priorities for the District.
- Support our communities to maintain and where possible enhance the everyday facilities within the community.
- Refresh our Equality Impact Assessments when making decisions about community facilities, making sure all policies and processes are fair and do not present barriers, particularly to those with access challenges
- Develop a plan to safeguard community assets for the future.
- Work with our leisure centre provider and community groups to promote active involvement in outdoor spaces.
- Enhance our green spaces and improve street sweeping and litter picking.
- Roll out the full Kerbside recycling and food waste service across the District so that all 45,000 households in the District can reduce their non-recyclable waste and increase recycling.



Cllr Dan Thomas

Deputy Leader & Lead Member for
Planning and Enforcement Services



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Cllr Jacqi Hodgson

Executive Member for
Community Composting and
Chair of Waste Working Group



Cllr Nicky Hopwood

Executive Member for
Customer Experience
and Information
Technology



Good Quality Core Services

Our Ambition

As well as delivering our ambitions around climate, housing, economy, and frontline community services, we need to ensure that all our services, in particular those that are delivered to all households and every community, are delivered efficiently and to a good standard.

Our waste and recycling service is one which must be delivered well, and we are committed to making sure this happens. But we want to go further by taking a lead in encouraging residents to use less in the first place, and by supporting community compost schemes and other initiatives which support recycling and biodiversity, and divert waste from incineration at the energy from waste plant.

Our planning and enforcement service is incredibly important to protecting the character of the District but also enabling delivery of homes that are energy efficient and meet the needs of our residents. So, we will drive forward our plans to speed up and improve the planning process.

We will also continue to focus on improving customer access across our services, from enhancing and simplifying our online access while also making sure that those residents who cannot do it online are able to get the bespoke support they need.

Our Primary Aims

1. Make sure all residents can access the services they need easily, however they chose to do so.
2. To get things right the first time and respond.
3. To enhance services such as planning, enforcement and waste & recycling (including support for community composting).

Our Initial Actions

- Improve communication with applicants and the overall speed of planning decisions, supported by the delivery of a new online planning system.
- Develop plans to increase responsiveness of enforcement action to provide better outcomes for communities.
- Deliver on our organisational development plan which focuses on making sure we have the right skills, tools and organisational culture to meet the needs of our residents.
- Review all customer contact routes to guarantee consistency for our customers including delivery of new website.
- Make sure that our communications are clear and that residents are kept informed of important information and proposed changes that could impact them.
- Plan how we can assess the impact that our service and policy decisions have on the environment and on our communities.
- Promote community composting to communities as a way of encouraging local action in response of the Climate and Biodiversity crisis and increasing volunteering across the District.

... underpinned by

Financial Sustainability

Our financial sustainability is important to ensuring that we can deliver our priorities and good quality services to our residents. For many years local councils have received single year finance settlements. We will continue to lobby government for longer term certainty of our budgets, allowing us to make longer term plans.

Good Governance

We will make sure that we have a robust governance framework, improve scrutiny of council decision making, and that we shape our policies and strategies in consultation with our communities and key stakeholders – including transparency.

Community Development

We know that we cannot deliver a better future for South Hams alone. Our communities and the voluntary sector play a critical part in this. We will work with them and where we can, support them to deliver projects and schemes that will enhance the area for us all. We will also ensure that we invest in our own staff, making sure that they are equipped with the right skills and tools to provide responsive services.



Our contribution to a global blueprint

Adopted by the United Nations Members States in 2015, the sustainable development goals provide a shared blueprint for peace and prosperity for people and the planet now and into the future.

They are an urgent call to action by all countries, recognising that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests. This plan directly contributes to 11 of the 17 goals as highlighted throughout the document.



Want to know more?

<https://sdgs.un.org/goals>



**SUSTAINABLE
DEVELOPMENT
GOALS**

South Hams District Council supports the Sustainable Development Goals



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South Hams
District Council

www.southhams.gov.uk

						Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26			
Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments
Climate & Biodiversity													
Primary Aim 1 - A 12% per year reduction in eCO2 emissions across the South Hams with a 40% reduction in 4 years													
Climate	C1.1	Launch a thermal imaging camera lending scheme	Develop process for lending (including potential for delivering with Town / Parish Councils)	Cllr McKay	Drew Powell		£ 3,000		New				New
			Launch thermal imaging scheme with initial 4 cameras	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C1.2	Work with a community energy group to increase availability of community owned energy within the district	Make a financial contribution to Yealm Community Energy to further their work to secure a portfolio of solar farms which will generate income towards future community energy projects and climate & biodiversity initiatives	Cllr McKay	Drew Powell								
			Work with organisations such as the LGA and other Councils to lobby Government for necessary legislative changes to enable community energy generation schemes to come forward (Council 29/06/2023 Item 23/23)	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
			Complete feasibility study, working with TRESOC, for the installation of PV on leased buildings in Totnes	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
			Explore setting up a scheme to invest in community based renewable energy projects	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C1.3	Increase electric car charging points in car parks	EV strategy adopted with delivery as per strategy	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
			Install rapid EV charger to support visitor economy at Follaton House	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C1.4	Develop a network of electric bicycle hubs across the District	Explore the feasibility of a pilot e-bike hub scheme consisting of 10 hubs with 70 bike's in total spread over the hubs. Review the success of the scheme and develop plans for incremental roll out across district.	Cllr McKay	Chris Brook			£ 150,000	Shared Prosperity Funding			£ 150,000	Shared Prosperity Funding
Climate	C1.5	Carry out feasibility studies on viable council car parks for solar canopies	Dartmouth Park & Ride PV feasibility and business case preparation	Cllr McKay	Chris Brook		£ 20,000						
Climate Primary Aim 1 - Costs						£ -	£ 23,000	£ 150,000		£ -	£ -	£ 150,000	
Primary Aim 2 - A 5.5% per year increase in biodiversity in the South Hams with a 20% increase in 4 years													
Climate	C2.1	Increase tree planting in urban areas, extend and improve our woodland and protect wildlife habitats	Explore proposals for increasing biodiversity (via reduced cutting frequency) in the 14 closed churchyards that the Council has responsibility to maintain.	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
			Work with partners and parishes across the district to create a network of wildlife -corridors, and where necessary provide the means for wildlife to overcome man-made barriers such as busy roads	Cllr McKay	Chris Brook				Existing budgets/services				Existing budgets/services
			Development of Tree and Woodlands Plan including the protection of trees through TPO's	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
			Purchase of Land to support the planting of trees with contributions from Plymouth and South Devon Community Forest funding.	Cllr McKay	Drew Powell		£ 200,000		New		£ 50,000		New
			Support the planting of a tree for each resident by end of this administration (May 2027)	Cllr McKay	Drew Powell				External funds				External funds
	C2.2	Discourage the use of glyphosate herbicide by providing a service to Town and Parish Councils using alternative environmentally friendly techniques	Reviewed the possible use of Foamstream units (Hot water and degradable foam).	Cllr McKay	Steve Mullineaux				Existing budgets/services				Existing budgets/services
Climate	C2.3	Support and encourage Local Nature Reserves	Renew our commitment to supporting Devon Local Nature Partnerships	Cllr McKay	Chris Brook		£ 2,000		New				New
			Support South Devon AONB in the delivery of the 'Life on the Edge' Conservation Management Plan focused on local species recovery for 30 species of threatened invertebrates. Support including underwriting current project shortfall	Cllr McKay	Chris Brook			£ 18,000	Existing budgets/services			£ 18,000	Existing budgets/services
			Support Devon County Council to promote their 'Life on the Verge' project including highlighting the project to our communities for them to take action.	Cllr McKay	Chris Brook				Existing budgets/services				Existing budgets/services
Climate Primary Aim 2 - Costs						£ -	£ 202,000	£ 18,000		£ -	£ 50,000	£ 18,000	
Primary Aim 3 - To form an adaption plan for the South Hams so there is a pathway to deal with the consequences of climate change													
Climate	C3.1	Set up a Climate Change Working Group within the Council that will include representatives from community groups and organisations from across the district to help coordinate projects, allocate resources and to harness their expertise and energy	Climate Experts Panel		Drew Powell								
				Cllr McKay					Existing budgets/services				Existing budgets/services

The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26			
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments
Climate	C3.2	Work closely with our farming community to increase the availability of local produce, to encourage a regenerative approach, to support farm shop initiatives and to help our farmers become an important anchor in a local green economy	UKSPF Regenerative Farming, Apricot Centre and Food Distribution Project delivery	Cllr McKay	Chris Brook				UK SPF				UK SPF
			Development and implementation of a 'Keep It Local' Scheme	Cllr McKay	Drew Powell		£ 60,000		New		£ 60,000		New
			Employ a Food and Agriculture Officer to implement the keep it local scheme	Cllr McKay	Drew Powell		£ 55,000		New		£ 40,000		New
Climate	C3.4	Continue to develop effective partnerships to tackle the Climate and Biodiversity Crisis	Extend core funding for Sustainable South Hams for a further 12 months	Cllr McKay	Drew Powell		£ 45,000		New		£ 50,000		New
			Work with the Bioregional Learning Centre to deliver a climate resilience project	Cllr McKay	Drew Powell		£ 23,000		New		TBC		New
Climate Primary Aim 3 - Costs						£ -	£ 183,000	£ -		£ -	£ 150,000	£ -	
Primary Aim 4 - To make South Hams an example for other Local Authority areas by showing what can be achieved													
Climate	C4.1	Implement Project Assessment tool to consider environmental and social impacts	Review options for Project Assessment tools and seek to implement within the committee decision making process and project business cases.	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C4.2	Promote the action taken across the South Hams to tackle the climate emergency.	Develop a communications and engagement plan for Climate and Biodiversity	Cllr McKay	Drew Powell		£ 20,000		New				New
Climate	C4.3	Become a net-zero organisation (Scope 1 and 2 emissions) by 2030	Annually review carbon emissions and deveop trajectory for net zero by 2030.	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C4.4	Work with businesses to reduce plastics pollution	Work with DEFRA to implement Extended Producer Responsibility Scheme	Cllr McKay	Steve Mullineaux				Existing budgets/services				Existing budgets/services
Climate	C4.5	Set up a Councillor Environmental Fund to support community action	Increase Member Locality Budgets by £2,000 in order to support climate and biodiversity action across the District	Cllr McKay	Drew Powell		£ 62,000		New		£ 62,000		New
			Set up application process and funding conditions - including requirement for short report on outcomes and launch scheme	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C4.6	Review the Council's Climate Change action plan and develop an integrated plan with partners to reduce emissions and develop a low emissions green economy		Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C4.7	Deliver schemes to reduce the climate impact of our Ferry and Harbour operations	Monitor the impact of the hydrogen project on lower ferry and look to extend to other ferries (review wording - Sue Watts)	Cllr McKay	Chris Brook				Existing budgets/services				Existing budgets/services
Climate	C4.8	Business case propositions for decarbonising the organisation	Decarbonisation of buildings - Follaton and wider estate	Cllr McKay	Drew Powell				Existing budgets/services		£ 200,000		New
Climate	C4.9	Conversion of our Council fleet to an electric fleet	Totnes Depot EV Charging infrastructure install progress to phase 2 which includes rapid charging to be progressed	Cllr McKay	Drew Powell				Existing budgets/services		£ 50,000		New
			Complete feasibility study for fleet conversion and costs	Cllr McKay	Drew Powell		£ 10,000		New				TBC
			Follaton House - install additional EV points on track for delivery by April 2024	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C4.10	Develop and adopt a new sustainable procurement strategy to deduce the carbon footprint of Scope 3 emissions.	Strategy adopted by September 2024	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate	C4.11	Leisure Centre Decarbonisation Plans	Reduce carbon emmissions from leisure centres	Cllr McKay	Drew Powell				Existing budgets/services				Existing budgets/services
Climate Primary Aim 4 - Costs						£ -	£ 92,000	£ -		£ -	£ 312,000	£ -	
CLIMATE AND BIODIVERSITY FULL COSTS (All Aims)						£ -	£ 500,000	£ 168,000		£ -	£ 512,000	£ 168,000	

Housing

Primary Aim 1 - Take action to ensure a good mix of the right houses, in the right places to meet the needs of residents, with a focus on affordable social housing													
Housing	H1.1	Support communities and encourage Town and Parish Councils and landowners (such as farmers) to bring forward affordable housing schemes through Community Land Trusts and partnerships with other providers or charities	Create and launch the South Hams Housing Offer. This new scheme will support communities and land owners who would like to bring forward affordable housing in their area, technical advice on housing need data, site advice through funded pre-planning and some initial surveys, site massing and facilitating conversations with registered providers with a track record of working with communities.	Cllr O'Callaghan	Chris Brook	£ 100,000			New	£ 100,000			New
			Work with a delivery partner (Hastoe Homes), the Town Council and community to bring forward truly affordable housing on sites owned by the Council in Kingsbridge	Cllr O'Callaghan	Chris Brook				Existing budgets/services			Existing budgets/services	

The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26							
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments				
			The Council will work through the Devon Housing Taskforce and Devon Housing Commission to identify solutions to the housing problem in Devon, including increasing the supply of affordable housing within the District. This will include consideration of a Devon wide solution to affordable housing investment.	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
Housing	H1.2	Review existing capital programme to make sure construction of council-owned and existing Housing Association homes is a key part of capital spending	Review complete- considered by Exec in September and ongoing delivered through South Hams Housing Offer, government grant opportunities and acquisitions	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
Housing	H1.3	Mandate affordable and social housing as a high proportion of all new developments (Joint Local Plan (JLP) review process) and for all new homes to be primary residence only.	Work with partners to implement a rural housing scheme which demonstrates the ability to bring forward affordable housing schemes (Sustainable Rural Exceptions policy)	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
			Support developing emerging neighbourhood plans and update of existing plans when due.	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services				
			Review of Joint Local Plan policies to maximise delivery of affordable homes	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services				
Housing	H1.4	Maximise the impact of second homes Council Tax premium to deliver housing solutions for the district.	Countywide discussion on utilising the additional Council Tax contributions	Cllr O'Callaghan	Lisa Buckle				Existing budgets/services				Existing budgets/services				
			The Council will continue to lobby for legislative and regulatory change to address the challenges that the district faces around second homes and shortterm let holiday accommodation. Specifically, the Council will lobby for the ability to register shortterm lets and to licence them. The Council will then seek the ability to limit the number of holiday lets in a particular area when market penetration of shortterm holiday lets exceeds a given proportion of total homes. Finally, we'll continue to lobby to Support the introduction of a new use class for short term lets, and not to allow changes between the new use class and residential properties without planning permission	Cllr O'Callaghan	Lisa Buckle				Existing budgets/services				Existing budgets/services				
			Continue to lobby Government for policy / legislation so that all domestic properties are prevented from changing from business rates to prevent paying their fair share of Council Services	Cllr O'Callaghan	Isabel Blake				Existing budgets/services				Existing budgets/services				
			Policy report to Council to implement 100% premium charging	Cllr Brazil	Lisa Buckle				Existing budgets/services				Existing budgets/services				
Housing Primary Aim 1 Costs						£	100,000	£	-	£	-	£	100,000	£	-	£	-
Primary Aim 2 - Tackle Damp and Disrepair in rented properties																	
Housing	H2.1	Deliver on our Housing Standards Commitment - working with residents and social and private landlords to promote better quality housing in South Hams	Deliver a campaign to educate private and social landlords to be aware of their responsibilities by promoting good housing standards via newsletters and social media	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
			Ensure all registered providers understand requirements at an operational level	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
			Evaluate the introduction of the Social Housing Bill through to legislation and seek to carry out any opportunity that the legislation presents to improve the housing stock	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
			Provide an annual update to Members on numbers of Housing Standards issues the Council have addressed	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
Housing Primary Aim 2 Costs						£	-	£	-	£	-	£	-	£	-	£	-
Primary Aim 3 - Make sure that all new housing developments are carbon neutral as far as possible																	
Housing	H3.1	Work with agents and applicants to support compliance with the Climate Emergency Planning Statement	Lower Carbon Development secured on a site by site basis	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
Housing	H3.2	Explore options for all new developments to be connected to nearest town or village by cycle routes or other means of carbon efficient transport.	Maximising the JLP through	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
			Lobbying on building regulations etc	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services				
Housing Primary Aim 3 Costs						£	-	£	-	£	-	£	-	£	-	£	-
Primary Aim 4 - Support the housing needs of our most vulnerable																	
Housing	H4.1	Delivery of specialist accommodation and adaptations for older and/or disabled residents to remain in their communities	Review Housing strategy and JLP. Recommend to change to delivery of schemes to support older residents to stay in their communities.	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services				
			Effectively deliver schemes to support independent living (Disabled Facilities Grants) by increasing awareness of funding availability - maximising spend of available budgets	Cllr O'Callaghan	Chris Brook				£	818,789	Better Care Funding from DCC			£	818,789	Better Care Funding from DCC	

The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26			
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments
			Carry out a review of Disabled Facility Grants policy (including relaunching it as an Independent Living Support Package) to support more residents to remain in their own homes.	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services
Housing	H4.2	Support homeless households in need of temporary accommodation while investing in council owned temporary accommodation to ensure people are able to access accommodation within the District wherever possible	Delivery of a new temporary accommodation unit in Kingsbridge	Cllr O'Callaghan	Chris Brook				S106 Affordable Housing Contributions				S106 Affordable Housing Contributions
Housing	H4.3	In partnership with central Government ensure people fleeing conflict and violence from another country can find a safe haven in the South Hams.	Working with the Ministry of Defence to provide 3 units of resettlement accommodation - fit out and ready for occupation - 3 year term	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services
			Delivery of Local Authority Housing Fund properties for temporary accommodation initially for refugees (H4U / Afghan Resettlement Scheme)	Cllr O'Callaghan	Chris Brook				Properties secured in 2023/24 from existing funds (LAHF Grant/ S106 Affordable Housing etc / H4U funding)				Properties secured in 2023/24 from existing funds (LAHF Grant/ S106 Affordable Housing etc / H4U funding)
			Consider participation in LAHF Round 3	Cllr O'Callaghan	Chris Brook				TBC once detail known				TBC once detail known
Housing	H4.4	Working with Devon County Council improve the housing opportunities for care experienced young people, by offering support for them to sustain tenancies of their own and investigating the feasibility of specific housing.	Look to increase the supply of supported accommodation to meet the needs of care leavers	Cllr O'Callaghan	Chris Brook				TBC once detail known				TBC once detail known
			Monitor take up of Care Leaver Council Tax Discount scheme and deliver a further campaign to highlight availability of the discount	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services
Housing	H4.5	Review our Housing and Homelessness Strategy delivery plans for 2024/25	Delivery plans for the Housing and Homelessness Strategy will be considered by Executive in January 2024	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services
	H4.6	Improve the efficiency of the existing housing stock within the district, removing people from fuel poverty and having a positive impact on climate change	Conduct targeted activity to ensure maximum uptake of Home Upgrade Grants facilitated by the Council. Plan to retrofit 55 properties	Cllr O'Callaghan	Chris Brook			£ 990,000	Home Upgrade Grant Funding				Home Upgrade Grant Funding
	H4.7	Support Gypsy and Traveller communities within the District	Relaunch the Gypsy, Traveller and Caravan Dweller Forum and enhance by the inclusion of external partners	Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services
Investigate a number of varied options in size and location for Gypsy & Traveller sites based on need.			Cllr O'Callaghan	Chris Brook				Existing budgets/services				Existing budgets/services	

Primary Aim 4 Costs £ - £ - £ 2,308,789 £ - £ - £ 818,789

HOUSING FULL COSTS (ALL AIMS) £ 100,000 £ - £ 2,308,789 £ 100,000 £ - £ 818,789

Economy & Jobs

Primary Aim 1 - Support our Highstreets and businesses to adapt for future demands

Economy & Jobs	E1.1	Develop a South Hams business forum, and support local business partnerships to strengthen the Council's understanding of local business needs through continued engagement	Programme to deliver strategic business engagement and visits	Cllr Birch	Chris Brook				Existing budgets/services				Existing budgets/services
			Work with existing business focused groups, such as Chambers of Commerce to engage with our business communities.	Cllr Birch	Chris Brook				Existing budgets/services				Existing budgets/services
			Bring representatives from different groups and sector forums to create an overarching South Hams partnership	Cllr Birch	Chris Brook				Existing budgets/services				Existing budgets/services
Economy and Jobs	E1.2	Delivery of a community economic plan for each of our towns	Support each of our towns to develop a community economic plan, which identifies their current economic position, consults with their communities to develop a vision for the town, and then develops a series of short, medium and long term projects to move them towards their vision	Cllr Birch	Chris Brook	£ 75,000			New	£ 75,000			New
			Work in partnership with Town Councils to support them to bring forward Business Improvement Districts where there is ambition and capacity to do so	Cllr Birch	Chris Brook				included in row above				included in row above
Economy & Jobs	E1.3	Provide bespoke support to business start-ups, growing businesses and inward investors	Maintain the existing contract with Business Information Point	Cllr Birch	Chris Brook				£ 13,000	Existing budgets/services		£ 13,000	Existing budgets/services
			Deliver regular reviews of the contract and steer their activity to ensure that local needs are being met	Cllr Birch	Chris Brook				Existing budgets/services				Existing budgets/services

Primary Aim 1 Costs £ 75,000.00 £ - £ 13,000.00 £ 75,000.00 £ - £ 13,000.00

Primary Aim 2 - Create an environment in which businesses in all sectors can innovate

The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26							
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments				
Economy & Jobs	E2.1	Help to transform the South Hams into an exemplar green sustainable economy	Delivery of decarbonisation grants to businesses which have been through the UKSPF decarbonisation plans programme	Cllr Birch	Chris Brook			£ 75,000	UKSPF				UKSPF - amount depending on 24/25 balance				
			Delivery of clean diversification grants to businesses	Cllr Birch	Chris Brook			£ 75,000	UKSPF				UKSPF - amount depending on 24/25 balance				
			Delivery of community resilience grants which can include decarbonisation activities for community facilities	Cllr Birch	Chris Brook			£ 75,000	UKSPF				UKSPF - amount depending on 24/25 balance				
			Develop further projects through the town economic plans to support our local economies to adopt green practices	Cllr Birch	Chris Brook					TBC once plans developed				TBC once plans developed			
Economy & Jobs	E2.2	Ensure that the Council's capital programme and investment strategies focus on investment in local community projects and business opportunities	Review of capital programme concluded (Executive Report September 2023). Investment projects will be analysed on a case by case basis.	Cllr Birch	Chris Brook				Existing budgets/services				Existing budgets/services				
Economy & Jobs	E2.3	Bring additional funding into the area to increase support and deliver crucial infrastructure	Use Grantfinder and other tools to identify relevant funding LUF round 3 is expected to be announced within the next 12 months Be prepared to bid for whatever funding succeeds the UKSPF programme	Cllr Birch	Chris Brook				Existing budgets/services				Existing budgets/services				
Primary Aim 2 Costs						£	-	£	-	£	225,000.00	£	-	£	-	£	-
Primary Aim 3 - Champion for local infrastructure (including broadband) to support economic growth																	
Economy & Jobs	E3.1	Continue to operate and increase our portfolio of business units	Identify opportunities for future funding and development of employment sites in our district	Cllr Birch	Chris Brook				Existing budgets/services								Existing budgets/services
Economy & Jobs	E3.2	Support for Broadband connectivity	Understand the emerging Government proposals and data for the district to include rural connectivity including hard to reach properties and Project Gigabit	Cllr Birch	Chris Brook				Existing budgets/services								Existing budgets/services
Primary Aim 3 Costs						£	-	£	-	£	-	£	-	£	-	£	-
Primary Aim 4 - Further develop our active travel network to sustainably connect our communities																	
Economy & Jobs	E4.1	Finalise a 20 year plan for walking and cycling throughout the district and commence delivery	Finalise Local Cycle and Walking Infrastructure Plan	Cllr Birch	Chris Brook			£ 60,000.00	UK SPF								UKSPF - amount depending on 24/25 balance
			Adoption of plan by Council	Cllr Birch	Chris Brook				UK SPF						UKSPF - amount depending on 24/25 balance		
			Identify opportunities to improve the network	Cllr Birch	Chris Brook				UK SPF						UKSPF - amount depending on 24/25 balance		
			Bring forward cycle network improvements associated with new developments	Cllr Birch	Chris Brook			£ 300,000.00	UK SPF						UKSPF - amount depending on 24/25 balance		
Primary Aim 4 Costs						£	-	£	-	£	360,000.00	£	-	£	-	£	-
Primary Aim 5 - Leverage the strength of partner organisations to develop the skills of our residents																	
Economy & Jobs	E5.1	Develop partnerships and schemes to increase the skills of residents	Work with Learn Devon to promote training and development opportunities provided by them within the District and offer venues for training sessions	Cllr Birch	Chris Brook				Existing budgets/services								Existing budgets/services
Primary Aim 5 Costs						£	-	£	-	£	-	£	-	£	-	£	-
Primary Aim 6 - Maximise the opportunities of the Freeport and the business it brings to the area																	
Economy & Jobs	E6.1	Progress with the Freeport	Acquisition of land (ref Council Minute CM77.22 for detail)	Cllr Birch	Chris Brook				Existing budgets/services								Existing budgets/services
Primary Aim 6 Costs						£	-	£	-	£	-	£	-	£	-	£	-
ECONOMY AND JOBS FULL COSTS (ALL AIMS)						£	75,000	£	-	£	598,000	£	75,000	£	-	£	13,000
Services for Communities																	
Primary Aim 1 - Provide good quality responsive frontline services that represent good value for money for our communities																	
Services for Communities	S1.1	Look to create a single integrated Community Services and Operations team to increase service opportunity and efficiency	Develop our grounds maintenance commercial function to provide services to towns, parishes and wider community organisations	Cllr Abbott	Steve Mullineaux				Existing budgets/services								Existing budgets/services



The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26			
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments
Services for Communities	S1.2	Roll out the full Kerbside recycling and food waste service across the District so that all 45,000 households in the District can reduce their non-recyclable waste and increase recycling (move up under council services)	Commence Roll Out of Devon Aligned Services on Nov 20th . Monitor performance to demonstrate increase in recycling rates	Cllr Hodgson	Steve Mullineaux				Existing budgets/services				Existing budgets/services
Services for Communities	S1.3	Enhance our green spaces and improve street sweeping and litter picking	Invest in street cleansing services, with a bid to the Capital budget 2024/25 to trial an electric street sweeper	Cllr Abbott	Steve Mullineaux	£ 20,000			New				
			Develop a plan to communicate with and support voluntary and community groups play a role in enhancing public and green spaces - following the example of groups such as Kingsbridge in Bloom. Some examples include liaising with communities re community tidy up days etc.	Cllr Abbott	Steve Mullineaux				Existing budgets/services				Existing budgets/services
			Deliver a planned approach to street cleansing services to enable communities to plan around this – for example so that community cleansing days are complementing our own street cleansing regime	Cllr Abbott	Steve Mullineaux				Existing budgets/services				Existing budgets/services
Services for Communities	S1.4	Support our communities to maintain and where possible enhance the everyday facilities within the community	Public Toilets - Delivery of a refurbishment/improvement plan - capital improvement work and engagement with all Councillors on local toilets and any ideas on multi-use of sites.	Cllr Abbott	Chris Brook	£ 50,000			New	£ 50,000			New
			Disabled Changing Facilities - Identify future potential locations and delivery partners for delivering Changing Places facilities as per the facility in Dartmouth Health Hub	Cllr Abbott	Chris Brook				Existing budgets/services	£ 100,000			Existing budgets/services
			Address Council Play Facilities - Consider Inclusion and Accessibility as part of our programme to maintain and improve	Cllr Abbott	Chris Brook	£ 50,000			New	£ 50,000			New
			Memorial Benches - Refresh our approach and offer . Map current memorial benches across the district to inform a refreshed approach and offer. Identify possible locations for memorial benches, provide costed offering for support and maintenance	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
			Memorial Trees - Refresh our approach and offer	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
			Car Parks - Review the charging policy for Dartmouth Health Hub Car Park (Jan 2024 and June 2024) as per requirement from Executive 28th June 2023	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
			Car Parks - Implement differential charging.	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
Primary Aim 1 Costs						£ 120,000	£ -	£ -		£ 200,000	£ -	£ -	
Primary Aim 2- Take steps to safeguard community assets for the people of South Hams													
Services for Communities	S2.1	Develop a plan to safeguard community assets for the future	Hold a series of discussions with Town and Parish Councils to understand any opportunities to maximising the use and opportunity of Council assets	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
Primary Aim 2 Costs						£ -	£ -	£ -		£ -	£ -	£ -	
Primary Aim 3 - Support local leisure and community facilities and promote the development of cycle routes and open spaces													
Services for Communities	S3.1	Work with community groups to promote active involvement in outdoor spaces	Deliver on Play Pitch Strategy	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
			Develop a sport and recreation plan that reflects the needs of our communities.	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
Services for Communities	S3.2	Support the sustainable delivery of leisure services across the District	Work with our leisure provider to ensure the best possible outcomes for our residents within the constraints of the leisure market	Cllr Abbott	Chris Brook				Existing budgets/services				Existing budgets/services
	S3.3	Enhancing and investing in sports and recreation facilities through planning agreements (£106 contributions)	Ensure that developer contributions available through the planning process contribute to enhancements to sport and recreation facilities within the district.	Cllr Abbott	Chris Brook			200,000	Existing budgets/services				Existing budgets/services
Primary Aim 3 Costs						£ -	£ -	£ 200,000.00		£ -	£ -	£ -	
COMMUNITY SERVICES FULL COSTS (ALL AIMS)						£ 120,000	£ -	£ 200,000		£ 200,000	£ -	£ -	
Good Quality Core Services													
Primary Aim 1 - Make sure all residents can access the services they need easily , however they chose to do so													
Core Services	CS1.1	Review all customer contact routes to guarantee consistency for our customers including delivery of a new website	Website delivered. Seek feedback from customers as soon as they have interacted with the Council on phone or online in order to monitor satisfaction of website and specific processes.	Cllr Hopwood	Steve Mullineaux				Existing budgets/services				Existing budgets/services
Core Services	CS1.2	Strengthen resilience of Council systems to enable the council to continue to deliver services to its residents	Review all in-house IT systems and identify those that can be cloud based	Cllr Hopwood	Steve Mullineaux				Budget proposal 24/25 Additional costs of cloud hosting etc				Existing budgets/services
								£ 75,000				£ 75,000	



The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25				Preliminary Resource Requirements 2025/26								
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments					
Core Services	CS1.3	Reopen and enhance reception at Follaton House	Reopen reception with staffed desk, enhance with a community hub and ensure we take steps to deliver a dementia friendly customer experience	Cllr Hopwood	Steve Mullineaux				Existing budgets/services				Existing budgets/services					
Core Services	CS1.4	Deliver on our organisational development plan which focuses on making sure we have the right skills, tools and organisational culture to meet the needs of our residents	Participate in LGA Recruitment Taskforce focused on overcoming local government recruitment and retention challenges	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services					
			Maximise use of the Apprenticeship levy and provide work experience opportunities to students and care leavers	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services					
Primary Aim 1 Costs						£	-	£	-	£	75,000		£	-	£	-	£	75,000.00
Primary Aim 2 - To get things right the first time and respond																		
Core Services	CS2.1	Make sure that our communications are clear and that residents are kept informed of important information and proposed changes that could impact them	Monitor effectiveness of our new consultation portal (Common Place). Re-design and re-launch residents' newsletter	Cllr Brazil	Drew Powell				Existing budgets/services				Existing budgets/services					
			Increase face to face engagement with residents	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services					
Core Services	CS2.2	Develop plans to increase responsiveness of enforcement action to provide better outcomes for communities	New planning system goes live at the end of November. New enforcement policy implemented	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services					
			Enforce strict adherence to s106 and planning conditions, especially on large developments	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services					
Core Services	CS2.3	Improve communication with applicants and the overall speed of planning decisions, supported by the delivery of a new online planning system	New planning system went live at the end of November 2023. Performance will continue to be monitored. Next phase is delivery of Land Charges system.	Cllr Thomas	Drew Powell				Existing budgets/services				Existing budgets/services					
	CS2.4		Monitor and report on overall customer satisfaction with Council services	Undertake Institute of Customer Service Satisfaction Survey	Cllr Hopwood	Steve Mullineaux				Existing budgets/services				Existing budgets/services				
			Include an overview of customer satisfaction as part of refreshed KPIS	Cllr Hopwood	Drew Powell				Existing budgets/services				Existing budgets/services					
Primary Aim 2 Costs						£	-	£	-	£	-		£	-	£	-	£	-
Primary Aim 3 - To enhance services such as planning, enforcement and waste and recycling (including community composting)																		
Core Services	CS3.1	Plan and prepare for the review of the Local Plan (JLP) to ensure that this supports the Council's plan and meets the needs of our communities.	Review Climate Emergency Impact Statement (DEV32 requires all development to contribute to the 50% carbon reduction target by 2034, against a 2005 baseline, as well increasing the use and production of decentralised energy).	Cllr Thomas	Drew Powell	£	100,000											
			Housing Position Statement	Cllr O'Callaghan	Chris Brook													
			JLP review preparation and work programming	Cllr Thomas	Drew Powell													
									New	£	100,000							
Core Services	CS3.2	Plan how we can assess the impact that our services and policy decisions have on the environment and on our communities	Implementation of a tool to assess sustainability impacts of council decisions and projects	Cllr Brazil	Drew Powell				Existing budgets/services				Existing budgets/services					
	CS3.3	Secure Council resilience for emergency planning, business continuity & safety	Refresh and enhance our resilience plans	Cllr Thomas	Drew Powell								Existing budgets/services					
	CS3.4	Promote community composting to communities	Launch and promote scheme	Cllr Hodgson	Steve Mullineaux			£	50,000				Existing - Current balance of 23/24 funds remaining					
								£	177,000				Existing budgets/services					
Primary Aim 3 Costs						£	100,000	£	-	£	227,000		£	100,000	£	-	£	-
Good Quality Core Services Total (All Aims)						£	100,000	£	-	£	302,000		£	100,000	£	-	£	75,000
Underpinned by																		
Community Development	CD1.1	Ensure we work to support the positive action of Voluntary, Community and Social Enterprise Sector across the District	Form a central Community Development Team within the Council to engage with key VCS partners and to support communities bring forward projects that align with SHDC aims and ambitions	Cllr Thomas	Drew Powell								Cost pressure for team now included in MTFS					
			Develop a community development action plan with partners	Cllr Thomas	Drew Powell				£	15,000			£	15,000	Cost pressure for team now included in MTFS			
			Launch a 'Community Projects Fund' to support community led projects get delivered. Develop a simple application and assessment process.	Cllr Thomas	Drew Powell										Existing budgets/services			
	CD1.2	Review current Key Funded Partnerships to ensure alignment with our aims and ambitions and consider approach for funding key partners from 2025 onwards	Key partnership funding application window to open	Cllr Thomas	Drew Powell	£	50,000						New	£	50,000			New
									Existing budgets/services				Existing budgets/services					



The South Hams Council Plan - Delivery Plan

Theme	Action Ref	Action Description	Specific Deliverables	Lead Member	SLT Lead	Resource Requirements 2024/25			Preliminary Resource Requirements 2025/26				
						New Strategy Request	Climate New £500,000	Other source (Existing)	2024/25 comments	New Strategy Request	Climate New £500k	Other source (Existing)	25/26 comments
Community Development	CD1.3	Work in partnership with Local Schools and colleges to deliver an Educational programme - encouraging young people to participate in community and democratic process	Initial discussion with KEVICC to develop a plan including seeking views of students on future priorities	Cllr Thomas	Drew Powell	£ 5,000			New	£ 5,000			New
	Community Development Total Cost						£ 55,000	£ -	£ 15,000		£ 55,000	£ -	£ 15,000
Financial Sustainability	FS1.1	Asset Management Plan/Strategy	Agree Asset Management Strategy and develop delivery plan	Cllr Brazil	Chris Brook				Existing budgets/services				Existing budgets/services
	FS1.2	Set a balanced budget annually	Set the Budget for 2024/2025 ensuring that capital investment is based on community projects and businesses	Cllr Brazil	Lisa Buckle				Existing budgets/services				Existing budgets/services
			Carry out business consultation on Council Tax setting	Cllr Brazil	Lisa Buckle				Existing budgets/services				Existing budgets/services
			Set the Budget for 2025/2026 ensuring that capital investment is based on community projects and businesses	Cllr Brazil	Lisa Buckle				Existing budgets/services				Existing budgets/services
Financial Sustainability Total Cost						£ -	£ -	£ -		£ -	£ -	£ -	
Good Governance	GG1.1	Ensure good levels of engagement with our communities	Implement a Town and Parish Forum - 6 monthly meetings	Cllr Birch	Drew Powell				Existing budgets/services				Existing budgets/services
			Review effectiveness of our new Consultation and Engagement Portal (Commonplace) ahead of 2025 contract renewal	Cllr Birch	Drew Powell				Existing budgets/services				Existing budgets/services
			Plan a series of 'Roadshow events' for 2024 where the Council can engage with residents	Cllr Birch	Drew Powell				Existing budgets/services				Existing budgets/services
	GG1.2	Carry out a review of Governance and Decision Making	Review of constitution and financial delegation levels	Cllr Birch	Drew Powell				Existing budgets/services				Existing budgets/services
	GG1.3	Procurement Strategy	Develop a procurement strategy for the Council in response to the Government Procurement Bill and to support our wider aims and ambitions	Cllr Birch	Drew Powell				Existing budgets/services				Existing budgets/services
Good Governance Total Cost						£ -	£ -	£ -		£ -	£ -	£ -	

Council Plan Contingency

£ 50,000	£ 50,000
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Finance Summary

Climate and Biodiversity
Housing
Economy and Jobs
Community Services
Good Quality Core Services
Community Development
Financial Sustainability
Good Governance
Contingency

New Strategy Request	Climate (New) £500,000	Other source (Existing)
£ -	£ 500,000.00	£ 168,000.00
£ 100,000.00	£ -	£ 2,308,789.00
£ 75,000.00	£ -	£ 598,000.00
£ 120,000.00	£ -	£ 200,000.00
£ 100,000.00	£ -	£ 302,000.00
£ 55,000.00	£ -	£ 15,000.00
£ -	£ -	£ -
£ -	£ -	£ -
£ -	£ -	£ -
50000		

New Strategy Request	Climate (New) £500k	Other source (Existing)
£ -	£ 512,000.00	£ 168,000.00
£ 100,000.00	£ -	£ 818,789.00
£ 75,000.00	£ -	£ 13,000.00
£ 200,000.00	£ -	£ -
£ 100,000.00	£ -	£ 75,000.00
£ 55,000.00	£ -	£ 15,000.00
£ -	£ -	£ -
£ -	£ -	£ -
£ -	£ -	£ -
50000		

Annual Totals by Budget £ 500,000.00 £ 500,000.00 £ 3,591,789.00

£ 580,000.00 £ 512,000.00 £ 1,089,789.00

New Strategy Requests only (Total for 24/25 and 25/26)

£ 2,092,000

Funding Available (from review of capital programme and reserves)

£2,554,000

Balance available for 26/27

£462,000

NOT FOR PUBLICATION

Appendix F to this report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972
(applies to Appendix F only)

Report to: **Executive**

Date: **25 January 2024**

Title: **Draft Revenue and Capital Budget Proposals for 2024/25**

Portfolio Area: **Cllr J Brazil – 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

RECOMMENDATIONS

That the Executive RESOLVES to RECOMMEND to Council:-

- i) A recommendation regarding increasing Council Tax for 2024/25 by 2.99% (This would increase a Band D council tax for 24/25 from £185.42 to £190.96 – an increase of £5.54 per year or under 11 pence per week);**
- ii) The financial pressures shown in Appendix A of £2,846,000;**
- iii) The revenue expenditure (£650,000) and capital expenditure (£350,000) for the Year 1 delivery plan of the Council Plan (2024/25), totalling £1million, as set out in section 3.30 of the report.**
- iv) The savings/additional income of £(1,460,000) as shown in Appendix A; and**

- v) The net contributions to/(from) Earmarked Reserves of £60,427 as shown in Appendix D, including the proposed use of £704,173 of New Homes Bonus funding to fund the 2024/25 Revenue Budget as set out in 3.20 of the report and £400,000 from the Business Rates Retention Earmarked Reserve as set out in 3.13 of the report;**
- vi) That the Council should set its total net expenditure for 2024/25 as shown in Appendix B as £13,034,894**
- vii) The Capital Bid for £90,000 to renew and upgrade the Council's bank reconciliation software and to fund this from the annual revenue contribution of £181,600 into the Capital Programme, as set out in 8.4.**
- viii) That Unearmarked Reserves should continue to have a minimum level of £1.5million (as set out in the Medium Term Financial Strategy in September 2023), but an operating level of a minimum of £2million.**
- ix) That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates are noted. This is a requirement of Part 2 of the Local Government Act 2003.**

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 2026/27. The Executive considered the MTFS at its meeting on 21 September 2023.
- 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 minimal Government Grant (Revenue Support Grant) of £147,100 to fund its services and the Council must be self-sufficient.
- 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 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 Prudent financial management in the past, has meant that the Council was in a relatively healthy position financially before the pandemic hit. 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.
- 1.6 The Fair Funding Review, business rates baseline reset, and other funding reforms now look set to be pushed back to 2026/27 although this has not been confirmed by the Government so the MTFS and Budget Proposals for 2024/25 assumes that these changes will happen in 2026/27.
- 1.7 The key assumptions within the Budget Proposals for 2024/25 are as below. Each of these is described in more detail in Section 3.
- The business rates baseline reset will be deferred until 2026/27 at the earliest (with no negative Revenue Support Grant in 2024/25 or 2025/26)
 - There will be a phasing in of negative Revenue Support Grant as part of the business rates baseline reset (predicted to be in 2026/27) with a transition period, to avoid Local Authorities losing/gaining too much in one go. The modelling assumes negative RSG of £450,000 in 2026/27. Some of the negative RSG could be offset by growth.
 - It is assumed Council Tax limits for District Councils will remain at the higher of 2.99% or £5 for the next three years.
 - 2024/25 is another roll over settlement, which will give an amount of £704,173 of New Homes Bonus funding that it is proposed is used to fund the 2024/25 revenue base budget.
 - A business rates pooling gain of £400,000 has been modelled for 2024/25 and 2025/26, with no further gains for 2026/27 onwards.
 - A council tax surplus of £59,000 for 24/25 has been assumed, with a council tax collection rate of 98.25% built into the 24/25 TaxBase calculation (98.55% was achieved in 2022/23)
 - Rural Services Delivery Grant will continue annually at the same level for 24/25 (£478,583)
 - A 4% pay increase has been modelled from 2024/25 onwards (4% equates to £456,000 on total pay of £11.4m). The pay assumption has been reduced to 3% in 2025/26 and 2026/27

- 1.8 The report sets out proposals for the Council to achieve a balanced budget for 2024/25, as shown in **Appendix B**. The Council is currently forecasting a £345,560 budget gap by the following year, 2025/26. The cumulative aggregated Budget Gap by 2026/27 is £2.1 million, if no action has been taken in each individual year to close the budget gap annually.

Budget Gaps	2024/25 £	2025/26 £	2026/27 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	Nil – Balance budget proposed	345,560	1,394,479	1,740,039
*Cumulative Budget Gap	Nil – Balance budget proposed	345,560	1,740,039	2,085,599

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

- 1.9 The budget gap for 2025/26 of £345,560 is very much in line with the level expected at this point in the financial planning cycle. In the year after, the budget gap is £1.39million, due to the local government reforms that are expected (see 3.14). These are the reset of the business rates baseline, the fair funding review and the impact of negative RSG (Revenue Support Grant), coupled with the loss of the business rates pooling gain.

- 1.10 Below shows the summary of proposed changes to the Budget report for 2024/25, following the announcement of the Draft Local Government Finance Settlement. Proposals for a balanced budget are shown below:

	£
<i>Budget gap for 24/25 reported in the Executive Budget report on 30th November 2023</i>	146,185
Additional cost pressures identified £90,000	
Cost pressure for business continuity and cyber security (This is 50% of the total cost – WDBC will also pay 50%)	75,000
Additional costs associated with supporting the new Community Development service – as per the Executive report on 30 November 2023	15,000
Changes to Financing of the Base Budget £113,815	
Increase the amount of New Homes Bonus used to fund the Base Budget from £700,000 to £704,173 (see section 3.19 to 3.20 of the report)	(4,173)
Change the council tax income to model a council tax increase of 2.99% in 2024/25 instead of a £5 increase	(21,886)

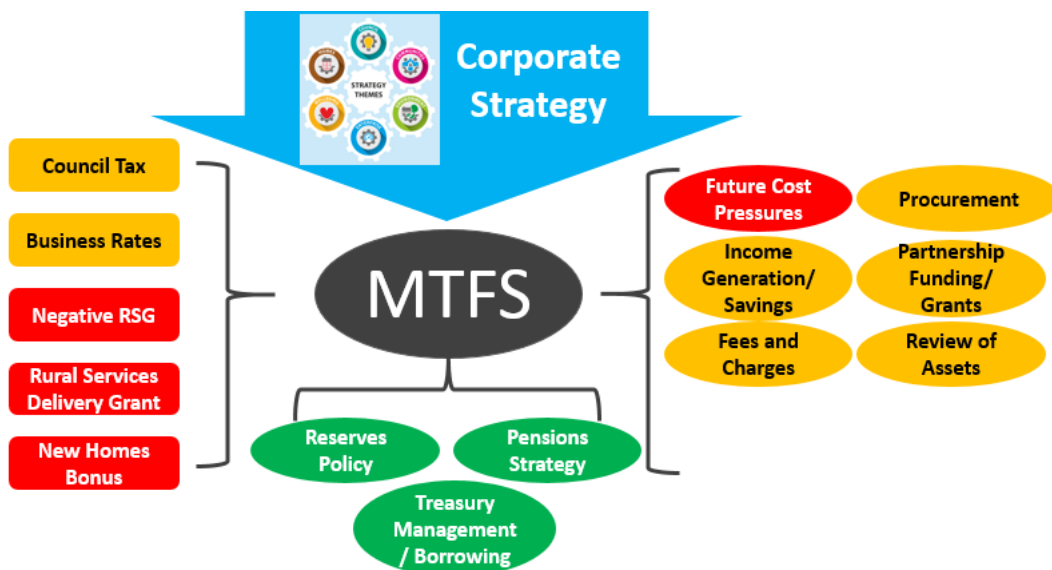
(This would increase a Band D council tax for 24/25 from £185.42 to £190.96 – an increase of £5.54 per year or under 11pence per week)	
The 2024/25 Council Tax Base has increased to 40,528.94 Band D equivalent properties (which is higher than the estimate at November 23 of 40,449). This difference in the modelling generates extra council tax income of £15,221.	(15,221)
Extra Revenue Support Grant (Actual amount is £147,100 which is £1,100 higher than the previous estimate of £146,000)	(1,100)
Less funding from Funding Guarantee (3% increase in Core Spending Power) - Actual amount is £614,068 which is £97,932 less than the previous estimate of £712,000. This is based on a complicated formula that takes into account other Government grants such as New Homes Bonus (which has increased for 24/25).	97,932
Less funding from Services Grant – Actual amount is £12,271 which is £52,729 less than the previous estimate of £65,000	52,729
Reduce the amount of funding from business rates income from £3,200,000 to £3,194,466	5,534
Additional income/savings identified (£350,000)	
Introduce a vacancy saving target on salaries – equates to around 1.5% of salaries (total pay of £11.4m)	(170,000)
Increase the car parking income from extra usage from £200,000 to £250,000	(50,000)
Increase the Dartmouth Lower Ferry income from extra usage and a review of charges for 2023 from £50,000 to £100,000	(50,000)
Environmental Health fees and charges – increase in line with inflation	(30,000)
Additional income from Follaton House rental income	(50,000)
<i>Revised Budget gap for 2024/25 as set out in this report (as at January 2024) - (A balanced budget position is presented for Members' consideration)</i>	Nil (Balanced Budget)

- 1.11 A meeting of the Budget Advisory Committee was held on 11th January 2024. The Committee recommended to the Executive the recommendations in this report of i), ii), iv), v) and vii). Recommendations iii), vi), viii) and ix) are new recommendations within this report. The draft minutes arising from this meeting are set out at Appendix G to this report.

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.

2023/24 Net Budget £11.74 million



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

OVERALL POSITION – BUDGET GAP

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

2.4 **Appendix A** to the Budget report sets out the Budget Pressures forecast for the next three 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 £11.74 million in 2023/24.

2.5 A Summary forecast is shown below of the potential budget situation if all 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 2.99% per annum (shown in Appendix B).

- 2.6 The report sets out proposals for the Council to achieve a balanced budget for 2024/25, as shown in Appendix B. The Council is currently forecasting a £345,560 budget gap by the following year, 2025/26. The cumulative aggregated Budget Gap by 2026/27 is £2.1million, if no action has been taken in each year to close the budget gap annually.

Budget Gaps	2024/25 £	2025/26 £	2026/27 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	Nil – Balance budget proposed	345,560	1,394,479	1,740,039
*Cumulative Budget Gap	Nil – Balance budget proposed	345,560	1,740,039	2,085,599

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

- 2.7 The Council will continue to assess various options for closing the budget gap for 2025/26 onwards, and in the longer term, to achieve long term financial sustainability and further reports will be presented to Members.

3 LOCAL GOVERNMENT FINANCE SETTLEMENT FOR 2024/25

- 3.1 On 18th December 2023, the Government published for statutory consultation, the provisional local government finance settlement for 2024/25. This followed a policy statement published on 5th December.
- 3.2 The provisional settlement is once again a holding position, designed for stability and certainty for planning purposes for 2024/25. The broad approach is based on a uniform roll-over of the core elements of the settlement. No announcements were made regarding funding reform and this has been deferred.
- 3.3 Detailed numbers are only available for 2024/25 in the Finance Settlement and there remains significant uncertainties for 2025/26, particularly for District Councils. These include the future of the New Homes Bonus Scheme, which is now simply a one-year retrospective payment.
- 3.4 The 'Core Spending Power' is a headline figure used by the Department for Levelling-Up, Housing and Communities (DLUHC) 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 minimal Government grant (Revenue Support Grant of £147,100 for 2024/25 (see 1.2).

3.5 **Core Spending Power for South Hams increased by 4.9% for 2024/25 from £11.594m to £12.166m as shown below.**

3.6 Core Spending Power (CSP) is the term the Government use to say how much money Councils have to run their services. CSP includes Business rates, Council Tax, NHB and the various different Grants. On average nationally Core Spending Power is increasing by 6.5% for 2024/25. The average for Shire Districts is a Core Spending Power increase of 4.9%. Shire Counties are increasing by 6.7% in their CSP. A large part of the increase in CSP is an assumed increase in Council Tax, which the Government build into the CSP calculation, as shown below.

Table 1 - Core Spending Power (CSP), £m

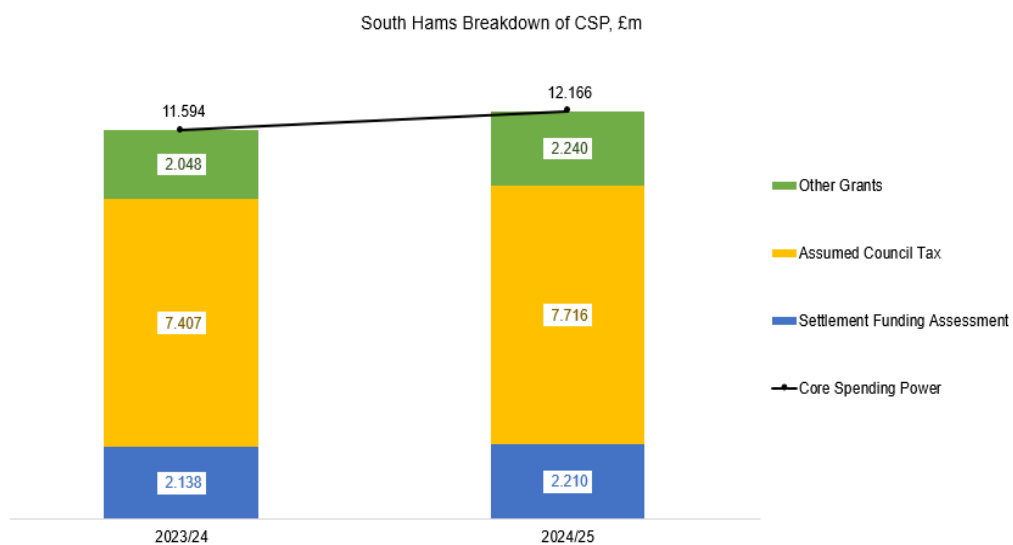
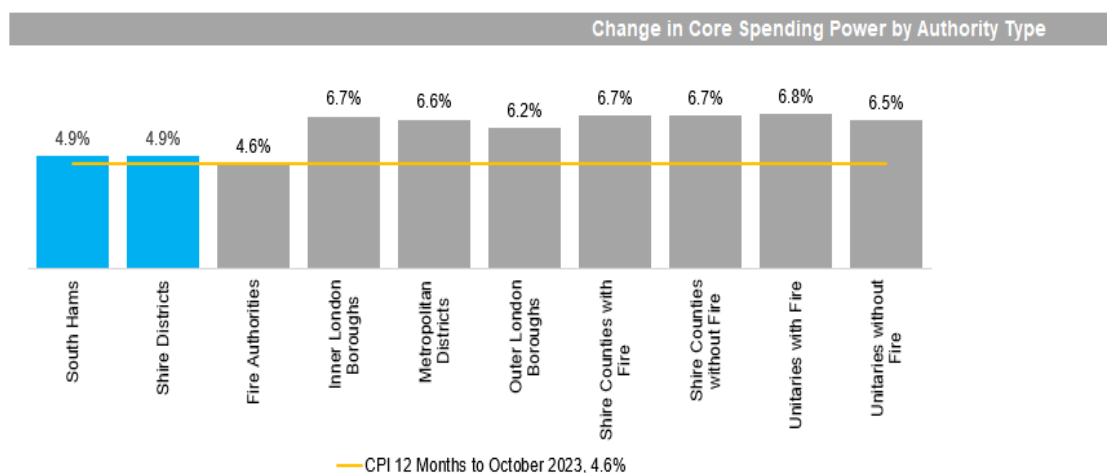


Table 2 – Analysis of Core Spending Power % increases by Authority Type



Council Tax

- 3.7 The Council Tax Referendum limits for District Councils for 2024/25 is the higher of 2.99% or £5. A 2.99% increase is higher for South Hams District Council as this equates to an increase of £5.54 on a Band D property.

An increase in council tax of 2.99% for the next three years has been modelled for council tax purposes in the budget report. This would equate to a Band D council tax for the District Council of £190.96 in 2024/25 as shown in Appendix B (an increase of £5.54 for the year or under 11 pence per week), which equates to a 2.99% increase. The Council's share of the council tax for 2024/25, will be set at the Council meeting on 15th February 2024.

(A 1% increase in council tax generates £75,000 of extra council tax income). A 2.99% increase in council tax generates extra council tax income of £0.225m.

Council Tax legislation sets out that Council Tax is partly a form of general taxation on a property and partly a tax on the people living in a property. Council Tax funds essential services in an area and the cost of public services is spread across all taxpayers in the same way, regardless of which services residents use or receive. Council Tax is a form of general taxation rather than a service charge.

- 3.8 The table below shows how an average Band D council bill is made up for South Hams District Council for 2023/24, compared to 2022/23. Of an average Band D Council Tax within the District of £2,261.19, **an amount of £185.42 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 2023/24, the council tax for an average Band D property in South Hams increased by £105.89 per annum (4.91% as shown below).

Precepting Authority	Band D 2022/23	Band D 2023/24	£ Increase	% Increase
South Hams District Council	£180.42	£185.42	£5.00	2.77%
Devon County Council Precept	£1,372.59	£1,419.21	£46.62	4.99%
Adult Social Care Precept *	£183.87	£214.92	£31.05	
Devon & Cornwall Police & Crime Commissioner	£246.56	£261.56	£15.00	6.08%
Devon & Somerset Fire & Rescue	£91.79	£96.79	£5.00	5.45%
Average Parishes/Towns	£80.07	£83.29	£3.22	4.02%
TOTAL	£2,155.30	£2,261.19	£105.89	4.91%

Town and Parish Precepts for 2023/24 are shown in Appendix E. The largest Parish Precepts are Totnes (£205.23), Dartmouth (£182.95) and Ivybridge (£141.57), with the smallest Precept being Woodleigh (£5.04) for a Band D property.

- 3.9 The Council Tax Referendum Limits that will apply for 2024/25 are as follows:
- Shire Districts – 2.99% limit or £5, whichever is the higher
 - Police - £13 referendum limit.
 - Fire – 2.99% limit
 - Upper Tier – 4.99%
 - No referendum limits will be set for Town and Parish Councils for 2024/25

- 3.10 A council tax collection rate of 98.25% has been assumed for 2024/25 within the TaxBase calculation. **The Council collected 98.55% in council tax in 2022/23 which was in the top quartile of all Councils nationally.** It has been assumed that the number of properties within the District will increase by 500 per annum from 2024/25 onwards.

Business Rates and Negative Revenue Support Grant (RSG)

- 3.11 It has been assumed that the Business Rates Reset will be delayed to 2026/27. Whilst this change is not confirmed by the Government, a reset based on the current taxbase would appear very unlikely.

- 3.12 Estimates have been made of the business rates baseline funding levels for 2024/25 onwards and the relative deductions for negative RSG in 2026/27. For example in 2024/25, the £3.45m is the amount the Council is projected to retain from its business rates income collected of around £25 million (this equates to around 14p in every £1 collected of business rates). The 2022/23 collection rate for South Hams for business rates was 97.95%, which was in the second quartile of all Councils nationally. It was announced, as part of the Autumn Statement 2023, that the small business rates multiplier for 2023/24 will remain frozen at 49.9p and there will be an increase to the standard rate multiplier of 6.7% (from 51.2p to 54.6p).
- 3.13 It is recommended to take £400,000 funding from the business rates retention on an annual basis to fund the base budget. This would reduce the business rates retention reserve by £1.2m over the next 3 years to smooth the impact of the business rates baseline reset and the future loss of pooling gains. There will also be £2m coming out of this business rates retention reserve in 2023/24, for the transitional cost of the waste and recycling service coming back in house in October 2022 and the delay to the full roll out of the Devon Aligned service to 20th November 2023. 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.
- 3.14 The Fair Funding Review, business rates baseline reset, and other funding reforms now look set to be pushed back to 2026/27 although this has not been confirmed by the Government so the MTFs assumes that these changes could happen in 2026/27. The 2025/26 finance settlement will be the first year of a new spending review period.

The table below shows the modelling of business rates income over the next three financial years.

Business Rates Income	2024/25 (£m)	2025/26 (£m)	2026/27 (£m)
			Potential Baseline Reset
Business Rates Income	3.444	3.000	3.050
Less: Negative Revenue Support Grant (RSG) due to the Baseline reset	-	-	(0.45)
Anticipated Pooling Gain (Nil in 26/27 due to the baseline reset)	0.400	0.400	Nil
Funding proposed to be taken from the Business Rates Retention Reserve to smooth the volatility in business rates income	0.400	0.400	0.400
Total Business Rates Income	4.244	3.800	3.000

It is this significant reduction in Business rates income predicted in 2026/27 which is significantly increasing the budget gap in 2026/27 to £1.394million. A large part of the 26/27 budget gap is caused by the predicted drop in business rates income of around £800,000. This is due to the potential business rates baseline reset and the loss of the pooling gain from being in a Devon business rates pool at the same time. It is very uncertain as to when the baseline reset will happen. This has been anticipated for a number of years but the timetable has continually been put back. This modelling assumes it will happen in 2026/27 but there has been no firm timescale announced by the Government.

3.15 The MTFs assumes that the full range of changes from the Fair Funding Review will be implemented based on the proposals in the December 2018 consultation paper, plus the latest population estimates (2022) and the latest council tax data. It is assumed that the business rates baseline reset will happen in 2026/27.

3.16 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 24/25. Negative RSG is effectively the Council's further predicted funding cuts. The modelling assumes negative RSG of £450,000 in 2026/27. Some of the negative RSG could be offset by growth. The Government consultation paper on the Finance Settlement for 2024/25 states (under para 1.3.1) that: "We are confirming that we have no plans to introduce negative Revenue Support Grant".

Devon Business Rates Pool

3.17 South Hams District Council has elected to remain part of the Devon-wide Business Rates Pool for 2024/25. The latest modelling shows that a pooling gain in the region of £9.7million is forecast for 2024/25, with the Council's share of the pooling gain being in the region of £400,000.

Rural Services Delivery Grant

3.18 Rural Services Delivery Grant will continue for 2024/25 at previous levels (SHDC share of £478,583) and the methodology for distribution is assumed to remain unchanged from 2023/24. This is Government grant to recognise the additional cost of delivering services in rural areas.

New Homes Bonus (NHB)

3.19 NHB has been 'rolled over' for another year, with no legacy payments being paid. The Council's provisional allocation is **£704,173 for 2024-25** (higher than the amount estimated in the previous budget report of £700,000).

3.20 This is based on a property increase of 595 properties. (The amount received is 595 less the baseline of 0.4% (188 properties) at 80% of £2,065 which is an average national council tax). It is modelled that all of the 24/25 NHB payment of £704,173 will be used to fund the revenue base budget in 2024/25.

Other Government Grants

- 3.21 The 'Funding Guarantee' has been continued, which ensures every Authority has at least a 3% increase in Core Spending Power. A Funding Guarantee grant of £614,068 has been announced for 2024-25 for South Hams (this is lower by £97,932 than the previous budget report which estimated £712,000). This is based on a complicated formula that takes into account other Government grants such as New Homes Bonus (which has increased for 24/25).
- 3.22 Revenue Support Grant (RSG) will be £147,100 for 2024/25. The Council now receives minimal main Government Grant in the form of RSG. See 1.2 of the report.

Other Budget Items

- 3.23 The Consumer Price Index (CPI) was 3.9% (November 2023 CPI), which is down from 4.6% in October. Inflation over the past 18 months has been at a 40 year high. An extra £450,000 cost pressure for inflation on goods and services and increases in utility costs has been included within the cost pressures in Appendix A. The previous minutes from the meeting of the Monetary Policy Committee (MPC) state that it is expected that inflation will drop further by the end of 2023, accounted for by lower energy, and to a lesser degree, food and core goods price inflation. At present, there is no indication from Government of any additional funding to meet inflationary cost pressures.
- 3.24 A provision for the 2024/25 pay award has been modelled in the MTF5 at 4% (£456,000), with total pay being £11.4million. This has been reduced to 3% in 2025/26 and 2026/27. 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. The Council is particularly affected by inflation in terms of the Local Government Pay Award as staffing forms a significant proportion of the Council's budget.
- 3.25 The pay award for 2023-24 has now been agreed. This is for £1,925 per Scale Point or a 3.88% increase for Scale Point 44 upwards. This would cost an extra £550,000 and this amount also needs to be built into the Base Budget for 2024-25 as a 'catch up' as the budget for 23/24 has already been set.
- 3.26 The current Bank Base Rate will increase the Council's income from treasury management investments and additional income of £800,000 has been built into the Budget for 2024/25. This would set an income target of £1.6million for 2024/25 for treasury management income and it is proposed to reduce the target to £1.2million for 2025/26. It is predicted that bank base rate will remain at 5.25% until September 2024 when it is predicted to reduce to 5%, with a predicted reduction to 4.5% by December 2024 and 4% by March 2025.

3.27 As per the report to Council on 13 April 2023, an extra £270,000 per annum needs to be built into the base budget for the waste collection, recycling and cleansing service. A breakdown of the £270,000 is shown in the Waste Memorandum note in Appendix A.

3.28 Cost pressures for insurance (£130,000) and IT inflation cost pressures for increases in prices and additional software and security (£150,000) have been built into the Budget Proposals for 2024/25. A cost pressure of £75,000 has also been built in for business continuity and cyber security.

COUNCIL PLAN

3.29 The Council Plan 2024-2028 and the Year 1 (2024/25) delivery plan is also an item on this agenda. Proposals will be recommended to Full Council to adopt 'The Council Plan' and delivery plan at its meeting on 15 February 2024. The Council Plan and delivery plans have been refined following a ten-week consultation and engagement period with the public and partners.

3.30 The delivery of the Council Plan represents an overall financial commitment of £4,591,789 for 2024/25, with £3,591,789 financed from existing resources and £1,000,000 of new monies allocated from the £2.554million set out in 7.3 below. The allocation against each theme area for the 2024/25 financial year is as follows:

Theme	24/25 Financial Year	
	<i>To be financed from £2.554m identified in 4.1 above (£)</i>	<i>To be financed from existing core budgets and grants (£)</i>
Climate and Biodiversity	500,000	168,000
Housing	100,000	2,308,789
Community Services	120,000	200,000
Economy and Jobs	75,000	598,000
Core Services	100,000	302,000
Community Development	55,000	15,000
Contingency	50,000	0
TOTAL (£4,591,789)	£1,000,000	3,591,789

The analysis between Revenue and Capital expenditure is as below:

Revenue expenditure	£650,000	£899,362 (of which £551,362 is UKSPF revenue funding)
Capital expenditure	£350,000	£2,692,427 (of which £1.99m is Government grant funding and £0.7m is S106 funding)
TOTAL (£4,591,789)	£1,000,000	3,591,789

There is a recommendation within the Council Plan report that the £650,000 of revenue expenditure is funded from the £1.541m of Earmarked Reserves (as per the Executive report of 21 September) which were identified as being available to support the delivery of the emerging Council Plan. In addition, it is recommended that the £350,000 of capital expenditure is funded from the Capital Receipts Reserve (this is the £1.013m of capital resources identified for the Council Plan).

Once adopted, the strategy will be the Council's overarching strategic document setting out our ambitions and priorities for the District.

Climate and Biodiversity

- 3.31 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. The resourcing set out in 3.30 above delivers on the Council Administration's commitment of allocating £500,000 a year on responding to the Climate and Biodiversity crisis. During the current financial year (2023/24), £330,000 of pre-identified funding has been available to support climate and biodiversity projects. Any balance of this funding remaining at the end of the financial year will be carried forward to support future activities.

Second homeowners council tax premium

- 3.32 The Levelling Up and Regeneration Act 2023 allows Billing Authorities the discretion to charge second homeowners a council tax premium of 100% (so a second home dwelling would pay double the council tax charge). The Act 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. That means the earliest that Councils can introduce it is for the start of the 2025-26 financial year, i.e. 1 April 2025. At Council on 16 February 2023, Council approved charging up to an extra 100% council tax in second homes. There are currently 3,954 properties on our council tax records classified as a second home. There is a separate report on this agenda regarding this item.

- 3.33 Now that the legislation has been passed, it is recommended to Council to adopt a further resolution to charge a council tax premium on second homes from 1 April 2025. This will be a separate report to the Executive in January 2024 and a recommendation to Council in February 2024. The estimated additional yield from council tax would be £9m of which the Council's share would be approximately £0.7m (8%) – see Memorandum Note in Appendix A.
- 3.34 The key impact of second homes is to remove a significant number of homes from the local housing market, with properties that would otherwise be available to provide permanent homes for local people being used as holiday homes by people whose primary residency is outside the district. For this reason, the Council believes that the additional money raised by the second homes premium should be invested back into housing. South Hams is working with other councils across Devon to make the case that all the additional tax raised should be ringfenced to address housing challenges, including to acquire existing properties to provide temporary accommodation, to support people with complex needs and the provision of specialist accommodation with supported facilities for care leavers.

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 2022/23 the long term borrowing of the Council decreased from £14,284,000 (21/22) to £13,825,000. Short term borrowing increased from £96,000 to £459,000. This is due to the profiling of the debt repayments where long term borrowing has moved to short term borrowing. No further external borrowing took place during 2022/23.
- 4.3 Council has also approved future borrowing of up to £5.5million for the Plymouth and South Devon Freeport (Council report 30th March 2023, Council Minute CM 77/22). The borrowing will be paid for from the business rates income generated by the Freeport and therefore it will be self-financing.

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. An inflationary increase in Environmental Health fees and charges has been built into the 2024/25 Budget proposals and this equates to £30,000.

5.2 DEFRA has confirmed that the implementation of the Extended Producer Responsibility (EPR) will be deferred from October 2024 to October 2025.

5.3 As referenced in the report to Council on 13th April 2023, the setting of fees and charges for the waste and recycling service is delegated to the Director of Customer Service and Delivery, in consultation with the Leader of the Council, the lead Executive Members for waste and recycling and the Section 151 Officer (Minute reference CM 84/22).

6 BUDGET FOR 2025/26 AND TIMESCALES

6.1 The Council will continue to assess various options for closing the budget gap for 2025/26 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 Council's Delivery Plan.

6.3 **Budget Monitoring** - The revenue budget monitoring report to the Executive on 21 September shows an overall projected surplus of £79,000 for the 2023/24 financial year. This is 0.7% of the overall net budget set of £11.738million. A further report will be considered by the Executive in January 2024.

7 Earmarked and Unearmarked Reserves Policy

7.1 Unearmarked Reserves total £2.113 million at 31 March 2023. There was a surplus of £57,000 on the outturn position for 2022/23 (0.5% of the net budget of £10.464m) as shown in the Draft Statement of Accounts for 2022/23 published by the end of June 2023. In accordance with normal accounting practice, this underspend has gone into Unearmarked Reserves.

7.2 **Earmarked Reserves** have reduced by £5.415m in 2022/23 moving from £20.839m on 1 April 2022 to **£15.424m at 31 March 2023**. This follows the application of £3.066 million of the S31 Business Rates compensation grant received in 2020/21 and 2021/22 which was held in the S31 Compensation Grant Business Rates Reserve. This is a technical adjustment as part of the Collection Fund. In addition, the Business Rates Retention Earmarked Reserve has reduced by £2.570 million in 2022/23 partly due to supporting the costs of bringing the Waste and Recycling Service back in house from October 2022 (£1.448 million) and partly to support the Business Rates Collection Fund deficit in 2022/23 (£0.785 million).

- 7.3 There was a separate report on the Executive agenda of 21st September 2023, regarding a review of Earmarked Reserves and the Capital Programme. The Appendix on the review of Earmarked Reserves is attached at Appendix C of this report. This report identified £1.541m of Earmarked Reserves which are potentially available to support the delivery of the emerging Council Plan and £1.013m of capital resources. These are one-off amounts, so £2.554million in total. This was subsequently approved at Council on 28 September 2023 (Minute CM 30). See 3.30 with regards to a recommendation for funding for the Year 1 Delivery Plan for the Corporate Plan.
- 7.4 The proposed contributions to/from Earmarked Reserves for 2024/25 are shown in Appendix D. It is recommended to make an annual contribution of £75,000 to a JLP reserve, to commence the JLP review.
- 7.5 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 2024/25 and future years also. This will be further set out in the Budget report to the Executive in January 2024.
- 7.6 At Council on 16th February 2023, Members set a minimum balance for Unearmarked Reserves of £1.5million, with an operating level of a minimum of £2million (Minute reference CM 59/22). This was based on a risk assessment basis and a sensitivity analysis. Therefore the current level of £2.113million at 31 March 2023 is still above these levels which are set annually. An updated risk assessment and sensitivity analysis will be presented to Council in February 2024.
- 7.7 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 2023, 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.
- 7.8 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.
- 7.9 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 to secure financial stability.

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 are scored on the following criteria:

- Health and Safety compliance
- Essential to keep operational assets open
- Fit with the Council's Delivery Plans for the new emerging Council Plan
- To rationalise service delivery or service improvement
- To generate income, capital value or to reduce revenue costs

8.3 It is important that capital bids are aligned with the emerging Council Plan. There is a recommendation within the Council Plan report that £350,000 of capital expenditure is funded from the Capital Receipts Reserve (this is the £1.013m of capital resources identified for the Council Plan).

8.4 In addition, there is a capital bid for 2024/25 (£90,000) that it is recommended also forms part of the Capital Budget Proposals for 2024/25 and be funded from the annual revenue contribution of £181,600 into the Capital Programme (see Appendix D). This is detailed below: -

- £90,000 – to renew and upgrade the Councils' bank reconciliation software (This is 50% of the projected cost, which is shared with WDBC)

This will be a recommendation as part of the Capital Budget Proposals report to Council in February 2024.

8.5 Appendix F sets out the Council's current capital programme for 2023/24 and new capital projects for 2024/25 will be added to the existing Capital Programme. ***The Capital Budget Proposals for 2024/25 will be set out within the Council report on 15th February and will include the capital budget proposals within the Council Plan (£350,000) being recommended to Council.***

8.6 The Council's Asset Base is £108.2 million at 31 March 2023. 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 FINANCIAL SUSTAINABILITY AND TIMESCALES

9.1 The MTF5 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 21st September 2023).

- 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 The Council will continue to assess various options for closing the budget gap for 2025/26 onwards, and in the longer term, to achieve long term financial sustainability and further reports will be presented to Members.
- 9.4 On 14th December 2023, the Audit and Governance Committee considered an interim Auditor's Annual Report from the Council's external auditors, Grant Thornton. This gave commentary on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources (see Section 10 of this report). It also gave commentary on financial sustainability.
- 9.5 Under the category of 'Financial sustainability', the report stated: that 'South Hams District Council (the Council) continues to perform well with regard to financial sustainability, with a record of stable financial and budgetary management. Despite the challenging environment in which it continued to operate in during 2021/22 and 2022/23, the Council has achieved a balanced budget. Our work has not identified any significant weaknesses in arrangements to secure financial stability.'
- 9.6 An All Member Briefing on the Draft Budget Proposals for 2024/25 will take place on **Tuesday 9th January 2024**.
- 9.7 The table below shows the budget timetable for the 2024/25 Budget process.

21 September 2023	Executive – To consider the three year MTFS (Medium Term Financial Strategy) for 2024/25 to 2026/27
30 November 2023	Executive – To consider draft proposals for the Revenue and Capital Budget for 2024/25
Tuesday 9 January 2024 (4pm)	All Member Briefing on the Draft Budget for 2024/25
11 January 2024	Budget Advisory Committee - To seek the Committee's view on the content of the Draft Revenue and Capital Budget Proposals for 2024/25
25 January 2024	Executive – To recommend Final Budget Proposals to Council for 2024/25

12 February 2024 (9am)	Date which Council Procedure Rule 16 applies
15 February 2024	Full Council – To approve Final Budget Proposals for 2024/25 and set the SHDC share of the Council Tax
22 February 2024	Council Tax Resolution Panel – to agree the Council Tax Resolution for 2024/25 (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 12th February 2024.

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 Budget Advisory 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>Appendix F to this report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and is therefore exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p> <p>The public interest in whether the information should be made public has been assessed and it is considered that the public interest will be better served by not disclosing the information.</p>
Financial implications to include reference to value for money		<p>The report sets out proposals for the Council to achieve a balanced budget for 2024/25, as shown in Appendix B. The Council is currently forecasting a £345,560 budget gap by the following year, 2025/26. The cumulative aggregated Budget Gap by 2026/27 is £2.1million, if no action has been taken in each individual year to close the budget gap annually.</p> <p>On 14 December, the Audit and Governance Committee considered an interim Auditor's Annual Report from the Council's external auditors, Grant Thornton. This gave commentary on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.</p> <p>The report stated that 'The Council has demonstrated an appropriate understanding of its role in securing economy, efficiency and effectiveness in its use of resources. Our work has not identified any significant weaknesses in arrangements.'</p>
Risk		Each of the budget options taken forward by Members will consider the risks of the option.
Supporting Council Plan		<p>The Council Plan 2024-2028 and the Year 1 (2024/25) delivery plan is also an item on this agenda. Proposals will be recommended to Full Council to adopt 'The Council Plan' and delivery plan at its meeting on 15 February 2024.</p> <p>The Council Plan and delivery plans have been refined following a ten-week consultation and engagement period with the public and partners.</p>

		<p>The delivery of the Council Plan represents an overall financial commitment of £4,591,789 for 2024/25, with £3,591,789 financed from existing resources and £1,000,000 of new monies allocated from the £2.554million set out in 7.3.</p> <p>See 3.30 for further detail.</p>
Climate Change - Carbon / Biodiversity Impact		<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>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. The resourcing set out in 3.30 above delivers on the Council Administration's commitment of allocating £500,000 a year on responding to the Climate and Biodiversity crisis.</p> <p>During the current financial year (2023/24), £330,000 of pre-identified funding has been available to support climate and biodiversity projects. Any balance of this funding remaining at the end of the financial year will be carried forward to support future activities.</p>
Comprehensive Impact Assessment Implications		
Consultation and Engagement Strategy		<p>External consultation and engagement has not been undertaken with regard to this report.</p> <p>The Council Plan and delivery plans have been refined following a ten-week consultation and engagement period with the public and partners.</p>
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 Earmarked Reserves – Executive report of 21st September 2023;

Appendix D – Contribution to/from Earmarked Reserves;

Appendix E – Town and Parish Precepts for 2023/24;

EXEMPT Appendix F – Current Capital Programme for 2023/24; and

Appendix G – Draft minutes arising from the Budget Advisory Committee meeting held on 11 January 2024.

SOUTH HAMS DISTRICT COUNCIL - BUDGET PROPOSALS 2024/25
(This shows the changes to the existing Base Budget)

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	BASE 2023/24	Yr1 2024/25	Yr2 2025/26	Yr3 2026/27
	£	£	£	£
BUDGET PRESSURES				
Inflation and increases on goods and services	450,000	450,000	300,000	300,000
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)	150,000	150,000	250,000	250,000
Salaries - provision for pay award at 4% (£456,000) for 2024/25 (total pay of £11.4m), reducing to 3% in 25/26 and 26/27	280,000	456,000	342,000	342,000
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	630,000	0	0	0
Pay award 2023-24 - Initial figures of £1,925 per Scale Point or a 3.88% increase for Scale Point 44 upwards. (£550,000 is the amount over the current budget provision). This will need to be built into the Base Budget in 2024-25.	0	550,000	0	0
Increase in salaries - increments and pay and grading	200,000	0	0	0
The Planning Improvement Plan, Executive 26.5.22, noted that the cost of the staffing restructure, £98k per annum, will be funded for the first three years from the additional planning income held in the planning earmarked reserve.	98,000	0	0	0
Additional inflation for the waste service - 12.2% for 2022/23 (extra £360K) plus assume 5% for 2023/24 onwards (£205K)	565,000	205,000	205,000	205,000
Waste collection, recycling and cleansing service - Council 14 July 2022	1,250,000	0	0	0
Waste collection, recycling and cleansing service - Council 13 April 2023 - See Waste Memorandum note below	0	270,000	0	0
Waste collection, recycling and cleansing service - additional properties	90,000	90,000	100,000	100,000
National Living Wage and National Insurance (assumes NLW will increase from £10.42 to around £11 from April 2024)	75,000	50,000	50,000	50,000
Business Rates Revaluation 2023 - Increase in the Rateable Value of SHDC Assets which are liable to business rates	75,000	50,000	50,000	50,000
IT inflationary cost pressure - increases in prices and additional software and security	0	150,000	0	0
Additional Insurance costs		130,000		
Car Parking payment collection fees (Ringo) - 59% of transactions are now made through Ringo. The Council has also exceeded the annual limit of transactions with no cost and this has now triggered a transaction charge.	0	70,000	0	0
Ecology Consultations	0	25,000	0	0
Flooding - recent events have highlighted the need to add a cost pressure for dealing with the impacts of climate change, such as flooding, on our communities.	0	50,000		
Business continuity and cyber security	0	75,000		
Dartmouth Lower Ferry - increase the R & M budget	80,000	0	0	0
Increased external audit fees (fees are increasing nationally)	75,000	40,000	0	0
South Devon AONB Partnership - Executive report 30 November 2023	0	20,000	0	0
Community Development salaries (Executive 30 November 2023)	0	15,000	0	0
Head of Revenues and Benefits Executive 7th April 2022	45,000	0	0	0
Housing Delivery Team Executive 26th May 2022	44,700	0	0	0
TOTAL BUDGET PRESSURES	4,107,700	2,846,000	1,297,000	1,297,000
Changes to contributions to Earmarked Reserves				
Contribution from Earmarked Reserves to fund the revenue expenditure within the Year 1 Delivery Plan of the Council Plan (2024/25)	0	(650,000)	650,000	
New Homes Bonus Reserve - assumes an annual contribution of £704,173 for 24/25 and future years from NHB to fund the revenue base budget (an increase of £204,173 from the £500,000 used in 2023/24)	0	(204,173)	0	0
Dartmouth Ferry (£147,000 contribution to the reserve in 23/24 and £177,000 in 24/25)	30,000	30,000	0	0
Elections - £50,000 contribution to the reserve per annum	30,000	10,000		
Contribution to a Joint Local Plan Earmarked Reserve - to commence the JLP review - £75,000 contribution to the reserve per annum	0	75,000	0	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 BRR Reserve in 22/23 and use £400,000 from the reserve annually thereafter)	(300,000)	0	0	0
Contribution from the Planning Reserve (£98,000 per annum) 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 to Nil from 2023/24 onwards	(99,000)	0	0	0
Repairs and Maintenance Reserve (£105,000 annual contribution from 23/24 onwards)	25,000	0	0	0

SOUTH HAMS DISTRICT COUNCIL - BUDGET PROPOSALS 2024/25
(This shows the changes to the existing Base Budget)

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Total changes in contributions to Earmarked Reserves	(412,000)	(739,173)	650,000	0
SAVINGS AND INCOME GENERATION IDENTIFIED				
	BASE 2023/24	Yr 1 2024/25	Yr 2 2025/26	Yr 3 2026/27
Management fee income from external contracts such as leisure	0	0	(230,000)	(200,000)
IT FIT Project - software savings	(10,000)			
Establishment savings (salary savings) gained from IT and digital communications	(50,000)	TBC		
Employment Estates - additional rental income - Base budget of £1.117m in 2023/24	(150,000)	(50,000)	(100,000)	
Follaton House - rental income	0	(50,000)		
Extra recycling income - additional income has already been achieved in 2021-22	(90,000)			
Car parking income (from extra usage of the car parks particularly in the coastal areas) - Base budget of £3.412m in 2023/24 - New approach from 2025/26	(250,000)	(250,000)	(450,000)	
Dartmouth Lower Ferry (from extra usage of the Ferry and a review of charges for 2023) - Base budget of £1.077m in 2023/24 - Fees and charges are reviewed every 2 years	(250,000)	(100,000)	(150,000)	
Extra treasury management income - to reflect increases in bank base rate - Base budget of £800,000 in 2023/24	(677,000)	(800,000)	400,000	
Vacancy saving target on salaries - equates to around 1.5% of salaries (total pay of £11.4m)		(170,000)		
Environmental Health fees and charges	0	(30,000)		
Extended Producer Responsibility (EPR - waste service) - potential for a new income stream. DEFRA has confirmed that it is going to defer the implementation of EPR from October 2024 to October 2025.	0		TBC	
Charged Garden Waste service - Base budget of £575,000 in 2023/24 (See Waste Memorandum Note below)	(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)	(180,000)	(10,000)		
TOTAL SAVINGS AND INCOME GENERATION	(2,422,000)	(1,460,000)	(530,000)	(200,000)

WASTE MEMORANDUM showing annual expenditure and income (before inflation)	BASE 2023/24	Yr 1 2024/25	Yr 2 2025/26	Yr 3 2026/27
<u>Expenditure</u>				
Additional Full year costs of the service	2,030,000	1,465,000	1,465,000	1,465,000
Borrowing costs for Torr Depot works	0	35,000	35,000	35,000
<u>Income and savings</u>				
Transitional funding (remainder of the £3million from the business rates retention reserve)	(1,551,620)			
In year savings	(98,380)	(245,000)	(270,000)	(270,000)
Additional Income generated (Garden Waste, CWR charges, Trade waste, Bulky items etc)	(380,000)	(535,000)	(660,000)	(660,000)
Additional Income from the recovery of recycling values (prices for recyclables)	0	(150,000)	(300,000)	(300,000)
Potential food waste new burdens funding	0	(300,000)	0	0
NET COST PRESSURE (as per report to Council in July 2023)	0	270,000	270,000	270,000

Memorandum note on Planning Fee Income

The Government has confirmed that a 35% increase for major applications and 25% for all other applications will apply from 6th December 2023. This is expected to generate around £150,000 to £180,000 of additional planning income. In 2022-23, the Council experienced a shortfall in planning income of £350,000 (32%) against the budgeted income target of £1.08million. Therefore no additional income has been built into the base budget for 24/25.

	BASE 2023/24	Yr 1 2024/25	Yr 2 2025/26	Yr 3 2026/27
Second Homes 200% council tax - Projected Income and Expenditure				
Income				
Discretion to charge up to an extra 100% extra council tax on Second Homes (timescale is that legislation has been introduced for 25-26). There was a separate report on the Council agenda of 16 February 2023 regarding this. The estimated additional yield from council tax would be £9m, of which the Council's share would be approximately £0.7m (8%).			(700,000)	(700,000)
Expenditure				
The Council is experiencing a higher level of temporary accommodation costs and there will be a need to build in a further cost pressure for this		150,000	150,000	150,000
Annual budget to fund the community affordable housing offer - see 'Housing Policy' update				

SOUTH HAMS DISTRICT COUNCIL - BUDGET PROPOSALS 2024/25
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(financed from the funding identified from the review of the capital programme and the review of earmarked reserves - Council Minute CM30, 28 September 2023)	100,000	100,000	100,000	100,000
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Line	Appendix B	BASE	Yr 1	Yr 2	Yr 3
No.	Modelling for the financial years 2024/25 onwards	2023/24 £	2024/25 £	2025/26 £	2026/27 £
1	Base budget brought forward	10,464,367	11,738,067	13,034,894	13,456,334
2	Budget pressures (as per Appendix A)	4,107,700	2,846,000	1,297,000	1,297,000
3	Revenue expenditure for Year 1 delivery plan of the Council Plan (2024/25)	0	650,000	(650,000)	0
4	Savings already identified (as per Appendix A)	(2,422,000)	(1,460,000)	(530,000)	(200,000)
5	Changes in contributions to Earmarked Reserves (App A)	(412,000)	(739,173)	650,000	0
6	Projected Net Expenditure:	11,738,067	13,034,894	13,801,894	14,553,334
	Funded By:- (See Note 1 below regarding New Homes Bonus funding)				
	Council Tax income (TaxBase multiplied by Band D Council Tax) - modelling a 2.99% increase in council tax each year	7,407,344	7,739,406	8,068,751	8,411,272
8	Collection Fund Surplus	332,000	59,000	60,000	60,000
9	Increase in Council Tax in year collection and recovery (Revenues and Benefits Review)	0	140,000	140,000	140,000
10	Localised Business Rates (estimate of business rates resources received in the year)	2,447,681	3,194,466	2,700,000	2,700,000
11	Increase in Business Rates in year collection and recovery (Revenues and Benefits Review)	0	250,000	300,000	350,000
12	Negative Revenue Support Grant (RSG) Adjustment - Assumes a change to Baseline Need from 26/27 onwards	0	0	0	(450,000)
13	Revenue Support Grant	138,000	147,100	150,000	204,000
14	Business Rates Pooling Gain	300,000	400,000	400,000	0
15	Rural Services Delivery Grant	478,583	478,583	478,583	478,583
16	Funding from Funding Guarantee (3% increase in Core Spending Power) - this was a new grant for 23/24 onwards. Assume discontinued when the Fair Funding Review is implemented in 26-27.	694,468	614,068	1,159,000	0
17	Less grants rolled into the Funding Guarantee amount	(138,000)	0	0	0
18	Transitional funding - assume the introduction of the business rates baseline reset and the Fair Funding Review will translate into some transitional funding being available to Councils such as Damping payments	0	0	0	1,265,000
19	Services Grant	77,991	12,271	0	0
20	Total Projected Funding Sources	11,738,067	13,034,894	13,456,334	13,158,855
21	Budget Gap per year (Projected Expenditure line 6 - Projected Funding line 20)	0	0	345,560	1,394,479
	Actual Predicted Cumulative Budget Gap	0	0	345,560	1,740,039
	Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)	0	0	345,560	2,085,599
	Modelling Assumptions:				
	Council Tax (Band D) - modelling a 2.99% increase each year	185.42	190.96	196.66	202.54
	Council Tax Base (Assumes an increase in Band D Equivalent properties of 500 per annum)	39,949.00	40,528.94	41,028.94	41,528.94

Note 1 - New Homes Bonus Funding

The modelling for 2024/25 onwards includes a contribution of £704,173 from New Homes Bonus to fund the Base Budget. Although the NHB scheme is due to be replaced after 2024/25, it is assumed that a successor scheme will be implemented that will also be based on housing growth.

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EARMARKED RESERVES	Closing balance 31.03.2023	Future Commitments	Funding needed to hold a prudent provision	Unallocated spend	Annual reserve contribution (bracketed figures are contributions into a Reserve and unbracketed figures are where funding is being taken out of the Reserve in the year)	Comments
	£000s					
Specific Reserves - General Fund						
Earmarked Reserves which are essential for operational core service delivery (for example programmed renewal and replacement of plant and equipment)						
Business Rates Retention (remainder of the Business Rates Retention Earmarked Reserve needed to manage business rates volatility each year)	(224)	224	0	0	400	This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve deals with any volatility in Business Rate income. In 2023/24 £400,000 is budgeted to be used of this reserve to smooth the volatility in business rates income. Although the reserve currently only has a remaining balance of £224K, there is expected to be further funding put into this reserve from the Collection Fund when the 2023/24 Accounts are closed.
Capital Programme	(191)	191	0	0	(182)	Each year £1,000,000 of monies is transferred from the revenue budget into the Capital Programme Reserve, to fund capital projects in the year. In 2023/24 £191,000 is transferred to the reserve.
Community Parks and Open Spaces	(58)	10	48	0	(17)	Funding is used mainly for annual maintenance of play parks and equipment and path resurfacing. An annual contribution of £16,900 is made into the reserve.
COVID-19 (Leisure)	(34)	34	0	0		This reserve was set up in 2020/21 to protect against future COVID losses. In 2022/23 £174,632 was used to fund the shortfall in the leisure management fee income and the balance of £33,915 will be used in 2023/24 (Executive 3/3/22).
Dartmouth Ferry Repairs & Renewals - provision for ferry asset repairs and replacement	(606)	0	606	0	(147)	An annual contribution of £147,000 is made into this reserve.
District Elections - provision for elections funding	(29)	29	0	0	(40)	An annual contribution of £40,000 is made into this reserve.
Environmental Health Initiatives	(88)	88	0	0		The additions to this reserve relate to savings on Environmental Health salaries in 2022/23 to fund a post for the next two years.
Grounds Maintenance - earmarked for the grounds maintenance service	(86)	86	0	0		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). Spend in 2022/23 related to equipment purchases.
Homelessness Prevention	(143)	82	0	(61)		This reserve has been created following underspends on Homelessness Prevention Costs. The future commitments of £82K relate to the funding of Housing staffing costs - Executive 26/5/22
Affordable Housing (Capital)	(122)	84	0	(38)		Commitments of £48,000 for Housing Capital programme projects and £36,000 which is the remaining funding for setting up a Community Benefit Society. This £35,000 may not be needed going forwards and could be repurposed.
ICT Development	(75)	55	20	0	(50)	An annual contribution of £50K is made into this reserve. Commitments in 23/24 are for the new website and planning system.
Joint Local Plan	(25)	25	0	0	(25)	This reserve is to fund the salary costs of the JLP team. An annual contribution of £25K is made into this reserve.
Leisure Services	(39)	39	0	0		
Land and Development	(63)	11	0	(52)	(7)	An annual contribution of £7K is made into this reserve.
Maintenance Fund	(28)	28	0	0		This is a new reserve set up in 2021/22 for the purpose of general maintenance.
Maintenance, Management and Risk Management Reserve (MMRM) - 10% of annual income from investment properties is set aside into this reserve	(95)	0	95	0	(29)	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 on an annual basis.
Marine Infrastructure	(242)	210	0	(32)		£200K has been committed for match funding for the Batson Fish Quay funding bid - Council May 2022. A further £10K is committed for a marine decarbonisation feasibility study.
New Homes Bonus funding (Revenue Base Budget funding)	(500)	500	0	0	500	An amount of £500,000 per annum of NHB funding is used to fund the revenue base budget.
New Homes Bonus	(976)	976	0	0		Commitments for Capital Programme funding from allocations approved in previous years, such as affordable housing funding, car park resurfacing and other capital bids.
On-Street Parking	(44)	15	0	(29)		There is a balance of £29K which is unallocated.
Organisational Development Strategy	(41)	41	0	0		This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme. This funding is earmarked for the Council's Organisational Development Strategy.
Pay & Display Equipment Renewals	(175)	175	0	0	(21)	This reserve provides for the periodic replacement of Pay & Display machines. An annual contribution of £20,800 is made into this reserve. Future commitment of £25,000 for refurbishment of Ivybridge public conveniences.
Planning Policy & Major Developments	(499)	250	249	0	48	This reserve is for all planning matters and is also required to put funding aside to meet any future appeal costs. Commitments mainly relate to the Planning restructure. The cost of the first three years (£98K per annum) of this restructure is being met from additional planning income which was transferred to the Planning earmarked reserve (Executive 26/5/22). A contribution of £50,000 is made into the reserve annually.
Repairs & Maintenance	(331)	0	331	0	(105)	There is an annual contribution of £105,000 made into this reserve.
Section 106 Deposits	(15)	15	0	0		This reserve comprises of deposits with no repayment conditions - created as a result of IFRS.
Section 106 Monitoring and technical support	(219)	219	0	0		This reserve funds the costs of staff to oversee the administration of S106 deposits and how they are spent.
Tree Maintenance	(48)	48	0	0		
Sub - Total	(4,996)	3,435	1,349	(212)	325	This reserve is to fund the staffing costs of the Tree maintenance service.
Earmarked Reserves which are being used to fund the Waste and Recycling service						
Business Rate Retention Reserve (remainder of the £3million transitional funding for bringing the waste and recycling service back in house in October 2022)	(1,552)	1,552	0	0		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. In 2022/23 £1,448million has been used to fund the transitional waste costs and the remaining £1,552m will be used in 2023/24.
Sustainable Waste Management (Purchase of Vehicles £550K for the roll out of the Devon Aligned Service and one-off project implementation costs for DAS of £112K)	(662)	662	0	0	(25)	This reserve was created for one-off waste management costs. The balance is due to be spent on vehicle purchase for the Devon Aligned Service (DAS) of £550,000 and one off project implementation costs for DAS. An annual contribution of £25K is made into this reserve.
Vehicles & Plant Renewals (End of life waste fleet replacements and the fleet required for the roll out of the remaining properties onto the Devon Aligned Service (DAS) in October 2023 - Council April 2023)	(821)	821	0	0	(550)	Earmarked for the Vehicle Fleet Replacement Programme. An annual contribution of £550K is made to this reserve.
Sub - Total	(3,035)	3,035	0	0	(575)	
Earmarked Reserves which are being used to fund new corporate initiatives and corporate priorities						
Community Composting	(187)	187	0	0		Council 10/02/22 approved a one off amount of £200k to be transferred into a Community Composting Earmarked Reserve in 2021/22. An amount of £13K was used in 22/23 for site visits.
Emergency Climate Change Projects	(332)	332	0	0		The set up of this reserve was approved by Executive on 8/2/2020 E74/19, funded originally by a £400K contribution from the New Homes Bonus Reserve. Spend for 2022/23 includes the Climate Change & Biodiversity Locality Fund and 'Better Lives for All' commitments in respect of Climate Change. Commitments for 23/24 include a payment of £40K to Sustainable South Hams, equipment to manage green spaces, a two year climate change officer post, the climate change locality fund and feasibility studies.
Business Rates Retention (match funding for Batson Fish Quay bid)	(200)	200	0	0		£200K has been committed for match funding for the Batson Fish Quay funding bid - Council May 2022.
Members Sustainable Community Locality	(4)	4	0	0		This reserve holds the unspent balances.
Recovery and Renewal Plan (funding 'Better Lives for All' commitments)	(185)	185	0	0		This is a new reserve set up as part of the 2021/22 Budget to support the costs of the Recovery and Renewal Plan. Future spend relates to 'Better Lives for All' commitments such as £55K conservation area plans, £14K footfall monitoring equipment for economy, £20K development of a marketing strategy, £10K study hams cycle networks, £40K ecology resource for natural environment and £40K for climate change operational delivery of projects.
Sub - Total	(908)	908	0	0	0	
Earmarked Reserves which is Government Grant funding being used for the purposes of the grant determination letter						
Revenue Grants (Government Grant funding)	(1,524)	1,524	0	0	73	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. It is anticipated that a proportion of these grants will be applied in 2023/24. For example an amount of £180,000 is committed to fund additional project management capacity in the waste and recycling service (Council 13.4.2023). Annually £73,000 is withdrawn from this reserve.
Interest from Reserves	0	0	0	0	(2)	

EARMARKED RESERVES	Closing balance 31.03.2023	Future Commitments	Funding needed to hold a prudent provision	Unallocated spend	Annual reserve contribution (bracketed figures are contributions into a Reserve and unbracketed figures are where funding is being taken out of the Reserve in the year)	Comments
	£000s					
Housing Capital Projects - Government grant	(363)	363	0	0		This is previous funding received from the Government.
Ukraine Humanitarian Crisis (Government Grant funding)	(875)	875	0	0		This reserve was set up in 2022/23 to hold funding received to support the Ukraine Humanitarian Crisis which will be spent in 2023/24. An amount of £660,462 will be spent in 2023/24 on the purchase of seven properties through the Local Authority Housing Fund (LAHF).
Sub - Total	(2,762)	2,762	0	0	71	
Notional Earmarked Reserves which are held for a technical accounting purpose for the Collection Fund (this is not funding available to the Council to spend)						
S.31 Compensation Grant (Business Rates Section 31 Grants for business rates relief)	(1,194)	1,194	0	0		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 in 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.
Sub - Total	(1,194)	1,194	0	0	0	
Earmarked Reserves which are held for Salcombe Harbour (Decisions on these reserves must be taken by the Salcombe Harbour Board)						
Pontoons (Salcombe Harbour)	(363)	363				This is a Salcombe Harbour Reserve.
Harbour Renewals (Salcombe Harbour)	(223)	223				This is a Salcombe Harbour Reserve.
General Reserve (Salcombe Harbour)	(402)		402			This is a Salcombe Harbour Reserve.
Sub - Total	(988)	586	402	0	0	
Uncommitted Earmarked Reserves and available for Members to decide how to allocate these funds for future priorities - Reserves of £1,541m below have been identified to be available to support the delivery of the emerging Council Plan - see 7.3 of the covering report, subsequently approved at Council on 28 September 2023 (Minute CM30)						
					This was	These
Affordable Housing (Revenue)	(408)		0	(408)		This was a new reserve set up as part of the 2022/23 Budget process and was New Homes Bonus funding that was set aside for Affordable Housing.
Financial Stability	(280)	0	0	(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. It is currently uncommitted funding.
New Homes Bonus	(357)	0	0	(357)		The remaining balance at 31.3.23 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 and a replacement scheme for NHB. This New Homes Bonus funding is currently uncommitted.
Pension Fund Strain Payments	(208)	0	0	(208)		This reserve is used to fund pension strain costs. There are currently no commitments against this reserve.
Recovery and Renewal Plan	(288)	0	0	(288)		There is £288,000 of the recovery and renewal plan earmarked reserve which is currently uncommitted.
Sub - Total	(1,541)	0	0	(1,541)	0	
TOTAL EARMARKED RESERVES	(15,424)	11,920	1,751	(1,753)	(358)	
TOTAL UNEARMARKED RESERVES (General Fund Balance)	(2,113)	0	2,113	0		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 2022/23 surplus of £57,000 from the 2022/23 Accounts has been transferred to Unearmarked Reserves, in accordance with normal accounting practice. The £2.113m includes the surplus of £57,000 for the 2022/23 financial year outturn.
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)	(17,537)	11,920	3,864	(1,753)	(358)	

ANALYSIS OF CONTRIBUTIONS TO/(FROM) EARMARKED RESERVES

Budget 2023/24			Estimate 2024/25		Estimate 2025/26	
To £	(From) £		To £	(From) £	To £	(From) £
181,600		Capital Programme	181,600		181,600	
16,900		Community Parks & Open Spaces	16,900		16,900	
40,000		District Elections	50,000		50,000	
147,000		Ferry major repairs & renewals	177,000		177,000	
0		Revenue expenditure for the Year 1 Delivery Plan of the Council Plan (2024/25) to be funded by Earmarked Reserves		(650,000)		TBA
	(500,000)	New Homes Bonus (assumes a replacement scheme in 25/26 onwards)		(704,173)		(704,173)
	(72,700)	Flexible Homelessness Government Grant		(72,700)		(72,700)
	(400,000)	Business Rates Retention Reserve		(400,000)		(400,000)
20,800		Pay & Display Equipment	20,800		20,800	
0		Pension Fund Strain Payments	0		0	
105,000		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	
	(98,000)	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	
0		Joint Local Plan - to commence the JLP process	75,000		75,000	
2,000		Interest from Reserves	2,000		2,000	
1,220,300	(1,070,700)	TOTALS	1,335,300	(1,924,873)	1,335,300	(1,274,873)
149,600		GRAND TOTAL		(589,573)		60,427

The change in contributions to Earmarked Reserves is the difference between £149,600 in 23/24 and £(589,573) in 24/25, being a change of £(739,173) as shown in Appendix A.

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COMPARISON OF PARISH/TOWN PRECEPTS IN 2022/23 AND 2023/24

Parish/Town	2022/23 Parish Precept £	2023/24 Parish Precept £	2022/23 Parish Band D council tax £	2023/24 Parish Band D council tax £	Increase/ (Decrease) Band D council tax £	Increase/ (Decrease) Band D council tax %
Ashprington	10,186	12,586	39.91	49.03	9.12	23%
Aveton Gifford	27,000	29,700	69.89	75.33	5.44	8%
Berry Pomeroy	17,956	16,371	42.90	38.81	(4.09)	(10%)
Bickleigh	98,500	104,303	73.66	77.33	3.67	5%
Bigbury	19,795	21,775	47.25	51.93	4.68	10%
Blackawton	17,500	19,000	42.86	46.24	3.38	8%
Brixton	36,245	40,660	38.28	36.88	(1.40)	(4%)
Buckfastleigh West	5,938	7,250	51.85	63.21	11.36	22%
Buckland-Tout-Saints	5,170	5,170	45.96	45.11	(0.85)	(2%)
Charleton	9,000	9,500	32.00	33.52	1.52	5%
Chivelstone	5,750	5,750	30.63	30.47	(0.16)	(1%)
Churchstow	11,427	12,570	46.51	50.25	3.74	8%
Cornwood	27,320	27,320	65.84	65.32	(0.52)	(1%)
Cornworthy	7,500	7,731	39.82	39.82	0.00	0%
Dartington	30,850	31,019	37.49	37.49	0.00	0%
Dartmouth	490,000	488,037	182.95	182.95	0.00	0%
Dean Prior	5,250	6,100	67.02	76.76	9.74	15%
Diptford	14,100	15,525	51.75	56.93	5.18	10%
Dittisham	12,000	14,000	34.87	40.37	5.50	16%
East Allington	20,000	20,200	62.51	62.19	(0.32)	(1%)
East Portlemouth	8,058	8,058	45.03	45.02	(0.01)	0%
Ermington	18,274	17,400	47.00	44.27	(2.73)	(6%)
Frogmore & Sherford	9,000	9,000	39.68	39.61	(0.07)	0%
Halwell & Moreleigh	10,000	10,600	45.95	47.16	1.21	3%
Harberton	18,930	19,112	36.09	36.07	(0.02)	0%
Harford	990	990	26.86	26.46	(0.40)	(1%)
Holbeton	15,381	16,150	48.59	50.77	2.18	4%
Holne	7,006	7,411	52.10	53.66	1.56	3%
Ivybridge	530,215	563,696	134.91	141.57	6.66	5%
Kingsbridge	193,920	198,675	88.21	88.21	0.00	0%
Kingston	10,600	11,130	52.62	55.26	2.64	5%
Kingswear	46,443	45,771	59.90	59.90	0.00	0%
Littlehempston	3,543	3,826	33.34	34.73	1.39	4%
Loddiswell	37,655	37,655	80.26	78.31	(1.95)	(2%)
Malborough	34,958	38,454	68.46	73.65	5.19	8%
Marldon	45,650	59,746	52.12	67.54	15.42	30%
Modbury	50,765	54,500	63.27	66.62	3.35	5%

COMPARISON OF PARISH/TOWN PRECEPTS IN 2022/23 AND 2023/24

Parish/Town	2022/23 Parish Precept £	2023/24 Parish Precept £	2022/23 Parish Band D council tax £	2023/24 Parish Band D council tax £	Increase/ (Decrease) Band D council tax £	Increase/ (Decrease) Band D council tax %
Newton & Noss	73,650	79,411	62.59	66.41	3.82	6%
North Huish	4,000	5,000	18.81	23.23	4.42	23%
Rattery	8,000	8,000	37.23	36.33	(0.90)	(2%)
Ringmore	7,500	8,060	59.23	63.48	4.25	7%
Salcombe	77,050	77,150	40.22	39.88	(0.34)	(1%)
Shaugh Prior	13,366	13,766	45.65	46.89	1.24	3%
Slapton	23,044	25,876	86.10	96.36	10.26	12%
South Brent	83,625	88,700	85.20	86.68	1.48	2%
South Huish	20,353	21,879	45.73	49.13	3.40	7%
South Milton	6,836	7,178	27.47	28.79	1.32	5%
South Pool	6,650	6,650	54.32	54.23	(0.09)	0%
Sparkwell	12,242	12,260	25.63	24.89	(0.74)	(3%)
Staverton	20,434	21,869	57.09	60.04	2.95	5%
Stoke Fleming	24,410	29,472	39.95	43.15	3.20	8%
Stoke Gabriel	49,000	49,000	64.01	63.95	(0.06)	0%
Stokenham	43,680	43,875	40.17	40.17	0.00	0%
Strete	14,000	14,700	46.35	48.24	1.89	4%
Thurlestone	33,000	36,300	42.30	46.05	3.75	9%
Totnes	545,986	610,253	186.57	205.23	18.66	10%
Ugborough	28,300	33,368	31.46	31.54	0.08	0%
Wembury	50,444	57,000	34.34	38.36	4.02	12%
West Alvington	21,110	23,221	79.28	87.04	7.76	10%
Woodleigh	554	581	4.94	5.04	0.10	2%
Yealmpton	54,000	57,000	56.65	59.22	2.57	5%
Total	3,134,109	3,327,310				

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

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**MINUTES of the MEETING of the BUDGET ADVISORY COMMITTEE,
HELD IN THE COUNCIL CHAMBER, FOLLATON HOUSE, TOTNES, ON
THURSDAY, 11 JANUARY 2024**

Panel Members in attendance:			
* Denotes attendance ∅ Denotes apology for absence			
** Denotes in attendance via Teams in a non-voting capacity			
∅	Cllr G Allen	*	Cllr M Long (Chairman)
*	Cllr L Bonham	∅	Cllr P Munoz
*	Cllr J Carson	*	Cllr A Nix
*	Cllr B Cooper	∅	Cllr C Oram**
*	Cllr S Dennis	*	Cllr G Pannell
∅	Cllr A Dewynter**	*	Cllr S Penfold
*	Cllr N Dommett	∅	Cllr A Presswell
∅	Cllr T Edie	*	Cllr S Rake
∅	Cllr D Hancock**	*	Cllr M Steele
∅	Cllr J Hawkins	*	Cllr B Taylor (Vice Chair)
∅	Cllr S Jackson	*	Cllr G Yardy
∅	Cllr L Lawford		

Other Members also in attendance:
Cllrs Abbott, Birch, Brazil, Hodgson, Hopwood, McKay and O'Callaghan

Officers in attendance and participating
Chef Executive; Deputy Chief Executive (via Teams) Section 151 Officer; Democratic Services Manager and Head of Finance (via Teams)

BA.01/23 APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN

Nominations were invited to serve as Chairman for the duration of this meeting and it was subsequently:

RESOLVED

That Cllr M Long be appointed to the role of Committee Chairman for the duration of this meeting.

Cllr Long proceeded to exercise his discretion to invite nominations to serve as Vice-Chairman for the duration of this meeting and it was then:

RESOLVED

That Cllr B Taylor be appointed to the role of Committee Vice-Chairman for the duration of this meeting.

BA.02/23 MINUTES

The minutes of the Budget Advisory Committee meeting held on 19 January 2023 were confirmed as a true and correct record.

BA.03/23 DECLARATIONS OF INTEREST

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

BA.04/23 DRAFT REVENUE AND CAPITAL BUDGET PROPOSALS FOR 2024/25

Members considered a report that asked for their views on the content of the draft Revenue and Capital Budget Proposals report for 2024-25.

Since this was the first year that a number of recently elected Members had been required to consider the Council's Budget Setting process, the Chief Executive outlined the process to be followed prior to presentation of the final Budget recommendations to the Full Council meeting to be held on 15 February 2024.

The Section 151 Officer provided a comprehensive presentation on the published agenda report and, on a section-by-section basis, invited questions from Members, with particular reference being made to:

- (a) the additional income streams identified. Having sought specific assurances that the car parking and Follaton House rental income targets were attainable, officers informed the Committee that, based upon previous year trends and the rental market, they were confident that these were achievable;
- (b) the budget implications associated with adopting the Council Plan (and Delivery Plans). Officers confirmed that it was intended that the final draft of the Council Plan would also be presented for adoption to the Full Council meeting on 15 February 2024;
- (c) the aspiration for a two-tier car parking charging structure to be introduced. A number of Members expressed their support for the implementation, if the technology permitted, of a two-tier charging structure whereby resident charges were set at a lower level than the equivalent charges for visitors;
- (d) asset devolution to town and parish councils. Some Members highlighted instances of town and parish councils who had been transferred ownership of Council assets (e.g. public conveniences) and were now facing financial challenges associated with the ongoing maintenance of these facilities.

In the ensuing debate, some Members highlighted that, alongside the transfer of ownership, the District Council had provided one-off funding to those town and parish councils. At the invitation of the meeting, the lead Executive Member indicated that there were no plans to change the current arrangements. Furthermore, given the timing of town and parish councils being required to set their precept, then, if this matter was to be revisited, then it would need to be in time for the 2025/26 Financial Year;

- (e) the precept differentials between town and neighbouring parish councils. In response to a Member highlighting the additional strain on town council services from neighbouring parish councils (that had considerably lower precepts), it was noted that unless a parish council was willing to provide a financial contribution to a town council, then the only other process to rectify this apparent unfairness was a Community Governance Review;
- (f) the Second Homeowners Council Tax Premium. Whilst noting that conversations were ongoing with councils across Devon, the Committee fully recognised that the additional monies generated through this Premium should be allocated towards supporting the Council's declared Housing Emergency;
- (g) the Capital Programme. In response to a request, it was agreed that the Council's current Capital Programme would be appended to the Budget report to be presented to the Executive meeting to be held on 25 January 2024;
- (h) Plymouth and South Devon Freeport. The Section 151 Officer confirmed that there was to be no borrowings associated with the Freeport in the 2024/25 Financial Year.

It was then:

RECOMMENDED

That the Budget Advisory Committee **RECOMMEND** to the Executive:

- i) an increase in Council Tax for 2024/25 of 2.99% being modelled (This would increase a Band D council tax for 24/25 from £185.42 to £190.96 – an increase of £5.54 per year or under 11pence per week);
- ii) the financial pressures of £2,846,000 (as shown in Appendix A of the presented agenda report);
- iii) the savings/additional income of £1,460,000 (as shown in Appendix A of the presented agenda report);

- iv) the net contributions to/(from) Earmarked Reserves of £60,427 as shown in Appendix D of the presented agenda report, including the proposed use of £704,173 of New Homes Bonus funding to fund the 2024/25 Revenue Budget as set out in 3.20 of the published agenda report and £400,000 from the Business Rates Retention Earmarked Reserve as set out in 3.13 of the published agenda report; and
- v) approval of the Capital Bid for £90,000 to renew and upgrade the Council's bank reconciliation software be funded from the annual revenue contribution of £181,600 into the Capital Programme, as set out in section 8.4 of the presented agenda report.

(Meeting started at 3.00 pm and concluded at 4.55 pm)

Chairman

Report to: **Executive**

Date: **25th January 2024**

Title: **Housing Crisis Update - Housing & Homeless Strategy Action Plan**

Portfolio Area: **Housing – Cllr O’Callaghan**

Wards Affected: **All**

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

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

RECOMMENDATIONS

That the Executive:

- 1. review the progress on the previous Housing Strategy Action Plan; and**
- 2. agree the refreshed Action Plan (as set out at Appendix 2).**

1. Executive summary

- 1.1 The Council and West Devon Borough Council adopted the current joint Housing Strategy in 2021. This reflected Housing as a priority for both Councils. In May 2023 there was a change in the political administration at both Councils, but the focus on Housing remains a top priority for both.
- 1.2 It is a statutory requirement to have a Homeless strategy, and best practice to have a Housing Strategy, particularly when it is a priority for the Council. It has been the practice to review the action plan each year and this report recommends that Members agree the refreshed Action Plan which considers both election pledges and the Council Plan priorities of both Councils and links to specific actions within the plan. This detailed action plan will underpin the Council Plan
- 1.3 Due to the close links between the homeless and housing strategies, the 2 have been merged to avoid duplication and demonstrate clearly the steps the Councils are taking to

eradicate homelessness and support those in housing need. There is a legal duty placed on the Council through the Homelessness Act 2002 to review homelessness, the influencing factors that cause homelessness and to develop a strategy which addresses the findings of the review.

- 1.4 The review and new action plan can be found appended to this report (Appendix 1 & 2)

2. Background

- 2.1 The South Hams & West Devon joint housing strategy – Better Homes, Better Lives was adopted in April 2021 as the Country began to emerge from the Covid-19 global pandemic. At that time there were still many unknowns about the longer-term impacts, so the strategy was purposefully designed to be able to flex to changing needs. As part of the requirement of the strategy an annual action plan is brought back to the Executive to agree and endorse.
- 2.2 Both Councils held local elections in May 2023, which resulted in changes in administration in both Councils. Housing had been a major topic during the campaigning and a focus of election pledges. A new council plan for South Hams was adopted in November 2023 following member and public consultation. The 4 primary aims for the Housing priority are.
 - Take action to ensure a good mix of the right houses, in the right places to meet the needs of residents, with a focus on affordable housing
 - Tackle damp and disrepair in rented properties
 - Make sure that all new housing developments are carbon neutral as far as possible
 - Support the housing needs of our most vulnerable residents
- 2.3 The priorities of the Housing Strategy are already in synergy with the corporate plan with the 4 priorities remaining as
 - Homes that support the health and wellbeing of our residents
 - Make the best use and improve the quality of our existing housing
 - Promote balanced and sustainable communities
 - Ensuring that homes support the health and wellbeing of our area

- 2.4 Alongside the Housing Strategy there is a statutory requirement under the Homelessness Act 2002 to review homelessness in the District and develop an action plan to address the causes identified. Appendix 1 sets out the review of both the homelessness and Housing strategies, which has been amalgamated to avoid duplication and bring together all the detailed action the Council is taking in relation to housing.
- 2.5 The Housing Strategy review sets out the progress against the strategy targets and gives examples of work undertaken, all statistics relate to the financial year 2022/23 and it is recommended that a further update on 23/24 progress is subject to a housing report to the Executive in early summer 2024.
- 2.6 Appendix 2 contains the draft detailed action plan.

3. Proposal and Next Steps

- 3.1 It is recommended that the Executive review the progress of actions to date and agree and endorse the action plan for 2024/25

4. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Homelessness Act 2002 places a duty on local authorities to review homelessness, and the influencing factors that cause homelessness, and to develop a strategy which addresses the findings of the review.</p> <p>It is not a statutory requirement to have a housing strategy, however it is a corporate priority for the Council, therefore it is essential there is a plan for delivery.</p>
Financial implications to include reference to value for money		<p>None as a direct implication of this report. All new initiatives requiring finance will be subject to separate reports.</p> <p>It is important to note that Local Authorities still receive a prevention of homeless grant</p>

		<p>from central Government. For the year 2023-24 South Hams has been awarded £181,050 in prevention grant, with an additional £132,315 in Ukraine homeless prevention grant top up. A further £34,043 was received and ringfenced to support the delivery of the Domestic Abuse Act. With the exception of the Domestic abuse funding the grants must be spent in year. And this pays for some core service delivery and temporary accommodation costs. The action plan contains a number of actions around reducing the reliance on pay nightly bed and breakfast type accommodation, which it is anticipated will bring down these costs. This not only offers the best service for the customer but is the most efficient in terms of the Local Authority</p>
Risk		<p>The Council has prioritised housing in its council plan. Failure to produce an action plan detailing housing activity would undermine these commitments, It is a statutory requirement to have a current Homelessness Strategy.</p>
Supporting Corporate Strategy		<p>Housing</p>
Consultation & Engagement Strategy		<p>Members of the Housing Advisory Group have been consulted and participated in the formation of the Action Plan. Consultation from the Council plan has also been reflected.</p>
Climate Change - Carbon / Biodiversity Impact		<p>No direct impact as a result of this report, however individual projects will have their impact assessed, and commitments to new houses being carbon neutral wherever possible is part of the Council plan.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		<p>The original Housing strategy has been the subject of an equality impact assessment</p>
Safeguarding		<p>As the Homeless Strategy Action Plan concerns work with very vulnerable people and one of the priorities is around Health and Wellbeing, the corporate safeguarding policy will underpin</p>

		the work of officers who regularly work with homeless households
Community Safety, Crime and Disorder		Devon & Cornwall Police contributed to the development of the strategy and will remain significant partners during the delivery of relevant actions in the action plan
Health, Safety and Wellbeing		No direct implications as a result of this report, however there is activity within the action plan that is designed to respond positively to health and wellbeing.
Other implications		

Supporting Information

Appendices:

Appendix 1- Review and progress of the 22/23 Action Plan

Appendix 2 – 24/25 Action Plan

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South Hams & West Devon

Better Homes, Better Lives

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Housing Strategy 2021-2026

Review 2022 - 2023



South Hams
District Council



West Devon
Borough Council



Background

South Hams District Council and West Devon Borough Council adopted their new Housing Strategy “Better Homes, Better Lives” in April 2021 which set out the Councils housing ambitions for the next 5 years.

One year later, our 2022 – 27 Homelessness Strategy was also adopted. The year since their adoption have not been without their challenges; with a housing crisis being declared in the South Hams in October 21 and in West Devon shortly after; in February 22. These two events were quickly followed by the humanitarian crisis in the Ukraine in February 22 and the cost of living crisis which has been developing over the past 6-12 months. Each of these events have had a profound effect on the lives of our residents and the direction that our work is taking.

Whilst it is impossible to anticipate some of these major events, experience has taught us that one can never become complacent about the maintenance of the status quo, particularly when designing and establishing a 5 year strategy. For this reason our Housing Strategy and our Homelessness Strategy are reviewed annually and have been designed to respond flexibly to changing need and demand whilst remaining in line with the councils overarching corporate strategies.



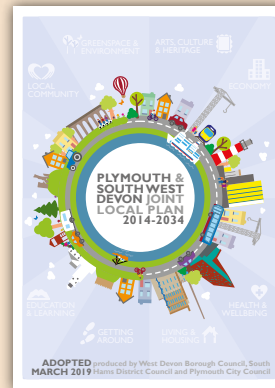
Corporate Strategy and Strategic Themes



Corporate Strategy and Strategic Themes



Underpinning Documents





Housing and Homelessness – the way forward



The Housing Strategy “Better Homes, Better Lives” and the Homelessness Strategy are both now well established documents, both leading and shaping the direction of our service.

The elections in May 2023 introduced a new political direction in South Hams and many new members across both South Hams and West Devon. Considering this, we have taken the opportunity to collaborate with members to re-evaluate our priorities and ensure that the direction of our Housing and Homelessness services remains an accurate reflection of the area’s current needs and challenges.

The resulting action plan is intended to build on our achievements and address the new and existing challenges the current financial, political, and housing landscape hold.

As a response to the Housing Crisis declarations in South Hams and West Devon, the decision was taken to review our current housing resource and to consider how it may be tailored to best meet the needs of our residents. The outcome of this review was the combining of existing housing related work streams to create a single housing focussed team; designed to find solutions to the immediate housing crisis as well as work together to effectively prevent future crises occurring.

In reflection of this enhanced, joined up approach, our 2021-26 Housing Strategy “Better Homes, Better Lives” and our Homelessness Strategy 2022-27 have been brought into alignment for review within this document. The outcome of this Joint review strategy will be the enablement of a full and thorough review of all elements relating to and impacting on housing provision and homelessness, alongside how we are working together to ensure best outcomes.

The Housing Strategy

The objectives identified in the Housing Strategy “Better Homes, Better Lives” are framed around two key themes of what makes a home, a community, a society; the Place and the People.

Housing for Place



Driving the delivery of new homes that people can afford and meeting the diverse needs of our communities.

Under this theme our focus is around provision of housing, identifying future needs and ensuring that developments in rural locations support the needs of those communities. Encouraging provision of a diverse range of housing options to include; social housing, shared & low-cost ownership, extra care housing, housing to promote independent living for those with additional needs, options for gypsy and traveller communities, and those wishing to pursue a self-build option.

Housing for People



Ensure the best use and improved quality of existing housing.

Under this theme our focus is around the improvement of the lives of people in our communities; ensuring their homes are warm, energy efficient and meet their health and wellbeing needs.

2022 – 27 Joint Homelessness Strategy

The 2022–27 Homelessness strategy is designed around the needs of four distinct groups of people who make up our community:

- singles & couples;
- families;
- those with additional needs; and
- rough sleepers.

The strength in this approach is in being able to identify where needs overlap and can be met simply for all groups, and recognising where differentiation in need and delivery of solutions is required. This approach has enabled us to identify and monitor changing needs within each group, and to find creative and targeted solutions; designed to meet specific need.

The objectives in the 2022–27 Homelessness Strategy outline the four major activities undertaken within our area of work. Our aims are to:

- **Prevent** – identifying and addressing issues early to ensure households can remain in their homes or make a planned move without becoming homeless;
- **Relieve** – where homelessness cannot be avoided, support people to find accommodation;
- **Sustain** – where complex needs are identified, we will work with partner agencies to ensure people are supported to sustain their homes;
- **Provide** – to work to improve access to a range of accommodation options suitable for household needs.



Objective alignment and complementary practice

When read in parallel with our Homelessness Strategy 22-27 the alignment of our objectives can be clearly identified.

The key aims of provision of suitable housing, and the focus on identifying and meeting the needs of the people within our community, form a well-defined thread throughout our work. To accurately review the progress, we have made we have pulled the various complementary threads of work together so that they can be reviewed as a whole.

Working in partnership, these shared housing-related disciplines have enabled us to work together more effectively to address the challenges currently faced across our two local authority areas. This has enabled a collaborative approach toward meeting immediate housing need and homelessness, whilst planning for future housing supply and demand and whilst ensuring existing and future homes meet quality homes standards.

Overview of our aligned objectives

People Priority 1: Homes that support the Health and Wellbeing of our residents.

The Councils are compelled to addressing hardship, deprivation, ill health and inequalities that exist within our areas.

Sustain

We will work with our residents and partner agencies to ensure people are supported to sustain their homes.

Focus areas:

- Energy efficiency;
- Promoting independent living through adaptations and improvements;
- Ensure adapted housing is matched to those with a need for adaptations to ensure best use of stock;
- Develop a Fuel Poverty Action Plan;
- Ensure access to good quality financial and independent living advice and support to ensure people are empowered to sustain their tenancies;
- Work proactively with landlords in both the private and social rented sector to ensure early identification of tenancy sustainment issues including financial, affordability and property quality issues.

People Priority 2: Make the best use and improve the quality of existing housing.

The Council are committed to making better use of already existing housing to meet the needs of residents.

Prevent

identifying and addressing issues early to ensure households can remain in their homes or make a planned moved without becoming homeless.

Focus areas:

- Improve and enhance housing standards across the private and social housing sector through landlord engagement;
- Expand SeaMoor Lettings to improve access to the private rented sector;
- Promote the Tenants Incentive Scheme to encourage and incentivise tenants under occupying tenants in social housing to downsize;
- Work with registered providers and private landlords to enable early identification of families at risk of homelessness to enable provision of appropriate support and access to housing options;
- Work closely with partner agencies to ensure those in housing need are identified and referred to us quickly to enable early intervention measures can be put in place; including support to downsize or move to more suitable accommodation.

Place Priority 1: Promote Balanced and Sustainable communities.

The long-term resilience of rural communities depends upon having a diverse housing stock that can meet the needs of a wide range of households. By ensuring that new development adds diversity to the housing stock we can help ensure our communities are inclusive and equitable places to live, and that can create communities that are well prepared to respond to change.

Provide

To work to improve access to a range of accommodation options suitable for household needs.

Focus areas:

- Work with DCC to provide specialist accommodation for those requiring support;
- Work with developers to encourage provision of social, managed shared, intermediate private rental, part ownership and market sale housing;
- Promote effectively partnership working to meet the needs of Gypsy and Travellers;
- Encourage opportunities for people interested in Self Build;
- Using the Council's resources, increase the number of affordable private rented and council owned properties available to families, to include quality temporary housing;
- Maximise the number of properties made available as a result of successful downsizing in the social rented sector;
- work with Devon County Council to support the delivery of housing for those with support needs through a property management service offer with intensive housing support.

Place Priority 2: Ensuring that homes support the Health and Wellbeing of the area.

The Council wants to meet the housing needs of all communities and the challenges of an ageing population. This Strategy aims to promote the best use of current housing stock, whatever the tenure, and enable new housing that is built to a standard that will enhance the health and wellbeing of future occupants.

Relieve

Where homelessness cannot be avoided, support people to find accommodation.

Focus areas:

- Plan for current and future housing needs to include consideration of:
 - Health needs;
 - Energy efficiency;
 - Wheelchair standard housing;
 - Extra care housing provision;
 - Quality temporary housing provision for those facing homelessness.
- Ensure provision of quality temporary housing and access to support services to holistically address the needs of those facing homelessness;
- Work with partner agencies to deliver accommodation and services which support young people facing homelessness;
- Develop a range of accommodation and support options for people rough sleeping or at risk of rough sleeping to make long term accommodation sustainment realistic and meet unmet needs.

Key achievements

St Anne's Chapel



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People Priority 1: Homes that support the Health and Wellbeing of our residents

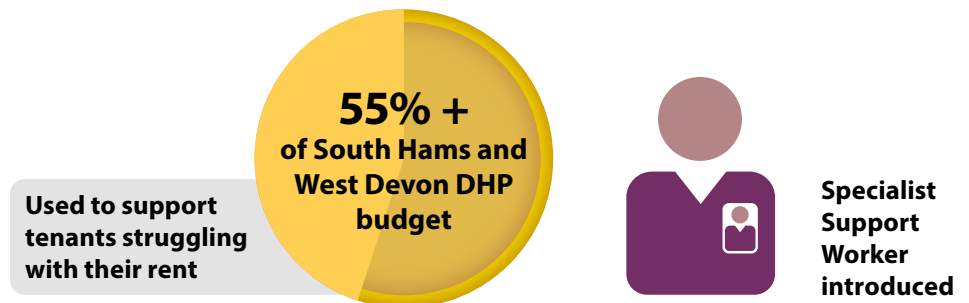
The Councils are compelled to address hardship, deprivation, ill health, and inequalities that exist within our areas.

Sustain

We will work with our residents and partner agencies to ensure people are supported to sustain their homes:

- Over 55% of the South Hams and West Devon DHP budgets were used to support tenants struggling with their rent.
- 85 Green homes grants paid in South Hams and 38 in West Devon to improve homes.
- We have referred 290 customers to our joint contracted financial advice services to maximise their incomes, get support with debt and help with accessing grants for essential everyday items.

- 683 Household support fund payments made to residents requiring essential household items in South Hams and 396 in West Devon.
- 4 Notices issued in South Hams and 3 in West Devon to landlords to support tenants in poor housing conditions.
- Introduced a specialist Support Worker to provide holistic support for people in temporary accommodation.



People Priority 2: Make the best use and improve the quality of existing housing

The Councils are committed to making better use of already existing housing to meet the needs of residents.

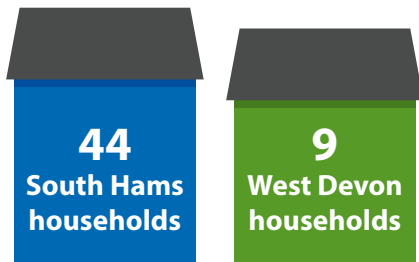
Prevent

Identifying and addressing issues early to ensure households are able to remain in their homes or make a planned move without becoming homeless:

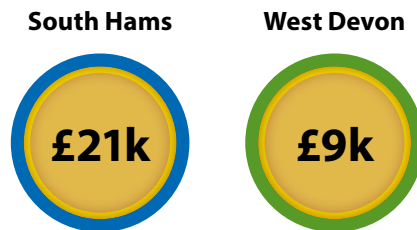
- Supported 44 households in South Hams and 9 households in West Devon to either secure alternate adapted housing, or access adaptations to existing housing through the Disabled Adapted Panel.

- Working closely with the Devon Wide homeless prevention panel for young people and care leavers to ensure a coordinated response to those at risk of homelessness in Devon.
- Paid over £21k in South Hams and 9k in West Devon toward rent arrears to ensure tenants did not lose their homes.
- Developed and promoted tenancy guides to ensure tenants and landlords are aware of their rights and responsibilities.
- Improved landlord engagement through promotion of advice services through the SeaMoor webpages to include support for landlords with tenants who are struggling.
- Improved disrepair reporting mechanisms, in particular around Damp and Mould issues, to ensure a fast and effective response to help people remain safely in their homes.

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Supported to either secure alternate adapted housing, or access adaptations to existing housing through the Disabled Adapted Panel



Paid towards rent arrears to ensure tenants did not lose their homes

Place Priority 1: Promote Balanced and Sustainable communities

The long-term resilience of rural communities depends upon having a diverse housing stock that can meet the needs of a wide range of households. By ensuring that new development adds diversity to the housing stock we can help ensure our communities are inclusive and equitable places to live, and that can create communities that are well prepared to respond to change.

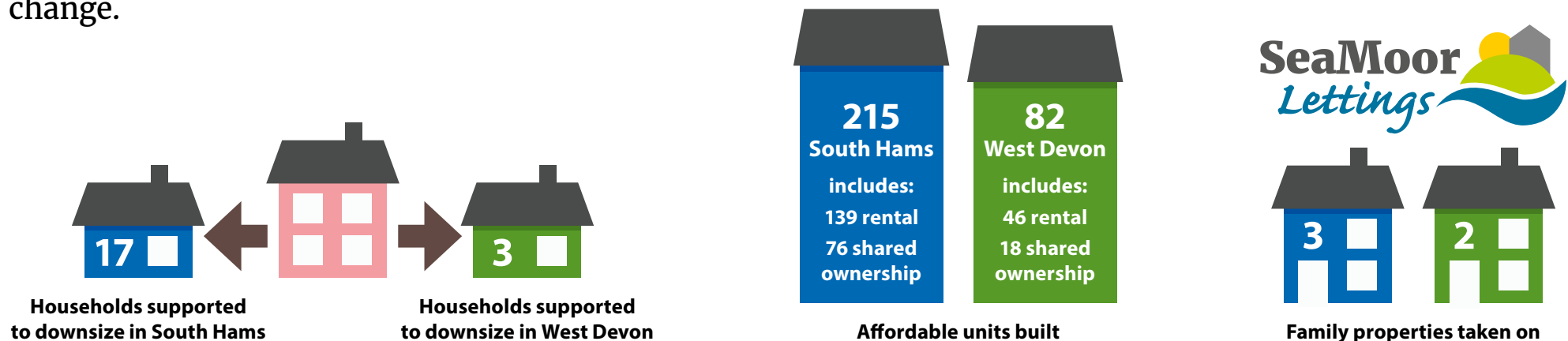
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Provide

To work to improve access to a range of accommodation options suitable for household needs:

- 17 South Hams households supported financially to downsize to appropriate accommodation through the Tenants Incentive Scheme releasing family properties for re let.
- A further 3 West Devon Households supported to downsize releasing family homes.

- 215 affordable units built in South Hams to include 139 rent and 76 shared ownership.
- 82 affordable units built in West Devon to include 46 rental and 18 shared ownership.
- Consistently achieving 30% social housing contributions from developers across both districts.
- 3 new family properties taken on as part of SeaMoor lettings in South Hams and 2 in West Devon.



- Work towards the development of Council owned land at Wonnacots Rd, Okehampton, Plymouth Rd Tavistock and Ropewalk in Kingsbridge has commenced with a view to increasing the affordable housing delivery across the two districts.
- Developed the framework to launch and manage St Ann's Chapel to meet the existing and forthcoming Regulatory Guidance, the first council housing developed in a generation.



St Ann's Chapel

- Through the Local Authority Housing Fund, we delivered 11 properties in South Hams and 5 in West Devon for refugees and future temporary accommodation for homeless households.
- Secured planning permission for 125 homes, including 46% Affordable Homes of different tenures at Collaton Cross through the Different Approach Model. 18 of these homes are secured for the CLT.
- Secured a further 17 Affordable Social Rented homes at Butts Park in Newton and Noss in partnership with the CLT.
- Received £77,825 for offsite Affordable Housing Contributions in West Devon and £49,003 in South Hams
- Introduced new Software to assist with the assessment of the viability of affordable housing schemes.
- Developed new procedures to better define our approach to engaging with the Gypsy, Traveler and Caravan Dweller communities.

Properties for refugees

11

5



Place Priority 2: Ensuring that homes support the Health and Wellbeing of the area

The Council wants to meet the housing needs of all communities and the challenges of an ageing population. This Strategy aims to promote the best use of current housing stock, whatever the tenure, and enable new housing that is built to a standard that will enhance the health and wellbeing of future occupants.

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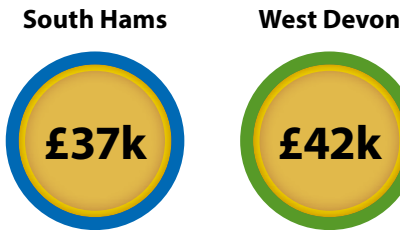
Relieve

Where homelessness cannot be avoided, support people to find accommodation:

- Enabled provision of disabled adapted accommodation within South Hams temporary accommodation stock.
- Provided over £22k in South Hams and £8.5k to households requiring financial support with Rent in advance and deposits to access the housing from our Homelessness Prevention Fund.

- Provided a further £37k in South Hams and £42k in West Devon to meet the costs of rent in advance, deposit, and other moving costs.
- Purchase of two one bedroom properties for use as intensive support housing for rough sleepers.
- Established regular gypsy and traveller forums to engage with those requiring a site.
- Secured planning permission for 20 Plymouth Rd, Tavistock to be redeveloped into three flats to be used as supported accommodation for homeless households.

Financial support with Rent in advance and deposits to access the housing from our Homelessness Prevention Fund



Further support to meet the costs of rent in advance, deposit, and other moving costs



One bedroom properties as intensive support housing for rough sleepers

Headlines



We are investing in more housing

We are boosting our stock of homes to address the district's immediate and future housing needs, a top priority for our new administration.

Help us to understand the housing situation in

Bridestowe & Sourton



South Hams District Council
Published by Sprout Social · November 30, 2023 ·

As part of our drive to deliver more affordable homes, we are investing an initial £100,000 to help local communities and landowners deliver more houses in the areas which need it most.

Our new Housing Offer will launch early next year and will offer communities advice and support with forming housing groups, finding suitable sites for development and help with planning.

Find out more <https://www.southhams.gov.uk/.../supporting-communities...>

#shdc #southhams

Help us to understand the housing situation in

Stoke Gabriel



West Devon Borough Council
Published by Sprout Social · November 21, 2023 ·

Tenants are now able to report housing disrepair issues online with our new and simplified online service.

You can now report and upload photos of issues such as damp and mould through our online reporting form, providing a clear contact for support and advice.

Tenants can report issues here www.westdevon.gov.uk/housing-disrepair

Find out more about the actions we are taking to improve the quality of housing for tenants across West Devon https://www.westdevon.gov.uk/_/new-online-service-help...

#housing #wdbc

West Devon Borough Council
Published by Sprout Social · July 7, 2023 ·

It's #RuralHousingWeek! It aims to highlight the important role affordable housing plays in maintaining rural communities.

We work with partners to deliver affordable homes for local people, including older or sick residents to enable them to live independently for longer. Helping our younger families to stay in the place where they have grown up.

If you cannot afford to rent or buy a home on the open market, affordable or low-cost housing could help.

Find out more www.westdevon.gov.uk/article/3519/Affordable-Housing

#ruralhousing

South Hams District Council
Published by Sprout Social · November 27, 2023 ·

- ✓ Own your own home?
- ✓ Have heating that isn't mains gas?
- ✓ Have an EPC rating of D, E, F, G?
- ✓ Have a gross household income of less than £31k per year?

If so, you could be eligible for help with improving the energy efficiency of your home.

We are working with partners [South Dartmoor Community Energy](#) to help those who are on lower incomes in the most need of upgrading.

The improvements will also help reduce carbon emissions across the District - our top priorities.

Find out more here - <https://www.southhams.gov.uk/.../helping-residents-...>

#southhams #housing #climate #community

NEWS

Home | Israel-Gaza war | Cost of Living | War in Ukraine | Climate | UK | World | Business | Politics | Culture

England | Local News | Regions | Devon

Energy efficiency help for 100 homes in west Devon

28 November 2023



Save on your energy bills this year



We have joined over 100 councils to address the homelessness crisis

We have joined forces with councils across the country to urge the Government to take action to support people facing homelessness and in need of shelter.



Is your home draughty and expensive to heat?


With utility bills expected to rise this year, now is the time to think about the energy efficiency of your home.

If you own your house, have a household income of less than £31k and have heating that isn't mains gas with an EPC rating of D, E, F or G, you could be eligible for some home improvements. This could include better insulation and a carbon heating system.

We are working with partners [South Dartmoor Community Energy](#) to help lower income households in the most need of upgrading.

Don't know your EPC rating? You can [look it up](#).

Check whether you are eligible and [apply online](#).




BBC NEWS

Home | Israel-Gaza war | Cost of Living | War in Ukraine | Climate | UK | World | Business | Politics | Culture

England | Local News | Regions | Devon

Devon council-built affordable homes a 'generation first'

24 November 2023 · Comments



West Devon Borough Council
Published by Sprout Social · July 12, 2023 ·

We are joining forces with organisations across Devon to help solve crisis.

As part of the new Devon Housing Commission - a partnership between authorities and supported by the [University of Exeter](#), we can start to address housing issues which are having an impact on people's health and wellbeing.

Have your say on issues related to housing by responding to a survey <https://bit.ly/461632A>

Find out more <https://bit.ly/3PY14GR>

#westdevon #wdbc #housing #devonhousingcommission

PL News · Plymouth News · South Hams

New Plymouth houses can't be used as holiday second homes

Work is due to start at Collaton Cross on the edge of the city with many of the 125 houses...

By [William Telford](#) Business Editor
14:31, 26 SEP 2023

Enter your postcode for local news and info Enter your postcode In



Supporting Communities To Deliver More Homes

In our drive to provide more affordable homes, we have today (30 November) announced we will invest an initial £100,000 to help local communities deliver more houses in the areas which need it most.

30 November 2023



News Release
South Hams District Council
Communications and Media Team

Tel: 01803 961368 Email: communications@swdevon.gov.uk

New Council Homes Opened in St Anns Chapel

Issued: 24 November 2023

For the first time in a generation, South Hams District Council has built its own affordable homes which will help tackle the District's housing crisis.

The development of eight new affordable homes in St Anns Chapel was officially opened yesterday (23 November), giving some of the prospective tenants the opportunity to view the homes.

The Next Steps

The next steps in delivering the Housing Strategy 2022-2027 are outlined in the Housing Strategy Action Plan 2023/24.



Rentplus
Your pathway to home ownership

Your pathway to home ownership

Rentplus is a new company based in Plymouth that will tackle the housing crisis and give thousands of people the chance to own their home for the first time.

We will:

- Build 5,000 affordable homes across England by 2020
- Offer affordable five-year tenancies with the opportunity to buy every five years
- Give tenants a gifted deposit of 10% of the property value
- Increase affordable housing stock without need for grant funding
- Reduce local authority waiting lists
- Work in partnership with house builders, developers, housing associations and local authorities in the South West and across the UK
- Provide high quality, energy efficient homes.

For more information, visit www.rentplus-uk.com

Let's talk about housing



Community drop in HERE today

South Hams District Council
West Devon Borough Council

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South Hams
District Council

www.southhams.gov.uk



West Devon
Borough Council

www.westdevon.gov.uk

South Hams & West Devon

Better Homes, Better Lives

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Housing Strategy 2021-2026

Action Plan 2024 - 2025



South Hams
District Council



West Devon
Borough Council





Action Plan 2024 – 2025

South Hams & West Devon Councils have worked in partnership for a number of years. The partnership has enabled the creation of a Joint 5 year Housing Strategy For South Hams and West Devon; ‘Better Homes, Better Lives’ which was launched in 2021.

Both Councils have declared a Housing Crisis and the strategy outlines the aspirations of the councils and the actions we will be taking to achieve these during the five year lifespan of the strategy.



Following the change in administration in both Councils in May 2023, Housing was reaffirmed as a top priority for both South Hams & West Devon. This action plan reflects these election campaigns and the aspirations of elected members and their communities.

The landscape continues to present challenges ranging from properties being unaffordable for local people to rising numbers of homeless households with complex needs. This action plan sets out our ambitions to help tackle the housing crisis locally.

Housing for People

Priority 1 – Homes that support the health and wellbeing of our residents

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Conduct targeted activity to ensure maximum uptake of Home Upgrade Grant.	To improve efficiency, removing people from fuel poverty and having a positive impact on climate change.	Mar-25	Environmental Health	<p>Promote and support energy efficiency in homes.</p> <p>https://democracy.swdevon.gov.uk/documents/s29448/Housing%20Crisis%20Changes%20to%20Financial%20Assistance%20and%20Enforcement%20Policies.pdf</p> <p>https://democracy.swdevon.gov.uk/documents/s29637/Housing%20Crisis%20-%20Changes%20to%20Financial%20Assistance%20and%20Enforcement%20Policies.pdf</p>
Enforce reasonable standards in rented accommodation.	To improve energy efficiency in the private sector.	Sept 2024 for 1 year review of new approach	Environmental Health	<p>Ensure the Private rented sector meets the requirements of The Domestic Minimum Energy Efficiency Standard (MEES) Regulations.</p> <p>https://democracy.swdevon.gov.uk/documents/s31039/Social%20Housing%20Private%20Sector%20Housing%20Landlords.pdf</p> <p>https://democracy.swdevon.gov.uk/documents/s29637/Housing%20Crisis%20-%20Changes%20to%20Financial%20Assistance%20and%20Enforcement%20Policies.pdf</p>

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Support residents live more safely in their home.	Investigate opportunities to promote independent living.	Dec 2024	Environmental Health	Proactively support independent living and support people with disabilities to remain in their homes through disabled facility grants and make better use of the better care fund.
Review Better Care Fund Financial Policy annually and explore ways to increase grant amounts.	To bring more flexibility to the grant process.	Annual policy review	Environmental Health	Proactively support independent living and support people with disabilities to remain in their homes through disabled facility grants and make effective use of the better care fund. https://democracy.swdevon.gov.uk/documents/s29638/Appendix%202%20-%20BCF%20Financial%20Assistance%20Policy.pdf
Review and update the allocations policies for existing and new Extra care* facilities.	Improve partnership working, deliver consistent outcomes and standards, and ensure best use of stock.	Aug-25	Housing Enabling	Support an appropriately located planning application for an Extra Care housing scheme in West Devon.
Breaches of minimum energy standards and electrical safety standards can be dealt with under civil penalties.	Effective enforcement of the private rental sector.	Ongoing for the lifetime of this strategy	Environmental Health	Ensure the Private Rented Sector meets the requirements of The Domestic Minimum Energy Efficiency Standard (MEES) Regulations. https://democracy.swdevon.gov.uk/documents/s29640/Appendix%204-%20Minimum%20Energy%20Standard%20and%20Energy%20Performance%20Certificate%20Enforcement%20Policy.pdf

* Extra Care is purpose built accommodation designed to enable independent living with access to 24 hour care services. It can provide a higher level of support than sheltered accommodation but usually less than a residential home.

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Promote the Seamoor Lettings service, to potential landlords.	Ensure full use of social media and other platforms to promote properties.	Dec 2024	Housing Advice Housing Enabling	Seek to expand our own in-house private lettings service Seamoor Lettings.
Develop a property offer for refugees and asylum seekers.	Maximise opportunities for accommodation and support provision for resettlement through robust understanding of opportunities and funding.	June 2024	Housing Advice	Proactively support independent living.
Investigate the introduction of a holistic support worker for those in temporary accommodation.	Provide focussed support to address issues preventing access to housing and learn to sustain and manage tenancies effectively.	Apr-24	Housing Advice	Proactively support independent living.

Housing for People

Priority 2 – Make the best use and improve the quality of our existing housing

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Continue to lead on the Devon wide development of the Care Leaver Protocol to support care leavers to plan for their housing needs.	Through effective collaboration ensure that quality partnership working is central to our approach to meeting care leavers housing needs.	Dec-24	Housing Advice	Plan for future health needs.
Deliver accommodation that reflects local housing need through delivery of smaller properties with a focus on 1 bedroom properties.	To meet the highest need on the councils housing register and to maximise opportunity for best use of stock through downsizing.	Ongoing for the lifetime of this strategy	Housing Enabling	Address under occupation and overcrowding within social housing stock and by doing so reduce length of time on the housing register.
Work with business owners and registered providers to ensure best use of buildings available through regeneration.	To increase housing supply on predominantly brownfield sites where buildings and the area are in need of regeneration.	Ongoing for the lifetime of this strategy	Housing Enabling	Work with our partners to seek re-development opportunities to enhance the current housing stock and to meet the needs of the residents.

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
The Council will continue to lobby for legislative and regulatory change to address the challenges that the district faces around second homes and short-term let holiday accommodation. Specifically, the Council will lobby for the ability to register short-term lets and to licence them. The Council will then seek the ability to limit the number of holiday lets in a particular area when market penetration of short-term holiday lets exceeds a given proportion of total homes.	To increase the amount of affordable Private Rented accommodation available for local residents to access to enable them to remain in their communities and work towards housing being for primary residence only.	Mar-25	Elected Members Housing	Restrict second home ownership and holiday lets. https://democracy.swdevon.gov.uk/ieListDocuments.aspx?Cid=151&Mid=1692 https://democracy.swdevon.gov.uk/documents/s29771/Council%20Tax%20Discounts%20and%20Premiums.pdf
Work with DCC and other partners to deliver accommodation for people with disabilities and support needs (such as Care Leavers with support needs and those on the Disabled Adapted Needs Panel).	To ensure a diverse mix of tenures and property type to meet the needs of our most vulnerable residents.	Ongoing for the lifetime of this strategy	Housing Enabling	Work with our partners to seek re-development opportunities to enhance the current housing stock and to meet the needs of residents.
Assist Neighbourhood Plan groups with preparing a Principal Residence policy in parishes where such an approach can be justified to protect housing for local people.	To ensure that new open-market homes are occupied on a permanent basis, and help to minimise the social and economic impacts of second and holiday homes.	Ongoing	Housing Enabling Planning	Restrict second home ownership and holiday lets.

Housing for Place

Priority 1 – Promote balanced and sustainable communities

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Invest in Council owned Temporary Supported Accommodation to meet local needs.	Reduce reliance on pay nightly bed and breakfast accommodation, ensure homeless people are accommodated within the area.	South Hams 10 bed April 25 West Devon 1 x 3 bed Feb 24 West Devon 3 x 1 bed Oct 24	Housing Enabling	Encourage provision of a wide range of housing options including social housing, managed shared accommodation and managed intermediate assured short hold private rental, part ownership and market sale. Redevelop existing homeless provision in West Devon to ensure good quality accommodation for people when they need it the most. https://democracy.swdevon.gov.uk/documents/s29846/Housing%20Crisis%20Update.pdf https://democracy.swdevon.gov.uk/ieListDocuments.aspx?CId=271&MId=1846
Work in partnership with other public bodies to maximise use of existing and redundant assets & buildings to deliver affordable housing.	To increase the delivery of Affordable Housing by making best use of publicly owned assets.	Ongoing for the lifetime of this strategy	Housing Enabling	Work creatively with Devon County Council to provide quality specialist adapted housing and housing for people requiring support to live independently.
Roll out the South Hams Housing Offer and investigate the feasibility of a similar scheme in West Devon.	To support Communities to deliver Affordable Housing Schemes through CLTs and other partnerships.	Jan–25	Housing Enabling	Support alternative ways to deliver affordable housing and manage local housing needs, such as co-operatives and community land trusts. https://democracy.swdevon.gov.uk/documents/s31091/Housing%20Policy%20Update.pdf

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Support the objectives of the Devon Housing Task force, and the Devon Housing Commission.	Work collaboratively across the county to take an interventionist approach and lobby for change to meeting long term housing needs.	2025	Elected Members Housing	Use strategic planning policy to ensure sustainable housing growth. https://www.exeter.ac.uk/about/regionalengagement/impact/devonhousingcommission/
Maximise opportunities to attract grant funding to invest and deliver affordable housing in towns and villages where financially viable.	Increase the amount of good quality affordable housing available.	Ongoing for the lifetime of this strategy	Housing Enabling	Invest in affordable housing with and without Joint Venture (JV) partners where it improves affordable housing and “placemaking” outcomes.
Investigate a number of varied options in size and location for Gypsy & Traveller sites based on need.	To investigate the need for a suitable site to inform the JLP review.	Dec 2024	Housing Enabling	Promote effective partnership working to meet the needs of Gypsy and Travellers.
Relaunch the Gypsy, Traveller and Caravan Dweller Forum and enhance by the inclusion of external partners.	To ensure the voice of the G&T community is heard and has direct input into potential outcomes.	May-24	Housing Enabling	Promote effective partnership working to meet the needs of Gypsy and Travellers.
Implement a Devon Wide approach to responding to reports of Gypsy, Traveller, and Caravan Dweller encampments.	To maximise cross boundary partnership working.	June-24	Housing Enabling Planning	Promote effective partnership working to meet the needs of Gypsy and Travellers. https://www.devon.gov.uk/educationandfamilies/family-support/gypsies-and-travellers/

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Build an evidence base of the number and condition of unauthorised Gypsy and Traveller sites within the area.	Ensuring that we have current knowledge of standard of dwellings and H&W of occupants to enable us to deliver targeted outcomes.	Dec 2024	Housing Advice Housing Enabling	Promote effective partnership working to meet the needs of Gypsy and Travellers.
Work with the land owners / developers of allocated sites and review who could bring forward sites for self-build purposes. Consider opportunities on Council's own land.	To maximise opportunities to diversify the way in which affordable housing targets are achieved.	Ongoing for the lifetime of this strategy	Housing Enabling	Encourage opportunities for people interested in custom build / self-build development, both within community housing schemes and wider housing delivery.
Work in partnership with DCC to develop a specialist accommodation offer for those care leavers with very high needs.	Maintain a focus and collaborative creative solutions approach toward those young people currently experiencing significant unmet needs.	April 2025	Housing Advice	Work creatively with Devon County Council to provide quality specialist adapted housing and housing for people requiring support to live independently.
Work with DCC to provide accommodation for perpetrators of domestic abuse engaged with children's services to support survivors of domestic violence to remain in their homes.	Ensure perpetrators of domestic abuse are supported to resolve their housing and behaviour needs to ensure the best outcomes for the family unit.	Sep-24	Housing Advice	Work creatively with Devon County Council to provide quality specialist adapted housing and housing for people requiring support to live independently.

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Develop a process to evidence Housing Need, tailored to local parishes and communities which include more than the single settlement.	To ensure local communities remain central to the delivery of housing in their area.	Jun-24	Housing Enabling	Work collaboratively with communities in the formation of Neighbourhood Plans to deliver the right development available to meet local needs.
Work with partners to identify key worker roles which have remained vacant due to lack of affordable housing/distance to travel to work.	Support the economies and communities by ensuring that those vital to making them thrive are able to access accommodation.	Mar-25	Housing Enabling	Innovate the delivery of key worker housing to meet localised need.
Proactively apply Office of National Statistics data as part of our DEV8 – (Meeting Local Housing Need in the Towns and Thriving Villages policy area) policy requirement to resist applications for large dwellings in areas that are already over-supplied.	To ensure a resilient housing mix that isn't skewed by large, expensive dwellings that don't meet local needs.	Ongoing	Planning	Use strategic planning policy to ensure sustainable housing growth.
Review affordable housing thresholds as part of any plan review process to ensure the highest defensible level of provision is written into future policy	To reflect the most up-to-date position of need, supported by the housing crisis declaration and housing strategy to justify a higher onsite percentage.	JLP review	Planning Housing Enabling	Continue to drive the JLP affordable homes agenda.

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Consider affordable housing being the priority section 106 developer contributions where there is justification above other S106 asks where a viability consideration could reduce the available contributions	To reflect local priorities in decision making	Ongoing	Housing Enabling	Continue to drive the JLP affordable homes agenda.
Provide ongoing strategic planning support for the preparation and adoption of neighbourhood plans that identify sites for housing co-ops and CLTs, or that have positive and proactive policies that seek to promote the delivery of these types of development	To diversify the supply of new homes, benefitting small and medium sized enterprises and local supply chains	Ongoing	Housing Enabling Planning	Support alternative ways to deliver affordable housing and manage local housing needs, such as co-operatives and community land trusts.
Consider implementation of an Article 4 Direction breaking the proposed permitted development between use classes C3 and new use class C4 'Short Term Lets' should it be implemented Nationally.	To protect existing housing from use as short term Lets.	Upon introduction of new use class C4 and associated Permitted development.	Planning	Restrict second home ownership and holiday lets. https://www.gov.uk/government/consultations/introduction-of-a-use-class-for-short-term-lets-and-associated-permitted-development-rights/introduction-of-a-use-class-for-short-term-lets-and-associated-permitted-development-rights

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
<p>Provide dedicated Affordable Housing Planning Officer to manage Pre-applications and Planning Applications for Affordable Housing, Community Lead Housing schemes.</p>	<p>To support affordable housing scheme in the Planning Process to expedite the delivery of Affordable housing.</p>	<p>Ongoing</p>	<p>Planning</p>	<p>Support alternative ways to deliver affordable housing and manage local housing needs, such as co-operatives and community land trusts.</p> <p>https://democracy.swdevon.gov.uk/documents/s28444/Housing%20Crisis%20Update%20Report.pdf</p> <p>https://democracy.swdevon.gov.uk/documents/s28396/Housing%20Crisis%20Update%20Strengthening%20Housing%20Delivery.pdf</p>
<p>Planning Officers will consider the Housing crisis as a significant material consideration, in the determination of Planning Applications for Affordable Housing Schemes and areas with identified housing needs.</p>	<p>Seek to ensure that Affordable housing provision is an important consideration in planning applications.</p>	<p>Ongoing</p>	<p>Planning</p>	<p>Use strategic planning policy to ensure sustainable housing growth.</p>

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
<p>Encourage and support the preparation of Neighbourhood Plans for parishes that have a Sustainable Village (as identified in Fig. 5.8 in the JLP),. Encourage the inclusion of site allocations including affordable housing models to help meet the provision of the 550 dwellings allocated in JLP Policy TTV25 and set-out as indicative levels in Fig. 5.8.</p>	<p>To deliver the dwellings allocated in JLP Policy TTV25, thus making an important contribution towards the overall housing requirements across the plan area including affordable housing. This represents a key element of housing supply in the TTV Policy Area and would deliver affordable housing in the rural areas. It would also help to diversify the supply of new homes, benefitting small and medium sized enterprises and local supply chains.</p>	Ongoing	Planning	Continue to drive the JLP affordable housing agenda.
<p>Engage with Town/Parish Councils and NP groups in parishes with an adopted plan to consider undertaking a full or partial review of the plan. Specifically, to address affordable housing issues where evidence supports this and opportunities may exist.</p>	<p>To provide for specific locally identified housing needs and to help ensure that our communities are inclusive and equitable places in which to live.</p>	Ongoing	Planning Housing Enabling	Continue to drive the JLP affordable housing agenda.

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
<p>Encourage and support Town/Parish Councils and Neighbourhood Plan groups to liaise with and pro-actively support their communities to establish CLTs and to seek to identify sites that could be delivered under the provisions of Policy TTV27.</p>	<p>To provide for specific locally identified housing needs and to help ensure that our communities are inclusive and equitable places in which to live.</p>	<p>Ongoing</p>	<p>Housing Enabling</p>	<p>Support alternative ways to deliver affordable housing and manage local housing needs, such as co-operatives and community land trusts.</p> <p>https://plymswdevonplan.co.uk/policy</p>
<p>Encourage and support the preparation of Neighbourhood Plans in parishes that do not have one of the Sustainable Villages. To encourage the inclusion of site allocations including affordable housing models commensurate with the identified local housing need. Where the level of Local Housing Need is low, encourage collaboration with neighbouring parishes on a 'cluster' basis.</p>	<p>To provide for specific locally identified housing needs including affordable housing and to help ensure that our communities are inclusive and equitable places in which to live.</p>	<p>Ongoing</p>	<p>Planning</p>	<p>Continue to drive the JLP affordable housing agenda.</p>

Housing for Place

Priority 2 – Ensuring that homes support the health and wellbeing of our area

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Explore partnership and site options to enable the delivery of specialist accommodation for older residents to remain in their communities.	To plan for future health needs and support our most vulnerable residents to find a home.	Ongoing for the lifetime of this strategy	Housing Enabling	Work collaboratively with providers to respond to a need for an extra care facilities. https://www.devonhealthandwellbeing.org.uk/jsna/
Tackle damp and disrepair in rented properties.	To improve the health and wellbeing of our communities and to improve standards in RP housing stock. More robust triage and investigation into D & M reports.	Sept 2024 for 1 year review of new approach	Environmental Health Housing Enabling	Develop proactive relationships and work collaboratively with Registered Provider for mutual benefit and to improve standards in Registered Provider housing stock.
Make best use of stock by further promotion of success of the TIS scheme.	To work with RPs to identify tenants for whom downsizing would be an advantage to ensure best use and occupation of existing stock.	Review annually	Housing Enabling	Promote the Tenants Incentive Scheme to encourage and incentivise tenants in social housing to downsize. https://democracy.swdevon.gov.uk/documents/s27159/Response%20to%20the%20Housing%20Crisis.pdf https://democracy.swdevon.gov.uk/documents/s27487/HOUSING%20CHALLENGES%20WD.pdf

Housing Strategy Task	Aim	Timescale	Department	Housing Strategy Policies
Work with RPs to minimise unnecessary disposals of social housing stock, particularly in rural locations where the impact is most acute.	To maintain the supply and condition of social housing and make best use of existing stock.	Continue to monitor	Housing Enabling	Develop proactive relationships and work collaboratively with Registered Providers for mutual benefit and to improve standards in Registered Provider housing stock.
Collaborate on the development of the Young Persons Protocol to ensure positive outcomes for young people.	Ensure collaborative working practices are central to the approach taken toward young people needing to leave the family home age 16 & 17.	Jun-24	Housing Advice	The Councils are compelled to addressing hardship, deprivation, ill health and inequalities that exist within our areas.
Work with DCC to develop a portfolio of 'Places of Safety' to meet the housing and support needs of families fleeing violence.	Develop a Devon wide property portfolio with attached support to specifically meet the needs of those families fleeing domestic abuse.	Dec-25	Housing Advice	Work creatively with Devon County Council to provide quality specialist adapted housing and housing for people requiring support to live independently.



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South Hams
District Council

www.southhams.gov.uk



West Devon
Borough Council

www.westdevon.gov.uk

Report to: **Executive**

Date: **25 January 2024**

Title: **Support for Care Leavers**

Portfolio Area: **Leader of the Council**

Wards Affected: **All**

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

Author: **Andy Bates** Role: **Chief Executive**
Andy Wilson **Head of Human Resources**

Contact: **Telephone 01803 861154**
Email: andy.wilson@swdevon.gov.uk

RECOMMENDATIONS:

That the Executive NOTE:

- 1. the measures implemented to support care leavers into employment;**
- 2. the intention for the Council to sign up to the Care Leaver Covenant; and**
- 3. the steps taken to support Council employees who are seeking approval to be a foster carer and following the placement of a child.**

1. Executive summary

- 1.1 South Hams District Council is working in partnership with Devon County Council and districts to meet its corporate parenting responsibilities by seeking to provide young people leaving the care system and living in the district with the support they need and deserve.
- 1.2 At its meeting on 28 September 2023, full Council agreed that it will award a council tax discretionary discount of 100% to care leavers up to their 25th birthday (Minute CM 27/23 refers).
- 1.3 The Council also offers a free pass to the Council's leisure centres to young people in care resident in the district (plus a carer) and to care leavers living within the district up to the age of 25.
- 1.4 The Council is playing an important role in working with colleagues across the two-tier system to improving housing

options for care leavers as well as to better understand the interface between social care and housing and to add capacity to the housing system as a whole (see para 1.10).

- 1.5 Since the September meeting, we have been looking at other ways to provide support, including access to work experience and employment and to how we can best support our staff who are planning to become foster parents or to adopt children, which are the subject of this report. This forms part of a wider review to improve the way in which apprenticeships are designed and managed by the Councils which is aimed at increasing opportunities and developing our own talent.
- 1.6 Following consultation with staff side representatives, a new employment policy has been introduced to provide employment opportunities with the Council for care leavers.
- 1.7 The policy consists of four main employment commitments to care leavers living within the district:
 - The offer of a two to four-week paid work placement.
 - The support of a senior manager as a mentor to help care leavers working with the Council to adapt to the working environment and secure permanent employment.
 - The ring-fencing of identified entry-level apprenticeship opportunities.
 - The guarantee of an interview to any care leaver who meets the minimum requirements of a vacant post.
- 1.8 Alongside these practical measures it is proposed the Council sign up to become a signatory to the Care Leaver Covenant.

2. Background

- 2.1 Research has identified numerous contributory factors for the poor experience that care leavers have in education and in finding employment, including mental health, learning and behaviour problems, trauma, attachment issues, stigma, disruption in living placements and schools, poverty, chaotic living arrangements, and low expectations from social workers, teachers, and carers.
- 2.2 In July 2016, the Government published a major policy document 'Keep on Caring' to support young people from care to independence.
- 2.3 A key policy commitment in the paper was a strategic pledge to introduce a Care Leaver Covenant. The Covenant is a promise made by the private, public and voluntary sector organisations to provide support for care leavers aged 16-25 to help them live independently; provide education, employment and training opportunities; support their safety and security, promote their physical and mental health; and support their financial

independence.

- 2.4 The aim of the Care Leaver Covenant is to provide additional support for those leaving care, making available a different type of support and expertise from that statutorily provided by local authorities.
- 2.5 The Council intends to submit an application to become a signatory to the Care Leaver Covenant with the offer made to care leavers published on the Care Leaver Covenant website.
- 2.6 The Council also identified that there are potential barriers preventing existing and future employees becoming foster carers because of the requirement to attend meetings and training as part of the commitment and is working with the recognised trade unions to agree and implement a new policy to provide additional paid time off.

3. Work to Support our Corporate Parenting responsibilities

- 3.1 The Council has made a positive commitment to working with Devon County Council and the other Devon districts to do its best to ensure that it meets its 'corporate parenting' responsibilities and to do our best for care leavers living in the district/ borough. The Council has already taken steps to support Care Leavers in its area by agreeing to provide an exemption from Council Tax and access to leisure facilities.
- 3.2 Council officers are also heavily involved in the work of the Devon Corporate Parenting Board, with the chief executive acting as the lead officer on the Care for Me Sub-Group which is focussed on housing and accommodation for young people leaving the Devon care system. The focus of the Group is on addressing the immediate challenges of the numbers of care leavers in short-term and temporary accommodation, developing pathways to plan ahead for those leaving care who are able to go into mainstream housing system and designing and building facilities for those who are most vulnerable and with complex needs who require 'supported housing' with wrap around support. The Head of Housing and Housing Options Manager are key contributors to this important work.
- 3.3 These plans will take time to come to fruition and the purpose of this paper is to focus on the support the Council can offer as a medium-sized public employer to care leavers to access employment.
- 3.4 In order to support care leavers to find employment, an employment policy has been introduced to provide employment opportunities with the Council for care leavers who live within the district up to the age of 25. This forms part of a wider review to improve the way in which apprenticeships are designed and

managed by the Councils which is aimed at increasing opportunities and developing our own talent.

- 3.5 The policy consists of four main employment commitments to care leavers living within the district:
- The offer of a two to four-week paid work placement
 - The support of a senior manager as a mentor to help care leavers working with the Council to adapt to the working environment and secure permanent employment.
 - The ring-fencing of identified entry-level apprenticeship opportunities.
 - The guarantee of an interview to any care leaver who meets the minimum requirements of a vacant post.
- 3.6 It is our intention to work with partners, including Devon County Council, to encourage large employers within the district to adopt supportive policies.
- 3.7 The Care Leaver Covenant is a national inclusion programme funded by the Department of Education set up to create meaningful opportunities for care leavers in five key areas, including Education, Employment and Training. The Council has provided information on its offer with a view to sign up to the Care Leaver Covenant. This in turn ensures the details of our offer to care leavers is promoted on their website and in promotional materials.
- 3.8 The Council recognises and values the contribution that foster parents make to our communities and especially to the lives of children in care. We understand that foster carers in employment need flexibility in their working arrangements in order to become foster carers and meet the needs of their fostered children.
- 3.9 In addition to the existing policies and procedures to support employees with family commitments, including flexible working arrangements and the Adoption Policy, the Council proposes to implement a new employment policy to provide further support for employees who are foster carers or are going through the application process to become a foster carer.
- 3.10 The new policy proposes up to 5 working days paid time off for an employee who is applying to become a foster carer to attend assessment meetings and initial training prior to approval and attend the approval panel.
- 3.11 After the placement of a child with an employee who is an approved foster carer, the employee proposes for up to 5-days paid time off in each 12-month period to attend child review meetings, the annual foster carer review meeting, and any related training.

4. Outcomes/outputs

- 4.1 The policies seek to improve the life chances of care leavers within the district and to support employees who are foster carers. It is the Council's ambition to employ a number of the care leavers living within our community and to help them successfully transition into independent living.
- 4.2 A number of entry-level apprenticeship opportunities have been ring-fenced for care leavers and the Council is working with Devon County Council and the Care Leaver Covenant to identify suitable candidates for the positions in early 2024 and each year thereafter.
- 4.3 The proposed support for foster carers is designed to remove barriers preventing people in work becoming a foster carer and to enable existing and future employees balance the support they provide for young people with the demands of their employment with the Council.

5. Proposed Way Forward

- 5.1 The Council signs up to become a signatory to the Care Leaver Covenant and promotes employment opportunities to all care leavers living within the district with the support of partner organisations.
- 5.2 It is anticipated that the Council will adopt the new policy on Supporting Foster Carers at work from February 2024 following the completion of negotiations with the recognised trade unions.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		Whilst being a care leaver is not a protected characteristic under the Equalities Act 2020, the offer of support for care leavers securing employment is consistent with good employment practice.
Financial implications to include reference to value for money		There are no significant financial implications. There will be some additional salary costs when a care leaver accepts the offer of a short-paid work placement.
Risk		Support will be put in place to mitigate any risk arising from the employment of a vulnerable person.

Supporting Corporate Strategy		The report supports the Council's strategic commitment to supporting care leavers who live within the district
Consultation & Engagement Strategy		The Council engaged with, and secured the support of Care Leaver Covenant and is working with partner organisations to support care leavers.
Climate Change - Carbon / Biodiversity Impact		No direct carbon/biodiversity impact arising from the report.
Comprehensive Impact Assessment Implications		
Equality and Diversity		The measures identified in the paper will provide support for a vulnerable group within the district and increase the representation of care leavers within the Council's employment establishment.
Safeguarding		Individual safeguarding plans will be drawn up as necessary depending on personal circumstances.
Community Safety, Crime and Disorder		The opportunity to gain meaningful employment may contribute to greater inclusion of care leavers and reduce any instances disruptive of community safety, crime and disorder.
Health, Safety and Wellbeing		The opportunities afforded by this policy should support the health, safety and wellbeing of a vulnerable group of residents.
Other implications		

Supporting Information

Appendices:

A: Supporting Care Leavers into Employment

B: Supporting Foster Carers (Draft employment policy)

Background Papers:

None



Supporting Care Leavers into Employment

Introduction

1. It is established that young people leaving care to begin an independent life are amongst the most vulnerable groups in society. They are more likely to face poverty and lower earnings, higher rates of unemployment, encounter difficulties securing housing and face homelessness, and face greater physical and mental health issues. Recent figures from the Department of Education (2019) show that 38% of those who leave care aged 19 to 21 are not in education, employment, or training compared with under 12% of all young people.
2. Research has identified numerous contributory factors for the poor experience care-experiences individuals have in education and in finding employment, including mental health, learning and behaviour problems, trauma, attachment issues, stigma, disruption in living placements and schools, poverty, chaotic living arrangements, and low expectations from social workers, teachers, and carers.
3. Further research has shown that these disadvantages can persist into middle age for many care leavers if they cannot obtain secure employment. The role of secure employment can be critically important in a care leavers transition to social and economic independence because work is associated with stability and social integration. Care leavers are more likely to face difficulties securing employment and often work in unskilled and precarious jobs, with lower earnings and fragmented and weak support networks.
4. For many care leavers, the prospect of getting a job, or even applying for one, can be overwhelming without the support networks in place that many young people can take for granted. There are many barriers to care leavers joining the secure employment market, such as navigating an application process and attending an interview, having the right clothing, inability to travel to less accessible workplaces, and integration into the social fabric of a workplace.

Eligibility

5. This policy sets out our two Councils' joint commitment to providing employment opportunities for care leavers who live within the South Hams and West Devon up to the age of 25.
6. It sits alongside other commitments the Councils have made to support our care leavers and to assist employees who are themselves foster parents or have adopted children from the care system or are applying to do so.

Working with Partner Organisations

7. We will work constructively with partner organisation to support care experienced young people in our locality, such as Devon County Council and the Care Leaver Covenant and are committed to extending the network of organisations that provide support and opportunities for care experienced young people.



Our commitment

- ★ The Councils will offer a two-to-four-week work placement with pay to all care experienced young people living in South Hams and West Devon. The offer will be made via the Devon County Council Employment Training and Education Personal Advisors (ETAPA) and via the Care Leaver Covenant. We will work with the young person and their Personal Adviser (PA) to identify a suitable position and will agree reasonable adjustments to remove any barriers to the young person taking up the placement or being able to maximise the opportunity the placement affords, such as assistance with transport, working hours and putting in place an effective support network.
- ★ The Councils will identify apprentice opportunities and ring fence them to be offered, in the first instance, to care experienced young people each year as part of our apprenticeship programme (see HR Apprenticeship Strategy).
- ★ The Councils will nominate a senior officer to act as a mentor for each care experienced young person that takes up the placement opportunity to help them through the period and to provide on-going assistance in securing further employment opportunities, such as help with job applications, producing a curriculum vitae and general advice and support. The senior officer will be nominated from the Line Managers Development Pathway.
- ★ The Councils will guarantee every care experienced young person who lives on our area an interview for a vacancy where they meet the required person specification (or could meet it with support).

8. In addition, the Councils will publish their commitment on the Care Leaver Covenant website and join the employer's accreditation scheme being developed by Devon County Council in association with Exeter College.



SUPPORTING FOSTER CARERS

Introduction

1. South Hams District Council and West Devon Borough Council (The Councils) recognise and value the contribution that foster parents make to our communities and especially to the lives of children in care. We understand that foster carers in employment need flexibility in their working arrangements in order to become foster carers and meet the needs of their fostered children.
2. Alongside the support that the Councils provide to care leavers within our communities, the Councils are committed to becoming a fostering friendly organisation that offers flexible working arrangements and additional time off to support any employee who is being assessed or who is a foster carer or an approved kinship carer.

Foster Carers

3. A foster carer is someone who is approved to take on the role of a parent. It could be for a day, a week, a month, a year or until the child reaches the age of 18 or when the child's care plan elapses.

Kinship Carers

4. A Kinship Carer is anyone who is looking after another person's child on a full-time basis. There are different ways an employee can become a kinship carer:
 - ❖ A **Special Guardianship Order** (often known as an SGO) is a legal order where the court appoints a carer – usually a relative – as the 'Special Guardian' of a child until they turn 18. The Special Guardian then shares parental responsibility for the child with the parents and can make nearly all the major decisions about the child without having to consult them.
 - ❖ The person named in a **Child Arrangements Order** shares parental responsibility for the child with the parents and can make the most important decisions on behalf of the child without needing the permission of the parents.
 - ❖ **Kinship foster care** is when a friend or family member becomes an official foster carer for a child. This is different to other forms of kinship care as the child is then considered 'looked after, and the employee won't have parental responsibility.

Fostering to Adopt

5. Under a local authority approved Fostering to Adopt scheme (sometimes known as Early Permanence) a child is placed with potential adopters who are also approved as temporary foster carers while decisions are made about the child's future within the family court process. The Councils' Adoption Policy is applicable to employees entering a Fostering to Adopt arrangement.
6. References to "Foster Carers" in this policy include Foster Carers, Kinship Carers and those employees Fostering to Adopt

Eligibility

7. This policy applies to all Council employees who:
 - Are applying to become foster carers, or



- Are approved foster carers and have a child in placement, or
- Are an approved kinship carer of a looked after child.

Time Off Work for Foster Carers

8. Foster carers and approved kinship carers may request paid time off work to support them in their role as foster carers.
9. All leave must be approved by the foster carer's line manager and recorded as Fostering Leave.
10. The leave is attached to the employee who is the foster carer and not to the child in placement, and therefore the foster carer of two children is not entitled to the paid time-off twice.
11. The paid time-off for a foster carer should be taken to attend specific meetings or training events and is not intended to be additional leave to be taken for a reason not related to the role as a foster carer.
12. All paid time-off is expressed for a full-time employee and should be pro rata for a part-time employee.
13. The foster carer should discuss with their line manager alternative means of taking time off if they require time off in addition to the provisions in this policy, such as annual leave, flexitime, or other forms of special leave.

Employees who are in the application and approval process to become foster carers

14. The Councils acknowledge that the application and approval process to become a foster carer can be lengthy and time consuming. To support employees, up to 37 hours (5 days) paid time-off may be taken to attend assessment meetings, initial training prior to approval as a foster carer and attend the approval panel.

After the placement of a child

15. Beginning on the day the child is placed with the foster carer, an employee may take up to 37 hours (5 days) of paid time-off in each 12-month period to attend child review meetings, the annual foster carer review meeting, and any related training.

Employees who are Fostering to Adopt

16. Employees who are in 'fostering to adopt' arrangements with a local authority can take the following leave in accordance with the Councils' Adoption Policy:
 - Up to 37 hours (5 days) paid leave to attend adoption appointments after being matched with a child
 - Once the child is placed for adoption, the Councils' Adoption Pay is applicable, including the right to adoption pay and adoption leave.
 - An employee can choose to start their Statutory Adoption Leave and Pay (where applicable) at the point when a fostering for adoption placement is made, or at a later date when the child is matched with them for adoption. However, employees are only entitled to one set of leave and pay per placement.
17. An employee can choose to start their Statutory Adoption Leave and Pay (where applicable) at the point when a fostering for adoption placement is made, or at a later date when the child is matched with them for adoption. However, employees are only entitled to one set of leave and pay per placement.



18. Further details can be found in the Councils' Adoption Policy

Requesting Foster Carer Leave

19. Foster carers should request the appropriate leave using the Foster Care Leave application form that can be found under the HR Forms page on the intranet. Requests should be submitted to the line manager.
20. The line manager will consider the request, taking into account the individual circumstances of each request and the operational requirements of the service. Leave will be approved wherever possible, however may be declined where its approval would cause excessive pressure to the service or a colleague(s).
21. The line manager should seek advice from HR before declining any request. If the request is declined, every effort should be made to find a suitable time when the leave can be taken if the meeting or training can be rescheduled.

Application for Foster Carer Leave

22. This needs to include a requirement to specify the event/meeting/training that the employee is attending.
23. Also needs to identify whether employee is at approval stage, within first 12 months of placement or post 12 months.

Further or Additional Support from the Council

24. The Councils offer all employees the opportunities to work flexibly where this is compatible with the requirements of the job, and there are a number of policies that provide support to foster carers and approved kinship carers, including:
 - The ability to purchase additional annual leave
 - A career break policy that protects an employee's employment if they take an extended break from work
 - A flexitime scheme that provides the opportunity for employees to vary their working hours within parameters
 - The right to request flexible working, including new working patterns or hours of work
 - The ability to take flexible retirement that allows employees to draw down their pension whilst still working part-time
 - Parental leave that provides additional time off for parents and carers
 - A Special Leave policy that provides additional time off for employees who need to provide unforeseen care for a dependant
- The Adoption Policy for employees who adopt a child through a fostering to adopt arrangement.

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Report to: **Executive**
Date: **25 January 2024**
Title: **Council Tax Discounts and Council Tax Reduction Scheme 2024/25**
Portfolio Area: **Cllr Julian Brazil – Leader of the Council**

Wards Affected: **ALL**

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

Date next steps can be taken: Any recommendations will be presented to the Full Council meeting to be held on 15 February 2024

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

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

RECOMMENDATIONS:

It is RECOMMENDED that the Executive:

- 1. Notes the contents of the report;**
- 2. RECOMMENDS to Council a local Council Tax Reduction Scheme for 2024/25 that:**
 - Makes no changes to the bands of the current banded scheme.**
 - Removes the Minimum Income Floor (MIF) for self-employed claimants.**
 - Disregards 100% of the 'Limited Capability for Work' element of Universal Credit.**
- 3. RECOMMENDS to Council the adoption of the following Council Tax discounts effective from 1 April 2024:**
 - (a) The discount for unoccupied and substantially unfurnished properties is 100% for a maximum period of 1 month.**
 - (b) The discount for unoccupied and substantially unfurnished properties for 1 month to 1 year is zero.**
 - (c) The discount for properties which require major repair work to render them habitable is 50% for a maximum period of 12 months.**

- (d) The discount for unoccupied furnished properties (second homes) is zero.**
- (e) An empty homes premium of an additional 100% is levied on properties that have remained unoccupied and unfurnished for at least one year, but less than five years.**
- (f) An empty homes premium of an additional 200% is levied on properties that have remained unoccupied and unfurnished for at least five years, but less than ten years.**
- (g) An empty homes premium of additional 300% is levied on properties that have remained unoccupied and substantially unfurnished for at least ten years.**

4. RECOMMENDS to Council the adoption of a Second Homes Premium of 100% with effect from 1 April 2025.

1. Executive summary

- 1.1 There is a requirement to have a Local Council Tax Reduction Scheme (LCTRS) to support residents who qualify for assistance in paying Council Tax. The Local Government Finance Act 1992 (as amended) requires each billing authority in England to have a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of persons, whom the authority considers are in financial need ("a council tax reduction scheme").
- 1.2 The LCTRS must be approved by 11 March for the preceding year and the billing authority must consult with major preceptors and any other person who may have an interest in any proposed changes to the scheme.
- 1.3 At its meeting on 21 September 2023, Executive gave its approval to consult on changes to the LCTRS for 2024/25, to ensure the Council continues to provide as much support as possible to residents during the Cost-of-Living crisis (Min 25/23).
- 1.4 This report provides Members with a summary of the consultation responses. Members are asked to consider the content of this report and to recommend to Council a local Council Tax Reduction Scheme for the financial year 2024/25.
- 1.5 The report also sets out the current council tax discounts and premiums and reaffirms the Council's intention to levy a 100%

premium on Second Homes as allowed by the Levelling-Up and Regeneration Act 2024.

2. Background

- 2.1 Since April 2013, the Council has been required to establish a local Council Tax Reduction Scheme to help working age residents on a low income pay their council tax. This scheme replaced the national scheme for Council Tax Benefit which was fully funded by central government.
- 2.2 The Council is also required to administer the prescribed Government Council Tax Reduction Scheme for pension age claimants and is not able to make any changes to this scheme.
- 2.3 It is an annual requirement for Councils to review their working age Council Tax Reduction Scheme and decide whether to continue with the same scheme or revise it.
- 2.4 In 2019, the Council introduced a banded scheme which assessed the maximum level of Council Tax Reduction based on the net income of the claimant and their partner, if applicable. The income bands were amended for the 2023/24 scheme with some bands being uplifted by 20% to reflect additional cost of living pressures.
- 2.5 At its meeting of 21 September 2023, the Executive agreed to public consultation on two proposed changes to the CTRS for 2024/25. The two proposed changes are to remove the Minimum Income Floor (MIF) for self-employed claimants and to disregard 100% of the Limited Capability for Work element of Universal Credit.

3. Outcomes/outputs

Proposed Council Tax Reduction Scheme for 2024/25

- 3.1 The public consultation Let's Talk "Have your say on our Council Tax Reduction Scheme 2024/25 ran from 17 October to 28 November 2023.
- 3.2 The proposals consulted on were as follows:
 - **Removal of the Minimum Income Floor (MIF)**

The Minimum Income Floor is where the scheme (following an exemption for the first 12 months) assumes a certain level of self-employed profit, which is linked to the national minimum wage, even if the claimant didn't earn that amount.
 - **Disregard 100% of the 'Limited Capability for Work' element of Universal Credit.**

Currently claimants receiving Employment and Support Allowance are treated as a 'passported' claim and receive 85% council tax reduction. When they transfer to Universal Credit they are awarded a Limited Capability for Work element of £390.06 per month. Universal Credit is not a passported benefit and the Limited Capability for Work element is treated as income.

- 3.3 There were 344 visitors to the Consultation portal, however only 50 of these visitors took the opportunity to respond to the consultation questions.
- 3.4 The Council also wrote to all major preceptors seeking their views on the proposed changes to the scheme. Devon and Somerset Fire and Rescue and the Office of the Police and Crime Commissioner for Devon and Cornwall have both confirmed they are happy with the proposals. Devon County Council have confirmed, on balance, they support the proposed changes, but would like us to consider providing support to care leavers through the Council Tax Reduction Scheme.

Summary of consultation responses

- 3.5 The public consultation received 50 responses, with 29 of respondents saying they live in the South Hams. This question was optional. Only 3 respondents answered that they are currently receiving council tax reduction.
- 3.6 There were 50 responses to the proposal to remove the Minimum Income Floor, broken down as follows, with 5 respondents choosing not to answer this question.

Question:

Do you agree with the proposal to remove the Minimum Income Floor?

Response	Response number	Percentage
Yes	33	66%
No	12	24%
Did not answer	5	10%

- 3.7 The proposal to disregard 100% of the 'Limited Capability for Work' element of Universal Credit, received 50 responses with 4 respondents choosing not to answer this question. The responses can be summarised as follows:

Question:

Do you agree with the proposal to disregard 100% of the 'Limited Capability for Work' element of Universal Credit?

Response	Response number	Percentage
Yes	37	74%
No	9	18%
Did not answer	4	8%

- 3.8 Although the overall number of responses to the consultation was low, there was a majority in favour of the proposals, with 66% of respondents supporting the proposal to remove the minimum income floor for self-employed claimants. There were some concerns expressed that this would mean that we would be supporting residents who are undertaking a hobby rather than trying to develop a business. However, having considered this feedback, the Council considers that the administrative efficiency in making this change outweighs the risk of perceived or potential abuse.
- 3.9 The second proposal, which was to disregard 100% of the Limited Capability for Work element of Universal Credit, had a higher level of support with 74% of respondents in favour of this proposal.
- 3.10 Having taken into consideration the responses to the public consultation, the Council recognises that one of the best ways it can continue to support residents during the current cost of living crisis is to make the proposed changes to the CTRS as set out in the public consultation.
- 3.11 The weekly income bands, effective from 1 April 2023, and which will remain unchanged from 1 April 2024, are detailed in the table below:

Band	Reduction	Single	Couple	Family 1	Family 1+
1	85%	£0.00 to £95.00	£0.00 to £138.00	£0.00 to £220.00	£0.00 to £355.00
2	80%	£95.01 to £132.00	£138.01 to £180.00	£220.01 to £282.00	£355.01 to £385.00
3	50%	£132.01 to £192.00	£180.01 to £240.00	£282.01 to £342.00	£385.01 to £435.00
4	25%	£192.01 to £246.00	£240.01 to £294.00	£342.01 to £396.00	£435.01 to £480.00

Council Tax Discounts and Premiums

- 3.12 The Local Government Finance Act 2012 abolished certain council tax discounts, with effect from 1 April 2013, and replaced them with discounts which can be determined locally. The table below

details the existing discounts the Council has in place and it is recommended that these discounts remain the same for 2024/25.

Class	Description	2023/24 Discount	Proposed discount from 1 April 2024
A – Second Homes	Dwellings which are no one’s sole or main residence and which are substantially furnished and subject to a 28-day planning restriction.	0% discount	0% discount
B – Second Homes	Dwellings which are non one’s sole or main residence and are substantially furnished.	0% discount	0% discount
Class C	Dwellings which are unoccupied and substantially unfurnished.	100% discount for a period of 1 month.	100% discount for a period of 1 month.
Class D	Dwellings which are unoccupied and require major repair work to render them habitable.	50% for a maximum period of 12 months.	50% for a maximum period of 12 months.

Empty Homes Premium

- 3.13 Prior to 1 April 2013, billing authorities could charge up to a maximum 100% council tax on dwellings that had been empty for more than two years. From 1 April 2013, billing authorities were given new powers to charge a premium of up to 50% of the council tax payable. Further legislation was then introduced allowing a 100% empty homes premium to be levied from 1 April 2019.
- 3.14 There were then further incremental changes leading to the current position which is as follows:

Description	Premium
Dwellings left unoccupied and substantially unfurnished for two years or more.	100%
Dwellings left unoccupied and substantially unfurnished for 5 years or more.	200%
Dwellings left unoccupied and substantially unfurnished for 10 years or more.	300%

- 3.15 The original legislation and subsequent amendments were introduced with the express intention of encouraging owners to bring empty properties back into use and the Council charges the maximum premium in all cases.
- 3.16 The Levelling-Up and Regeneration Act 2023 introduces amendments to the Local Government Finance Act 1992 to give the Council additional powers to apply the empty property premium of 100% after 12 months rather than the current two years.
- 3.17 If agreed, this would be effective from 1 April 2024. There are currently 207 dwellings which would become subject to the premium. The estimated additional yield from council tax would be £0.5m of which the Council's share would be approximately £40k (8%).

Second Homes Premium

- 3.18 The Levelling-Up and Regeneration Act 2023 also amends the Local Government Finance Act 1992 to give billing authorities the discretion to charge additional council tax of up to 100% on dwellings which are occupied periodically, substantially furnished and where no one is resident for council tax purposes, i.e. second homes.
- 3.19 The Council declared a housing crisis in September 2021 and backed the declaration with a 12-point action plan, which included lobbying the Government to allow councils to charge a 100% premium, i.e. 200% council tax, on second or holiday homes, to ensure they contribute fairly to the services they receive.
- 3.20 Under Section 11C(3) of the 1992 Act, any decision to increase the council tax on second homes must be made at least one year prior to the beginning of the financial year to which it relates, hence it can only take effect from 1 April 2025 at the earliest.
- 3.21 There are currently 3,954 properties on our council tax records classified as a second home. It should be noted that the

Government consulted on 'Proposals to exempt categories of dwellings from the council tax premiums' in August 2023. At the time of writing, the outcome of the public consultation has not been published. Once regulations and/or guidance is issued confirming the exceptions, there may be a number of dwellings which are exempt from paying the premium.

- 3.22 If the recommendation to charge a council tax premium on second homes is adopted from 1 April 2025, the estimated additional yield from council tax would be £9m of which the Council's share would be approximately £0.7m (8%).
- 3.23 The key impact of second homes is to remove a significant number of homes from the local housing market, with properties that would otherwise be available to provide permanent homes for local people being used as holiday homes by people whose primary residency is outside the district. For this reason, the Council believes that the additional money raised by the second homes premium should be invested back into housing. South Hams is working with other councils across Devon to make the case that all the additional tax raised should be ringfenced to address housing challenges, including to acquire existing properties to provide temporary accommodation, to support people with complex needs and the provision of specialist accommodation with supported facilities for care leavers.

4. Options available and consideration of risk

- 4.1 The Council could choose not to change the local Council Tax Reduction Scheme for working age claimants. In doing so we would still continue to provide support for the wider cohort of residents through our income-banded scheme, however it would mean we wouldn't be providing additional support to residents who are trying to set up their own business or who have a disability or health condition which affects how much they can work.
- 4.2 The outcome of the public consultation undertaken in October and November 2023, is that both the major preceptors and the public are broadly supportive of the proposed changes.
- 4.3 The Council could choose not to charge a 100% premium on second homes. This option is not recommended for the reasons outlined in the report.
- 4.4 The Council could choose not to increase the council tax empty homes premium to 100% for dwellings empty for between 1 and 5 years (currently between two and five years), from 1 April 2024. This decision wouldn't align with the Council's clear ambition to bring empty properties back into use to increase the supply and affordability of housing in the District.

5. Proposed Way Forward

- 5.1 The Council Tax Reduction Scheme for 2024/25 is agreed as set out in the consultation. The revised scheme will ensure the Council continues to provide as much support as possible to low-income households.
- 5.2 The Council confirms the council tax discounts and premiums applicable from 1 April 2024, and the premium on second homes which will be charged from 1 April 2025.
- 5.3 The approach taken by the Council is to encourage council taxpayers to use a dwelling as their main residence or allow others to do the same. It also seeks to bring empty properties back into use to increase the supply and affordability of housing in the district.
- 5.4 The implementation of revised and additional council tax premiums will provide additional income from council tax which will be used to provide services to residents.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Welfare Reform Act 2012 abolished Council Tax Benefit and instead required each billing authority to design a scheme for working age residents specifying the reductions which are to apply to amounts of council tax.</p> <p>All billing authorities in England are required to have a scheme identifying the reductions payable by residents who are in financial need under Section 13A of the Local Government Finance Act 1992 (updated in 2012). Schedule 1A paragraph 5 of the Act states that for each financial year, Councils must consider whether to revise their scheme or replace it with another scheme and that such decisions need to be made by 11 March in the financial year preceding that for which the revision or replacement scheme is to take effect. If the Council does not make/revise its scheme by 11 March 2024, a default scheme will be imposed on the Council which will be effective from 1 April 2024.</p>

		The Levelling-Up and Regeneration Act 2023 makes amendments to the 1992 Act, and these are explained in the body of the report.
Financial implications to include reference to value for money		<p>The cost of the Council Tax Reduction Scheme is met by South Hams District Council, and the major precepting authorities, in proportion to their share of the council tax. The CTR Scheme is reflected within the Tax Base calculation as a discount.</p> <p>Previous CTR schemes have always been modelled on a cost neutral basis, in that the cost of the scheme was the equivalent of the level of Government funding.</p> <p>Removing the Minimum Income Floor and disregarding the Limited Capability for Work element will increase the cost of the scheme by around £236,409. The scheme is projected to cost £5.918 million as opposed to the current cost of £5.682 million. SHDC's share of the increase in cost is around 8% of this i.e., £18,913.</p> <p>The Council Tax Collection Fund is in surplus by £2.83m as at 31.3.2023. A distribution of the surplus will be made to all major precepting authorities as part of the 2024/25 Budget setting process. This can be a way of financing the additional cost of the 2024/25 CTR scheme of £236,409, as although the scheme will cost more, preceptors will be receiving a larger distribution of a collection fund surplus than usual due to the level of the surplus on the fund.</p>
Risk		To reduce the cost to the Council, changes would have to be made to the level of support made to working age claimants. Most local authorities have already incorporated a reduced level of support into their local schemes and they should be reviewed on an annual basis. There is a risk that the cost of maintaining the current local scheme will increase if the number of claimants rises due to the state of the local and national economy.
Supporting Corporate Strategy		Supporting the Council's response to the Cost of Living Crisis.
Consultation & Engagement Strategy		Public consultation has been carried out on the proposed Council Tax Reduction Scheme to inform the content of this report.
Climate Change - Carbon /		No direct carbon/biodiversity impact arising from the recommendations.

Biodiversity Impact		
Comprehensive Impact Assessment Implications		
Equality and Diversity		The local Council Tax Reduction Scheme only impacts a specific group of people, namely working age residents on a low-income. The proposals set out will provide additional support to those residents.
Safeguarding		None as a direct result of this report, however the local Council Tax Reduction Scheme may help keep vulnerable children and adults safe.
Community Safety, Crime and Disorder		None as a direct result 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.

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Report to: **Executive**

Date: **25 January 2024**

Title: **Discretionary Rate Relief and Corporate Debt Policies**

Portfolio Area: **Cllr Julian Brazil – Leader of the Council**

Wards Affected: **All**

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

Date next steps can be taken: Upon the expiry of the Call-in period: 5.00pm on Monday, 5 February 2024

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

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

RECOMMENDATIONS:

That the Executive APPROVES:

- 1. the Discretionary Rate Relief Policy attached at Appendix A;**
- 2. the Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme Policy attached at Appendix B;**
- 3. the Corporate Debt Policy attached at Appendix C; and**
- 4. the amendment to the Council Tax, Non-Domestic Rates (Business Rates) and Housing Benefit Overpayments Write-Off Policy, to incorporate Sundry Debt attached at Appendix D.**

1. Executive summary

- 1.1 The report seeks approval for revised and updated policies in respect of key areas impacting on the Council's financial position. It is good practice to review policies at appropriate intervals to ensure they reflect current legislation and remain fit for purpose.
- 1.2 A revised Discretionary Rate Relief Policy, which sets out proposals for awarding discretionary rate relief to business ratepayers, is required because of the Non-Domestic Rating Act 2023 which repeals and re-enacts provisions of the Local Government Act 1988 including those relating to the administration of discretionary rate relief.

- 1.3 The report sets out changes to discretionary rate relief for business rates announced as part of the Autumn Budget. Although the Council intends to implement the changes, it is a discretionary decision and it is therefore good practice for the Council to endorse the implementation of the relief scheme through a policy document which clearly sets out the eligibility criteria for awarding the relief.
- 1.4 The current Corporate Debt Policy was approved by Executive Committee on 10 March 2016. The policy has been reviewed and amendments have been made to reflect current best practice in income collection.
- 1.5 The 2022/23 Debtors Audit included a recommendation that there should be a review of the Debt Recovery Policy and write-off procedures for all services responsible for the issue and collection of sundry debts and that documents should be available to users. The Council Tax, Non-Domestic Rate (Business Rates and Housing Benefit Overpayments Write-Off Policy, agreed by Executive Committee, on 2 March 2023 has been amended to include the writing-off of sundry debt.

2. Background

Discretionary Rate Relief Policy

- 2.1 The Non-Domestic Rating Act 2023 removes the restriction preventing billing authorities from deciding to award discretionary relief more than 6 months after the end of the relevant financial year.
- 2.2 The current Discretionary Rate Relief Policy was agreed by Executive in December 2018. Considering the change to the legislation, Revaluation 2023 and the changes to the business landscape in recent years, it is considered best practice to review and refresh the policy to ensure it gives support to ratepayers in a way aligned to the Council's current ambitions.

Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Policy

- 2.3 At the Autumn Statement on 22 November, the Chancellor announced a package of support worth £4.3 billion over the next 5 years to support small businesses and the high street. This included confirming the 2024/25 Retail, Hospitality and Leisure (RHL) scheme will be extended for a fifth year into 2024/25.
- 2.4 Although the Council intends to follow Government guidance in implementing the scheme, it is a discretionary decision and therefore good practice for the Council to endorse the implementation of the relief scheme through a policy document which clearly sets out the criteria for awarding the relief.

- 2.5 The 2024/25 Retail, Hospitality and Leisure (RHL) scheme will provide eligible, occupied retail hospitality and leisure properties with 75% relief up to a cap of £110,000 per business.
- 2.6 As this is a temporary measure for 2024/25, the Government is not changing the legislation relating to relief available to hereditaments. Instead, the Government will, in line with the eligibility criteria set out in the guidance, reimburse local authorities that use their discretionary powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual billing authorities to adopt a local scheme and determine each individual case when, having regard to the guidance, they can grant relief under section 47.

Corporate Debt Policy

- 2.7 The Council has a duty to recover outstanding debt and, in doing so, should ensure that its policies and processes are fair, transparent and consistent in their application. The policy attached at Appendix C, covers the collection of Council Tax, Business Rates, Housing Benefit Overpayments and Sundry Debts due to South Hams District Council. It sets out the overarching principles and is supplemented by working practices and procedures relevant to the service area and type of debt.
- 2.8 The current Corporate Debt Policy was approved by Executive Committee on 10 March 2016. The policy has been reviewed and amendments made to cover legislative and other changes to best practice in income collection.
- 2.9 It is good practice for the Council to detail its approach to the collection of all debt owed to the Council. This will ensure that residents, businesses, advice agencies, Officers and Members are clear about the Council's approach to debt collection. It also ensures that a fair and consistent approach is taken to recovery and enforcement and that the Council identifies and assists more vulnerable groups to manage their payments.
- 2.10 The Corporate Debt Policy will ensure that debts are minimised and collection rates are maximised whilst ensuring that debtors are helped based on their individual financial circumstances. It will further ensure that officers are clear on the recovery, reporting and monitoring of debt.

Write-Off Policy

- 2.11 The 2022/23 Debtors internal audit report included a recommendation that there should be a review of the Debt Recovery Policy and write-off procedures for all services responsible for the issue and collection of sundry debts and that documents are available to users.

- 2.12 The Council Tax, Non, Domestic Rate (Business Rates) and Housing Overpayments Write-Off policy, which was approved by Executive Committee on 2 March 2023, has been updated to include sundry debt.

3. Outcomes/outputs

- 3.1 A Corporate Debt Policy will ensure that all service areas have consistent debt recovery processes and fully understand their role and responsibilities in the process.
- 3.2 A decision to adopt the Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Policy will mean the Council will continue to be able to support businesses who are continuing to experience difficult trading conditions post pandemic and through the cost of living crisis.
- 3.3 By agreeing a scheme now we will be able to award the relief to ratepayers 2024/25 annual bills which will have an immediate benefit in reducing the amount of business rates payable.
- 3.4 Initial estimates suggest that we will be able to support approximately 1,000 businesses through Retail, Hospitality and Leisure relief.

4. Options available and consideration of risk

- 4.1 The Council could choose not to update the Discretionary Rate Relief Policy, however this would mean that there wouldn't be a clear policy framework for decision making based on the current legislation. This may leave the Council susceptible to complaints and possible legal challenge.
- 4.2 The Council could choose not to access the Government funding and exercise its discretionary powers in awarding rate relief to retail, hospitality and leisure businesses. This means that businesses would more business rates than they need to and may cause the Council unnecessary reputational damage.
- 4.3 The Council could choose not to adopt a new Corporate Debt Policy and amend its write-off policy to incorporate sundry debt, however in doing so this would mean we would be unable to demonstrate efficient and effective financial management.
- 4.4 Relevant officers from across the Council have contributed to the updated policies.

5. Proposed Way Forward

- 5.1 Approve the Discretionary Rate Relief policy attached at Appendix A. In doing so the Council will continue to provide support to businesses, charities and non-profit making organisations.
- 5.2 Approve the Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme attached at Appendix B.
- 5.3 Approve the Corporate Debt Recovery Policy at Appendix C.
- 5.4 Approve the amendment to the Council Tax, Non-Domestic Rates (Business Rates) and Housing Benefit Overpayments Write-Off Policy, to incorporate Sundry Debt attached at Appendix D.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>Regulation 16 of The Non-Domestic Rating (Consequential and Other Amendments etc.) (England) Regulations 2023, revokes the Non-Domestic Rating (Discretionary Relief) Regulations 1989 to remove constraints on the powers for local authorities in England to award discretionary relief.</p> <p>The 2024/25 Retail, Hospitality and Leisure Scheme will be administered through discretionary relief powers, introduced by the Localism Act 2011, which amended section 47 of the Local Government Finance Act 1988.</p>
Financial implications to include reference to value for money		<p><u>Discretionary Relief</u></p> <p>The rates retention scheme requires the cost of Discretionary Relief to be split in percentage shares as follows:</p> <p>Central government – 50%. South Hams District Council – 40%. Devon County Council – 9%. Devon and Somerset Fire Authority – 1%.</p> <p><u>Retail, Hospitality and Leisure Scheme</u></p> <p>The Council will be fully compensated for the cost of granting this relief via a section 31 grant from Government. We will also receive New Burdens funding for the software, staffing and administration costs associated with delivering the scheme.</p> <p><u>Corporate Debt Policy</u></p>

		By having a clear, fair and transparent approach to debt collection we will avoid uncertainty and challenge which may have a detrimental effect on collection rates. Having a clear policy will help improve collection rates, reduce the level of debt owed to the Council and minimise the level of unrecoverable debt.
Risk		<p>Failure to have a clearly defined policy for debt collection will leave the Council vulnerable to complaints about the process and the impact on individual debtors. It is important to have a clearly defined policy to protect both staff and debtors.</p> <p>The Council may also miss opportunities to act early and in accordance with published procedures which may impact on the success in recovering debts owed.</p>
Supporting Corporate Strategy		Economy and jobs. Good quality core services.
Consultation & Engagement Strategy		As the discretionary relief policies are due to a legislative or central Government change, no consultation is required.
Climate Change - Carbon / Biodiversity Impact		There is no direct carbon/biodiversity impact arising from the recommendations, however we are committed to implementing and encouraging all council taxpayers to sign up for e-billing once live.
Comprehensive Impact Assessment Implications		
Equality and Diversity		These policies have a positive or neutral impact on all protected characteristics.
Safeguarding		There are no safeguarding implications directly related to this policy, however having a Corporate Debt Policy which considers individual circumstances we will be able to actively support people struggling with debt.
Community Safety, Crime and Disorder		Non-payment of council tax and non-domestic rates (for sole traders and partnerships only) may ultimately result to committal to prison.
Health, Safety and Wellbeing		Providing advice, support and signposting to those struggling with debt will promote health, safety and wellbeing.
Other implications		None.

Supporting Information

Appendices:

Appendix A: the Discretionary Rate Relief Policy;

Appendix B: the Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme Policy;

Appendix C: the Corporate Debt Policy; and
Appendix D: amended Council Tax, Non-Domestic Rates (Business Rates) and Housing Benefit Overpayments Write-Off Policy, to incorporate Sundry Debt.

Background Papers:

None

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South Hams
District Council

Discretionary Rate Relief Policy

1. Introduction and scope

- 1.1 South Hams District Council recognises the importance of supporting local businesses, charities and voluntary organisations to promote the provision of local facilities, support economic growth and investment and improve prosperity.
- 1.2 Billing authorities have the power to award relief from the payment of Non-Domestic Rates (Business Rates) to organisations and businesses that meet certain criteria. Public funds are not, however, unlimited and a proportion of any relief granted is met by the council taxpayers of the South Hams. We therefore need to be satisfied that money invested this way will be repaid in economic or community benefit.
- 1.3 The primary power for granting discretionary rate relief is provided for by Section 47 of the Local Government Finance Act 1988. This has been amended by subsequent legislation which gives wider powers to grant discretionary rate relief to any ratepayer where the authority considers the granting of such relief would benefit the local community.
- 1.4 This policy is designed to provide guidance to Council officers and ratepayers on the award of discretionary rate relief. This policy covers the following types of discretionary rate relief:
 - Charitable rate relief
 - Community Amateur Sports Clubs (CASCs)
 - Rate relief for not-for-profit organisations
 - Small rural businesses
 - Hardship relief
 - Temporary relief for partly occupied properties
 - Local discounts and incentives
 - Local newspaper relief
 - Supporting small business scheme
- 1.5 This policy document outlines the various areas of local discretion and the Council's approach to the various reliefs. This has regard to the impact:
 - of granting relief on the Council's wider financial position and the impact on its council taxpayers;
 - on the organisations and businesses that currently receive or may apply for relief in the future;
 - on the residents of the South Hams if relief is awarded and the economic benefits to the district.

2. The Discretionary Rate Relief Scheme

- 2.1 Discretionary rate relief (DRR) is awarded in accordance with Section 43 of the Local Government Finance Act 1988 and Sections 47 and 49 of the Local Government Finance Act 1988 as amended by the Localism Act 2011.
- 2.2 Section 69 of the Localism Act 2011 amended the Local Government Finance Act 1988, to allow billing authorities to award local discounts to any ratepayer as they see fit. These powers can be used to encourage new business and investment as well support local shops or services to the community.
- 2.3 The legislation requires the Council to maintain a Discretionary Rate Relief (DRR) Scheme to award up to 100% rate relief to certain organisations and businesses which operate within specified criteria. This includes:
- charitable bodies already receiving mandatory relief of 80%. The Council has a discretion to 'top-up' this relief to 100% of the business rates due;
 - registered community amateur sports clubs (CASCs) already receiving mandatory relief;
 - non-profit making organisations – the Council has the discretion to grant relief of up to 100% of the business rates due;
 - discretionary rate relief for 'other rural businesses;'
 - Relief on the grounds of hardship;
 - Relief for part-occupied premises;
 - Local Discounts and incentives
- 2.4 In making decisions the Council may:
- Grant relief up to a maximum of 100% of the business rates due;
 - Grant relief for a sum less than 100% of the business rates due; or
 - Refuse an application for relief.
- 2.5 Whilst mandatory relief can be backdated to previous financial years, legislation permits discretionary relief only to be awarded back to the start of the previous financial year where the application is submitted and assessed prior to the end of September in a relevant year.
- 2.6 With effect from 1 April 2024, this restriction is removed, and the Council will be able to consider applications for 2023/24 after 30 September 2024 and backdate any award. Each case will be considered on its own merits, but generally we will only backdate to the start of the financial year.
- 2.7 It is the Council's policy that discretionary rate relief will be only awarded from the date of application or, in the case of hardship relief, where the hardship occurred at that point in time. Only in exceptional circumstances will consideration be given to awarding relief for a prior period. The ratepayer must provide valid reasons for not having submitted their application at an earlier date.
- 2.8 In most cases, discretionary rate relief will be granted for a period of two financial years only.

3. The application process

- 3.1 Applications for relief must be made using the Council's online application form.
- 3.2 Applications must be submitted with the relevant supporting information which includes:
- Details of the applicant's main purposes and objectives (where applicable) as set out in a written constitution, memorandum of understanding or membership rules;
 - A full set of audited accounts relating to the two years prior to the date of application;
 - Details of how the business or organisation meets the relevant criteria detailed in these guidelines.
- 3.3 Any applications which are made without the supporting evidence will be subject to a decision being made solely on the information that is available at the time of the decision.
- 3.4 As a guide, to be eligible for discretionary rate relief a charity/organisation must not have enough unrestricted funds/reserves available to continue to operate for more than 12 months unless a business plan exists detailing how these additional funds are to be used for the benefit of the local community.
- 3.5 In exceptional cases, discretionary rate relief will be awarded to charities/organisations who have enough financial resources in unrestricted funds/reserves to continue to operate for more than 12 months. This may include charities and community organisations who require a large amount of available reserves to sustain the service they deliver to the local community. In such cases, the applicant will need to be able to prove it offers a service which the district's residents depend on and they would be unlikely to find elsewhere in the district.
- 3.6 The Council will aim to make a decision within 20 working days of the application and all supporting evidence being received. Decisions to award all types of discretionary rate relief will be made by the Council's Rate Relief Panel. Ratepayers are required to continue to pay business rates whilst their application is being considered. Failure to make payment will result in the Council pursuing collection through the usual enforcement procedures which could result in legal proceedings.

4. Appeals

- 4.1 There is no statutory right of appeal against a decision other than by way of judicial review. An unsuccessful applicant may ask the Council to review the decision, but only where:
1. Additional information relevant to the application that was not provided at the time of the application becomes available.
 2. There are good grounds the application or supporting information was not interpreted correctly at the time the decision was made.

3. A request for review must be within 28 days of notification of the decision and must set out the reason for the request and any supporting information.
- 4.2 The decision will be reviewed by the Head of Revenues and Benefits and the Strategic Director for Finance in consultation with the Leader and Deputy Leader of the Council.
- 5. Subsidy Limits**
- 5.1 The Government has confirmed in their guidance that discretionary relief to ratepayers is likely to amount to a subsidy. Any relief provided by local authorities will need to comply with the UK's domestic and international subsidy control obligations. Discretionary rate relief will not be awarded in any circumstances where it appears that an award will result in the ratepayer exceeding the subsidy control thresholds.
- 6. Financial implications**
- 6.1 The cost of awarding discretionary rate relief is apportioned as follows:
 - Central government – 50%.
 - South Hams District Council – 40%.
 - Devon County Council – 9%.
 - Devon and Somerset Fire Authority – 1%
- 7. Other administrative matters**
- 7.1 Any decision regarding discretionary rate relief will be communicated to the applicant in writing. Where the decision is a refusal, the reason will be provided in the letter.
- 7.2 A review of the guidelines will take place in line with the Valuation Office Agency's revaluation cycle, or if NNDR (National Non-Domestic Rates) legislation is amended, or as necessary to ensure it complies with current legislation and South Hams District Council's priorities.
- 7.3 The ratepayer must inform the Council immediately of any change in their circumstances which may affect their eligibility for relief.
- 8. Charitable Rate Relief**
- 8.1 Mandatory rate relief is granted to charities where:
 - The ratepayer is a charity or the trustees of a charity; and
 - The property is wholly or mainly used for charitable purposes (including charity shops where the goods sold are mainly donated and the proceeds are used for the purposes of the charity).

- 8.2 Registration under the Charities Act 1993 is conclusive evidence of charitable status. Bodies which are excepted from registration or are exempt charities are also eligible for mandatory relief.
- 8.3 In cases where a charity is receiving mandatory relief of 80%, the Council has discretion to grant up to 20% discretionary relief. This is also known as discretionary relief 'top-up.'
- 8.4 The Council will consider applications for discretionary relief from charities on their own merits and on a case-by-case basis. The principal consideration in awarding relief is that it is in the best interests of the residents and council taxpayers of the South Hams district to do so. It must also produce a benefit to the local community as the Council must contribute to the cost of each award.
- 8.5 Each case will be assessed on its own merits, but generally top-up discretionary relief will only be awarded to the following charities or excepted organisations:
- Scouts, Guides, Cadets and other clubs and organisations for young people.
 - Organisations providing support in the form of advice, employment training and counselling;
 - Community schemes including those providing support for those of state pension age, community transport and volunteer organisations;
 - Armed Forces Veterans Associations;
 - Locally based leisure and cultural organisations.
- 8.6 The following general exclusions will apply:
- 'Top-up' relief will only be granted to local charities (defined as those set up with the sole purpose of assisting residents of the South Hams and whose head office is situated in the district);
 - Unless a special case for financial hardship can be proved, 'top-up' relief to national charities (including charity shops) will not be granted;
 - Academy, free, grant maintained, faith and trust schools are classified as charities and therefore receive 80% mandatory relief. 'Top-up' relief for schools and other educational establishments which receive central or local government support will not be granted unless a special case for hardship can be shown;
 - 'Top-up' relief for registered social landlords will not be granted.
- 9. Registered Community Amateur Sports Clubs (CASCs)**
- 9.1 Registered Community Amateur Sports Clubs (CASCs) are entitled to 80% mandatory relief. The Council will consider applications for 'top-up' discretionary relief from CASCs based on their own merits on a case-by-case basis.

9.2 The Council will consider applications that can demonstrate:

- The contribution the club makes to the South Hams district;
- The club is open to the whole community and its membership fees are not excessive;
- It is a non-profit making organisation;
- Evidence that every effort is made by the club to encourage open membership from groups such as young people, disabled persons, women and those of state pension age; and
- How the CASC (Community Amateur Sports Club) supports and links into the Council's priorities.

9.3 The Council will also take into consideration if any building used is accessible to disabled people or if reasonable attempts have been made to improve its accessibility.

9.4 Applications will only be considered where the club has an unrestricted access policy. If the club only accepts members who have reached a certain standard, rather than seeking to encourage the development of sporting aptitude, it does not fulfil the requirements.

9.5 All clubs should be open to all without discrimination. Single sex clubs may be eligible for relief where such restrictions are a genuine result of physical constraints (such as changing room facilities) or the requirement of the sport. In such cases, the applicant will be required to provide proof of these factors.

9.6 It should be noted that sports clubs which run a bar are unlikely to be awarded discretionary relief if their main purpose is the sale of food or drink. If the sale of food and drink aids the overall operation and development of the club meaning it can achieve its objectives, this may be permissible if the principal objectives of the club meet the eligibility criteria detailed at 9.2. If the bar makes a profit, this must be reinvested to help the club meet its principal objectives. Financial information will be required to evidence any profit and its use.

10. Not for profit organisations

10.1 Not for profit organisations which are not classed as charities (registered or otherwise) or CASCs can apply for discretionary relief of up to 100%. Such organisations include those which are philanthropic, religious, concerned with education or social welfare, science, literature, the fine arts, recreation or are otherwise beneficial to the community.

10.2 The Council will consider applications from organisations which can demonstrate:

- Its activities support at least one of the Council's priorities;
- It promotes its service for the benefit of the residents of the South Hams;
- Membership of the organisation is open to all members of the community regardless of ability;

- The facilities of the organisation are made available, where practicable, to other organisations and groups;
- It operates in such a way that it does not discriminate against any section of the community;
- It is not established or conducted for the primary purpose of profit.

10.3 **Membership and entry fees**

If the organisation applying for discretionary relief requires membership or an entry fee the Council will consider whether:

- Membership is open to everyone regardless of race, ethnicity, sex, marital or parental status, sexual orientation, creed, disability, age, religious affiliation, or political belief;
- The subscription or fee is set at a level which is not prohibitively high and is affordable by most sections of the community;
- Fee reductions are offered to certain groups, for example the under 18s and over 60s;
- Membership is encouraged from the unemployed, young people not in employment, education, or training, those of state pension age and people with disabilities;
- Where the applicant organisation requires membership, at least 50% of members should reside within the South Hams. Proof of this will be required.

10.4 The organisation must provide a copy of their constitution and copies of their latest two years of audited annual accounts.

11. **Small Rural Businesses**

11.1 Applications for discretionary rural rate relief can be made by any business in a designated rural settlement area that are not eligible for mandatory rural rate relief.

11.2 Discretionary rural rate relief for 'other rural businesses' will be considered where:

- The rateable value of the property is not more than £16,500;
- The property is used for purposes which benefit the local community; and
- The award of the relief is in the interests of the residents of the South Hams and its council taxpayers.

11.3 As a general guide, a ratepayer must not have enough resources available in reserves (excluding those which are being held for a specific purpose which can be evidenced) to continue to operate for more than 12 months, unless it can be shown that these additional reserves are to be used to benefit the local community.

11.4 The following factors will be considered when assessing an application for discretionary rural rate relief:

- The number of staff employed the business who live within 2 miles of the rural settlement where the business is located; and
 - Whether there are any suppliers of the same goods or services which are easily accessible to residents of the rural settlement.
- 11.5 Every application must be accompanied by the latest trading accounts and evidence of the proportion of expenditure attributable to business rates. In determining the application, the Council will consider the financial viability of the business concerned, thereby having regard to the interests of council taxpayers in general. This will be balanced against the detrimental effect on the rural settlement should the business cease trading either as a direct or indirect result of not awarding relief.
- 11.6 The amount of discretionary relief awarded will be up to 100% of the total business rates payable.

12. Hardship relief

- 12.1 The Council has discretion under Section 49 of the Local Government Finance Act 1988 to grant relief of up to 100% where hardship can be demonstrated. Hardship relief can only be considered if it would be reasonable to do so in the interests of council taxpayers in general.
- 12.2 Hardship relief will be awarded where the business is suffering from unexpected hardship which is outside the normal risks associated with the business. Reduction or remission of business rates on the grounds of hardship will only be made in exceptional circumstances.
- 12.3 Hardship relief is awarded at the total discretion of the Council, provided it is satisfied that:
1. The ratepayer would sustain hardship if it did not do so; and
 2. It is reasonable to do so having regard to the interests of its council taxpayers.
- 12.4 The following factors will be considered in assessing the application:
- The test of hardship needs not to be confined strictly to financial hardship. All relevant factors affecting the ability of the business to meet its rate liability will be considered.
 - The interests of the council taxpayers in the area may be wider than direct financial interests. Examples of this include where employment prospects in the area would be worsened by a company going out of business or the amenities of the area being reduced.
 - The ratepayer must provide evidence of hardship, for example a severe loss or marked decline in trade compared to similar periods in previous years.
 - The business must show evidence of its viability for the future which is two years for these purposes.

- 12.5 A business will not be considered for hardship relief in the following circumstances:
- Where the business is profitable.
 - Where the business has experienced a minor loss in trade
 - Where the drawings/remuneration of directors, partnerships or sole traders are of an amount not deemed reasonable by the Council.
 - Where the business is new and hardship relief is being requested to fund the initial progression of the business.
 - Where the property the application is made in respect of is empty.
 - Where similar goods or services are already being provided in the locality or within a reasonable distance.
- 12.6 Prior to any award being made, the applicant is expected to act to mitigate or alleviate their hardship by:
- Contacting the Council's Economic Development Team for general business advice and support;
 - Considering other options such as renegotiating with its creditors;
 - Having a business plan in place to address the hardship.
- 12.7 Applications for hardship relief shall be regarded as a last resort and will only be accepted after consideration of any other forms of rate relief for which the applicant may be eligible.
- 12.8 The period and amount of any award will be determined on a case-by-case basis but may be up to 100% of the business rates liability.
- 12.9 Hardship relief will only be granted for short periods of time and usually up to a maximum of 6 months.
- 13. Hereditaments partly occupied for a temporary period**
- 13.1 There may be circumstances where a property is only partly occupied for a short period of time. This may be due to a business relocating to a new property. In certain circumstances, the Council may use its discretion to award part-occupied relief, also known as Section 44A relief as provided for by Section 44A of the Local Government Finance Act 1988.
- 13.2 In these circumstances the Council may request the Valuation Office Agency apportion the rateable value of the property between occupied and unoccupied parts.
- 13.3 Section 44A relief may be awarded in the following circumstances:
- Where the occupied and unoccupied parts of the hereditament can be easily separately assessed; or
 - Where there are short term practical or financial difficulties in either occupying or vacating the premises.
- 13.4 The part occupation must be for a temporary period only.

- 13.5 Rate relief will not be awarded where the partial occupation is due to the normal day to day operation of the business, for example where a warehouse has despatched a large order and no longer needs to store stock.
- 13.6 For the purposes of this policy a period of up to 6 months will be temporary. Periods of time exceeding 6 months will be treated as a permanent change and will not be eligible for partly occupied relief.
- 13.7 Relief will not be awarded where it appears to the Council that part of the property is being kept empty for the sole purpose of claiming rate relief.
- 13.8 Prior to an award being made, a visit to the premises will be made by a Council Officer to establish the exact area of the property that is empty. The application must be supported by a plan of the property which clearly marks the boundary of the occupied and unoccupied parts. This plan will be given to the Valuation Office Agency to apportion the rateable value.
- 13.9 Further visits may be made to the property throughout the duration of the relief award to confirm the property is still partly occupied.
- 13.10 Further applications for part occupied relief may be considered where there is a change to the area which is unoccupied.
- 13.11 Part occupied relief will end if one of the following applies:
- The financial year comes to an end; or
 - The end of the award; or
 - Where part or all the unoccupied parts become occupied; or
 - Where the whole of the property becomes unoccupied; or
 - Where the liability for the property changes.

14. Local discounts and incentives

- 14.1 The Council can grant business rates discounts and incentives entirely as it sees fit within the limits of primary legislation and the UK's domestic and international subsidy control obligations. These powers may be used to complement the strategic priorities and key objectives of the Council increasing employment at strategic employment sites, investing in town centres and encouraging new business and investment to the district.
- 14.2 In considering applications, the Council will consider how the award of rate relief will support opportunities for new business growth, expansion, employment and the safeguarding of jobs in the district. We will also consider the effect the award of relief will have on competing local businesses.
- 14.3 Where applicants seek rate relief under Localism Act powers, they should include information about how the business complements the strategic priorities and key objectives of the Council.
- 14.4 Each application will be considered on its own merits, however the following factors will be considered by the Council when assessing an application:

- Will the relief incentivise the creation of new permanent contract jobs (not zero hours contracts) for local people and paying the living wage as a minimum;
 - Will the relief provide a return on investment from higher business rates income;
 - Are there are social or economic implications for the area if discretionary relief is not awarded e.g. the loss of a substantial number of jobs or skills from the area; and
 - Is the request for temporary relief only and will not be repeated year after year.
- 14.5 To be considered for an award under this policy, the applicant must be either:
- A new business starting up in the area;
 - A business relocating to the area; or
 - An existing business expanding within the area and creating additional or safeguarding existing jobs.
- 14.6 Relief will not normally be considered until the applicant has all required permissions, licences, leases and other provisions in place to begin lawfully trading from the premises at which the rate relief will be applied.
- 14.7 The applicant must sign a statement of intent to operate the business in the district for a minimum of five years.

15. Local newspaper relief

- 15.1 From 1 April 2017, the Government has provided funding to billing authorities to provide a discount of £1,500 per year to office space occupied by local newspapers. This relief is specifically available for local newspapers and is not available to magazines.
- 15.2 To qualify, the property must be occupied by a local newspaper and be wholly or mainly used as office premises for journalists and reporters. The amount of relief is limited to a maximum discount of one discount per newspaper title and per property.
- 15.3 This relief is fully funded by central Government and will end on 31 March 2025 unless extended by legislation.

16. Supporting Small Business Scheme

- 16.1 At the Autumn Statement 2022, the Chancellor announced that a new Supporting Small Business (SSB) relief scheme which caps bill increases at £600 per year for any business losing eligibility for Small Business Rate Relief or Rural Rate Relief following the 2023 Revaluation.
- 16.2 The Council will automatically award the relief without the completion of an application form.
- 16.3 Full details of the Local Authority Guidance can be found at <https://www.gov.uk/government/publications/business-rates-relief-2023-supporting-small-business-relief-local-authority-guidance>

16.4 The Supporting Small Business Relief scheme will be awarded under Section 47 of the Local Government Finance Act 1988. The Council is fully reimbursed for the costs of granting this relief through Section 31 grant.

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South Hams District Council

Business Rates Relief: 2024/25 Retail, Hospitality and Leisure Scheme

1. Introduction

- 1.1 At the Autumn Statement on 22 November 2023, the Chancellor announced the extension of the business rates relief scheme for retail, hospitality and leisure properties worth an estimated £2.4 billion in 2024/25.
- 1.2 The 2024/25 Retail, Hospitality and Leisure business rates relief scheme will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief up to a cash cap limit of £110,000 per business.
- 1.3 This document explains how the scheme will operate and the eligibility criteria for businesses in the South Hams District Council area.

2. Eligibility for the Retail, Hospitality and Leisure Relief Scheme

- 2.1 Hereditaments that meet the eligibility criteria for the Retail, Hospitality and Leisure Scheme 2024/25 will be occupied hereditaments which meet all the following conditions for the chargeable day:
 - a. they are wholly or mainly being used:
 - i. as shops, restaurants, cafes, drinking establishments, cinemas or live music venues,
 - ii. for assembly and leisure; or
 - iii. as hotels, guest and boarding premises or self-catering accommodation.
- 2.2 We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/display rooms (such as carpet shops, double glazing and garage doors)
- Car/caravan show rooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public

- Hair and beauty services (such as hairdressers, nail bars, beauty salons, tanning shops etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this would be clear in most circumstances, guidance on this may be found in [Chapter 16 of the statutory guidance](#) issued in April 2018 under section 182 of the Licensing Act 2003.

2.3 We consider assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities)

- Sports grounds and clubs
- Museum and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas and massage parlours
- Casino, gambling clubs and bingo halls

ii. Hereditaments that are being used for the assembly of visiting members of the public

- Public halls
- Clubhouses, clubs and institutions

2.4 We consider hotels, guest and boarding premises and self-catering accommodation to mean:

i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, guest and boarding houses

- Holiday homes
- Caravan parks and sites

2.5 To qualify for the relief the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

2.6 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes. We will consider if particular properties not listed are broadly similar in nature to those above and, if so, the Council considers them eligible for relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for relief.

3. Properties not eligible for relief

3.1 Hereditaments that are being used for the provision of the following services to visiting members of the public

- Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers and betting shops)
- Medical services (e.g. vets, dentists, doctors, osteopaths and chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/financial advisers, employment agencies, estate agents and letting agents)
- Post office sorting offices

4. Duration of relief awards

4.1 This relief will apply effective from 1 April 2024 for the 2024/25 financial year only.

4.2 If a ratepayer moves out of a property, the relief will be apportioned on a daily basis for the number of days the property is occupied.

4.3 Ratepayers are required to notify the Council immediately of any change in circumstances which may affect their entitlement to the relief.



South Hams
District Council

Corporate Debt Policy

1. Introduction

- 1.1 This policy sets out the Council's approach to the billing, collection and recovery of all monies due to the Council.
- 1.2 The Corporate Debt Policy identifies where the responsibility for the collection of different debts owed to the Council lies and sets out the principles and standards we will adhere to in relation to contact, the recovery and enforcement process, repayments and benefit and money and debt advice.
- 1.3 The policy sets out the framework for a consistent and sensitive approach to collecting debt whilst ensuring that the Council continues to maximum income collection and arrears recovery performance.
- 1.4 Sums due to the Council can be a mixture of statutory and non-statutory charges. The methods of billing and recovery for statutory charges are prescribed by the relevant legislation. The specific rules and regulations which govern the recovery and collection of debt are set out in the relevant section.

2. Policy objectives

- 2.1 The Council has a duty to ensure it collects income and recovers debt efficiently and effectively to ensure it fulfils its financial responsibilities to its residents and businesses and maximises its capacity to provide its services.
- 2.2 The Council is also required to collect on behalf of other organisations including Devon County Council, The Police and Crime Commissioner for Devon, Devon and Somerset Fire and Rescue and town and parish councils. Central Government also retain a proportion of Business Rates income.
- 2.3 In collecting income and recovering debt, the Council is committed to adhering to best practice. This best practice includes the recognition that some customers may be temporarily or permanently vulnerable and need protection and support.
- 2.4 Where possible, the Council will act to prevent debt arising or escalating by offering payment options and signposting customers with debt issues to debt advice agencies. We will also use discretionary funds where possible and appropriate to do so to assist with specific pressures.
- 2.5 This policy identifies where the responsibility for collection of different debts lies and sets out the principles and standards in relation to customer contact, recovery processes, repayments and benefit, debt and money advice. It also explains how the Council and its partners can offer help, advice and support in the management of debt for our residents and businesses.

3. Scope of the Policy

3.1 The policy covers the following debts owed to the Council:

- Council Tax
- Housing Benefit Overpayments
- Non-Domestic Rates (Business Rates)
- Sundry Debts

4. Factors common to all types of debt

4.1 In developing this policy, the Council has considered national best practice guidance relevant to the type of debt. The Council will ensure it acts in a consistent, proportionate and transparent manner in collecting debt.

4.2 Every demand for payment will be correctly addressed to the person, business or other legal entity liable for payment.

4.3 The Council will encourage the most cost-effective payment methods with the emphasis being on electronic means where possible.

4.4 Where the potential for a statutory relief, discount or exemption may apply in relation to the debt, efforts will be made to make the debtor aware of this and they will be encouraged to apply for them.

4.5 The Council recognises that prompt recovery action is essential for good financial management and maximising income. In support of this, the Council will:

- Have clear written recovery and enforcement procedures.
- Have clear targets for the recovery of debt.
- Regularly monitor the age and level of debt.
- Regularly review irrecoverable debt for write-off.

5. Our commitment

5.1 When dealing with customers who owe us money, we will

- Treat all customers fairly and objectively.
- Ensure that there is no discrimination against customers because of their race, nationality, colour, ethnic origin, religious belief, gender, marital status, sexual orientation, age or disability.
- Encourage customers to make early contact with us about any debt related matters.
- Use Plain English in all correspondence.
- Assist with communication needs where appropriate, including translating and interpretation services.
- Promote the advice and support services available.
- Set out and explain our charges clearly.

6. What we expect from you

- 6.1 In response, our staff expect to be treated with courtesy and respect. Our staff and other customers should not be expected to deal with violent, rude or disruptive customers.
- 6.2 To contact the Council or take appropriate debt advice if they are unable to pay the amount due or to pay on time.
- 6.3 If the debtor does not think the bill or invoice is correct, they must contact the Council as soon as possible to explain why.
- 6.4 The debtor is also required to notify the Council as soon as possible about any change in circumstances such as a change in address.

7. Accessing advice and support

- 7.1 The Council will advise residents and businesses about the discounts, reliefs and reductions they may be entitled to. This information is also readily available on the Council's website.
- 7.2 We will signpost customers to where they can obtain advice on managing debt in a way appropriate to their needs. We ensure that written communications use Plain English as the standard wherever possible. We will explain complex terminology when we are required to use it by law.
- 7.3 We will assist people with language and communication needs by offering translation, interpreting and other services when required.
- 7.4 During face-to-face and telephone contact, we will direct residents and businesses to where they can obtain further specialist advice on benefits and debt matters appropriate to their needs.

8. Multiple debts

- 8.1 The Policy promotes a flexible approach to working with residents who have multiple debts to agree the steps which need to be taken to address them. In taking this approach, debt management will vary from debt to debt as different solutions will be required. Staff are not trained debt counsellors, however we are able to signpost debtors to the appropriate organisation for help and support.
- 8.2 The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 came into force on 4 May 2021. The Council will ensure that recovery of qualifying debts is suspended for the relevant moratorium period as set out in the regulations. Further, where appropriate, the Council will engage with the debtor's debt advice provider regarding all debts owed to the Council.

8.3 Multiple debts are where the debtor has significant debts in more than one service area e.g. council tax and overpaid housing benefit. This can present problems in determining the priority of individual debts for the different service areas and the individuals concerned. In such cases, officers are expected to liaise and agree a coordinated approach to recovery.

9. Assessing ability to pay

9.1 During the recovery process, we will act in accordance with the relevant legislation and any advice on best practice which is relevant to the particular debt.

9.2 When recovering multiple debt, we will endeavour to break the cycle of debt. For Council Tax and Business Rates we will encourage payment for the current year and work with the customer to achieve an acceptable payment arrangement reflective of the customer's means, whilst ensuring a satisfactory level of repayment for the Council.

9.3 We will offer flexible options, including different payment dates and amounts where possible to assist those on irregular incomes.

9.4 We will endeavour to make payment arrangements with customers who are unable to settle their debt(s) in full. However, this may involve legal action being taken against the customer to secure the debt.

9.5 We will take a common approach in assessing a customer's overall financial position, by considering all their income and expenditure, to assess their ability to pay. Where arrangements to pay by instalment can be entered into which consider the customer's individual financial circumstances.

10. Supporting vulnerable customers

10.1 We will ensure that arrears are pursued in a timely manner whilst also being firm, fair and consistent. We will balance customer care with the responsibility to collection income efficiently and effectively and respond to individual circumstances wherever possible.

10.2 We recognise that everyone will need to be treated in a sensitive way as we know that customers do not pay their debts for a variety of reasons. As this may be because of financial hardship, we will balance individual circumstances against our duty to collect.

10.3 Vulnerability does not mean that a person will not be required to pay amounts they are legally obliged to pay. The cause of vulnerability may be temporary or permanent in nature and the degree of vulnerability will vary from person to person.

10.4 Whilst there are several characteristics which may cause an individual to be considered vulnerable, we will consider each case on an individual basis and take all relevant factors into account.

10.5 There is no legal definition of vulnerability, however we consider the following groups of people may be vulnerable:

- The elderly.
- Those who appear to be physically or mentally ill or are severely disabled.
- The heavily pregnant.
- Those who have experienced a recent bereavement of a close family member.
- Those who may have difficulty communicating due to profound deafness, blindness or language difficulties.
- Those who are suffering from long term sickness or serious illness or are terminally ill.

11. Debt recovery and processes

11.1 Invoices and bills will be issued in accordance with the relevant statutory requirements which may be through instalment plans or arrangements.

11.2 At each stage of the recovery process, the customers are signposted to debt advice and other support services. Where applicable, we will also make sure customers are receiving any discounts and other reductions they may be entitled to.

11.3 Where the debt remains unpaid, or if instalment plans or arrangements are broken we will follow the appropriate statutory recovery process depending on the type of debt.

11.4 Depending on the type of debt, we will consider the use of all enforcement remedies including referring the debt to enforcement agents and debt collection agencies as applicable.

12. Complaints

12.1 The Corporate Complaints process provides the Council with opportunity to investigate and, where appropriate, provide a remedy in circumstances where the Council is alleged to have been guilty of maladministration resulting in injustice and where there is no other reasonable avenue to the complainant to appeal or seek redress.

12.2 It is important to note, however, that the complaints system cannot entertain objections against the merits of a decision which has been properly taken and which the complainant does not agree with.

12.3 If the complainant remains dissatisfied after the Council has investigated the complaint and, the complainant may refer their complaint to the Local Government and Social Care Ombudsman who is independent of the Council.

13. Council Tax

- 13.1 The Council has a statutory duty to bill and collect tax from 47,000 households in the South Hams. The Council also collects Council Tax on behalf of Devon County Council, the Police and Crime Commissioner for Devon and Cornwall, Devon and Somerset Fire and Rescue and town and parish councils.
- 13.2 Council Tax is set each year by a resolution of South Hams District Council. The Revenues and Recovery Team assess who is liable for Council Tax and award any discounts and exemptions. The Benefits team assess applications for Council Tax Reduction.
- 13.3 The Council must follow regulations, namely the Council Tax (Administration and Enforcement Regulations) 1992 to collect Council Tax in an economic, effective and efficient manner.
- 13.4 Demand notices and adjustment notices will be issued in accordance with regulations and as soon as reasonably practicable once the liable party has been identified.
- 13.5 The Council follows the statutory instalment scheme for collection of Council Tax which requires payment in ten monthly instalments. With effect from 1 April 2013 council taxpayers have been able to request to pay by twelve monthly instalments.
- 13.6 An annual recovery timetable will be drawn up before the beginning of the financial year following consultation with the Ministry of Justice, with reminders and final notices being issued a minimum of 7 days after an instalment has fallen due. If the instalment is paid as requested, no further action will be taken. If the instalment is not paid or only partly paid a summons will be issued. Only two reminders will be issued per financial year for the late payment of instalments.
- 13.7 If the taxpayer fails to pay the full balance as detailed on the final notice, a summons to the magistrates' court is issued incurring additional costs of £77.50. This figure may be revised on an annual basis.
- 13.8 The Council will make arrangements at this stage, but the Council will still seek a liability order to secure the debt.

Council Tax Enforcement

- 13.9 Following the granting of a liability order the debtor will be given an opportunity to make a suitable payment arrangement. Should the debtor not make or adhere to a suitable payment arrangement, further recovery action will be taken.
- 13.10 We will send a request for information form asking for details of a person's earnings and benefits entitlement as well as an income and expenditure form prior to taking any other form of enforcement action.

- 13.11 If this form is completed and returned by the debtor, we will have a better understanding of the debtor's circumstances and will be able to apply for an attachment of earnings or benefit or make an appropriate payment arrangement.
- 13.12 The most appropriate method of enforcement will be dependent on the individual circumstances of the case, with the following enforcement remedies available to the Council.

Attachment of Earnings

Deductions are made from the debtor's earnings at a rate determined by regulation. The Council has no discretion to amend this.

Attachment of Benefits

Deductions from Income Support, Job Seeker's Allowance, Employment and Support Allowance, Pension Credit or Universal Credit.

Attachment of Allowances

Deductions are made from Elected Members' Allowances.

Enforcement Agents

Enforcement Agents instructed by the Council are required to comply with the Enforcement Agent Code of Practice, Service Level Agreements and the Tribunals, Courts and Enforcement Act 2007.

Charging Orders

An order may be placed on the debtor's property to secure the debt. The Council is then able to apply for an order for sale.

Bankruptcy/Liquidation

If sufficient assets are available to discharge the outstanding debt the Council can petition for bankruptcy/liquidation.

Committal

An application can be made to the magistrates' court to commence action which can ultimately result in the debtor being committed to prison.

Enforcement Agents

- 13.13 The Council will pass a case to enforcement agents for collection in the following circumstances:
- No contact has been received from the taxpayer, or
 - The taxpayer has failed to adhere to payment arrangements made, or
 - The taxpayer is unwilling to enter a meaningful discussion about their income and expenditure and agree a realistic and appropriate payment arrangement, or
 - The Council cannot issue an attachment of earnings or benefit order.

Recall of cases from Enforcement Agents

13.14 The Council will generally not recall a case once it has been sent to enforcement agents, but we may review this in the following circumstances

- The debtor subsequently appears to be a vulnerable person
- Where a council taxpayer has sought debt advice and is committed to repaying their council tax arrears, the Council will take this into account and may instruct the enforcement agent to accept a reduced offer of payment or may recall the account.

14. Non-Domestic Rates (Business Rates)

14.1 The Council has a statutory duty to bill and collect Business Rates from 6,362 businesses in the South Hams. The Revenues and Recovery Team assess liability and award any reliefs and exemptions which are applicable.

14.2 The Council must follow regulations in the collection of Business Rates. The relevant regulations are the Non-Domestic Rating (Collection and Enforcement) (Local Lists) Regulations 1989.

14.3 The Council follows the statutory instalment scheme for the collection of Business Rates which requires payment in ten instalments, however ratepayers can request 12 monthly instalments.

14.4 An annual recovery timetable will be drawn up before the beginning of the financial year following consultation with the Ministry of Justice, with reminders and final notices being issued a minimum of 7 days after an instalment has fallen due. If the instalment is paid as requested, no further action will be taken. If the instalment is not paid or only partly paid a summons will be issued. Only two reminders will be issued per financial year for the late payment of instalments.

14.5 If the ratepayer fails to pay the full balance as detailed in the final notice, a summons to the magistrates' court is issued incurring court costs of £77.50. This figure is reviewed on an annual basis.

14.6 The Revenues and Recovery team will seek to enter arrangements at this stage, but the Council will still proceed to court for a liability order.

Enforcement

14.7 A liability order gives the Council additional powers to seek to recover the debt. These include:

- Passing to an enforcement agent for collection
- Bankruptcy or winding up proceedings
- Obtaining a charging order
- Committal to prison (sole traders and partnerships only)

Recall of cases from enforcement agents

- 14.8 The Council will not generally recall a case once it has been sent to enforcement agents, but will review the case if it is found that the ratepayer appears to be vulnerable.

15. Housing Benefit Overpayments

- 15.1 Housing Benefit overpayments result where residents have a change in their circumstances (such as an increase in their income) which results in the claimant being awarded more Housing Benefit than they are entitled to.
- 15.2 Accurate and prompt identification of overpayments is important to ensure that the incorrect payment ceases and the chances of successful recovery are maximised. To ensure there is minimal loss to the public purse, firm, fair and consistent action must be taken by the Council in recovering overpaid Housing Benefit.
- 15.3 In most cases overpayments will arise due to one of the following:
- Late disclosure of a change in circumstances
 - Errors made by the claimant when completing an application form or review form
 - Official errors made by the Council or the Department for Work and Pensions
 - Fraud
- 15.4 Official error overpayments are only recoverable where the claimant or the person from which recovery is sought could reasonably have known that an overpayment was occurring at the time of the overpayment.

Classification of overpayments

- 15.5 The correct classification of overpayments is essential as, depending on the type of overpayment, the Council will receive a percentage of the overpayment from government through Housing Benefit subsidy.
- 15.6 A full record will be retained of the classification of the overpayment.

Decisions on Recoverability

- 15.7 Where an overpayment has occurred, the Council shall consider if an official error has caused or contributed to the overpayment. Where the overpayment has been caused or contributed to by official error, the Council will decide if recovery is appropriate using the guidance issued by the Department for Work and Pensions.
- 15.8 Before recovery action commences, consideration will be given as to who the appropriate person is to recover the overpayment from. This may be:
- The claimant.
 - The person to whom the payment of benefit was made.
 - The person who misrepresented or failed to disclose a material fact.

- The partner of the claimant if they were living with the claimant at the time of the overpayment and at the time the decision to recover was made.

Recovery of Overpayments

- 15.9 In all cases where recovery of an overpayment is sought, the Council will have regard to its statutory duty to protect the public purse
- 15.10 Only after all remedies for recovering the overpayment have been exhausted, shall the debt be recommended for write-off.

16. Sundry Debts

- 16.1 The Section 151 Officer has overall responsibility for the collection and recovery of sundry debt which covers the collection of amounts due to South Hams District Council.
- 16.2 All sundry debtor invoices will be raised using the corporate sundry debtor's system by the Finance Team, following the completion of a Sundry Debt form. Prompt invoicing is vital in ensuring effective debt collection.
- 16.3 Full details of the charge will be clearly stated on the invoice including the date the goods or services were provided. The Council accepts a range of payment methods including direct debit, by telephone, online and by BACS.
- 16.4 The Council's payment terms are shown on the invoice. Payment terms will only be considered where the customer is unable to settle the debt in full in one payment. On receiving an invoice, a customer can request to make an arrangement to clear the outstanding amount in instalments.
- 16.5 If a payment arrangement is agreed, this will be monitored by the Finance Team.
- 16.6 Reminder letters may be issued at intervals relevant to the type of debt and the Finance Team will endeavour to contact the debtor when chasing the debt.
- 16.7 A pre-legal letter (letter before action) may be issued.
- 16.8 An arrears analysis report is run quarterly for all outstanding aged debts. This is sent to the relevant Head of Service for a decision on the next recovery action they would like to take.
- 16.19 The Finance Team will attempt to trace any debtors who have absconded or liaise with the Revenues and Benefits Team where it is necessary to use external agents to do so.

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South Hams District Council

Council Tax, Non-Domestic Rate (Business Rates) and Housing Benefit Overpayments and Sundry Debt Write-Off Policy

1. Introduction

- 1.1 This document sets out the procedure to be followed when writing-off irrecoverable amounts of Council Tax, Non-Domestic Rate (Business Rates) and Housing Benefit overpayments and Sundry Debt.
- 1.2 Under the Accounts and Audit Regulations 2003 (as amended by subsequent regulations) bad debts should not be written-off without approval of the responsible financial officer or such member of staff who is nominated by them for this purpose. There is no equivalent requirement for credit balances, although it is prudent to write them off on a regular basis.
- 1.3 Both internal and external audit need to be satisfied any write-off policy is both robust and transparent. At the same time, there needs to be a mechanism for reporting write-offs through Members. A debt should only ever be written-off in accordance with a policy agreed by Members.
- 1.4 Officers are required to take robust action to collect all debts, however in some cases this might not be possible and debts do become irrecoverable. Where a debt is deemed to be non-recoverable (or a credit non-refundable) it needs to be identified at the earliest possible opportunity and properly dealt with in accordance with the financial regulations.
- 1.5 Writing-off irrecoverable items represents good financial management. It allows officers to concentrate on recoverable debts and ensures that the level of debtors/arrears within the accounts is accurate and represents a true and fair view of the Council's financial position.
- 1.6 Any debt written-off can be reinstated at a later date if there is a fresh opportunity to recover all or part of the debt.

2. Policy objectives

The Council's debt write-off policy has the following objectives:

- To promote a fair and consistent approach to the writing-off of debt across the Council.
- To enable debts to be written-off in a timely and efficient manner.
- To provide a framework that sets the criteria for writing-off debt.
- To ensure that action is appropriate to the level of debt and maximises the use of resources.

3. Reasons for write-off

3.1 Every effort will be made to recover a debt owed to the Council before it is considered for write-off. This includes using tracing agents, visiting the property, contacting occupiers and owners and cross-referencing against internal databases. Only where all recovery action has failed is a debt regarded as irrecoverable.

3.2 This policy covers South Hams District Council's policy and approach in the following areas:

- Remission by the magistrates' court
- Imprisonment
- Insolvency
- Unenforceable debts
- Other write-off situations
- Credit balances
- Housing benefit overpayments
- Sundry debt

4. Remission by the magistrates' court

4.1 If the magistrates' court finds that the failure to pay council tax or Non-Domestic Rates is not due to either wilful refusal or culpable neglect, the debt can be remitted. Remission may in full or in part and the debt becomes irrecoverable. Even though a debt or debts may be remitted, liability for future years will continue. Following the decision of the magistrates the write-off will be processed on the debtors' account and we will store a copy of the Court Remission Sheet in our document management system.

5. Imprisonment

5.1 If a debtor is committed to prison for non-payment of council tax or non-domestic rates the debt has to be written-off once the term of imprisonment has been served. No further recovery action can be taken with regard to the relevant amount as the enforcement process has come to an end. Liability for future years will continue.

6. Bankruptcy

- 6.1 Upon notification of a bankruptcy, a proof of debt will be completed for the outstanding debt that is due at the date of the bankruptcy order and submitted as a claim to the trustee in bankruptcy. In the event of payment being received in full or in part from the bankrupt's estate, this will be credited to the relevant account.

7. Individual Voluntary Arrangement

- 7.1 A voluntary arrangement is an alternative available to a debtor where they wish to avoid a bankruptcy order. The debtor makes an offer to all creditors, which is less than the outstanding debt, and agrees that it will be paid over a period of time in full and final settlement. If 75% (in value) of creditors agree to the offer, an insolvency practitioner will be appointed to administer the voluntary arrangement. If payment is received in full or part, the money will be credited to the account.

8. Liquidation

- 8.1 Liquidation may either be compulsory or voluntary. Upon notification that a company has gone into liquidation, a proof of debt will be submitted for the outstanding debt due at the date of the winding up order and submitted as a claim to the liquidator. In event of payment being received in full or in part, this will be credited to the account.

9. Company has ceased trading

- 9.1 Limited companies may cease to trade on the grounds of having no assets to pay outstanding and/or on-going debts. There is no formal winding-up process which have both a cost and legal implications. The Council could take steps to put the company into compulsory liquidation which is costly and is unlikely to secure payment.
- 9.2 In these circumstances, and if an enforcement agent has failed to recover the monies due or identify assets on which to levy distress, it is recommended that the debt is written-off.
- 9.3 In the event of a successful bankruptcy petition or successful winding up proceedings for limited companies, no further recovery action can be taken once the court has made the order. This only applies to debts outstanding at the time and future action can be taken where there is an ongoing liability.
- 9.4 In the majority of bankruptcy and insolvency cases where the Council has not instigated the action there is a small or no dividend payable to the Council. On receipt of the statement of affairs from the trustee in bankruptcy or the liquidator it is usually clear how much money is available to creditors. After taking into account any payments received or due, the balance is written-off as irrecoverable.
- 9.6 Debts will also be written-off where limited companies have been dissolved and no assets have been identified.

10. Debt Relief Order

- 10.1 Debt Relief Orders are a way a person can deal with their debts if they can't afford to pay them. It means the debtor doesn't have to pay certain kinds of debt for a specified period (usually 12 months). At the end of the DRO period, the debts included in it will be written-off ('discharged').

11. Statute barred debts

Certain debts will become uncollectable if a summons is not issued within 6 years of a demand notice being issued.

12. Death of a debtor

- 12.1 In the majority of cases the debt remains collectable either from a joint liable person or the debtor's estate. In certain circumstances it is not possible to collect the debt and it will be written-off. This is usually where there are no assets or where the debtor dies intestate.
- 12.2 If there are assets and the executors fail to make payment to clear the debt, we can take separate action to recover the debt through civil enforcement proceedings.

13. Debtors who cannot be traced

- 13.1 There are occasions when debtors abscond from a property leaving debts. In all cases every effort is made to locate the debtor. This includes:
- A check of records using internal and external tracing tools;
 - A visit to the property if it is cost effective to do so; and
 - Passing the debt to an enforcement agency to see if they are able to trace the debtor.
- 13.2 If the debtor cannot be traced there is no alternative but to write-off the debt, however debts will be reviewed every 6 to 12 months in case any further information has come to light which means they can be collected.

14. Debts which are uneconomical to collect

- 14.1 Enforcement action is taken in respect of debts of more than £77.50. Where debtors are no longer in the local area, it is considered uneconomic to pursue these small balances and the debts are written off on an annual basis. If the debtor returns to the district, the write off will be reversed and recovery action will continue.

15. Court, enforcement agent and other costs

- 15.1 When the debt is being written-off for one of the reasons above, legal fees and costs incurred in recovering the debt need to be written off separately as their accounting treatment is different.

15.2 There are a small number of cases which may be taken to court and the debt passed to enforcement agents before it transpires that the liability is incorrect, but the Council was unaware at the time the action was taken. In correcting the liability, it may be necessary to cancel costs and other fees depending on the individual circumstances of the case.

16. Miscellaneous

16.1 The Council has some debts which it is unable to pursue for other reasons, such as it not being in the public interest or due to local authority error. These will be exceptional in nature and approved by the Director of Strategic Finance with full details of the reason for the decision held on file.

17. Credit balances

17.1 There will be instances where an account is closed and a credit balance remains on the account. If it has not been possible to refund the credit (for example because a forwarding address is not known) the credit will be written-off after a period of 9 months has elapsed.

18. Housing benefit overpayments

18.1 In certain circumstances it may not be practical or appropriate to recover an overpayment. In those cases, consideration will be given to the non-recovery or write-off of the debt.

18.2 Non-recoverable write-offs – local authority error

As part of the claim assessment process, housing benefit overpayments caused by local authority error are identified.

The decision as to whether they are recoverable or not is made using guidance contained in the housing benefit regulations. This considers whether the claimant could not, at the time of the payment or notification of payment reasonably be expected to realise they had been overpaid. If they could not, the overpayment is not legally recoverable and will be classed as non-recoverable.

18.3 Non-recoverable write-offs – DWP error

Overpayments will be classified as DWP error as part of the claim assessment process if the DWP have confirmed that they are responsible for the overpayment. In these circumstances the debt will be written-off.

19. Sundry debts

19.1 Sundry debt includes outstanding income for various charges such as Estates Management, Licensing, Trade Waste and Housing. The Council will make every effort to recover these debts through the means accessible to it. However, the Council will recognise when it is not likely to receive the income and/or where it is not cost-effective to pursue the debt.

- 19.2 In considering if a debt should be written off, Officers will review each debt on a case-by-case basis. This will include the value of the debt, the age of the debt and the status of the debtor (e.g. if the company has gone into liquidation).
- 19.3 All debt write-offs will be charged back to the budget that initially received the income, even if it was received during a prior year.
- 19.4 In the event a debtor is traced and payment of the debt becomes a realistic possibility, the debt will be written-on and pursued.

20. Bad debt provision

- 20.1 The Director of Strategic Finance (Section 151 Officer) must ensure there is adequate provision for bad debts, in accordance with the relevant CIPFA Code of Practice.
- 20.2 Debts should be reviewed on a timely basis with effective recovery methods applied. Where debts are irrecoverable, suitable evidence should be provided and retained to justify the write-off of the debt.

21. Processing a write off request

- 21.1 This is covered by separate staff procedure notes and by using appropriate computer system transaction codes so that the reason for write off can be identified and monitored.

22. Management checks

- 22.1 Management controls are in place to ensure that debt is only written off in accordance with the Council's Financial Procedure Rules.
- 22.2 Debts up to the value of £5,000 can be written off by the Section 151 officer or Deputy Section 151 officer, under delegated authority. Permission needs to be obtained from the Executive Committee to write-off individual debts over £5,000. Debts referred to Executive Committee for approval to write-off will be submitted with a full supporting summary detailing the efforts taken to recover the debt.

23. Policy Review

- 23.1 The implementation and effectiveness of this policy and its supporting procedures will be checked and monitored by the Head of Revenues and Benefits and associated management team.
- 23.2 The implementation and effectiveness of this policy and its supporting procedures relating to Sundry Debt will be checked and monitored by the Head of Finance.
- 23.3 The policy will be reviewed on an annual basis to ensure it remains valid, effective and relevant.

Report to: **Executive**

Date: **25 January 2024**

Title: **Month 7 Revenue Budget Monitoring Report 2023/24**

Portfolio Area: **Finance - Cllr J Brazil**

Wards Affected: **All**

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

Date next steps can be taken: 15 February 2024

Author: **Pauline Henstock** Role: **Head of Finance Practice and Deputy S.151 Officer**

Lisa Buckle **Corporate Director for Strategic Finance (S151 Officer)**

Contact: pauline.henstock@swdevon.gov.uk
lisa.buckle@swdevon.gov.uk

RECOMMENDATION:

That the Executive:

- 1. RESOLVES to note the forecast income and expenditure variations for the 2023/24 financial year and the overall projected surplus of £16,000 (0.1% of the total Budget £11.738 million). This is very close to a break-even position; and**
- 2. RECOMMENDS to Council to update the current virement limits within the Constitution, as shown in Section 10 of the report.**

1. Executive summary

- 1.1 This report enables Members to monitor income and expenditure variations against the approved budget for 2023/24 and provides a forecast for the year end position.
- 1.2 The gross service expenditure budget for 2023/24 was set at £44.3 million (£11.738 million net). This report identifies a projected surplus of £16,000 which is 0.1% of the overall budget set for 2023/24 of £11.738 million. This compares to a surplus of £79,000 projected in the last monitoring report as at the end of July 2023.

2. Background

2.1 Regional and national context

2.2 The Covid-19 pandemic drew into sharper focus the financial challenges faced by Local Authorities which have existed for some years. There remains outstanding a number of Local Authority Government reviews into Local Authority funding to reset the way local Councils are funded and the mechanism for the distribution of funding.

2.3 Financial Monitoring arrangements

2.4 The Council's financial procedure rules require that reports must be made on budget monitoring on a regular basis to the Executive as part of the Council's arrangements for budget management.

3. Outcomes/outputs

3.1 **Budget overview** - Table 1 below provides an analysis of the projected variances against budget.

TABLE 1: 2023/24 BUDGET FORECAST

	2023/24 Budget expenditure /(income)	Budget variations		£000	Note
		%	£000		
	£000			£000	
APPROVED BUDGET				11,738	
Reductions in expenditure/additional income					
Customer Service & Delivery					
Salary Savings	11,425	2%	(240)		A
Place and Enterprise					
Car parking income	(3,412)	7%	(230)		B
Dartmouth Lower Ferry income	(1,077)	12%	(130)		C
Follaton House rental income	(309)	13%	(40)		D
Employment Estates income	(1,117)	16%	(180)		E
Other Comprehensive Income & Expenditure					
Investment Income	(800)	115%	(920)		F
Additional Business Rates pooling gain	(300)	23%	(70)		G
Sub total of variations				(1,810)	

Increases in expenditure/reductions in income					
Customer Service & Delivery					
Pay Award for all employees (incl. Waste & Cleansing manual workforce)	280	200%	559		H
ICT Software & Support Contracts	558	34%	190		I
Waste and Cleansing (see Appendix C for further detail)	7,740	1%	95		J
Strategy & Governance					
Planning income	(1,084)	18%	200		K
Planning advertising costs	111	54%	60		L
Insurance	434	30%	130		M
Place and Enterprise					
Car Parking payment collection fees	1,622	4%	70		N
Utility Costs	1,200	12%	140		O
Homelessness – temporary accommodation costs	339	103%	350		P
Sub total of variations				1,794	
PROJECTED OUTTURN				11,722	
PROJECTED SURPLUS FOR 2023/24				(16)	

There is projected to be an overall surplus of £16,000 when compared against the Revenue Budget set for 2023/24.

Notes

- A. **Salary Savings** - a saving of £240,000 (2% of the salaries budget) is currently projected for 2023/24 mainly resulting from vacancies.
- B. **Car parking income** – additional income of £203,000 has been received as at 31 October 2023 due to extra usage of the car parks. The current projection for 2023/24 is additional income of £230,000 for the year.
- C. **Dartmouth Lower Ferry income** –it is currently anticipated that additional income of £130,000 will be received in 2023/24. This equates to 12% of the annual income target for Dartmouth Lower Ferry of £1.077m.
- D. **Follaton House rental income** –it is currently anticipated that additional rental income of £40,000 will be received in 2023/24.
- E. **Employment Estates income** – employment estates income is currently projected to be over budget by £180,000 in 2023/24 due to high occupancy rates and regular rent reviews.

- F. **Investment income** – investment income is currently anticipated to be up by 115%, which equates to additional income of £920,000 in 2023/24. The latest forecast is projecting investment income of £1.720m in 2023/24. This follows the increases in interest rates as the Bank of England (base rate is currently 5.25%) looks to tackle surging inflation. The Council engages treasury management advisors (Link Asset Services) to provide specialist advice on all aspects of treasury management.
- G. **Additional business rates pooling gain** – The Council is part of the Devonwide Business Rates Pool for 2023/24. The pooling gain for this year is predicted to be £370,000, which is £70,000 higher than the budgeted amount.
- H. **Pay award** – the impact of the proposed local government employer’s pay offer for 2023/24 of £1,925 per scale point or a 3.88% increase for Scale Point 44 upwards, is significantly higher than the current budget provision of £280,000 (3%). The proposed pay award will result in additional salary costs of approx. £559,000 including £320,000 for the Waste and Cleansing staffing.
- I. **ICT Support Contracts** - there are additional costs in respect of ICT support contracts mainly due to,
- Price increases which equal or exceed the peak in the inflation rate earlier in the year
 - Additional costs for new software licenses, laptops and accessories due to an increase in the number of officers and new intake of Members in 2023/24.
- J. **Waste and Cleansing service** – There is projected overspend of £95,000 for the Waste and Cleansing service for 2023-24. This equates to 1.2% of the approved net budget of £7.74million (The net budget is before contributions from reserves). Appendix C sets out this in detail.
- K. **Planning income** – a planning income shortfall of £200,000 is currently anticipated for 2023/24. The month 4 projection was a shortfall of £180,000 for the year. This also takes into account the recent legislative amendment to increase planning application fees with effect from 6 December 2023. Application fees have been increased by 35% for major schemes and 25% for all other applications. This is expected to generate around £150,000 to £180,000 of additional planning income in a full year. The legislative amendment also introduced an annual rise in application fees linked to inflation (and capped at 10%) every April from 2025 onwards.

- L. **Planning advertising costs** – advertising costs of £61,000 have been incurred to 31 October 2023 against an annual budget of £45,600. It is currently anticipated that advertising costs could be overspent by up to £60,000 in 2023/24. However, this projection will be reviewed in the coming months now that the requirements for advertising planning applications have been clarified in the Planning Improvement Plan Update report taken to Executive in September 2023.
- M. **Insurance** – in line with the 2022/23 outturn position additional insurance costs of £130,000 are anticipated in 2023/24. This is mainly due to inflationary pressures and bringing the waste service back in house in October 2022. These additional insurance costs have been built into the 2024/25 budget.
- N. **Car Parking payment collection fees** – additional payment collection cost of £70,000 is anticipated in 2023/24. The amount of car parking income being taken by Ringo has significantly increased since the covid pandemic. 59% of all car parking transactions are now made through Ringo and the Council has exceeded the annual limit of transactions being at no cost. The Council's transactions are now over 800,000 per annum which has triggered a cost per transaction for those over the limit where there is no charge. Ringo was procured as a Devonwide contract in October 2020 for a four year contract with an extension of one year plus a further year. Prior to the Devon wide procurement, the Council was paying 8% in banking charges, so as a result of the cashless payment provider contract, the Council is saving money on banking charges and is also saving collection costs of collecting physical cash from car parking machines. For example in 2019/20 the number of Ringo transactions was just over 200,000 and 80% of all car parking income was from cash payments with 20% being from Ringo. This has now changed to over 800,000 transactions through Ringo (59% of all car parking income), with 41% being from cash payments.
- O. **Utility costs** - due to the rise in energy costs and inflationary pressures, additional costs of £140,000 are projected in 2023/24, mainly due to the increase in utility costs for the Council's employment estates and public conveniences.
- P. **Homelessness** - significant increases of £350,000 are anticipated in the expenditure on temporary accommodation in 2023/24 over and above what is claimable back through DWP subsidy. This is reflective of the national picture and due to a number of factors outside the Council's control including:
- The housing crisis and lack of accommodation
 - High numbers of second homes and holiday lets
 - Affordability of private rented accommodation and challenges facing private landlords and increases in their costs.
 - More single people presenting with complex and challenging needs, requiring bespoke housing solutions.

- The increase in costs of pay nightly accommodation due to cost-of-living challenges and increases in energy costs.

The Council is actively seeking ways to reduce reliance on pay nightly accommodation by investing in its own stock of temporary accommodation through opportunities such as LAHF, LAHF 2 and property acquisition whilst ensuring any stay is kept to a minimum.

In the Autumn Statement on 22 November 2023 the Chancellor of the Exchequer announced that the local housing allowance (LHA) rate will be increased for the first time in three years, and will cover the cheapest third (30th percentile) of local market rents from April 2024. The LHA rate is determined based on a survey of private market rents within a broad rental market area.

This higher LHA rate will increase the amount of temporary accommodation expenditure that can be claimed back through DWP subsidy which will help to address the overall position for 2024/25 onwards.

3. Other items to be considered in the 2023/24 Budget

3.1 Savings and Additional Income

This monitoring report includes an update on the position regarding the savings and additional income that were identified in the 2023/24 budget setting process, set out in Appendix B.

Waste and Recycling Services

- 3.2 There were exceptional transitional costs of £3m for bringing the waste and recycling service back in house in October 2022, funded from the business rates retention reserve. Of this amount, £1.45m was spent in 22/23 and the remaining £1.55m will be used in 2023-24. This was referenced in reports to Council on 12th July and 22nd September 2022 and had the support of the cross party Waste Working Group.
- 3.3 Executive in December 2023 (Minute Reference E.38/23) approved to fund the one-off cost of £450,000 of the roll out of the Devon Aligned Service (DAS), from the Business Rates Retention Reserve.
- 3.4 A breakdown of the Waste and Cleansing service costs and income for 2023-24 is attached in Appendix C.

Planning Enforcement and Appeal costs

- 3.5 The Council is currently engaged in complex enforcement action and a number of high-profile planning appeals. All actions underway are considered to be vital to protect the built and natural environment and deliver development in line with the Joint Local Plan and community needs. It would be reasonable to observe that this could be considered to be an exceptional year with exceptional costs arising from these necessary actions.
- 3.6 There is an annual budget for appeal costs within the Planning budget of £54,000 a year. In addition, the Council puts an annual contribution into Planning reserves of £50,000. To date the Council has already spent £75,000 on appeal costs and a further £160,000 is already committed, totalling £235,000. There remains the potential for costs to be awarded to or against the Council pending the outcome of various actions.
- 3.7 A future report will be presented to the Development Management Committee with further details and requesting approval to fund the residual of the appeal costs from the Planning Earmarked Reserve.

4. Earmarked Reserves

- 4.1 The Council annually undertakes a review of the level of its Earmarked Reserves as part of the budget setting process. In addition a report was presented to the Executive on 21 September 2023 regarding a review of earmarked reserves. The review has identified up to £1.541m of revenue reserves which is potentially available to support the delivery of the new emerging Council Plan. This is attached in Appendix A.
- 4.2 Earmarked Reserves are **£15.424m at 31 March 2023** as shown in Appendix A.
- 4.3 The Council's level of Unearmarked Reserves currently stands at £2.113 million. The surplus of £16,000 would go into Unearmarked Reserves at the year end, in accordance with normal accounting practice (the Accounting Code of Practice, which sets out that surpluses or deficits at the year end are added to Unearmarked Reserves). This gives a predicted balance at 31 March 2024 of £2.129 million for Unearmarked Reserves.

5. Prudential Indicators

- 5.1 The prudential code indicators were approved in the Capital, Investment and Treasury Management Strategy report to the Council on 30 March 2023. The indicators are monitored during the year through the normal revenue and capital monitoring processes. All Treasury Management limits have been adhered to.

6. Income

6.1 Income monitoring is an integral part of financial management. Below shows the current income (surpluses)/shortfalls already experienced for April 2023 to October 2023. The table also shows the latest 2023/24 projections for the major streams of income.

Service	Deficit/ (Surplus) April – Oct 2023 £'000	Projected Income 2023/24 £'000	Income Budget 2023/24 £'000	Deficit/ (Surplus) £'000	Deficit/ (Surplus) %
Car Parking	(203)	3,642	3,412	(230)	(7%)
Planning	81	884	1,084	200	18%
Employment Estates	(105)	1,297	1,117	(180)	(16%)
Trade Waste including CWR (see Appendix C)	57	901	958	57	6%
Garden Waste (See Appendix C)	(56)	691	635	(56)	(9%)
Dartmouth Ferry	(71)	1,207	1,077	(130)	(12%)
Business Rates Pooling Gain	-	370	300	(70)	(23%)
Investment income	(310)	1,720	800	(920)	(115%)
Licensing	33	201	201	-	-
Land Charges	(5)	170	170	-	-
TOTAL	(579)	11,083	9,754	(1,329)	(14%)

7. Management Actions

7.1 The table below sets out the relevant management actions for the revenue expenditure and income variations shown above. It is best practice for the Council to state whether there are any corrective actions that need to be taken for the variances identified in 2023/24.

	Budget variations overspend/ (underspend) £000	Management Action
Reductions in expenditure/additional income		
Salary Savings	(240)	The projected underspend will be kept under review during the year.
Car Parking Income	(230)	An additional income target of £250,000 has been built into the 2024/25 budget.
Dartmouth Lower Ferry Income	(130)	An additional income target of £100,000 has been built into the 2024/25 budget.
Follaton House rental income	(40)	An additional income target of £50,000 has been built into the 2024/25 budget.
Employment Estates Income	(180)	An additional income target of £50,000 has been built into the 2024/25 budget.
Investment Income	(920)	An additional income target of £800,000 has been built into the 2024/25 budget.
Business Rates Pooling Gain	(70)	An additional income target of £100,000 has been built into the 2024/25 budget. This increases the budgeted pooling gain from £300,000 to £400,000 for 2024/25.
Increases in expenditure/reductions in income		
Pay Award	559	A budget pressure of £550,000 has been built into the 2024/25 budget.
ICT Software & Support Contracts	190	A budget pressure of £150,000 has been built into the 2024/25 budget.
Planning Income	200	This will be kept under close review in 2023/24. This projection includes the recent legislative amendment to increase planning application fees with effect from 6 December 2023. Application fees have been increased by 35% for major schemes and 25% for all other applications. This is expected to generate around £150,000 to £180,000 of additional planning income in a full year. The legislative amendment also introduced an annual rise in application fees linked to inflation (and capped at 10%) every April from 2025 onwards.

	Budget variations overspend/ (underspend) £000	Management Action
Planning Advertising Costs	60	These costs will be kept under review in 2023/24.
Insurance	130	A budget pressure of £130,000 has been built into the 2024/25 budget.
Car Parking Payment Collection Fees	70	A budget pressure of £70,000 has been built into the 2024/25 budget.
Utility Costs	140	Inflation on goods and services of £200,000 has been built into the 2024/25 budget.
Homelessness – temporary accommodation costs	350	Temporary accommodation costs will be kept under close review during 2023/24. The Council is actively seeking ways to reduce reliance on pay nightly accommodation by investing in its own stock of temporary accommodation through opportunities such as LAHF, LAHF 2 and property acquisition. In the Autumn Statement the Chancellor announced that the local housing allowance (LHA) rate will be increased for the first time in three years, and will cover the cheapest third (30th percentile) of local market rents from April 2024. This higher LHA rate will help to reduce temporary accommodation costs for 2024/25 onwards.

8. Options available and consideration of risk

- 8.1 At this stage in the year it is important to note that these forecasts can change over the course of the year to 31 March 2024. For example, managers can seek out opportunities to reduce any budget shortfalls, whilst considering the risk of any adverse impact on the customer experience.

9. Proposed Way Forward

- 9.1 Revenue budget monitoring will continue on a regular basis and further reports will be brought to the Executive each quarter.

10. Virement Limits and Approvals

- 10.1 Budget Virement is the process of transferring budgeted funds from one budget code (cost centre) to another, to better reflect where budget responsibility should be held, virements always net to zero.
- 10.2 Examples of where virements are required include re-allocation of budgets following a staffing restructure when a new cost centre is created, and allocation of the inflation provision. Virements are mainly made for presentational purposes and always net to zero. It's important that the detail of budgets are kept up to date and reflect the current service delivery to allow for accurate budget monitoring. Other examples of virements will be where the budget responsibility for a service moves from one Director to another Director within the Senior Leadership Team.
- 10.3 It is proposed that all virements will be subject to the following approval limits:

Amount	Minimum approval required
Up to and including £0.25m	Director (following consultation with the Budget Holder), S151 Officer and Head of Finance
Up to and including £0.5m	Director (following consultation with the Budget Holder), Section 151 Officer and relevant Executive Member(s) .
Greater than £0.5m	Executive (following consultation with the relevant Executive Member(s) , Director and Section 151 Officer).
Major Change in Policy and is worth £0.5m or more but less than £1m	Executive (following consultation with the relevant Executive Member(s) , Director and Section 151 Officer). Section 151 Officer must consider if virements involve a major change in policy.
Any virement that involves a major change in policy and is over £1m	Council (Section 151 Officer must consider if virements involve a major change in policy).

Exceptions to the virement rules

- 1) If the **Section 151 Officer** decides a decision by Council or Executive is required.
- 2) Member approval is not required where a budget will continue to be used for the approved purpose but is being moved, for example, to reflect a change in budget holder responsibilities, or the re-allocation of the price inflation budget provision. Such transfers will however require the approval of the Head of Finance.
- 3) Ringfenced grant funding must be used for the specified purpose. Virements to update income and expenditure budgets to match the grant notification provided by the relevant body can be actioned without further approval.
- 4) Transfers between revenue and capital will be classed as a change in policy and will require Council approval regardless of the value.

11. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council is required to make arrangements for the proper administration of its financial affairs. As part of those arrangements, the Council is under a duty to monitor its budgets throughout the financial year and to take appropriate action to deal with any deterioration in the financial position revealed by the regular monitoring.
Financial implications to include reference to value for money	Y	<p>The report identifies a projected surplus of £16,000 which is 0.1% of the overall budget set for 2023/24 of £11.738 million. This is very close to a break-even position.</p> <p>The report recommends to Council to update the current virement limits within the current Constitution, as shown in paragraph 10.1 of the report.</p> <p>On 14 December, the Audit and Governance Committee considered an interim Auditor's Annual Report from the Council's external auditors, Grant Thornton. This gave commentary on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.</p>

		The report stated that ‘The Council has demonstrated an appropriate understanding of its role in securing economy, efficiency and effectiveness in its use of resources. Our work has not identified any significant weaknesses in arrangements.’
Risk	Y	<p>1) Budget variances – continual monthly budget monitoring at all levels within the Council ensures early identification of variances. Reporting to the Executive provides an opportunity for Members to identify and instigate remedial action where appropriate.</p> <p>2) Resource Planning – the Executive takes into account any significant issues when developing the Council’s Medium Term Financial Strategy. These are identified in the Management Actions section of the report (Section 7).</p>
Supporting Corporate Strategy		The budget monitoring process supports all of the Delivery Plans within the Council’s strategic vision, ‘Better Lives for All’.
Climate Change – Carbon / Biodiversity Impact		<p>A report was presented to Council on 17th December 2020 ‘Climate Change and Biodiversity Strategy and Action Plan update’. The report set out the proposed allocation of the £400,000 in the Climate Change Earmarked Reserve.</p> <p>A further £200,000 funding for the Climate Change Action Plan was approved by Council on 11th February 2021, as part of the 2021/22 Budget.</p> <p>Further detail is set out in the Council’s ‘Better Lives for All’ strategy.</p>
<i>Comprehensive Impact Assessment Implications</i>		
Equality and Diversity		None directly arising from this report.
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

Appendix A – Schedule of Reserves (Earmarked Reserves and Unearmarked Reserves)

Appendix B – Savings/Additional income schedule

Appendix C – Waste and Cleansing Services summary

Background Papers:

None

ANALYSIS OF RESERVES (EARMARKED RESERVES AND UNEARMARKED RESERVES)
 (Extract of the report to the Executive on 21st September 2023 - Review of Earmarked Reserves)

APPENDIX A

EARMARKED RESERVES	Closing balance 31.03.2023	Future Commitments	Funding needed to hold a prudent provision	Unallocated spend	Annual reserve contribution (bracketed figures are contributions into a Reserve and unbracketed figures are where funding is being taken out of the Reserve in the year)	Comments
	£000s					
Specific Reserves - General Fund						
Earmarked Reserves which are essential for operational core service delivery (for example programmed renewal and replacement of plant and equipment)						
Business Rates Retention (remainder of the Business Rates Retention Earmarked Reserve needed to manage business rates volatility each year)	(224)	224	0	0	400	This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve deals with any volatility in Business Rate income. In 2023/24 £400,000 is budgeted to be used of this reserve to smooth the volatility in business rates income. Although the reserve currently only has a remaining balance of £224K, there is expected to be further funding put into this reserve from the Collection Fund when the 2023/24 Accounts are closed.
Capital Programme	(191)	191	0	0	(182)	Each year £181,600 of funding is transferred from the revenue budget into the Capital Programme Reserve, to fund capital projects in the year. In 23/24 this is funding capital projects such as purchase of a new bioshredder, decarbonisations surveys and IT software.
Community Parks and Open Spaces	(58)	10	48	0	(17)	Funding is used mainly for annual maintenance of play parks and equipment and path resurfacing. An annual contribution of £16,900 is made into the reserve.
COVID-19 (Leisure)	(34)	34	0	0		This reserve was set up in 2020/21 to protect against future COVID losses. In 2022/23 £174,632 was used to fund the shortfall in the leisure management fee income and the balance of £33,915 will be used in 2023/24 (Executive 3/3/22).
Dartmouth Ferry Repairs & Renewals - provision for ferry asset repairs and replacement	(606)	0	606	0	(147)	An annual contribution of £147,000 is made into this reserve.
District Elections - provision for elections funding	(29)	29	0	0	(40)	An annual contribution of £40,000 is made into this reserve.
Environmental Health Initiatives	(88)	88	0	0		The additions to this reserve relate to savings on Environmental Health salaries in 2022/23 to fund a post for the next two years. 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). Spend in 2022/23 related to equipment purchases.
Grounds Maintenance - earmarked for the grounds maintenance service	(86)	86	0	0		This reserve has been created following underspends on Homelessness Prevention Costs. The future commitments of £82K relate to the funding of Housing staffing costs - Executive 26/5/22
Homelessness Prevention	(143)	82	0	(61)		Commitments of £48,000 for Housing Capital programme projects and £36,000 which is the remaining funding for setting up a Community Benefit Society. This £35,000 may not be needed going forwards and could be repurposed.
Affordable Housing (Capital)	(122)	84	0	(38)		An annual contribution of £50K is made into this reserve. Commitments in 23/24 are for the new website and planning system.
ICT Development	(75)	55	20	0	(50)	This reserve is to fund the salary costs of the JLP team. An annual contribution of £25K is made into this reserve.
Joint Local Plan	(25)	25	0	0	(25)	This is a new reserve set up in 2021/22 for the purpose of general maintenance.
Leisure Services	(39)	39	0	0		
Land and Development	(63)	11	0	(52)	(7)	An annual contribution of £7K is made into this reserve.
Maintenance Fund	(28)	28	0	0		
Maintenance, Management and Risk Management Reserve (MMRM) - 10% of annual income from investment properties is set aside into this reserve	(95)	0	95	0	(29)	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 on an annual basis.
Marine Infrastructure	(242)	210	0	(32)		£200K has been committed for match funding for the Batson Fish Quay funding bid - Council May 2022. A further £10K is committed for a marine decarbonisation feasibility study.
New Homes Bonus funding (Revenue Base Budget funding)	(500)	500	0	0	500	An amount of £500,000 per annum of NHB funding is used to fund the revenue base budget.
New Homes Bonus	(976)	976	0	0		Commitments for Capital Programme funding from allocations approved in previous years, such as affordable housing funding, car park resurfacing and other capital bids.
On-Street Parking	(44)	15	0	(29)		There is a balance of £29K which is unallocated.
Organisational Development Strategy	(41)	41	0	0		This reserve was created from external work carried out in other Councils e.g. HR work with Councils also embarking on a Transformation Programme. This funding is earmarked for the Council's Organisational Development Strategy.
Pay & Display Equipment Renewals	(175)	175	0	0	(21)	This reserve provides for the periodic replacement of Pay & Display machines. An annual contribution of £20,800 is made into this reserve. Future commitment of £25,000 for refurbishment of hybrid public conveniences.
Planning Policy & Major Developments	(499)	250	249	0	48	This reserve is for all planning matters and is also required to put funding aside to meet any future appeal costs. Commitments mainly relate to the Planning restructure. The cost of the first three years (£39K per annum) of this restructure is being met from additional planning income which was transferred to the Planning earmarked reserve (Executive 26/5/22). A contribution of £50,000 is made into the reserve annually.
Repairs & Maintenance	(331)	0	331	0	(105)	There is an annual contribution of £105,000 made into this reserve.
Section 106 Deposits	(15)	15	0	0		This reserve comprises of deposits with no repayment conditions - created as a result of IFRS.
Section 106 Monitoring and technical support	(219)	219	0	0		This reserve funds the costs of staff to oversee the administration of S106 deposits and how they are spent.
Tree Maintenance	(48)	48	0	0		
Sub - Total	(4,996)	3,435	1,349	(212)	325	This reserve is to fund the staffing costs of the Tree maintenance service.
Earmarked Reserves which are being used to fund the Waste and Recycling service						
Business Rate Retention Reserve (remainder of the £3million transitional funding for bringing the waste and recycling service back in house in October 2022)	(1,552)	1,552	0	0		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. In 2022/23 £1,448million has been used to fund the transitional waste costs and the remaining £1,552m will be used in 2023/24.
Sustainable Waste Management (Purchase of Vehicles £550K for the roll out of the Devon Aligned Service and one-off project implementation costs for DAS of £112K)	(662)	662	0	0	(25)	This reserve was created for one-off waste management costs. The balance is due to be spent on vehicle purchase for the Devon Aligned Service (DAS) of £550,000 and one off project implementation costs for DAS. An annual contribution of £25K is made into this reserve.
Vehicles & Plant Renewals (End of life waste fleet replacements and the fleet required for the roll out of the remaining properties onto the Devon Aligned Service (DAS) in October 2023 - Council April 2023)	(821)	821	0	0	(550)	Earmarked for the Vehicle Fleet Replacement Programme. An annual contribution of £550K is made to this reserve.
Sub - Total	(3,035)	3,035	0	0	(575)	
Earmarked Reserves which are being used to fund new corporate initiatives and corporate priorities						
Community Composting	(187)	187	0	0		Council 10/02/22 approved a one off amount of £200k to be transferred into a Community Composting Earmarked Reserve in 2021/22. An amount of £13K was used in 22/23 for site visits.
Emergency Climate Change Projects	(332)	332	0	0		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. Spend for 2022/23 includes the Climate Change & Biodiversity Locality Fund and 'Better Lives for All' commitments in respect of Climate Change. Commitments for 23/24 include a payment of £40K to Sustainable South Hams, equipment to manage green spaces, a two year climate change officer post, the climate change locality fund and feasibility studies.
Business Rates Retention (match funding for Batson Fish Quay bid)	(200)	200	0	0		£200K has been committed for match funding for the Batson Fish Quay funding bid - Council May 2022.
Members Sustainable Community Locality	(4)	4	0	0		This reserve holds the unspent balances.
Recovery and Renewal Plan (funding 'Better Lives for All' commitments)	(185)	185	0	0		This is a new reserve set up as part of the 2021/22 Budget to support the costs of the Recovery and Renewal Plan. Future spend relates to 'Better Lives for All' commitments such as £55K conservation area plans, £14K (footfall monitoring equipment for economy, £20K development of a marketing strategy, £10K south hams cycle networks, £46K ecology resource for natural environment and £40K for climate change operational delivery of projects.
Sub - Total	(908)	908	0	0	0	
Earmarked Reserves which is Government Grant funding being used for the purposes of the grant determination letter						

EARMARKED RESERVES	Closing balance 31.03.2023	Future Commitments	Funding needed to hold a prudent provision	Unallocated spend	Annual reserve contribution (bracketed figures are contributions into a Reserve and unbracketed figures are where funding is being taken out of the Reserve in the year)	Comments
	£000s					
Revenue Grants (Government Grant funding)	(1,524)	1,524	0	0	73	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. It is anticipated that a proportion of these grants will be applied in 2023/24. For example an amount of £180,000 is committed to fund additional project management capacity in the waste and recycling service (Council 13.4.2023). Annually £73,000 is withdrawn from this reserve.
Interest from Reserves	0	0	0	0	(2)	
Housing Capital Projects - Government grant	(363)	363	0	0		This is previous funding received from the Government.
Ukraine Humanitarian Crisis (Government Grant funding)	(875)	875	0	0		This reserve was set up in 2022/23 to hold funding received to support the Ukraine Humanitarian Crisis which will be spent in 2023/24. An amount of £560,462 will be spent in 2023/24 on the purchase of seven properties through the Local Authority Housing Fund (LAHF).
Sub - Total	(2,762)	2,762	0	0	71	
Notional Earmarked Reserves which are held for a technical accounting purpose for the Collection Fund (this is not funding available to the Council to spend)						
S.31 Compensation Grant (Business Rates Section 31 Grants for business rates relief)	(1,194)	1,194	0	0		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 in 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.
Sub - Total	(1,194)	1,194	0	0	0	
Earmarked Reserves which are held for Salcombe Harbour (Decisions on these reserves must be taken by the Salcombe Harbour Board)						
Pontoons (Salcombe Harbour)	(363)	363				This is a Salcombe Harbour Reserve.
Harbour Renewals (Salcombe Harbour)	(223)	223				This is a Salcombe Harbour Reserve.
General Reserve (Salcombe Harbour)	(402)		402			This is a Salcombe Harbour Reserve.
Sub - Total	(988)	586	402	0	0	
Uncommitted Earmarked Reserves and available for Members to decide how to allocate these funds for future priorities - Reserves of £1.541m below have been identified to be available to support the delivery of the emerging Council Plan, subsequently approved at Council on 28 September 2023 (Minute CM30)						
Affordable Housing (Revenue)	(408)		0	(408)		This was a new reserve set up as part of the 2022/23 Budget process and was New Homes Bonus funding that was set aside for Affordable Housing.
Financial Stability	(280)	0	0	(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. It is currently uncommitted funding.
New Homes Bonus	(357)	0	0	(357)		The remaining balance at 31.3.23 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 and a replacement scheme for NHB. This New Homes Bonus funding is currently uncommitted.
Pension Fund Strain Payments	(208)	0	0	(208)		This reserve is used to fund pension strain costs. There are currently no commitments against this reserve.
Recovery and Renewal Plan	(288)	0	0	(288)		There is £288,000 of the recovery and renewal plan earmarked reserve which is currently uncommitted.
Sub - Total	(1,541)	0	0	(1,541)	0	
TOTAL EARMARKED RESERVES	(15,424)	11,920	1,751	(1,753)	(358)	
TOTAL UNEARMARKED RESERVES (General Fund Balance)	(2,113)	0	2,113	0		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 2022/23 surplus of £57,000 from the 2022/23 Accounts has been transferred to Unearmarked Reserves, in accordance with normal accounting practice. The £2.113m includes the surplus of £57,000 for the 2022/23 financial year outturn.
TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)	(17,537)	11,920	3,864	(1,753)	(358)	

Summary of Savings and Additional Income from the 2023/24 Budget Setting Process

APPENDIX B

The table below summarises the savings and additional income that were included in the 2023/24 Budget Setting process and indicates whether the saving/additional income is on track to be delivered.

	Savings and Additional Income for the 2023/24 Budget	Income/Savings Target for 2023/24 (£)	Latest Projection for 2023/24 (£)	Narrative
1	IT FIT Project - software savings	10,000	10,000	Currently on target to achieve these savings.
2	Establishment savings (salary savings) gained from IT and digital communications	50,000	50,000	Currently on target to achieve these savings.
3	Employment Estates - additional rental income	150,000	330,000	It is currently envisaged that extra employment estates income will be £330,000 in 2023/24. This represents the income target of £150,000 and the additional income of £180,000 projected in Table 1 of the report.
4	Extra recycling income	90,000	90,000	Currently on target to achieve this income.
5	Car parking income (from extra usage of the car parks particularly in the coastal areas)	250,000	480,000	It is currently envisaged that extra car parking income will be £480,000 in 2023/24. This represents the income target of £250,000 and the additional income of £230,000 projected in Table 1 of the report.
6	Dartmouth Lower Ferry (from extra usage of the Ferry and a review of charges for 2023)	250,000	380,000	It is currently envisaged that extra income from Dartmouth Lower Ferry will be £380,000 in 2023/24. This represents the income target of £250,000 and the additional income of £130,000 projected in Table 1 of the report.
7	Extra treasury management income - to reflect increases in bank base rate	677,000	1,597,000	It is currently envisaged that additional treasury management income of £1.597m will be generated in 2023/24. This represents the extra income target of £677,000 plus the additional income of £920,000 projected in Table 1 of the report.
8	Charged Garden Waste service	635,000	691,000	It is currently envisaged that the charged Garden Waste service will generate £691,000 in 2023/24. This represents the revised income target of £635,000 (£575,000 plus £60,000) plus additional income of £56,000 as shown in Appendix C.
9	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.	190,000	190,000	Currently on target to achieve these savings and additional income.
10	Funding from Homelessness prevention government grant (this funds housing posts -funding to be reflected within the base budget)	180,000	180,000	The 2023/24 Homelessness prevention grant was received in August 2023.
	TOTAL	£2,482,000	£3,998,000	

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SOUTH HAMS DISTRICT COUNCIL
WASTE & CLEANSING SERVICES
REVENUE BUDGET MONITORING POSITION MTH 7 (OCT 23) 2023-24

WASTE COLLECTION, PUBLIC TOILETS AND STREET CLEANSING

Description	Base Budget 2023/24	Projected Outturn 2023/24	Variance to Budget	Deduct Pay Award, Utilities Inflation and salary savings for 4 temporary business support officers already accounted for in budget monitoring report separately	Variance after deductions for corporately funded items as stated
	£	£	£	£	£
Approved Net Budget (as stated in 2023-24 Budget Book)	7,740,162	9,048,748	1,308,586	(514,000)	794,586
Budgeted Contribution from Business Rate Retention Reserve (This is the remainder of the £3million approved use of the reserve for transitional costs - £1.45m was used in 2022-23).	(1,551,620)	(1,551,620)	0	0	0
Additional Approved Reserve Financing delayed DAS Aligned Service rollout, Council Dec 23) (Devon)	0	(450,000)	(450,000)	0	(450,000)
Net Budget overspend after Reserve Contributions and before management actions taken below	6,188,542	7,047,128	858,586	(514,000)	344,586

	£'s	£'s	£'s
Breakdown of Projected Overspend of £344,586 for Waste and Cleansing services above) before further management action taken (as stated)		Deduct the £450,000 reserve contribution for the delayed DAS rollout	
Salary & Agency Costs (including costs associated with delayed DAS rollout)	523,000	(310,000)	213,000
Vehicles & Plant (including costs associated with delayed DAS rollout)	236,000	(140,000)	96,000
Savings & Efficiencies built into base budget (net) * See Note 1 below	174,000	0	174,000
Sale of Recyclate income & other cost recovery	(87,000)	0	(87,000)
Utilities savings (primarily Water & Gas)	(67,000)	0	(67,000)
Controlled Waste Regulations (CWR) Additional Income	(20,000)	0	(20,000)
Other Variances (net)	36,000	0	36,000
	795,000	(450,000)	345,000
Management Action (further budget management of salary & agency staffing costs to further manage down the staffing and agency costs between now and March 2024 to align to agreed DAS staffing structure from end of Nov 23) It is envisaged that there will be Defra new burdens funding for food waste collections before March 24 which may contribute to this savings and efficiencies target.			(250,000)
Projected overspend for Waste & Cleansing Service for 2023-24 (rounded)			95,000

* Note 1 - Breakdown of savings & efficiencies	Target £	Latest Projection £	Variance £
Income Targets (total of £380,000)			
Bulky Waste Collection increased charges	(6,000)	(10,000)	(4,000)
Trade Waste income including CWR premises	(189,000)	(132,000)	57,000
Garden Waste Collection Service subscription income is in addition to the £575,000 in the base budget) (this	(60,000)	(116,000)	(56,000)
Income target for other income e.g. new burdens funding	(125,000)	0	125,000
In year Expenditure Savings (total of £150,000)			
Depot Premises, Security & Cleaning Costs	(30,000)	(13,000)	17,000
Fleet Vehicles, Fuel & Repair	(80,000)	(80,000)	0
Other Depot Costs & General Procurement Savings	(25,000)	0	25,000
Bottle Bank Rationalisation	(15,000)	(5,000)	10,000
Totals	(530,000)	(356,000)	174,000

Query with Steve M

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NOT FOR PUBLICATION

Appendix A to this report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972
(applies to Appendix A)

Report to: **Executive**

Date: **25 January 2024**

Title: **Capital Programme Monitoring as at 31 October 2023**

Portfolio Area: **Finance – Cllr Brazil**

Wards Affected: **ALL**

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

Author: **Clare Scotton** Role: **Principal Accountant**
Pauline Henstock **Head of Finance Practice**

Contact: clare.scotton@swdevon.gov.uk 01803 861559
pauline.henstock@swdevon.gov.uk 01803 861377

RECOMMENDATION

That the Executive NOTES the:

- 1) content of the Capital Programme Monitoring Report;**
- 2) revised capital allocation for the UK Shared Prosperity Fund (UKSPF) scheme for 2023/24 and 2024/25 as set out in section 2.3;**
- 3) addition of a budget for Westville Flats as approved at Executive on 3 March 23;**
- 4) addition of a budget for LAHF 2 as approved at Executive on 21 September 23;**
- 5) addition of £80k budget for the design and build of a pump track at Woolwell as approved at Executive on 28 June 23;**
- 6) increased budget for Kingsbridge skatepark as detailed in section 2.7;**
- 7) inclusion of two reserve funded schemes below £30k for a cash carrying vehicle and grounds maintenance equipment as detailed in section 2.8;**
- 8) addition of a project at Hangar Marsh Nature reserve as detailed in 2.9;**

9) addition of the Woodland Creation scheme as agreed at Executive on 30 November 2023; and

That the Executive APPROVES the:

10) virement of £25,000 from the Coastal Assets budget to create a scheme for the Slapton Line Adaptation financed from capital receipts.

1. Executive summary

- 1.1 The report advises Members of the financial position as at 31st October 2023 for the purposes of budget monitoring.
- 1.2 The monitoring of the capital programme at month 7 (end of October 23) has shown that all projects are within their existing budget approved by Members. £12,534,508 has been profiled into 2023/24 with the remaining budgets rolled forward into future years (Appendix A). ***The capital expenditure for the first seven months of 2023/24 against the profiled capital budget is £3,554,316 (28.4% of the profiled budget) as at the end of October 2023 as shown in Appendix A.***

2. Background

- 2.1 The capital programme for 2023/24 was approved by Council on 16 February 2023 (59/22). This report provides an update on expenditure in the Capital Programme.
- 2.2 A new reporting process is in place and the narrative around capital schemes previously included in this budget monitoring report will now be part of the Integrated Performance Management Update reports. The capital budget monitoring report will purely focus on capital expenditure against budget.
- 2.3 Part of the capital budget for the UK Shared Prosperity Fund (UKSPF) has been reallocated to revenue following discussions with the Department for Levelling Up, Housing and Communities (DLUHC). The DLUHC has confirmed that if we meet their minimum thresholds for capital spend, the rest of the funding can be used for revenue. The funding has been reallocated as follows:

	2023/24 (plus 2022/23 carried forward)	2024/25	TOTAL
Original agreed allocation			
Capital	89,000	158,367	247,367
Revenue	297,784	517,216	815,000
Total	386,784	675,583	1,062,367
Revised allocation			
Capital	48,521	135,117	183,638
Revenue	338,263	540,466	878,729
Total	386,784	675,583	1,062,367

- 2.4 Executive on 3 March 2023 approved the use of S106 Affordable Housing contributions for the purchase of Westville Flats, Kingsbridge for use as temporary accommodation and the subsequent capital investment to refurbish the building and internal accommodation. This budget has been added to the capital programme in Appendix A.
- 2.5 The Government announced a second funding round from the Local Authority Housing Fund (LAHF 2). The South Hams total quota was for three properties. One of which can be used immediately for temporary accommodation whilst the other two must be offered to support Afghan families in the first instance. The LAHF 2 funding is for 40% of the purchase with the Council funding the remaining 60%. In LAHF 1 a significant amount of funding came from the Homes for Ukraine budget, this is not possible this time. Council funding has been identified from an earmarked Housing Reserve, which was created from the sale of 3 properties used for temporary accommodation in 2019- 2021. This will enable the Council to take up the quota of 3 properties acquired under LAHF 2. This was approved by Executive on 21 September 2023 (Minute E.19/23 refers).
- 2.6 Executive approved £80,000 of Section 106 planning contributions to fund the design and build of a pump track at Woolwell on 28 June 2023 (Minute E.11/23 refers). A pump track is a track for wheeled sports equipment which, when ridden properly, does not require pedalling or pushing, but rather a 'pumping' action to maintain momentum. The appeal of such tracks is that they can be enjoyed by all abilities, from small children up to experienced riders, and can be used by BMX, mountain bikes, skateboards, scooters and balance bikes. With an absence of such local facilities, residents miss out on the potential benefits from such a facility, while those that are already 'wheeled sports enthusiasts' need Page 74 to drive almost an hour to access such facilities. A new pump track would provide a valuable community recreation resource complementing the existing play and recreation facilities at the Woolwell Centre hub.
- 2.7 The Kingsbridge Skate Park scheme was approved by full Council on 16 February 2023 (Minute 59/22 refers). This approval was for £30,000 from the Capital Programme Reserve. The bid mentioned contributions from other sources and these have been detailed as £25,000 S106 contributions, £100,000 Sport England Grant, £50,000 from Kingsbridge Town Council, £5,000 from the Norman Family Trust, £5,000 from the Gibbons Trust and £35,000 from Crowdfunder. This totals £250,000 and the budget has been updated to reflect this.
- 2.8 The use of earmarked reserves was approved under delegated authority for the purchase of a cash carrying vehicle for £15,000 (Pay and Display Reserve) and grounds maintenance equipment for £19,000 (£8,000 to come from the Grounds Maintenance Reserve with the remaining £11,000 coming from proceeds from the sale of old equipment).

- 2.9 A grant totalling £20,068.78 has been awarded from the South Devon National Landscape Partnership to renew the infrastructure of the Hangar Marsh Nature Reserve near Salcombe. These works include dam creation, bird hide installation and reed bed restoration. This grant will be match funded by S106 contributions totalling £2,450.86 and £4,917.36 from the Community Parks Reserve.
- 2.10 Executive on 30 November 2023 approved the acquisition of 26.3 Hectares of arable land at South Brent and 17.1 Hectares of arable land near Kingsbridge for woodland creation through the Plymouth and South Devon Community Forest programme (Minute E.52/23 refers). This will be part funded by DEFRA with the remainder coming from South Hams reserves.
- 2.11 It is recommended that £25,000 of the Coastal Assets budget is vired over to create a project for the Slapton Line Adaptation. This budget will allow a recharge of staff time to progress the scheme.

3. S106 Deposits

- 3.1 The list of Section 106 planning contribution deposits are shown in Appendix B totalling **£7,362,041** as at 31 October 2023. **£95,337** has been spent on various revenue projects and **£1,786,033** is committed to capital schemes as at this date. A breakdown of these projects can be seen on Appendix B.
- 3.2 Some Section 106 Agreements have a clause within the agreement allowing the Council to use up to 5% of the total payments and contributions payable under the terms of the agreement, towards the costs of monitoring and assessing details.

4. Options available and consideration of risk

- 4.1 This is considered on a project by project basis as part of the project appraisal document and initial business case for each capital project.

5. Proposed Way Forward

- 5.1 This is considered on a project by project basis.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The capital programme relies on a variety of statutory powers which will vary from project-to-project.</p> <p>Appendix A to this report contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and is therefore exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p> <p>The public interest in whether the information should be made public has been assessed and it is considered that the public interest will be better served by not disclosing the information.</p>
Financial Implications to include reference to Value for Money		<p>The monitoring of the capital programme at month 7 (end of Oct 23) has shown that all projects are within their budgets approved by Members (Appendix A).</p> <p>£12,534,508 has been profiled into 2023/24 with the remaining budgets rolled forward into future years. (Appendix A). The spend against this profiled budget is £3,554,316 (28.4%) as at the end of October 2023.</p> <p>The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.</p>
Risk		<p>The Council demonstrates that capital investment contributes to corporate priorities, provides value for money and takes account of the revenue implications of the investment. Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p>

Supporting Corporate Strategy		The Capital Programme supports all of the thematic delivery plans within the 'Better Lives for All' strategy.
Climate Change - Carbon / Biodiversity Impact		The Council declared a Climate Change and Biodiversity Emergency on 25 July 2019 and a Climate Change Action Plan was presented to Council in December 2019. The Council has approved a budget of £600,000 in the Climate Change Earmarked Reserve. Further detail is set out in the Council's 'Better Lives for All' strategy.
Comprehensive Impact Assessment Implications		
Equality and Diversity		This matter is assessed as part of each specific project.
Safeguarding		This matter is assessed as part of each specific project.
Community Safety, Crime and Disorder		This matter is assessed as part of each specific project.
Health, Safety and Wellbeing		This matter is assessed as part of each specific project.
Other implications		None

Supporting Information

Appendices:

Appendix A – Details of capital expenditure to 31st October 2023

Appendix B – Section 106 planning contribution Summary as at 31st October 2023

Background Papers:

None

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

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South Hams District Council
Section 106 Deposits as at 31st Oct 2023

Classif. Code	Site	Date Received	Restriction/Committed End Date	Conditions	Opening S106 Balance 2023/24 £	Received in Year 2023/24 £	Monitoring Fee Deducted 2023/24 £	Total available to be Spent £	Total spend to date £	Commitments £	Forecast Closing Balance £
Thriving Economy Delivery Plan											
Langage Energy Centre											
1007	Landscape Fund (PG01)	10/03/2010	25 years, interest (rate not specified)	Reduce the landscape and visual impact of power station	(32,721)			(32,721)	400		(32,321)
1008	Local Liaison Group (PG02)	25/01/15	25 years, interest (rate not specified)	Funding of local activities in the electoral wards of the Council immediately surrounding the Phase 1A and the wards of SHDC and/or PCC	(6,349)			(6,349)			(6,349)
1009	Public Art (PG03)	31/10/05	25 years, interest (rate not specified)	Public art in or in the vicinity of the Phase 1A Land	(113,814)			(113,814)			(113,814)
1010	Migrant Workers (PG04)	31/10/07	No restriction/committed end date	Provide information and advice relating to migrant workers employed in relation to the development	(1,520)			(1,520)			(1,520)
1012	Ecology Park (PG06)	2008/09	25 years, interest (rate not specified)	Laying out and planting of the Ecology Park	(34,144)			(34,144)			(34,144)
1013	Ecology Park Mtc (PG07)	2008/09	25 years, interest (rate not specified)	Maintenance of the Ecology Park	(34,144)			(34,144)			(34,144)
2020	Construction of Starter Units (PG08)	10/03/10		Construction of the Starter Units and procure a site for the Starter Units on either the Energy Park or land within South Hams District	(1,195,047)			(1,195,047)			(1,195,047)
2118	Langage Consultants Fees (MP)	2002/03		Master plan	(26,832)			(26,832)			(26,832)
					(1,444,572)	0	0	(1,444,572)	400	0	(1,444,172)
Employment											
2601	SRP Annual Contribution				(19,762)			(19,762)			(19,762)
2603	Fees - Monitoring				(92,154)			(92,154)			(92,154)
2604	Economy - Economy & Training				(12,859)			(12,859)			(12,859)
3161	Sherford Design Review Body				(4,419)			(4,419)			(4,419)
2715	Harvey's Field, Loddswell (32/0844/12/F)	04/03/15	10 years, payable at 87.5% to owner and 12.5% payee of contribution, interest at 1% below Barclays base rate	Employment (Rural Growth Network) administered by LEP. To be used towards UKSPF	(57,959)			(57,959)		57,959	0
2652	Venn Farm Ph1 Brixton (07/2022/12/F)		10 years	Employment contribution	(147,905)			(147,905)			(147,905)
					(335,058)	0	0	(335,058)	0	57,959	(277,099)
Strengthening Community Wellbeing Delivery Plan											
Open Space, Sport and Recreation											
3233	Great Court Farm - 03/2163/14/O	04/10/2019 & 02/09/20	None	Bridge Town Corridor contribution	(17,123)			(17,123)			(17,123)
3233	Great Court Farm - 03/2163/14/O	04/10/2019 & 02/09/20	10 years	OSSR contribution	(41,930)			(41,930)			(41,930)
3149	Land East of Allern Lane, Tamerton Foliot (04/1129/15/F)	13/02/20	5 years	OSSR contribution	(100,969)			(100,969)			(100,969)
2428	Former Old Chapel Inn, St Anns Chapel, Bigbury (05/0227/11/F)	02/05/13	None	OSSR contribution	(12,075)			(12,075)			(12,075)
2974	Holywell Stores, Bigbury (05/2557/13/F)	11/06/18	25 years	Open Space, Sports and Recreation Contribution	(9,155)			(9,155)			(9,155)
2255	Land at Blackawton (New Parks Farm), Blackawton (06/2313/09/F)	05/09/11	25 years	OSSR contribution	(2,596)			(2,596)			(2,596)
3287	Land at Town Farm - French Furze - 06/0992/14/F	02/02/2021 & 02/03/2021	5 years	OSSR contribution - Sports pitch and Community Facilities	(48,266)			(48,266)			(48,266)
2652	Land Ven Farm Brixton (07/2022/12/F) *	13/05/14	5 years	OSSR contribution	(4,515)			(4,515)			(4,515)
2652	Land Ven Farm Brixton (07/2022/12/F)	12/05/16	Capital spend, no interest specified	OSSR contribution - Open Space Land Commuted Sum	(12,000)			(12,000)			(12,000)
2861	Barn Conversions at Butlas Farm (07/1601/08/F)	14/12/16	None	OSSR contribution	(16,255)			(16,255)			(16,255)
3082	Venn Farm, Brixton (07/1196/15/F)	08/05/18	10 years	OSSR contribution - Brixton Play provision	(34,104)			(34,104)			(34,104)
3082	Venn Farm, Brixton (07/1196/15/F)	08/05/18	10 years	OSSR contribution - Brixton Play provision	(13,183)			(13,183)			(13,183)
3271	Land at the Royal British Legion Club, Brixton - 1884/18/FUL &	21/01/21 & 30/11/20	5 Years	OSSR contribution - Open Space	(12,291)			(12,291)			(12,291)
3271	Land at the Royal British Legion Club, Brixton - 1884/18/FUL &	21/01/21 & 30/11/20	5 Years	OSSR contribution - for pitches at Horsham Playing Fields	(7,849)			(7,849)			(7,849)
2850	Sorley Tunnel (11/2425/07/F)	28/07/16	None	OSSR contribution - for play facilities on the Brixton Play Trail	(12,195)			(12,195)			(12,195)
2718	Sawmills Field, Dartington 14/1744/13/F *	06/05/16	7 years (DOV progressing for 10 years to 5/26)	OSSR contribution - Sports provision	(46,486)			(46,486)	10,487		(35,999)
3081	Webbers Yard Dartington (14/1745/13/O)	02/05/2018 & 19/09/18	7 years, interest at 1% below Barclays base rate	OSSR contribution - Sports Provisions	(55,960)			(55,960)			(55,960)

Classif. Code	Site	Date Received	Restriction/Committed End Date	Conditions	Opening S106 Balance 2023/24	Received in Year 2023/24	Monitoring Fee Deducted 2023/24	Total available to be Spent	Total spend to date	Commitments	Forecast Closing Balance
					£	£	£	£	£	£	£
3160	Brimhay Bungalows, Dartington - 14/0142/15/F	19/03/19	None	OSSR contribution -towards either Gidley Meadows, Dorothy Elmhurst Recreation Field or provide a games area at Meadowbrook	(42,515)			(42,515)			(42,515)
2863	Land at SX 8638 5117, Ivatt Road, Dartmouth (15/0587/13/F)	08/11/16	None	Open Space, Recreation and/or sports facilities within Dartmouth	(16,485)			(16,485)			(16,485)
2835	Gara Rock Hotel, East Portlemouth (20/2104/13/F)	17/05/16	None	Open Space Sport Recreation contribution	(3,830)			(3,830)			(3,830)
3422	Cleeve Farm Barns, Ivybridge (1675/16/FUL)	07/04/21	25 Years	OSSR contribution - Provision of sport and Recreation at Erminington Road Play area.	(8,479)			(8,479)			(8,479)
2860	Plot 2 Godwell Lane, Ivybridge (27/1758/11/F)	07/10/16	None	OSSR Contribution	(195)			(195)			(195)
2994	Land SE of Torhill Farm, Ivybridge (27_57/1347/14/F)	19/07/2017 to 17/01/20	None	OSSR contribution - Filham Park	(430,581)			(430,581)			(430,581)
3000	Land at Woodland Road, Ivybridge (27/1859/15/F)	31/10/17 & 04/12/18	10 Years	OSSR contribution	(153,398)			(153,398)			(153,398)
3000	Land at Woodland Road, Ivybridge (27/1859/15/F)	04/12/18	10 Years	OSSR contribution - Open Space and Play	(37,220)			(37,220)	31,712		(5,509)
3224	Cornwood Road, Ivybridge - 2208/16/FUL *	03/10/19	5 years	OSSR contribution - Off-Site Open Space	(46,540)			(46,540)			(46,540)
3282	Land at Cornwood Road Ivybridge (Phase 2) -3954/17/Ful	21/01/21 & 27/01/21 & 30/11/20	10 Years	OSSR contribution	(138,300)			(138,300)		35,000	(103,300)
2806	Maypool House Youth Hostel (30/2787/10/F) - Dwelling Two	10/02/16	None	OSSR contribution	(5,386)			(5,386)			(5,386)
2715	Harvey's Field, Loddiswell (32/0844/12/F)	04/03/15	10 years, payable at 87.5% to owner and 12.5% payee of contribution, interest at 1% below Barclays base rate	OSSR contribution - Sports facilities	(472)			(472)			(472)
2944	Land at Moorview, Marldon (34/2184/13/O)	07/07/17	10 years, interest at 1% below Barclays base rate	Sports and Recreation Contributions	(18,093)			(18,093)			(18,093)
2944	Land at Moorview, Marldon (34/2184/13/O)	07/07/17	10 years, interest at 1% below Barclays base rate	Offsite play Contribution	(60,940)			(60,940)			(60,940)
3089	West Palm Cross Phase 2 (S106 -1391/18/F)	17/02/2020 & 18/08/2020	10 Years	OSSR Sport contribution	(9,936)			(9,936)			(9,936)
2999	Land at The Fairway,Newton Ferrers - 1372/16/FUL	19/09/19	10 Years	Open Space and Recreation	(8,577)			(8,577)			(8,577)
2954	Yealm Hotel, Newton Ferrers (0607/17/FUL)	26/02/21	None	OSSR contribution - to be used for sports and play at Butts Park	(14,613)			(14,613)			(14,613)
2460	Loughrigg Coronation Rd,Salcombe (41/0652/11/F)	20/08/13	10 years	OSSR contribution	(3,151)			(3,151)	700	2,451	0
2786	Tremels, Herbert Road, Salcombe (41/0929/13/F)	21/10/14	25 years, no interest specified	OSSR contribution	(4,368)			(4,368)			(4,368)
2766	Bonfire Hill, Salcombe (41/1915/13/F) *	27/09/2016, 11/11/17 & 09/01/2020	5 years, interest at 1% below Barclays base rate	OSSR contribution - Open Space and Play	(3,610)			(3,610)			(3,610)
2716	Bonfire Hill, Salcombe (41/1915/13/F) *	27/09/2016 to 09/01/2020	OSSR contribution - Sports provision	Sports Provision contribution	(50,404)			(50,404)			(50,404)
2716	Bonfire Hill, Salcombe (41/1915/13/F) *	27/09/2016 to 09/01/2020	OSSR contribution - Open Space and Play maintenance	Open Space and Play maintenance contribution	(4,367)			(4,367)			(4,367)
3132	Former Gas Works, Salcombe (0362/16/FUL)	24/01/19	10 Years	OSSR contribution - towards The Berry	(14,177)			(14,177)			(14,177)
3466	The Smithaleigh Hotel (3043/18/FUL)	06/04/21	5 years	100% OSSR contribution - towards Erme Valley Playing Field, Ivybridge and/or provision of an all-weather pitch at ICC	(5,777)			(5,777)			(5,777)
3385	Paignton Road Stoke Gabriel - 52/1503/15/F	14/10/20	7 years	OSSR contribution - improve sports facilities Stoke Gabriel	(49,346)			(49,346)	5,434		(43,912)
3421	Marians Maples, Stoke Gabriel (52/2081/15/F)	10/02/2021, 15/6/21 & 25/10/21	10 Years	Open Space Sport Recreation contribution	(12,555)			(12,555)	6,176		(6,379)
2717	Old Grist Mill 53/1706/07/F	12/01/15	None	Open Space Sport Recreation contribution	(1,303)			(1,303)			(1,303)
2802	Riverside, Totnes (03_56/0447/12/O)	07/12/15	None	Open Space Sport Recreation contribution	(63,271)			(63,271)		20,000	(43,271)
2820	Follaton Oak, Totnes (56/2346/10/O)	15/04/16	7 years, interest at 1% below Barclays base rate	Open Space, Sport and Recreation contribution (£60k)	(13,172)			(13,172)		13,172	0
2894	Land at Ashburton Road (Meadowside), Totnes (14_56/2246/1)	16/06/17	5 years, interest at NatWest base rate	OSSR contribution - Sports Pitch	(11,431)			(11,431)		11,431	0
2945	Knighton Road, Wembury (58/1352/12/F) *	28/06/19	5 years, interest at NatWest base rate	Foot Path contribution - for construction and maintenance of footpath land	(95,000)			(95,000)			(95,000)
2945	Knighton Road, Wembury (58/1352/12/F) *	28/06/19	5 years, interest at NatWest base rate	Foot Path contribution - £9600 to be transferred to National Trust.	(9,600)			(9,600)			(9,600)
2972	Home Field, West Alvington (59/2482/14/F) *	05/09/17	7 years from payment	OSSR Play Contribution	(9,262)			(9,262)			(9,262)
2972	Home Field, West Alvington (59/2482/14/F) *	05/09/17	7 years from payment	OSSR contribution	(26,301)			(26,301)	6,075		(20,226)
3487	Former Royal Oak, Bigbury (2873/18/FUL)	15/04/21	5 years	OSSR contribution - only to be used towards improvements to open space and recreation facilities at St Ann's Chapel Recreation Ground.	(8,336)			(8,336)			(8,336)
3488	Gabriel Court Hotel - 3903/16/FUL	06/07/21	10 Years	50% OSSR Contribution towards play facilities at Orchard Play Area, Memorial grounds or a new games area within the parish.	(1,777)	(32,486)		(34,263)			(34,263)
3489	129 Fore Street Kingsbridge (3552/18/FUL)	11/06/21	10 Years	OSSR contribution - Towards improvements of Duncombe park	(9,263)			(9,263)	7,838		(1,425)
3500	S106 - Land at Loddiswell Primary (1468/19/FUL)	27/05/21	None	OSSR contribution - Improvement of Butts Playing Field,Loddiswell.	(15,746)			(15,746)			(15,746)

Classif. Code	Site	Date Received	Restriction/Committed End Date	Conditions	Opening S106 Balance 2023/24	Received in Year 2023/24	Monitoring Fee Deducted 2023/24	Total available to be Spent	Total spend to date	Commitments	Forecast Closing Balance
					£	£	£	£	£	£	£
3521	S106 Land off Belle Hill, Kingsbridge (0299/17/OPA)	02/08/2021 & 14/2/22 & 8/11/22 & 3/4/23	10 Years	OSSR contribution - Improvements to sports facilities at Kingsbridge RFC	(209,194)			(209,194)			(209,194)
3526	Blindwells, Hyneton Rd, Strete (2954/20/VAR)	15/07/21	None	OSSR contribution - improvements at Strete Play Park, Strete Village Green and/or Blackbird Wood	(12,035)			(12,035)	5,000		(7,035)
3377	Land At SX 651 560 Filham Ivybridge (3703/18/OPA)	28/09/21	10 Years	50% Phase 1 Sports Contribution - detailed off site	(98,186)	(174,233)		(272,419)			(272,419)
3557	Parsonage Farm, Newton Ferrers (3139/16/OPA)	13/12/21	7 years	Open Space Off Site contribution	(34,102)			(34,102)			(34,102)
3377	Land At SX 651 560 Filham Ivybridge (3703/18/OPA)	06/05/22	10 years	Biodiversity contribution	(28,189)			(28,189)			(28,189)
3623	St Ann's Chapel Bigbury (4097/16/OPA)	30/08/22	None	OSSR Sports Play facilities contribution	(36,711)			(36,711)			(36,711)
3624	Land adj Fairfield South Brent (DNP 0346/18)	31/05/22	5 years	OSSR Public Open Space contribution	(11,291)			(11,291)	11,291		0
3626	Venn Farm Brixton (1825/16/OPA)	18/11/2022, 03/07/23	None	OSSR contribution	(76,198)			(76,198)			(76,198)
3634	Coco's Nursery Totnes (56/2221/15/O)	06/06/22	10 years	OSSR contribution	(10,530)			(10,530)			(10,530)
3651	Siding Cross Wrangaton (1317/16/OPA)	12/07/22	7 years	OSSR Sports & Recreation contribution	(74,546)			(74,546)			(74,546)
3654	Spion Lodge Salcombe (41/1023/15/F)	06/07/22	7 years	OSSR Sports & Recreation contribution	(21,449)			(21,449)			(21,449)
3670	Lower Poole Farm E Allington (0084/18/FUL)	01/08/22	10 years	OSSR Sports & Recreation contribution	(15,706)			(15,706)	9,585		(6,121)
3678	The Oaks Pinewood Dr Woolwell (1954/18/OPA)	22/09/22	10 years	OSSR Sports & Recreation contribution	(161,100)			(161,100)		80,000	(81,100)
3702	White Parks Farm, Moreleigh (3228/19/FUL)	24/11/22	5 years	OSSR Sports & Recreation contribution	(15,830)			(15,830)	640		(15,190)
3743	Hi Ho Malborough (1391/16/OPA)	23/03/23	10 years	50% OSSR	(5,256)	(5,668)	283	(10,641)			(10,641)
3737	Little Cotton Farm - Phase 1 (15 51/1710/14/O)	28/04/23	5 years	50% Multi use games area	(202,042)			(202,042)			(202,042)
3737	Little Cotton Farm - Phase 1 (15 51/1710/14/O)	28/04/23	5 years	50% Multi use games area Commuted - Maintenance	(29,477)			(29,477)			(29,477)
3737	Little Cotton Farm - Phase 1 (15 51/1710/14/O)	28/04/23	5 years	50% Park & Ride	(33,455)			(33,455)			(33,455)
3778	Rutt Lane Saxon Gate, Ivybridge (57/2472/14/O)	09/05/23	5 years	OSSR contribution	0	(338,794)		(338,794)			(338,794)
3806	Land adj Southway Marine Drive, Bigbury (3743/18/FUL)	17/07/23	None	OSSR contribution	0	(9,376)	469	(8,907)			(8,907)
3852	Greenslade Rd Blackawton (1978/17/FUL)	06/11/23	5 years	OSSR contribution	0	(23,089)	1,154	(21,935)			(21,935)
					(2,930,025)	(583,646)	1,907	(3,511,764)	94,937	162,054	(3,254,773)
Healthcare											
3691	Sawmills, Dartington (3841/20/OPA)	00/01/00	5 years	Healthcare contribution	0	(24,048)		(24,048)			(24,048)
					0	(24,048)	0	(24,048)	0	0	(24,048)
Homes and Built and Natural Environment Delivery Plan											
Affordable Housing											
2819	Churchstow (11/0046/14/F)	29/04/16	None	Affordable Housing contribution - deposit deed	(19,689)			(19,689)		19,689	0
2839	Gara Rock Hotel, East Portlemouth (20/2104/13/F)	17/05/16	None	Affordable Housing contribution	(318,151)			(318,151)		318,151	0
2846	Gara Rock Hotel (3586/16/FUL)	07/11/18 & 22/02/19	None	Affordable Housing contribution	(200,000)			(200,000)		83,046	(116,954)
2846	Cornwood Road, Ivybridge - 2208/16/FUL *	03/10/19	5 years	Affordable Housing Contribution	(167,200)			(167,200)		167,200	0
2860	Plot 2 Godwell Lane, Ivybridge (27/1758/11/F)	07/10/16	No restriction/committed end date	Affordable Housing contribution	(1,335)			(1,335)		1,335	0
2806	Maypool House Youth Hostel (30/2787/10/F) - Dwelling Two	10/02/16	None	Affordable Housing contribution	(36,047)			(36,047)		36,047	0
2411	Maypool House Youth Hostel (30/2787/10/F) - Dwelling One	20/03/12	No restriction/committed end date	Affordable Housing contribution	(32,416)			(32,416)		32,416	0
3101	Land at Pendarves Loddiswell (S106 -32/1722/15/F)	31/07/18	10 Years	Affordable Housing Contributions	(13,017)			(13,017)		13,017	0
3454	Yealm Hotel, Newton Ferrers (0607/17/FUL)	26/02/21	None	Affordable Housing Contribution	(124,169)			(124,169)		124,169	0
2460	Loughrigg Coronation Rd, Salcombe (41/0652/11/F) *	20/08/13	10 years	Affordable Housing contribution	(91,714)			(91,714)		91,714	0
2838	Treetops, St Dunstons Road, Salcombe (41/3063/13/F) *	30/06/16	5 years, interest at Lloyds base rate	Affordable Housing contribution	(13,666)			(13,666)		13,666	0
2705	Trennels, Herbert Road, Salcombe (41/0929/13/F)	21/10/14	25 years	Affordable Housing contribution	(88,781)			(88,781)		88,781	0
3132	Former Gas Works, Salcombe (0362/16/FUL)	24/01/19	25 Years	Affordable Housing contribution	(53,611)			(53,611)			(53,611)
2869	Waddeton Barton Farm (52/1249/10/F)	14/09/17	None	Affordable Housing contribution	(49,697)			(49,697)		49,697	0
2802	Riverside, Totnes (03 56/0447/12/O)	07/12/15	None	Affordable Housing contribution	(27,384)			(27,384)		27,384	0
2691	Warland Garage (66/2793/11/F & 56/1520/12/F)	04/08/14	25 years, no interest specified	Affordable Housing contribution	(664)			(664)		664	0
3523	Millpool, Coombe Shute, Stoke Gabriel (52/2477/15/F)	21/07/21	5 Years	Affordable Housing contribution	(103,867)			(103,867)			(103,867)
3630	Tides Reach Hotel Salcombe (2826/15/FUL)	19/05/2022 & 26/7/22	None	Affordable Housing contribution	(469,045)			(469,045)		469,045	0
					(1,810,452)	0	0	(1,810,452)	0	1,536,020	(274,432)
Ecology											
2716	Bonfire Hill, Salcombe (41/1915/13/F) *	16/04/15	5 years, interest at 1% below Barclays base rate	Ecology contribution	(58,401)			(58,401)			(58,401)
					(58,401)	0	0	(58,401)	0	0	(58,401)
Tamar SAC											
3745	Little Acres Yealmpton (3931/21/FUL)	20/04/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	(248)			(248)			(248)
3782	Land at SX 5820 50520, Yealmpton (0663/21/FUL)	31/05/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(507)		(507)			(507)
3784	Land between 19 & 21 Clayman's Pathway, Ivybridge (1944/14)	06/06/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(553)		(553)			(553)

Classif. Code	Site	Date Received	Restriction/Committed End Date	Conditions	Opening S106 Balance 2023/24	Received in Year 2023/24	Monitoring Fee Deducted 2023/24	Total available to be Spent	Total spend to date	Commitments	Forecast Closing Balance
					£	£	£	£	£	£	£
3817	The Paddock, Modbury (2953/19/FUL)	07/07/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(626)	45	(581)			(581)
3825	Heavilands Farm, Westlake (0968/22/PDM)	19/07/23		2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(519)	45	(474)			(474)
3844	Meadow View Plympton (4237/18/FUL)		None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(1,033)		(1,033)			(1,033)
3845	Old Piggery Lee Mill (1863/21/PDM)	19/10/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(552)		(552)			(552)
3848	West Pitten Plympton (2137/23/FUL)	19/10/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(507)	0	(507)			(507)
3849	The Oyster Shack Bigbury (3992/21/FUL)	26/10/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(539)	45	(494)			(494)
3850	Traine Rd Wembury	27/10/23	None	2024 Plymouth sounds and Estuaries EMS recreation mitigation and management scheme	0	(544)	45	(499)			(499)
					(248)	(5,380)	180	(5,448)	0	0	(5,448)

Air Quality

2994	Land SE of Torhill Farm, Ivybridge (27_57/1347/14/F)	19/07/17	None	Air Quality contribution	(5,725)			(5,725)			(5,725)
					(5,725)	0	0	(5,725)	0	0	(5,725)

Ivybridge Mill Group

3028	Stowford Mill, Harford Road, Ivybridge (27/1336/15/F)	04/05/18	None	Ivybridge Mill Group Archives Contributions	(10,000)			(10,000)			(10,000)
					(10,000)	0	0	(10,000)	0	0	(10,000)

AONB Mitigation

3424	Noss Marina Bridge Road Kingswear (2161/17/OPA)	09/03/21	None	Quay Wall Research Contribution	(4,881)			(4,881)			(4,881)
3424	Noss Marina Bridge Road Kingswear (2161/17/OPA)	09/03/21	None	Intertidal Habitat Contribution	(43,930)			(43,930)			(43,930)
					(48,811)	0	0	(48,811)	0	0	(48,811)

TOTAL S106 DEPOSITS (WITH CONDITIONS)

(6,643,292) (613,074) 2,087 (7,254,280) 95,337 1,756,033 (5,402,910)

* These S106 deposits are in the process of being utilised and engagement has been undertaken with the developers to ensure the original objectives can be met and as such there is no risk of repayment.

S106 DEPOSITS (NO CONDITIONS)

3228	Rathvendon, Bigbury (1023)			No conditions	(7,313)			(7,313)			(7,313)
3236	Sedgewell Sands, Marine Drive			No conditions	(7,372)			(7,372)			(7,372)

TOTAL S106 DEPOSITS (WITH NO CONDITIONS)

(14,685) 0 0 (14,685) 0 0 (14,685)

S0803 Capital Grants Unapplied

	Fallapit House, East Allington			Affordable Housing	(87,125)			(87,125)			(87,125)
	Tesco Site, Kingsbridge				(30,000)			(30,000)	30,000		0

TOTAL CAPITAL GRANTS UNAPPLIED

(117,125) 0 0 (117,125) 0 30,000 (87,125)

TOTAL S106 DEPOSITS

(6,775,101) (589,026) 2,087 (7,362,041) 95,337 1,786,033 (5,480,671)

S106 Spend as at 31/10/23

S106 Agreement	Project name	Expenditure
Sawmills Field Dartington 14/1744/13/F	Dartington Rec Assoc Dartington Rec Assoc Comm Centre improve	3,811
Lower Poole Farm (0094/18/FUL)	East Allington UFC changing room porta cabins	9,585
Land adj Fairfield South Brent (DNP 0346/18)	Sanderspool Play Area S Brent	11,291
Woodland Road Harford Mews (1971/16/FUL)	Woodland Park improvements	31,712
Langeage Energy Centre - Landscape Fund (9/49/1020/98/1)	Woodlands Tree Maintenance	400
Home Field West Alvington (59/2482/14/F)	WAPV Village Hall improvements	6,075
Loughrigg, Salcombe (41/0652/11/F)	Parklife to undertake enhancements at Hangar Marsh 2	700
129 Fore Street Kingsbridge (3552/18/FUL)	Kingsbridge TC trampoline for Duncombe Park	7,838
Blindwells (2954/20/VAR)	Melro de Smithes Wood Pathway Improvement	5,000
White Parks Farm (3228/19/FUL)	Halwell and Moreleigh PC picnic bench at Moreleigh Recreation Ground	640
Sawmills Field, Dartington 14/1744/13/F	Dartington Sports Old Tennis Courts	6,676
Kings Orchard Paignton Rd SGabriel (52/1503/15/F)	Stoke Gabriel Cricket Club	1,360
Paignton Road (52/1503/15/F)	Stoke Gabriel Cricket Club Solar Panels	3,991
Paignton Road (52/1503/15/F)	Stoke Gabriel and Torbay Police FC Clubhouse Flooring	83
Marianis Maples (52/2081/15/F and 3421/19/VAR)	Stoke Gabriel and Torbay Police FC Clubhouse Flooring	6,176
		95,337

Report to: **Executive**

Date: **25 January 2024**

Title: **Quarter 1 and Quarter 2 Write-Off Report 2023/24**

Portfolio Area: **Cllr Julian Brazil – Leader of the Council**

Wards Affected: **All**

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

Date next steps can be taken: Upon the expiry of the call-in period: 5.00pm on Monday, 5 February 2024

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

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

RECOMMENDATIONS:

That the Executive:

- 1. Notes that, in accordance with Financial Regulations, the Section 151 Officer has authorised the write-off of individual debts totalling £100,891.81 as detailed in paragraph 3 of the report; and**
- 2. Approves the write-off of the individual debts totalling £52,754.20 as shown in Appendix A of the report.**

1. Executive summary

- 1.1 The Council is responsible for the collection of Council Tax, Non-Domestic Rate, overpaid Housing Benefit and Sundry Debt.
- 1.2 This report informs members of debt written-off for these revenue streams. Debt up to the value of £5,000 can be approved for write-off by the Section 151 Officer under delegated authority. Permission needs to be sought from the Executive to write-off individual debts with a value of more than £5,000. Members agreed a write-off policy in March 2023 which sets out the circumstances in which a debt is deemed to be irrecoverable. This includes insolvency cases and where the debtor is deceased or cannot be traced.

- 1.3 The report covers the period 1 April 2023 to 30 September 2023. The total amount of debt to be written-off is £153,646.01. The amount written-off for the corresponding two quarters of 2022/23, for all revenue streams, was £175,870.83.
- 1.4 One of the key outcomes of the Revenues and Benefits Service Review is the improvement of collection rates for Council Tax and Non-Domestic Rates and the report includes information about the amount of debt written-off by financial year as well as comparing collection performance against shire districts.
- 1.5 In 2022/23 the Council achieved a Council Tax collection rate of 98.6% which was significantly above the national average of 96% and the average for shire districts which was 97.2%. This performance placed South Hams District Council in the top quartile nationally.
- 1.6 For Non-Domestic Rates, our collection rate of 98% compares favourably to a national average of 96.8% and an average collection rate of 97.5% for shire districts. This performance places the Council in the second quartile nationally.

2. Background

- 2.1 The Council's sound financial management arrangements underpin the delivery of all the Council's priorities, including the commitment to provide value for money services. This report forms part of the formal debt write-off procedures included in these financial arrangements. The Executive agreed at its meeting of 2 March 2023 to adopt a Council Tax, Non-Domestic Rate (Business Rates) and Housing Benefit Overpayments write-off policy to ensure transparency and consistency in decisions regarding the writing-off of uncollectable debt.
- 2.2 The writing-off of debt which is irrecoverable is recognised as good practice by the Department for Levelling Up, Housing and Communities, the Chartered Institute of Public Finance and Accountancy and the Department for Work and Pensions. Debts are only considered for write-off after we have taken all available steps to collect them.
- 2.3 Whilst it is recognised that most of the income owed to the Council will be successfully billed or invoiced for and collected, there are a variety of reasons why debt will become irrecoverable and needs to be written-off. Debts will only be recommended for write-off once all options to recover and enforce them, as allowed for by the relevant legislation, have been exhausted.
- 2.4 Following the Revenues and Benefits Service Review, a new structure is in place with more focus on maximising both in-year and prior year income collection for council tax and business rates. As the team works through historic debt, it may be necessary to write-off debt due to the passage of time. This is only ever done

as a last resort and, in doing so, it enables the team to concentrate on the arrears we can recover. Alongside this there are now measures in place to ensure that debt isn't left to become 'aged' and we take further action in an appropriate and timely manner to meet the best interests of both the debtor and the Council.

3. Outcomes/outputs

Council Tax Write-Offs

- 3.1 The table below shows Council Tax debts which have been approved for write-off in Quarters 1 and 2 of the 2023/24 financial year by the Section 151 Officer under delegated powers. It also compares the cases and amounts against the corresponding quarters of the 2022/23 financial year.

Reason for write-off	No. of cases	2022/23 – amount written off (£)	No. of cases	2023/24 – amount written off (£)
Debtors who cannot be traced	3	700.10	60	33,428.33
Deceased	5	6,073.47	1	597.37
Insolvency	38	44,804.46	53	27,858.66
Small balance	59	2,797.65	5	105.79
Miscellaneous	0	0.00	1	344.33
Uncollectable old debt	2	708.59	53	20,323.56
Total	107	55,084.27	173	82,685.04

- 3.2 Whilst insolvency remains a significant contributory factor in increased write-off levels compared to the same period in 2022/23, the primary reason is the writing-off of historic debt for the reasons explained in paragraph 2.4.

Council Tax Write-Offs by financial year

- 3.3 The breakdown below details the write-offs by financial year. Our collection rate of 98.6% for 2022/23 was significantly above the Shire District Average of 97.2%.

Financial year	Amount written-off (£)	In-year Collection Rate	Shire District Average collection rate
Pre 2018/19	51,643.04	Various	Various
2018/19	3,821.78	98.2%	97.9%
2019/20	3,210.64	98.3%	97.7%
2020/21	4,914.77	97.8%	96.9%
2021/22	7,699.30	98.3%	97.2%
2022/23	7,997.05	98.6%	97.2%

2023/24	3,398.46		
Total	82,685.04		

Council Tax Write-Offs – over £5,000

3.4 Permission needs to be sought from the Executive to write-off individual debts with a value over £5,000. As this information is confidential, the full details are contained in the exempt appendix. The high-level detail is as follows:

Case 1

Amount – £6,458.99

Reason for write-off – deceased.

Case 2

Amount – £5,655.25

Reason for write-off – no trace.

Case 3

Amount – £2,464.85

Reason for write-off – bankruptcy.

Case 4

Amount – £3,391.17

Reason for write-off – bankruptcy.

Case 5

Amount – £3,066.27

Reason for write-off – bankruptcy.

Case 6

Amount – £6,885.35

Reason for write off – Individual Voluntary Arrangement.

The amounts requested for write off by financial year are as follows:

Financial year	Amount to be written off (£)	In-year collection rate	Shire District Average collection rate
Pre 2018/19	16,141.89	Various	Various
2018/19	2,029.65	98.2%	97.9%
2019/20	3,418.79	98.3%	97.7%
2020/21	2,638.38	97.8%	96.9%
2021/22	1,748.92	98.3%	97.2%
2022/23	1,944.45	98.6%	97.2%
Total	27,922.08		

Non-Domestic Rates Write-Offs – under £5,000

- 3.5 The table below shows debts under £5,000 which have been approved for write-off in quarters 1 and 2 of the 2023/24 financial year by the Section 151 Officer under delegated powers. It also compares the number of cases and amounts against the corresponding quarters for the 2022/23 financial year.

Reason for write-off	No. of cases	2022/23 – Amount written-off (£)	No. of cases	2023/24 – Amount written-off
Debtors who cannot be traced	0	0.00	0	0.00
Deceased	0	0.00	1	947.25
Insolvency	11	16,244.13	3	7,339.01
Small balance	6	43.48	0	0.00
Miscellaneous	0	0.00	0	0.00
Uncollectable old debt	4	7,142.70	0	0.00
Total	21	23,430.31	4	8,286.26

- 3.6 The primary reason for writing off Non-Domestic Rate debt remains insolvency, however the amount has reduced by just under half when compared to the same quarters for the 2022/23 financial year.

Non-Domestic Rate Write-Offs under £5,000 by financial year

- 3.7 The breakdown below details write-offs by financial year and compares our in-year collection rate against the average for shire districts.

Financial year	Amount written-off (£)	In-year collection rate	Shire District average
Pre 2018/19	947.25	Various	Various
2018/19	0.00	98.4%	98.4%
2019/20	0.00	98.7%	98.3%
2020/21	0.00	91.7%	95.0%
2021/22	624.07	98.1%	97.0%
2022/23	1,166.07	98.0%	97.5%
2023/24	5,548.87		
Total	8,286.26		

- 3.8 There are no Non-Domestic Rate cases requiring approval from Members to write-off.

Housing Benefit Overpayments Write-Offs under £5,000

3.9 The table below shows debts under £5,000 which have been approved for write-off in quarters 1 and 2 of the 2023/24 financial year by the Section 151 Officer under delegated powers. It also compares the number of cases and amounts against the same quarters in 2022/23.

Reason for write-off	No. of cases	2022/23 – Amount written-off (£)	No. of cases	2023/24 – Amount written-off (£)
Insolvency	0	0.00	1	466.72
Deceased	7	0.00	1	129.22
Small balance	7	12.88	6	73.64
Uncollectable old debt	5	325.37	2	1,915.38
Non-recoverable	6	5,354.52	16	3,967.05
Total	25	5,692.77	26	6,552.01

3.10 There has been an increase in the amount written-off in comparison to the same quarters for 2022/23, although the overall total remains small. It is good to note that there has been a reduction in the amount of non-recoverable debt written-off. These are cases where there has either been 'local authority error' or 'DWP error'. The overpayment is not legally enforceable and we therefore have no choice other than to write this off. Of the total amount of £3,967.05 it should be noted that £579.08 related to DWP error.

Housing Benefit Overpayments Write-Offs over £5,000

3.11 Permission needs to be sought from Executive Committee to write-off individual debts with a value of over £5,000. Details of two cases are included in exempt Appendix A.

Case 1

Amount – £7,671.50

Reason for write-off – deceased.

Case 2

Amount – £17,160.62

Reason for write-off – non-recoverable.

Sundry Debt Write-Offs under £5,000

3.12 The table below shows debts under £5,000 which have been approved for write-off in quarters 3 and 4 of 2022/23 by the Section 151 Officer under delegated powers. It also compares the number and cases and amount to the same quarters in 2022/23.

Reason for write-off	No. of cases	2022/23 – Amount written-off (£)	No. of cases	2023/24 – Amount written-off (£)
Debtors who cannot be traced	0	0.00	5	1,257.30
Other	0	0.00	1	2,111.20
Uneconomical to collect	25	3,459.59	0	0.00
Total	25	3,459.59	6	3,368.50

3.13 A similar amount of sundry debt was written-off in quarters 1 and 2 of the 2023/24 financial year.

3.14 There are no debts over £5,000 requiring approval from Members to write off.

4. Options available and consideration of risk

4.1 The Executive can either approve the debt being written-off or not. Should the write-off of an individual debt not be approved, it will remain on the relevant system as an outstanding balance. In cases of insolvency there is no other option available to the Council other than to write-off the debt.

4.2 If the debt remains on the system, it may result in additional time and cost spent pursuing the debt when there is no realistic prospect of collection. This is an inefficient use of the Council's staffing resources.

5. Proposed Way Forward

5.1 The Executive approves the write-off of individual debts of more than £5,000 as detailed in Appendix A.

5.2 The Executive notes the debts under £5,000 approved for write-off by the Section 151 Officer under delegated powers.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		The relevant billing, collection and recovery processes are governed by statutory provisions linked to the type of debt. Debts will be written off in accordance with the Council's Financial Procedure Rules, the Council Tax, Non-Domestic Rate

		<p>(Business Rates) and Housing Benefit overpayments write-off policy and any legislation relevant to the type of debt. All relevant enforcement remedies will be pursued before a recommendation to write-off is made.</p> <p>The relevant powers for this report are contained within the following legislation.</p> <p>Section 151 Local Government Act 1972 Section 44 Local Government Finance Act 1988 Section 14 Local Government Finance Act 1992</p>
Financial implications to include reference to value for money		<p>A clear process for the writing-off of irrecoverable debt represents effective financial management practice. To continue to pursue debt when it is no longer cost effective to do so is an inefficient use of resources. Provision for bad debts is made in the Council's accounts.</p> <p>The Executive notes that, in accordance with Financial Regulations, the Section 151 Officer has authorised the write-off of individual Council debts totalling £100,891.81 as detailed in paragraph 3.</p> <p>It is recommended that the Executive approves the write-off of the debt more than £5,000 for £52,754.20, as detailed in the exempt Appendix A. The total debts to be written-off are £153,646.01.</p>
Risk		<p>The Council Tax, Non-Domestic Rate (Business Rates) and Overpaid Housing Benefit write-off policy provides assurance regarding controls and the operational process in recovering debt. It should be recognised, however, that due to the volume, value and nature of annual debt due to the Council there will always be irrecoverable amounts which will be recommended for write-off once all enforcement remedies have been exhausted.</p> <p>A provision for bad debts is made in the Councils' accounts. The debt recovery policy and the write-off policy and supporting procedures are in place to minimise risk.</p>
Supporting Corporate Strategy		Delivering efficient and effective services.
Consultation & Engagement Strategy		There is no requirement to consult.
Climate Change - Carbon /		No direct carbon/biodiversity impact arising from the recommendations.

Biodiversity Impact		
Comprehensive Impact Assessment Implications		
Equality and Diversity		All enforcement action prior to writing-off debt is undertaken in accordance with the relevant legislation and accepted procedures. The Council's approach to dealing with debtors remains fundamentally unchanged, however through formalising policy and procedures we are better able to engage with debtors who have potentially tried to ignore their debts
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		A bad debt provision is built into the financial management of the Council.

Supporting Information

Appendices:

EXEMPT Appendix A: Individual Debts proposed for Write-Off.

Background Papers:

None

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

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